

Modern Slavery

Statement 2023

This Modern Slavery Statement has been produced for AAPC Limited, AAPC Properties Pty Ltd, Saville Hotel Group Pty Ltd and Accor Australia and New Zealand Hospitality Pty Ltd (together referred to as **Accor Pacific**) and supports the reporting requirements of the Modern Slavery Act 2018 (Cth). With the exception of a few companies directly owned by Accor SA (**Accor**), a company listed on the French stock exchange, AAPC Limited is the parent company of Accor owned subsidiaries including AAPC Properties Pty Ltd, Saville Hotel Group Pty Ltd and Accor Australia and New Zealand Hospitality Pty Ltd in the Pacific region. These are the only AAPC Limited owned entities which met the reporting threshold requirement under the Modern Slavery Act 2018 (Cth) in 2023. This report has been prepared in consultation with each reporting entity.

This Statement outlines how Accor Pacific acted to reduce modern slavery and human trafficking risks in its operations and supply chains from 1 January 2023 to 31 December 2023.

Accor Pacific and modern slavery



Message from the

CHIEF OPERATING OFFICER

Modern slavery will never be tolerated at Accor.

Not in our rooms, our spaces, our workplaces, our supply chains, our products or in anything we do.

The team and I are proud to play a role in making an impact on human rights in the Pacific, an area Accor has operated in for over 30 years. Our commitment to strive to do even more never changes. The scourge of modern slavery means that we will work every day in the pursuit of its eradication.

Across the Pacific, our commitment to respecting human rights, in everything we do continues to be paramount. Our ongoing vision to be an inclusive company where our people, our guests, our partners and our communities feel welcome, safe and cared for, has never been more important.

Across Accor, and in all our Pacific workplaces, our Heartist culture is built on strong foundations of inclusion and authenticity.

We are obsessed with human connection.

Modern slavery is the opposite of this. Modern slavery devalues people and it will never be tolerated or welcome at Accor. Accor Pacific has a zero tolerance for modern slavery and any of its associated behaviours in our operations and throughout our supply chains.

This report sets out our work this year and our future commitments to eradicate modern slavery from our environments and supply chains.

Because nothing is more important than the respect of everyone's fundamental human rights to dignity, equality, and liberty.

Adrian Williams
Chief Operating Officer, Accor Pacific



GOALS WE MET IN 2023

- The Modern Slavery Policy was updated and reissued along with a practical guide for managed hotels "Modern Slavery Guidance for Managed Hotels".
- Significant efforts were directed at ESG training in Corporate offices and Hotels. Corporate teams were required to undertake a further 3.5 hours of School for Change training. General Managers were required to undertake the six hours of School for Change training undertaken by Corporate staff previously. ESG Webinars were made available to all supervisory and front line staff in hotels.
- A new ESG reporting tool GAIA 2.0 was introduced that will track ESG performance across all Accor hotels globally.
- Regular meetings with owners and their representatives outlining Accor's ESG strategies and forward plans were held throughout the year.
- The new Responsible Procurement Charter was rolled out to the business.



ACCOR'S HUMAN RIGHTS COMMITMENTS

- Be an inclusive company and ensure the welfare of our people.
- Encourage our guests to act as multipliers of the positive effects of our actions.
- Establish a lasting relationship with our partners, who share our commitments and are working with us to produce innovative solutions that have a positive impact.
- Work hand-in-hand with local communities, because our commitment does not end at the hotel door.





ACHIEVEMENTS IN 2023

- The new Responsible Procurement Charter was issued. The Modern Slavery policy was updated and a new document “Modern Slavery Guidance for Managed Hotels” was issued.
- Significant ongoing ESG / CSR training across a wider stakeholder group across the business through the School for Change model.
- Regular in person and webinars held for corporate and hotel staff on Accor’s ESG strategy in practice and its implementation in hotels.
- Successful implantation of the ESG tracking tool GAIA 2.0 in over 85% of hotels.
- Six Queensland hotels Sustainable Tourism Certified with a target of 175 hotels to be certified by the end of 2024.
- Accor globally co founded the Hospitality Alliance for Responsible Procurement (HARP).



OUR STRUCTURE, OPERATIONS AND SUPPLY CHAINS

ACCOR — A GLOBAL LEADER IN AUGMENTED HOTEL SERVICES

At Accor, we offer guests and local people new ways to live, work and play by blending accommodation with food and drink, nightlife, wellbeing and co-working facilities.

Accor's portfolio also includes the AccorPlus and program, digital hospitality solutions, loyalty programs, Accor-managed airport lounges for Qantas and corporate concierge operations for commercial buildings.

The largest hotel operator in this region, Accor Pacific provides hotel and hospitality services throughout Australia, New Zealand, Fiji, French Polynesia and Hawaii.

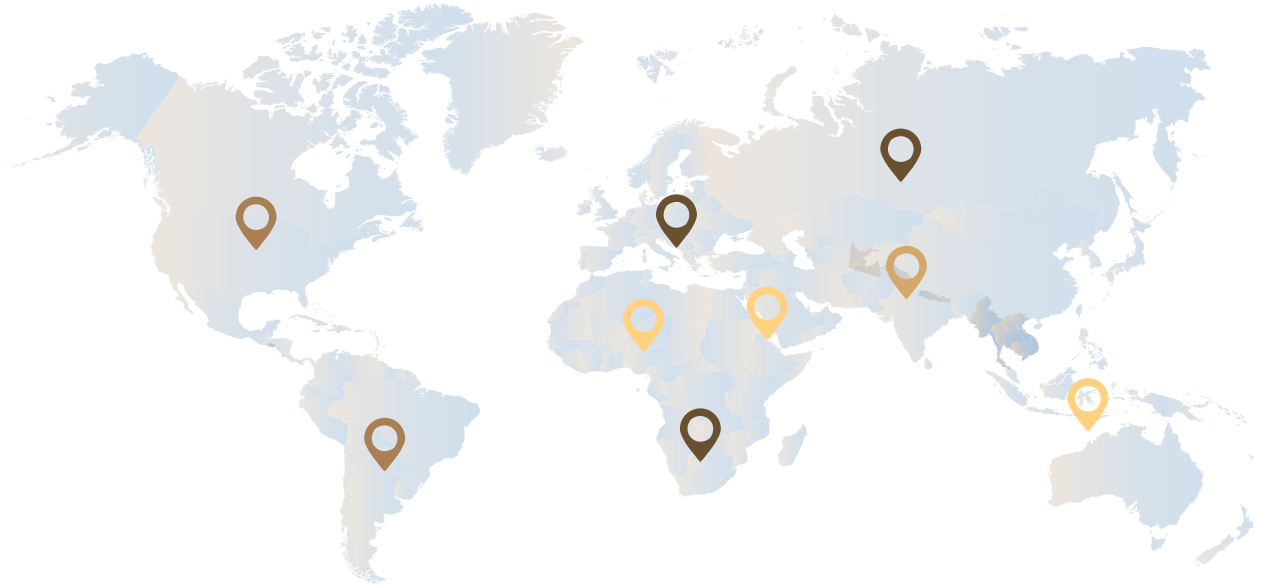
We follow Accor's operating structures for hotels – franchise agreements, management rights schemes (strata hotels), management contracts, leases and ownership.

AAPC Properties Pty Ltd, Saville Hotel Group Pty Ltd and Accor Australia and New Zealand Hospitality Pty Ltd are wholly owned subsidiaries of AAPC Limited. AAPC Limited's ultimate holding company is Accor SA, a listed company in France.



We are a World-leading Hotel Operator

Across two dedicated divisions



44%*

EUROPE & NORTH AFRICA

LUXURY & LIFESTYLE

25% rooms

180+ HOTELS
28,000+ ROOMS

PREMIUM, MIDSCALE & ECONOMY

47% rooms

2,900+ HOTELS
326,000+ ROOMS

13%*

AMERICAS

LUXURY & LIFESTYLE

28% rooms

105+ HOTELS
31,500+ ROOMS

PREMIUM, MIDSCALE & ECONOMY

10% rooms

450 HOTELS
72,700+ ROOMS

13%*

GREATER CHINA

LUXURY & LIFESTYLE

10% rooms

36 HOTELS
10,800 ROOMS

PREMIUM, MIDSCALE & ECONOMY

14% rooms

580+ HOTELS
94,000 ROOMS

30%*

MIDDLE EAST, AFRICA & ASIA PACIFIC*

LUXURY & LIFESTYLE

37% rooms







170+ HOTELS
41,000+ ROOMS

PREMIUM, MIDSCALE & ECONOMY

29% rooms

990+ HOTELS
200,000 ROOMS

Figures at end June 2023. % Figures = geographic breakdown in nb of rooms. * Excluding Greater China.

	 BRANDS	 COUNTRIES	 HOTELS	 ROOMS	 EMPLOYEES	 GUESTS (DAILY)
WORLDWIDE	45+	110	5,580+	821,000	330,000+	625,000
PACIFIC	18	4	406	63,784	21,000+	30,000

ACCOR PACIFIC BRANDS - ECONOMY TO LUXURY

LUXURY AND PREMIUM



MIDSCALE AND ECONOMY



LOYALTY PROGRAMS



ACCOR PACIFIC HOTELS



COMPLEX SUPPLY CHAINS

As part of a global organisation, Accor Pacific's supply chains cross multiple borders and jurisdictions to source the products and services we need. This exposes us to local and international human rights risks, including all aspects of modern slavery.

This is one reason we prefer long-term, stable supplier relationships over ad hoc, short-term arrangements. Forming ongoing supplier partnerships means we can build mutual trust and positively influence their behaviour.

PURCHASING PROCESSES

Accor Pacific hotel owners can buy products and services in two ways.

They can use Accor's Corporate Procurement system, which supports international and national contracts for both standardised products and those adapted to local needs. These 'nominated purchases' are made through Accor Pacific's Procurement offices and buyers in this region.

Nominated suppliers make up about half of Accor Group's purchases.

The other option is to buy from their own suppliers ('non-nominated' purchases).

Franchised hotels:

Franchisees and their hotel managers control hotel working conditions and purchasing arrangements, so Accor Pacific's involvement is indirect. However, they must comply with the franchise agreement terms, which include clauses about respecting human rights legislation and regulations in their operations and supply chains.

Owned, leased and managed hotels:

Accor Pacific is directly involved with their operation, but hotel owners can make independent decisions about whether to use nominated or non-nominated suppliers. Whichever approach they choose, they are contractually obliged to support our human rights commitments as part of their purchasing processes.

ACCOR'S PACIFIC SUPPLY CHAINS 2023



OUR APPROACH

WHAT IS MODERN SLAVERY?

According to the **Australian Modern Slavery Act 2018** (Cth), modern slavery includes slavery, human trafficking and the worst forms of child labour.

The Act also covers forced and compulsory labour, where a worker cannot refuse or stop work because they are being coerced, threatened or deceived. In some cases, they may be deprived of their personal freedom if, for example, the employer retains their passport.

A broader definition includes working conditions that condone or ignore underpayment, overwork and bullying in situations where workers feel they have no redress and are unable to leave.

In other words, modern slavery is any situation where a worker is being exploited, undermined or deprived of freedom.

Accor Pacific has zero tolerance for these behaviours. We have a comprehensive set of policies and processes to counter the direct and indirect risks of them occurring in our operations and supply chain.



WHY DOES MODERN SLAVERY MATTER TO US?

Modern slavery matters to us because making people feel valued is at the heart of everything we do at Accor Pacific. From our values and culture to our strategies, systems and operational choices every single day, we are obsessed with the joys of human connection. We value people.

We love people. We help people feel they belong at Accor Pacific – whether it's for one night or a lifelong career.

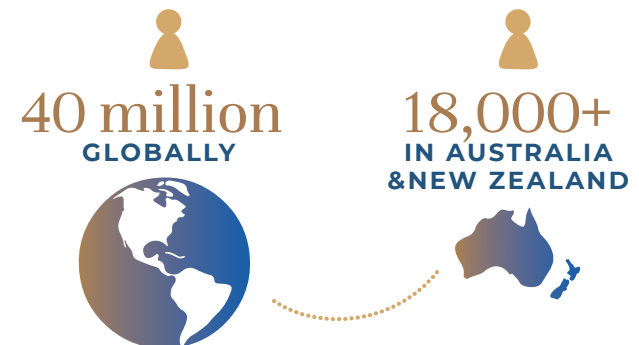
But modern slavery is the opposite of this. Modern slavery devalues people.

Modern slavery treats people as objects. It has no place in our organisation. Not in our rooms, our spaces, our workplaces, our supply chains, our products or in anything we do. At Accor Pacific we believe we have a responsibility to create the environments and cultures that help people be their best. So we will never give up striving to eradicate modern slavery from every corner of our world. We will never be complacent. This is simply who we are.

OUR PURPOSE



Number of people living in modern slavery



IDENTIFYING RISKS

Accor Pacific's modern slavery risks are both international and local. Our properties welcome millions of guests from all over the world each year, our industry is labour-intensive and largely local, and our supply chain is global, diverse and complicated.

We are also aware that, with products and services flowing into the Accor global network from our region, Accor Pacific's regional risk management activities could potentially impact properties across the Group.

Accor Pacific's risk management framework for modern slavery therefore brings together local and international laws and regulations, our commitment to international human rights principles and Accor's own expectations as a responsible business.

MODERN SLAVERY RISKS

The key to successful risk management is knowing what, where and how big the risks are. Thoroughly researching and identifying the scale and location of specific risks makes a major contribution to Accor's overall human rights risk management approach.

We rely on several international indices, tools and resources to provide the facts we need.



To help us pinpoint local risks, Accor Pacific also draws on:

- country and regional reports produced by regulatory bodies and non-government organisations such as Global Compact Network Australia
- feedback from our employee, guest and hotel reporting processes
- local knowledge and intelligence.

The Procurement department has designed a program to ensure that every supplier meets our expectations and set up different levels of control in line with the level of risk. Detailed risk mapping has been completed in conjunction with the Sustainability Department, in order to adapt procurement actions and suppliers monitoring to the categories' level of risk according to 5 criteria:

- Annual spend
- Environmental risk
- Social risk

- Client exposure / image
- Accor's leverage

Based on the the risk level, an action plan is defined for our 618+ suppliers:

- required adoption of the Responsible Procurement Charter
- assessment by EcoVadis for suppliers at risk (ie disposable products, flooring equipment)
- high and medium risk suppliers undertake the EcoVadis assessment. If a red flag is raised then they undergo on-site auditing (regardless of whether they are high or medium risk).

For each control, an action plan and a follow up are set-up. All contracts include ESG/CSR Clauses which commit the suppliers to conduct evaluations or audits if requested by Accor.

OUR BIGGEST RISKS

Accor Pacific's modern slavery risks arise from our hotel operations, corporate supply chain and hotel supply chain.

Our major risks are in the food and beverage categories, outsourced services (such as housekeeping and laundry) and manufacturing branded products.

ACCOR PACIFIC NETWORK	MODERN SLAVERY RISKS	AT-RISK SECTORS AND INDUSTRIES IN OUR SUPPLY CHAIN
<ul style="list-style-type: none"> Australia New Zealand Fiji French Polynesia Hawaii 	<ul style="list-style-type: none"> ● Forced or bonded labour ● Undeclared labour ● Child labour ● Child sexual exploitation ● Prostitution and pandering 	<ul style="list-style-type: none"> ● Human trafficking ● Exploiting migrant workers ● Underpayment ● Deceptive recruitment ● Excessive working hours
		<ul style="list-style-type: none"> ● Hotel and office construction ● Hotel and office operations ● Catering ● Horticulture ● Agriculture ● Food processing ● Technology ● Manufacturing

ASSESSING AND PRIORITISING RISKS

As part of Accor's Responsible Procurement Charter, Accor Pacific has identified 38 procurement categories and ranked them using five socio-economic risk criteria:

1. how much we spend
2. environmental risk
3. social risk
4. client exposure/image
5. Accor Pacific's leverage

To help us manage each category, we apply three levels of criticality: **Standard, Risk and High Risk.**

The level of risk determines the mitigation strategy we use.

RISK CATEGORIES

Meat & poultry
 Dairy, eggs, cheese
 Fresh fish, crustaceans, shellfish
 Baked goods
 Hot drinks
 Dry goods
 Ready-made meals
 Frozen food
 Disposable products
 Carpentry, cupboards, mobile partitions, mirrors
 Printing
 Air conditioning, ventilation, heating
 Hotel furniture (interior and exterior)
 Flooring equipment and materials
 Audiovisual equipment

HIGH RISK CATEGORIES

Beds, mattresses
 Contracted cleaning
 Guest amenities (in-room cosmetic products)
 Chemicals
 Security guards and services
 Uniforms
 Contractors/trades: masonry, earthwork
 Laundry, dry cleaning
 Restaurant linen, sheets and towels

PROTECTING CHILDREN — WATCH

Sex tourism crosses geographical, social and cultural borders and can involve the sexual exploitation of children. Accor has actively fought against this aspect of modern slavery for two decades.

In 2001, we were the world's first hospitality group to partner with ECPAT (End Child Prostitution, Pornography and Trafficking of Children for Sexual Purposes).

Accor is an active member of the World Tourism Network on Child Protection and has signed the World Tourism Organisation (WTO) Code of Conduct, which is supported by ECPAT and UNICEF. Its principles commit Accor and our business partners to:

- be extremely vigilant that minors are not being subjected to paedophile acts in any way that is associated with our businesses
- ensure our premises are not used for procuring children for sexual purposes or for producing, distributing or holding pornographic images of minors.

In 2014, Accor joined with ECPAT to design the WATCH (We Act Together for Children) program to help protect children from sexual abuse in our worldwide hotel network.

WATCH involves:

- working with local police and child welfare organisations
- raising employee and customer awareness of risk situations and what to do
- letting our suppliers and partners know about WATCH
- reporting cases of sex tourism involving children to the authorities.

In Australia, Accor Pacific worked with the local ECPAT representative, Child Wise, to develop a robust child protection framework for our businesses.

ACCOR PACIFIC'S APPROACH TO OUTSOURCED LABOUR

OUTSOURCED LABOUR — A MAJOR RISK

The majority of hotel employees are employed by the hotel owners. Some properties also use temporary workers and sub-contracted employees, particularly in peak periods, in labour-intensive areas such as laundry, housekeeping and gardening.

These people can fall outside Accor's direct influence when it comes to their employment terms, payment arrangements and working conditions.

We provide recommendations and policies, but it is the employers who accept or reject them - so we have checks and balances.

For example, we require suppliers and prospective franchisees, hotel owners and lessees aware of the Accor Ethics and CSR Charter before signing contracts with them and include in relevant contracts obligations to meet ethical sourcing requirements.

The contracts make suppliers responsible for their sub-contractors' ethical behaviour as well as their own.

Partners providing temporary or sub-contracted employees are also required to submit a quarterly statutory declaration confirming their workers have been paid in accordance with the relevant laws and awards.



MITIGATION POLICIES, TOOLS AND GOVERNANCE

Mitigating Accor Pacific's exposure to modern slavery risks involves:

- ✓ having a robust governance framework
- ✓ identifying and assessing actual and potential human rights impacts at a hotel, national and regional level
- ✓ integrating the findings across Accor Pacific so we can take a consistent, holistic approach
- ✓ strategically addressing the impacts through our Modern Slavery Policy and the Ethics and CSR Charter
- ✓ using the Responsible Procurement Charter to build modern slavery requirements into our supplier tendering, screening and engagement processes
- ✓ tracking suppliers' performance to ensure they continue to address modern slavery risks
- ✓ taking remedial, rectification and/or disciplinary action if we find any aspect of modern slavery in supplier operations
- ✓ communicating what we are doing to our stakeholders
- ✓ liaising with Accor head office to ensure regional aspects of modern slavery are addressed in global policies.

GOVERNANCE

GLOBAL

The Accor Group is an international organisation that respects different cultures but does not accept local customs as an excuse for unethical behaviour.

To promote consistency across brands and geographies, Accor's global modern slavery policies and approaches cascade through the organisation from corporate headquarters to regional business units.

The Accor Group Chairman and Chief Executive Officer sets the direction and endorses related policies such as the Ethics and CSR Charter. Executive Committee members implement and monitor the strategy regionally.

The Appointment, Compensation and CSR Committee oversees the Group's CSR obligations and advises

the Board. The Ethics and CSR Committee monitors performance and recommends changes. The Audit Compliance and Risks Committee and Central Risk Management Committee oversee the modern slavery aspects of risk mapping, mitigation and management.

The Ethics and CSR Committee was set up to Inform the Executive Committee about questions pertaining to Ethics and CSR, in order to better anticipate associated opportunities, challenges and risks;

- Issue recommendations on changes in human resources, risk management, human rights and sustainable development commitments;
- Monitor the implementation and performance of the Group's processes; Debate any issues related to managerial ethics or the conducting of business or any conflicts of interest;
- Analyse any shortcomings and introduce specific additional controls if needed.

All of Accor's activities fall within the framework of the Ethics and CSR (Corporate Social Responsibility) Charter applicable to the entire Group. All activities related to Procurement must therefore comply with this Charter, and Accor employees involved in these activities are under the obligation to know the content of the Charter.

With particular regard to the risks of corruption, the Group applies a zero-tolerance policy for the prevention and fight against corruption and has developed the following instruments and programs:

- The Anti-Corruption and Bribery Policy designed to enable employees to identify risk situations and to know how to react to such situations
- A Gift Policy, whose central principle is the absence of gifts in business relations, with limited and controlled exceptions and a principle of absolute prohibition of any gift in relations with public officials or similar
- A "KYC - Know Your Counterparty" process to ensure the quality of our partners and suppliers
- A professional alert system enabling any employee to report any situation that could put the Group or its employees at risk

- Financial and accounting procedures to prevent and identify possible fraud situations

ACCOR PACIFIC

The Directors take steps to make sure global policies are observed in the region and oversees local actions such as Accor Pacific's Modern Slavery Policy.

Each Vice President Operations, Regional / Area Manager and General Manager is responsible for making sure hotels observe these policies.

Accor Pacific's General Manager Procurement is ultimately responsible for ensuring suppliers carry out their contractual obligations to mitigate modern slavery.

MODERN SLAVERY POLICY

In 2023 the Modern Slavery Policy was updated and reissued together with a new document "Modern Slavery Guidance for Managed Hotels".

The Purpose of the Modern Slavery Policy is to ensure there is a framework in place which clearly identifies Accor's commitment to ending all forms of modern slavery in its supply chains as part of its wider commitment to being a responsible corporate citizen. The Policy applies to all corporate offices, owned and managed hotels and other relevant businesses. It operates hand in hand with the "Modern Slavery Guidance for Managed Hotels" and Accor Group's CSR and Ethics Charter and Responsible Procurement Charter.

The "Modern Slavery Guidance for Managed Hotels" document is a practical guide for hotel General Managers outlining all of the steps Accor is taking to identify Modern Slavery risk. It outlines all of the key Accor policies and practices, how to respond to commercial Requests for Proposals where they and concern hotels ESG and compliance frameworks. The Guidance document also sets out the actions an employee should take if they have a concern about a compliance, legal or ethical ESG or Modern Slavery related issue in their hotel.

ETHICS AND CSR CHARTER

Accor Group's Ethics and CSR Charter is a global document that outlines how we can be a genuinely responsible business that goes beyond complying with regulations and laws. Reflecting Accor Group's Values, the Charter helps employees to understand Accor's position on all CSR matters, including modern slavery.

It applies to the whole Accor family:

- Accor Group personnel worldwide — permanent and temporary employees, agents and representatives, subsidiaries and companies under our control

- permanent and temporary employees of hotels and properties managed under Accor brands
- Accor Group partners, including their customers and suppliers, as part of their contractual relations with the Accor Group.

The Charter is the foundation for all Accor's social responsibility policies and processes and guides our risk management activities. To help our people make the right choices, it includes real-life examples of situations they could encounter and how to handle them.

establishments within their ecosystem that Accor can offer a unique and sustainable experience to guests.

Eat – At present it is crucial to maintain control over the entire food chain “from farm to fork” in the hotel industry. The Group mobilises by actively working to optimise the traceability of its supply chain to reduce food waste and provide guests with an increasingly nature based , local and seasonal food offering.

Explore – Accor intends to offer its guests a new vision of travel which is more global, more contributive and more inclusive. This proposition translates to a hotel portfolio solidly anchored in local communities, raising guest awareness and respect for nature.

ACCOR SUSTAINABILITY FRAMEWORK



Accor's Sustainability Strategic Framework

Deploying a new Sustainability Strategic Framework

Integrated into the Group's business model , Accor's new sustainability strategy and framework seeks to shift the Group to a nature positive contributive model by 2030.

The science based sustainability strategy focuses on two fundamental areas **People and Nature** and is organised into three operational pillars **Stay, Eat and Explore**.

People – Tourism by its very existence is an industry driven by people. In 2023 according to the International Labour Organisation the tourism sector accounted for more than 7% of direct employment generated worldwide. In addition millions of jobs are indirectly generated by the sector. Tourism also plays a role as a social elevator for people with limited or no training. The transformation of Accor's operating model will

continue to promote upholding human rights as well as diversity and social inclusion.

The Group relies on the commitment of its teams and the strength of the collective (employees, partners customers and local communities) to carry out its activities whilst complying with fundamental rights and fully integrating sustainability throughout the organization.

Nature – Few sectors can boast having such close ties with nature. Because tourism takes place and thrives in nature and in finding inspiration to build hotels and nourish guests offering them opportunities to explore.

Thus preserving nature and natural resources at Accor is built around :

- The reduction of greenhouse gases emissions drawing on science based objectives;
- The preservation of water resources; and
- The protection and regeneration of land quality ecosystems and habitats.

It is by allocating the resources to continue to pursue its ambition that the Group can contribute to a “Nature Positive” world as defined by the International Union for Conservation of Nature (IUCN).

Three Operating Pillars: Stay, Eat, Explore

Stay – Hotels are places that bring people together, where they can stay , work and relax. It is by transforming operations and practices in banner hotels, while respecting the limits of our planet – from the design of facilities right through to the integration of

School for Change

In placing sustainability at the heart of its operating model Accor identified the need for training to bring its employees on its sustainability journey. The objective is to make employees aware of the causes and consequences of climate change by explaining in simple terms the science behind the sustainability strategy and framework.

In 2022 Accor implemented a global learning path offered on line and on mobile where every Heartist (Employee) can learn about the fundamentals of sustainability and find the right solutions to take actions. Understanding and grasping the complexity of these issues is essential to make employees the actors and leaders of change and to give them the keys to integrate these developments into the operational roadmaps of all departments.

Globally all head office employees were invited to attend School for Change, a mandatory six hour training course on the themes of climate change, biodiversity , the depletion of natural resources and their impact on human societies.

In 2023 new additions were made to the training module including;

- A new module focused on a better understanding of social commitments – Diversity, Equity, Inclusion and Human Rights
- Extending the training to Managed Hotel General Managers and
- A new module outlining Accor's sustainable development strategy.

WORKING WITH SUPPLIERS

12 RISK LEVEL 3 CATEGORIES

211 NOMINATED SUPPLIER CONTRACTS

43% OF PURCHASING VOLUME HIGH-RISK CATEGORIES

100% OF PURCHASING CONTRACTS INCLUDE RESPONSIBLE PROCUREMENT CHARTER CLAUSES

Our corporate and regional Procurement teams play an essential role in using Accor's purchasing power to mitigate the risk of modern slavery in our supply chains. Their responsibilities include:

- sharing Accor's human rights commitments with suppliers, contractors, sub-contractors and service providers
- working with suppliers to raise awareness of international standards on social conditions and relevant national and international regulations and laws
- applying rigorous supplier selection, assessment, rectification and disciplinary processes.

Managing risk across Accor's supply chains involves ensuring that not just direct suppliers, but their suppliers and sub-contractors, observe Accor's ethical purchasing requirements. Accor's global Responsible Procurement Charter helps our Procurement teams to do this.

The Charter formalises Accor's workers' rights and human rights principles and sets out expectations for how service providers and suppliers (and their suppliers) will apply them their workforces and operating environments.

To further strengthen suppliers' commitment to the same human rights principles as Accor, we updated our purchasing contracts templates in 2020 to include clauses that compel them to comply with not only the Responsible Procurement Charter but specifically ethical sourcing laws.

Their obligation to mitigate modern slavery risks and report breaches is clearly spelled out, along with the consequences of not doing so. The contract also authorises Accor Pacific to conduct associated assessments, audits and remedial action plans.

Every Accor Pacific supplier must sign the Responsible Procurement Charter and an updated contract which includes ethical sourcing requirements before we will engage or re-engage them.

To help them succeed, we have a supervision and follow-up plan that covers each stage: tender, selection, contracts, evaluation, audit, action plan and consequences. For more information, see the Assessing Effectiveness section on pages 15-16.



What we ask **SUPPLIERS TO DO**

MODERN SLAVERY RISK	SUPPLIER OBLIGATIONS	MODERN SLAVERY RISK	SUPPLIER OBLIGATIONS
Overall	<ul style="list-style-type: none"> ✓ Sign and comply with the Responsible Procurement Charter and the ethical sourcing clauses in the Accor supplier contract. ✓ Comply with national laws and international rules. ✓ Ensure its suppliers and sub-contractors also comply. ✓ Have technical, operational and organisational measures to monitor and identify modern slavery incidents and risks in its operations and supply chain. ✓ Record the origin of products and services and sub-suppliers. ✓ Train staff to recognise and report modern slavery risks and incidents. ✓ Investigate reported incidents and take disciplinary action if needed. ✓ Notify Accor Pacific of any actual or suspected incident. ✓ Develop and implement a response to the incident. ✓ The preferred approach for any non-conformities is to develop a Corrective Action Plans to remediate. However there is an ability to terminate the contract of any service provider that breaches Accor's Responsible Procurement Charter or ethical sourcing laws. ✓ Report all incidents of illegal behaviour to authorities. 	<p>Non-compliance with workers' rights:</p> <ul style="list-style-type: none"> ● Deceptive recruitment ● Workplace harassment and bullying ● Exploiting migrant workers ● Forced, bonded and undeclared labour ● Underpayment ● Excessive working hours 	<ul style="list-style-type: none"> ✓ Comply with applicable staff recruitment rules. ✓ Treat every employee with respect and dignity. ✓ Ensure legally compliant health and safety conditions are in place. ✓ Comply with freedom of association legislation. ✓ Respect diversity and inclusion and combat all forms of discrimination. ✓ Have zero tolerance for degrading workplace practices e.g. corporal punishment, sexual harassment. ✓ Refuse to accept the use of forced or bonded labour. ✓ Refuse to use clandestine, undocumented or other forms of undeclared labour. ✓ Pay employees a regular salary that allows decent living conditions. ✓ Ensure staff have adequate rest periods.
		<p>Child exploitation:</p> <ul style="list-style-type: none"> ● Child labour ● Child sexual abuse 	<ul style="list-style-type: none"> ✓ Ensure compliance with the minimum age for employment defined in each country's legislation. ✓ Confirm that, regardless of the country's legislation, they will never employ children aged under 14 years. ✓ Ensure minors are protected from sexual abuse. ✓ Ensure premises are not used for procuring children for sexual purposes or for producing, distributing or storing pornographic material involving minors.
		<p>Prostitution, pandering and human trafficking</p>	<ul style="list-style-type: none"> ✓ Never encourage, organise or profit from the trafficking of human beings, including for sexual exploitation. ✓ Ensure no businesses or premises are used for organised prostitution.

RELEVANT REGULATIONS

Accor Pacific suppliers must comply with these regulations.

- ✓ Principles of the Universal Declaration of Human Rights 1948
- ✓ Basic conventions of the International Labour Organisation
- ✓ Guiding principles of the OECD for multinational enterprises
- ✓ United Nations Global Compact Responsible Procurement Principles
- ✓ Ethical Trading Initiative (ETI) Base Code



TRAINING AND AWARENESS

EMPLOYEES

The Ethics and CSR Charter is included in employee induction training, available on staff intranet sites and posted on the Accor Group maintains an online Ethics and CSR awareness and training program that featured modern slavery information in half the modules and reminded staff about Accor's whistle blowing procedures.

MANAGERS

Our leadership team receives tailored awareness training. We also updated the Letter of Responsibility that General Managers and above receive every year to underline Accor's modern slavery mitigation methods.

PROCUREMENT TEAM

Accor Pacific's buyers receive special training to reinforce our risk-based supplier management process and the role of ethics and human rights when procuring products and services.

SUPPLIERS

Accor Pacific has established clear processes for working with suppliers to address modern slavery issues and breaches that included raising their awareness.

PARTNERS

Accor Pacific works closely with partner brands, franchisees, hotel owners and lessees and hotel managers to disseminate information about our stance on modern slavery.



ASSESSING EFFECTIVENESS

We continually monitor our employees, partners and suppliers to make sure they are respecting Accor's Sustainability Framework

SUPPLIER ASSESSMENTS AND AUDITS

100% OF RISK AND HIGH RISK CATEGORY SUPPLIERS WERE ASSESSED IN 2023

100% OF SUPPLIERS HONOURED THEIR CONTRACTUAL CSR CLAUSES

Accor's supplier risk mitigation strategy is progressive. It applies different controls according to whether the category of products or services falls into our Standard, Risk or High Risk categories. The level of scrutiny increases as the risk rises.

DIFFERENTIATED RISK

Suppliers in all categories understand that complying with the principles in Accor's Responsible Procurement Charter is not negotiable. By signing our purchasing contract, they give us the right to monitor and audit their CSR performance.

STANDARD CATEGORIES

Suppliers in Standard categories have the lowest risk and lowest level of oversight, and we assess them by exception.

If we hear of a breach of the Charter or their contract, we will conduct an audit or evaluation and work with them to improve their performance.

RISK CATEGORIES

For suppliers in the Risk categories, Accor Pacific focuses on CSR assessment using a specialist company, EcoVadis. We share the cost with the supplier and the assessment is valid for three years.

Suppliers upload questionnaire answers to an online assessment platform supplied by EcoVadis that monitors and scores their CSR practices, including human rights. The questionnaires cover Accor's four CSR pillars: Social, Environmental, Ethics and Supply Chain. The answers are analysed using three axes: politics, actions and results.

Participation is mandatory and suppliers must supply supporting documentation for their answers before EcoVadis will verify them.

Every supplier receives a scorecard with an analysis of their performance for each CSR pillar and a tailored action plan.

HIGH RISK CATEGORIES

Suppliers in High Risk categories have the most oversight. As well as using the same risk controls as for the other two categories, Accor Pacific engages third party auditors to carry out an audit every three years. Using external specialists provides Accor and the supplier with an expert, objective viewpoint.

We also audit High Risk suppliers when there are major changes in the supply chain, such as new production facilities, products or sub-contractors.

A supplier can either select and pay for a credible auditor or agree to a Sedex Members' Ethical Trade Audit (SMETA), which Accor Pacific will pay for.

In some circumstance, they can submit recent audit results. The audit must be no more than 18 months old, conform to international CSR standards and have no critical non-conformities.

All audits are carried out at the supplier's major sites (e.g. factory production lines) and, if possible, when Accor products are being produced.

A PROGRESSIVE & DIFFERENTIATED MITIGATION STRATEGY

The Procurement department has designed a program to ensure that every supplier meets our expectations and set up different levels of control in line with the level of risk.

RISK LEVEL 1

- Signature of **Responsible Procurement Charter**
- **Contracts including ESG Clauses** which guarantee the commitment of the suppliers to conduct evaluations or audits if requested by Accor

RISK LEVEL 2

- Previous actions +
- **ESG assessment with external verification Ecovadis** (based on documentation provided),
 - Action plan and follow-up

RISK LEVEL 3

- Previous actions +
- If EcoVadis scoring threshold is below 43% : **ESG on-site third-party audits**
- Action plan and follow-up

ASSESSING HOTEL PERFORMANCE

Under its Sustainability Framework Accor monitors all Accor Pacific's owned, leased and managed hotels, as well as our franchised hotels.

Our hotels use Gaia 2.0 (an online CSR hub for the whole Accor Group) to develop customised action plans, set goals and track their performance.

Once a year, they use the performance information in Gaia 2.0 to self-evaluate and report the results to us. We check their statements by sampling.

In addition, Accor Group conducts internal audits of corporate offices and Accor Pacific hotels to ensure they are complying with all elements of the Ethics and CSR Charter and to identify and prevent risks.

HOSPITALITY ALLIANCE FOR RESPONSIBLE PROCUREMENT (HARP)

In October 2023 Accor co founded HARP with four global hotel groups (Marriott, Hilton, IHG and Radisson) two specialized hotel purchasing organisations (Avendra and Entegra) and the sustainability ratings agency Ecovadis. The goal of this sector initiative which brings together companies in the same sector faced with similar challenges in terms of CSR, is to improve the social and environmental performance of the hotel industry supply chain. Decarbonising the supply chain and respecting human rights have collectively been defined as HARP's two priorities for the next two years 2024 and 2025.



SEDEX AND SMETA

Sedex is a leading online platform that helps companies to manage and improve working conditions in global supply chains.

The SMETA (Sedex Members' Ethical Trade Audit) audit methodology provides standardisation

and consistency across sectors, industries and geographies. The audit items are determined by the Ethical Trading Initiative (ETI) Base Code and laws in the relevant jurisdiction. The criteria include all aspects of business ethics, workplace rights and human rights.

The key stages of a SMETA audit are: a self- assessment questionnaire; risk assessment and risk audit; continuous improvement; and a follow-up audit to measure improvements.

Accor Pacific uses two SMETA auditors – Intertek and Bureau Veritas.

ECO CERTIFICATION

In 2023 Accor globally discontinued its Planet 21 program and replaced it with a new Sustainability Framework. A component of this framework is the requirement that all Hotels globally seek formal external certification from a Global Sustainable Tourism Council (GSTC) approved certifier. All hotels are required to be certified by no later than 31 December 2025.

Hotels in Australia will primarily be certified by Eco Tourism Australia, in New Zealand the hotels will primarily be certified by Qualmark. A decision will be made in 2024 as to the most appropriate certification partner for our hotels in Fiji. The single property in Hawaii will be certified by Green Key.



GRIEVANCE MANAGEMENT AND CONSULTATION

REPORTING CONCERNS

Accor Pacific's people are a major defence against the crime of modern slavery. We encourage all our employees, guests and suppliers to be vigilant and report any suspected breaches.

Employees can report any concern directly to their manager, the legal department or Compliance Officer. They can also use Accor Pacific's anonymous whistleblowing hotline, which is available online 24/7 in 29 languages.

Guests can speak to the hotel manager or contact Accor Pacific's corporate office.

Suppliers and sub-contractors: Suppliers must notify the relevant hotel if they are aware of actual or suspected modern slavery activities in their operation or supply chain. Suppliers are also provided with a copy of Accor Pacific's whistleblowing policy and have access to the whistleblowing procedures.

In the Pacific region we encourage everyone to report a potential modern slavery crime to their national police force, which is responsible for investigating suspected cases and accepts anonymous reports.

MANAGING BREACHES

Under our purchasing contracts, Accor's ethical sourcing concerns must be addressed and eliminated. If we find a supplier (or one of their suppliers) is not complying with the Charter, we will agree on a corrective action plan to remedy the breaches and expect proof that they have addressed our concerns.

If the plan fails and the modern slavery breaches continue, further remediation discussions may need to take place with the supplier and, as a last resort, the relationship with the supplier be terminated.

POSSIBLE PENALTIES

Accor Group and Accor Pacific: Regulatory penalties, fines and common law damages as well as brand damage leading to financial losses.

Accor executives and employees: Individually penalised through job termination, fines or imprisonment.

Business partners: Regulatory penalties and or contract termination.

Suppliers: Financial penalties or contract termination.

ONGOING CONSULTATION

WITHIN THE ACCOR GROUP

Modern slavery is an international issue and can only be tackled successfully by a global strategy with uniform goals, priorities and approaches that are executed locally.

As AAPC Limited, AAPC Properties Pty Ltd, Saville Hotel Group Pty Ltd and Accor Australia and New Zealand Hospitality Pty Ltd use the same policies and procedures, have the same directors, share the same suppliers and are operated together on a day to day basis, this report provides a single, consolidated description of the actions of all parties to address modern slavery risks.

Regular consultation between other Accor Pacific business units and Accor corporate headquarters, as well as inter-division consultation across our own network, is therefore a major feature of how Accor Pacific is tackling modern slavery challenges.

By consulting across organisational borders to ensure consistency and share information, we are helping the Accor Group to be more successful at mitigating modern slavery risks.



WITH OUR BUSINESS PARTNERS

With Accor Pacific's business, brand reputation and performance closely linked to those of our partners, one of our biggest challenges is ensuring every hotel reflects Accor's human rights commitments. Each hotel has a different modern slavery risk profile, according to its location, type of business and the risk profiles of its suppliers.

To combat these wider risks, we consult regularly with the hotel owners to:

- extend our workplace, social, societal commitments to them
- emphasise their obligations and ours under the Ethics and CSR Charter and the Responsible Procurement Charter
- involve them in our progress
- share relevant information, data and tools
- raise standards all along the value chain
- make sure Accor's approach reflects their risks and needs
- co-innovate solutions to specific challenges.

WITH OUR GUESTS

Accor Pacific uses three types of guest research:

1. large-scale CSR market research projects conducted by third party experts
2. collecting hotel-level information from online reviews, feedback from our Customer Care call centre and guest satisfaction survey forms
3. inviting feedback through our websites.

Over the years, our research has confirmed that our corporate and leisure guests are increasingly looking for responsible businesses that respect all aspects of CSR, including human rights.

INDUSTRY LEADERSHIP

Accor is member of many global and local tourism and human rights organisations, including:

In 2016, the Accor Group additionally became a member of the Board of Directors of the NGO (TheCode.org)

	World Tourism Organisation (WTO)
	United Nations Global Compact
	Global Compact Network Australia
	Ethical Training Initiative (ETI)

which has a Code of Conduct for protecting children from sexual exploitation in the tourism industry.

The Accor Group is also a member of the Executive Committee for the World Tourism Network on Child Protection, a network of the World Tourism Organization.

Modern slavery is a challenge for our whole industry and needs a concerted effort to beat it. Accor Pacific believes in supporting other hotel and hospitality groups so together we can eliminate it from every operation and supply chain.

TRANSPARENCY

Transparent CSR reporting and information is another way to educate and inform the rest of our industry, as well as customers and other stakeholders.

We publish information about our modern slavery and other human rights activities and approaches on the Accor Group website. Accor Pacific employees provide another information channel for our guests and host communities.

As part of the process, we invite guests and other readers to act responsibly in their own lives.

SOLIDARITY ACCOR

Solidarity Accor is a global endowment fund established by Accor to help disadvantaged individuals and communities. A leading industry initiative, it has grass roots support from our business partners.

The fund helps to combat modern slavery risks by acting with local communities and empowering them to make changes. For example, we train homeless young people in a hospitality trade so they are no longer prey to sexual predators, and help farmers to become Fair Trade growers so they and their workers are not exploited.

Since 2008, Solidarity Accor has supported approximately 400 projects around the world, directly and indirectly helping 230,000 people to become more independent and less vulnerable.



FUTURE PLANS

CONTINUOUS IMPROVEMENT

GLOBALLY

1,315+ MORE ACCOR HOTELS WILL OPEN BEFORE 2025

225,000 ROOMS IN THE PIPELINE

However big we grow, Accor wants to remain the sustainable development benchmark for other hotel groups. One of our biggest challenges is to continue expanding without compromising our Sustainability commitments

We want our policies and Charters to be practical, living documents that respond to a changing world.

So we are continually assessing and recalibrating our approach as new risks arise and existing risks move up and down the criticality scale. For example, Accor Group's Ethics and CSR risk register is updated every year.

As part of this continuous improvement processes, Accor Pacific's Modern Slavery Policy was reviewed again in **2023**, taking into consideration:

- changing operating conditions
- new laws and regulations
- guest feedback
- stakeholder research.

The updated Responsible Procurement Charter was introduced in 2023



FORWARD PLANNING

77% OF OUR CUSTOMERS OVERALL RATE CSR PERFORMANCE HIGHLY WHEN CHOOSING A HOTEL

60% OF OUR BUSINESS CUSTOMERS HAVE CSR EXPECTATIONS

Modern slavery crosses geographical, social and cultural borders and is deeply entrenched in some societies. As worldwide education and information about the issue increases, and new legislation such as the Modern Slavery Act 2018 helps to raise awareness, customers and employees will expect hotel groups to do more to combat it.

Accor Pacific acknowledges that eliminating modern slavery completely is a long-term goal for our industry that could take decades. In the meantime, we will continue using our direct and influence as a principled business to prevent it in our own operations and supply chain.

We continue to work towards implementation of strategies that include further training and education, co-innovation projects with our partners and some new supplier initiatives.

We have and will continue to keep Accor Pacific's investment partners, franchise owners, employees and customers fully involved and engaged as our plans evolve. It is vital they understand what we are doing and why, and the part they can play.

Accor Pacific will continue reporting on our regional progress on the Accor website, through printed collateral and in our reporting suite.



APPROVAL

This Modern Slavery statement has been approved by the boards of AAPC Limited, AAPC Properties Pty Ltd, Saville Hotel Group Pty Ltd and Accor Australia and New Zealand Hospitality Pty Ltd.

This statement is made pursuant to section 13 (1) of the Modern Slavery Act 2018 (Cth). It constitutes the statement of AAPC Limited, AAPC Properties Pty Ltd, Saville Hotel Group Pty Ltd and Accor Australia and New Zealand Hospitality Pty Ltd for the year ended 31 December 2023 and was approved by the Boards of the reporting entities in June 2024.

Adrian Williams
Chief Operating Officer, Accor Pacific

AAPC Limited (ABN 87 009 175 820)
AAPC Properties Pty Ltd (ABN 17 065 560 885)
Saville Hotel Group Pty Ltd (ABN 33 002 563 920)
Accor Australia and New Zealand Hospitality Pty Ltd (ABN 74 002 462 017)

COMPLIANCE TABLE

Accor Pacific has prepared this Modern Slavery Statement following the seven reporting criteria outlined in the Modern Slavery Act (Cth) 2018.

This table shows the main location of the information for each criterion.

CRITERIA	LOCATION OF INFORMATION
Identify the reporting entity	Page 1 (Cover)
Describe the structure, operations and supply chains of the reporting entity	Page 4 -6
Describe the risks of modern slavery practices in the operations and supply chains of the reporting entity and any entities it owns or controls	Pages 7 - 9
Describe the actions taken by the reporting entity and any entities it owns or controls to assess and address these risks, including due diligence and remediation processesv	Pages 10 - 14
Describe how the reporting entity assesses the effectiveness of these actions	Pages 15 - 16
Describe the process of consultation with any entities the reporting entity owns or controls	Pages 17 - 18
Provide any other relevant information that the reporting entity considers relevant	Page 19





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