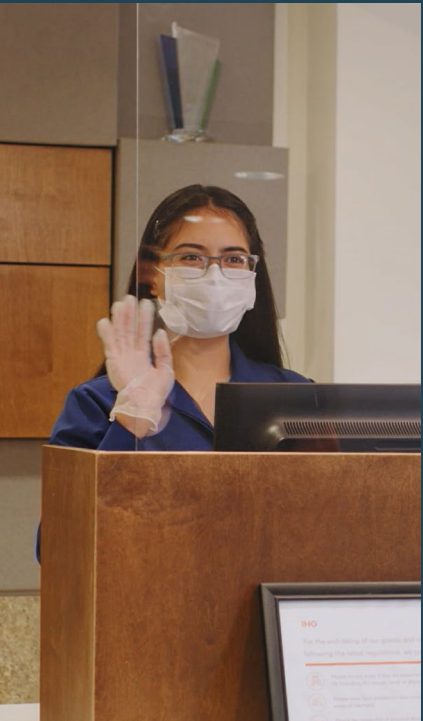


# Modern Slavery Statement 2020



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This statement has been written in accordance with the requirements of the UK Modern Slavery Act 2015. This is IHG's fifth Modern Slavery Statement and reflects the progress we have made during the financial year (January – December) 2020. The statement includes information on our response to the Covid-19 pandemic, including monitoring its impact on modern slavery risks and where we have adapted our activities and priorities to respond to these.

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## Our commitment to respecting human rights

IHG is committed to respecting the human rights of all our colleagues, guests and the communities we operate in, and we continue to encourage those we do business with – including our suppliers, owners and franchisees – to prevent, mitigate and address adverse impacts on human rights, including modern slavery. We seek to advance human rights through our business activities and by working together with others to identify challenges and effective solutions.



As a global leader in the hospitality and tourism sector, we are committed to ongoing human rights due diligence to support our approach, and this has guided us during these unprecedented times. This statement details our approach to advancing the priority areas outlined in our 2019 Modern Slavery Statement while assessing and mitigating Covid-19 related risks and impacts.

IHG's global human rights programme is developed and monitored by our Ethics and Compliance team, which collaborates with colleagues across the business including Responsible Procurement, Corporate Responsibility, Operations and Risk Management teams, to drive implementation and embed the programme across our hotel estate and the overall value chain.

### 2020 activities in summary

- Continued to monitor and assess modern slavery risks and adjusted our 2020 areas of focus in response to changes resulting from the Covid-19 pandemic
- Developed Covid-19 guidance for hotels to address migrant worker risks, particularly in relation to staff accommodation
- Updated resources supporting IHG's Human Rights Brand Standard, with an increased focus on responsible recruitment and anti-human trafficking at the hotel level
- Completed a market level human rights assessment in Oman
- Supported the launch of the Institute for Human Rights and Business (IHRB) and International Labour Organisation (ILO) 'Promoting fair recruitment and employment' guidance tool in Qatar

→ For more information on pre-2020 activities, see IHG's previous Modern Slavery Statements.

### UK Modern Slavery Act 2015

In accordance with the UK Modern Slavery Act 2015, modern slavery includes slavery, servitude, forced and compulsory labour and human trafficking. Combating modern slavery and other human rights abuses is an ongoing commitment at IHG, and we continue to develop our policies and processes in support of this.

→ [Read the UK Modern Slavery Act 2015 here.](#)

### Covid-19

The global Covid-19 pandemic has created unprecedented circumstances for the hospitality industry. Travel around the world has significantly slowed or, in many places stopped, which has led to a number of IHG's hotels closing temporarily or significantly reducing operations. In turn, this has had a corresponding impact on the employment of colleagues. Recognising this impact, we have focused on a number of mitigating measures, including developing effective re-opening plans for hotels, lowering operating costs for our owners and advocating for government industry support all around the world.

→ For more details on initiatives deployed in 2020, see our [Annual Report and Form 20-F 2020](#).

## Our structure, business and supply chains

### Our structure and business model

IHG is one of the world's leading hotel companies, with a diverse portfolio of 16 hotel brands operating in more than 100 countries. We have corporate offices in a number of locations with our largest offices in the UK, US, China and India. Our corporate functions provide expertise to the regions on areas including marketing, finance, procurement, strategy, communications, human resources, legal, risk management and internal audit. In addition, the Commercial and Technology function oversees revenue management, property systems, and digital and voice sales which are managed by our reservation call centres in locations including Manila, Baguio, Guangzhou, Mexico City and Salt Lake City.

We also have some areas where we have outsourcing arrangements in place. For example, at the corporate level, we outsource some of our call centres and technology support services, as well as some cleaning/ facilities and management/ catering services at some of our corporate locations.

We operate hotels in three different ways – as a franchisor, as a manager and, for a very small number of hotels, on an owned and leased basis. Whether we franchise to, or manage hotels on behalf of hotel owners, depends largely on market maturity, owner preference and, in certain cases, the particular brand.

As an asset-light business, we focus on franchising and managing hotels, working closely with independent third-party hotel owners. Having a predominantly franchised estate means that most of the people working in IHG-branded hotels are employed by third-party hotel owners, rather than by IHG directly.

### Support given to owners to prevent and mitigate Covid-19's impact

Many of our 5,964 hotels around the world represent small, individually owned businesses, and we recognise the very real challenges that they face in light of the Covid-19 crisis. Revenue has been lost to the lowest levels of occupancy ever seen. Around 1,000 of our hotels were closed at the peak of the crisis in 2020.

Using our scale, partnerships and expertise, we supported our hotels through reducing costs (e.g. by discounting fees and delaying renovations), as well as providing recovery toolkits and regularly speaking with General Managers and owners to provide financial and operational guidance.

Despite best collective efforts to protect our hotels and teams, the severity of this crisis has led to difficult decisions to furlough or let go many hotel colleagues. It is an unfortunate issue we face as an entire industry, with the World Travel Tourism Council estimating that the crisis could lead to up to 174 million job losses.

Beyond the steps we have taken directly as a company, we are playing an active role in protecting our industry more broadly. From the White House to Number 10, we've worked with the highest levels of government in many markets to secure invaluable stimulus packages and contribute to crisis management guidance for the hospitality industry.

→ [For more information, see our Annual Report and Form 20-F 2020.](#)

### Our ownership model

Key differences between our three main models are as follows:

Business Model	Hotel ownership	Hotel Employees	Brand ownership, marketing and distribution
Franchised	Third party owner	Employed by third party owner	
Managed	Third party owner	Generally employed by third party owner except in certain locations (e.g. the US, where IHG is the employer). Certain senior employees such as General Manager and Financial Controller typically employed by IHG	IHG
Owned and Leased	IHG	Employed by IHG	

### Our regions and corporate functions

Our corporate functions provide expertise to the regions that are responsible for hotel operations:

#### Regions: Americas, EMEAA\*, Greater China

Hotel operations

#### Business Reputation & Responsibility

Risk management, internal audit, legal

#### Commercial & Technology

Revenue management, property systems and digital and voice sales

#### Marketing

Brand development, guest experience, strategic partnerships and loyalty

#### Global Finance, Procurement and Strategy

Finance, procurement and strategy

#### Global Corporate Affairs

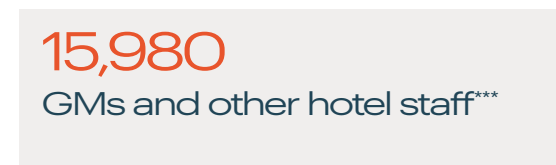
Communications, public affairs and corporate responsibility

#### Human Resources

People and talent

\* Europe, Middle East, Asia and Africa

Our structure, business and supply chains *continued*



\* people worldwide (including those in our corporate offices, central reservations offices and owned hotels (excluding those in a category below)), whose costs were borne by the Group  
 \*\* people who worked directly on behalf of the System Fund and whose costs were borne by the System Fund  
 \*\*\* General Managers and (in the US predominantly), other hotel workers who work in managed hotels, who have contracts or are directly employed by IHG and whose costs are borne by those hotels

## Our structure, business and supply chains *continued*

Our supply chain activities are split into two categories: corporate and hotel.

### 9 Strategic suppliers

The strategic suppliers are identified for their contractual and operational value, with business performance reviews to promote value realisation, risk mitigation and create healthy supplier partnerships

80

corporate suppliers based across 80 countries globally

4,623

suppliers signed the Supplier Code of Conduct

42

hotel programme suppliers based across 42 countries globally

17

hotel markets supported by global procurement

### Procurement categories



### Our supply chains

Our corporate supply chain covers categories including technology, marketing services, HR services and other professional services (e.g. management consultancy). Procurement of goods and services at hotel level covers items required for opening, renovating and operating a hotel, such as operating supplies and equipment (e.g. linens, bathroom amenities, cleaning products), uniforms, food and beverage, furniture, electrical equipment, lighting, wall and floor coverings and services (e.g. elevator maintenance). Procurement predominantly occurs at local hotel level as our hotels are largely owned by independent third-party owners, who are responsible for managing their own independent supply chains. Where the IHG Procurement Team has a programme in place for goods and services, the hotels have the opportunity to buy from those programmes.

IHG provides global procurement support for the USA, Canada, Mexico and Greater China, and this support has been expanding to the other EMEAA countries, such as the UK, France, Germany, Belgium, the Netherlands, the Kingdom of Saudi Arabia, the UAE, Australia, New Zealand, Japan, Thailand, Singapore and Vietnam with teams and purchasing platforms operating in many of those locations.

## Our Code and Policies

As part of our commitment to responsible business, we have a number of group-wide policies and procedures in place that help govern our approach to human rights and modern slavery. It is very important to us that our policies are accessible, which is why we have translated them into multiple languages and made them available to all IHG-branded hotels via our company intranet. The policies are also publicly available at [www.ihgplc.com](http://www.ihgplc.com).

### OUR VALUES



Do the right thing



Show we care



Aim higher



Celebrate difference



Work better together

### Code of Conduct

The IHG [Code of Conduct](#), available in 10 languages, sets out the principles we must all work by at IHG, wherever we are in the world. The Ethics and Compliance Team oversee the Code of Conduct, which provides information on our key principles and global policies, including human rights, diversity and inclusion, respect in the workplace, information security, anti-bribery and the environment.

All colleagues working in IHG corporate offices, reservation centres and managed hotels must comply with the Code and the policies and procedures it refers to. Violations are treated seriously, and they may result in disciplinary action being taken which, in some cases, may include dismissal in accordance with our internal policies and local labour and employment laws. The principles, spirit and purpose of the Code are relevant to all of IHG and we expect those we do business with, including our franchisees, to uphold similar standards.

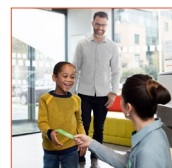
The Code reinforces our values – a set of everyday behaviours based on principles that are important to our colleagues and our guests. It also sets out our zero-tolerance approach to human rights abuses, including forced labour, any form of modern slavery or the exploitation of children.

### Human Rights Policy

In 2019, with assistance from a specialist business and human rights consultancy, Article One, we significantly updated our [Human Rights Policy](#). IHG's Human Rights Policy sets out our commitment to respecting human rights in accordance with the Universal Declaration of Human Rights, the International Covenant on Civil and Political Rights and the International Labour Organisation's ('ILO') Declaration on Fundamental Principles and Rights at Work. Our approach is also informed by the Guidelines for Multinational Enterprises of the Organisation for Economic Cooperation and Development ('OECD'), the UN Global Compact and the UN Guiding Principles on Business and Human Rights ('UN Guiding Principles').

We recognise that human rights due diligence is an ongoing commitment, and our Policy identifies key risks and areas where IHG has an opportunity to help develop and influence the protection of human rights.

IHG's Human Rights Policy condemns and prohibits any form of human trafficking, including the commercial sexual exploitation of children, and emphasises our commitment to compliance with all applicable laws and regulations regarding the prevention of human trafficking.



Our Code of Conduct  
The way we work  
at IHG, wherever  
we are in the world

IHG

→ [Click to view our Code of Conduct.](#)

## Our Code and Policies *continued*

Following IHG's public commitment in 2018, the Sustainable Hospitality Alliance's ('SHA') Principles of Forced Labour have also been explicitly incorporated into our Human Rights Policy. The Principles are:

1. Every worker should have freedom of movement. The ability of workers to move freely should not be restricted by their employer through abuse, threats and practices such as unlawful retention of passports and valuable possessions.
2. No worker should pay for a job. Fees and costs associated with recruitment and obtaining employment should not be paid by workers.
3. No worker should be indebted or coerced to work. Workers should work voluntarily, be informed of their employment terms and conditions in advance without misrepresentation and paid regularly as agreed and in accordance with any applicable laws and regulations.

In addition, in response to Covid-19 we developed guidance for hotels to specifically address migrant worker risks, in particular in relation to hotel staff accommodation.

→ [For more details, see the section 'Risk Assessment'.](#)



→ [Click to view our human rights policy.](#)

### Human Rights Brand Standard

IHG's Brand Standards are rules relating to each of IHG's brands that enable hotels to deliver a consistent guest experience. In 2014, we introduced a Human Rights Brand Standard for all IHG-branded hotels, requiring implementation of a Human Rights Policy. To reflect the evolution of IHG's Human Rights programme, in 2020 we updated the resources supporting the standard to focus on those human rights areas most relevant to hotel operations, key responsible recruitment practices and principles to combat forced labour and anti-human trafficking. The materials are available in over 20 languages to enable colleagues, including migrant workers, to more easily understand and review them. To raise awareness of labour sourcing risks, we have made the SHA's 'Responsible Recruitment' e-learning and ECPAT USA and Polaris' 'Preventing Human Trafficking' e-learning available to all IHG-branded hotels (in 12 languages).

### Supplier Code of Conduct

IHG's [Supplier Code of Conduct](#) was updated in 2019 and sets out the standards under which IHG suppliers are expected to operate. Where hotels contract directly with suppliers, they are encouraged to seek adherence to similar provisions to those set out in the Supplier Code of Conduct.

Under the Supplier Code of Conduct, IHG suppliers are expected to support the protection of human rights through their business activities with respect to forced labour and human trafficking, child labour, freedom of association, non-discrimination, and safety and security of the working environment.

IHG expects suppliers to adhere to these standards both within their own business and across their supply chains. Whilst we aim to work with suppliers to resolve any issues identified, material breaches of the Supplier Code of Conduct may lead to termination of a supplier's contract with IHG. Our suppliers are required to confirm their acceptance to our Supplier Code of Conduct at the supplier onboarding stage, in addition to it being a contractual requirement.

### Human Resources

We value our colleagues as unique individuals who bring different ideas and perspectives, and IHG is committed to providing equality of opportunity without discrimination.

Our Human Resources practices include a set of internal principles – the IHG Way of Hiring guidelines – which support both corporate and managed hotel colleagues to recruit new colleagues. We clearly state on our careers website that IHG does not ask candidates for any fees associated with the recruitment process. To further support candidates in avoiding recruitment scams, we provide additional details on how to spot and report anything suspicious.



## Our Code and Policies *continued*

### Reporting concerns

IHG is committed to proactively avoiding human rights infringements within our sphere of influence. However, where we have caused or contributed to adverse human rights impacts, we are committed to providing effective remedy.

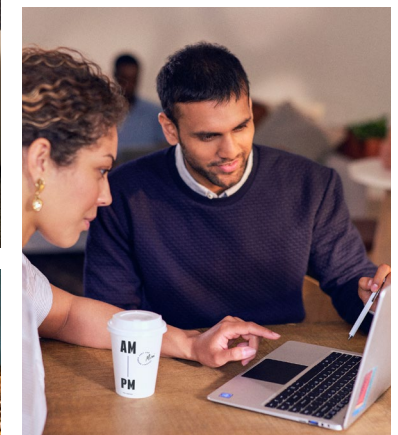
It is important that our colleagues and any person that has a relationship with IHG, including our suppliers and their workers, feel comfortable reporting ethical concerns. To facilitate this, we have a confidential reporting channel to share any ethical concerns or breaches of the IHG Code of Conduct, including in relation to human rights and modern slavery. We do not permit retaliation against employees making good faith reports of suspected breaches of the IHG Code of Conduct or IHG policies, even if it may result in a loss of business to IHG.

This channel is available to all IHG-branded hotels and corporate colleagues and can be used by any person with a relationship to IHG, including our third party suppliers and contractors. We take all allegations concerning modern slavery issues within our hotels and supply chains very seriously and encourage third parties, including media channels, civil society organisations and others, to contact us directly with any concerns, either via our confidential reporting channel ([ihgethics.com](https://ihgethics.com)) or via the Ethics and Compliance team's email address ([ethicsandcompliance@ihg.com](mailto:ethicsandcompliance@ihg.com)). IHG commits to undertaking inquiries for all received reports, which are reviewed and investigated by a group of dedicated personnel.

In August 2020, IHG was contacted by an external human rights organisation, requesting a response to allegations that workers employed by a security company providing services to an IHG-branded hotel in Doha, Qatar, were being housed in poor conditions. We reviewed the allegations thoroughly, including checks undertaken by the hotel, and engaged directly with the supplier, including an on-site visit of the accommodation. Whilst the majority of the allegations have not been substantiated, we continue to engage with the supplier on some areas of the complaint, including cafeteria food quality and diversity, worker communication and grievance mechanisms.

Other IHG policies which are relevant to our human rights programme include:

- Anti-bribery Policy;
- Global Diversity and Inclusion Policy;
- Supporting Our Communities Policy; and
- Global Procurement Policy.



## Our due diligence processes

### Supply chain

To help manage and monitor our corporate supply chain, an automated procurement system is used across many of our large corporate offices. In addition to acknowledging adherence to IHG's Supplier Code of Conduct, new suppliers being onboarded to the system are required to complete due diligence questionnaires, which include information on human rights, labour, environment, and anti-corruption.

To further strengthen our commitment to growing our business sustainably and delivering long-term value for our owners, hotels and guests, in 2020 we introduced a new set of responsible procurement criteria for prospective suppliers. The pre-contract assessment is part of IHG's tendering process and includes questions about suppliers' governance, human rights and environmental practices relevant to suppliers' own operations and supply chains. The Strategic Supplier Management Office (SSMO) continues to support strategic suppliers, identified for their contractual and operational value, via business performance reviews to promote value realisation, risk mitigation and create healthy supplier partnerships. We continue to collaborate with our prospective and existing suppliers, managing supply chain risks related to sustainability issues.

### Third-party hotel owners

We also carry out risk-based due diligence and compliance checks on new third-party hotel owners with whom we are entering hotel agreements. These checks include the use of automated screening and monitoring tools and the provision of guidance for our legal, franchise administration and development teams. Escalation criteria ensure a central committee of senior IHG decision-makers consider and review any material issues. This explicitly includes human rights concerns or allegations such as those related to human trafficking or forced or child labour. Contingent on any risks or concerns identified, external legal or consultancy expertise may also be utilised, including with respect to entry into new markets where necessary.

In 2020, with the assistance of our third-party provider, we successfully trialled and launched an enhanced version of our due diligence risk management platform, resulting in increased automation of internal escalation processes, faster counterparty searches and improved adverse media screening.

### Our own operations

To continue developing our human rights due diligence approach in our own operations, in 2020 we conducted a high-level mapping of the workforce employed by our hotels in Oman and Qatar to assess the potential impact of recruitment and labour practices. In Oman we reviewed the hotels' existing relationships with recruitment agencies and liaised with external stakeholders to understand the migrant worker journey of our colleagues.

→ **For more details, see the section 'Oman market level assessment'.**



## Risk assessment and management

### Supply chain audits

During 2020, we continued to progress our supplier risk assurance programme. As part of the introductory roll out, which began in 2018, we issued a desktop-based risk assessment questionnaire, made up of 65 questions, to over 260 key suppliers to help us understand their governance, human rights and environmental practices.

In 2019, we reviewed responses and categorised them based on their risk profile, and continued this work in 2020, identifying key questions for which additional follow-up was needed. A majority of the key questions relate to human rights risks, encompassing the topics of working hours, hiring practices, freedom of association, health and safety practices, working with recruitment agencies, safekeeping employees' original identity documents and freedom of movement. We requested additional information related to these topics from a number of suppliers to better understand their practices in certain areas. Due to Covid-19, we paused our risk assurance programme to enable our suppliers and our colleagues to address challenges of the pandemic. We expect to re-commence our risk assurance programme in 2021.

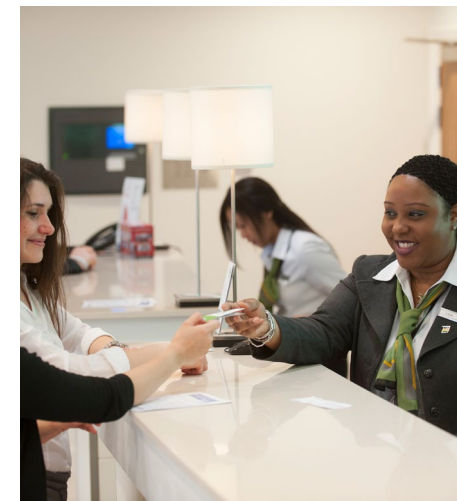
### Risk assessment

As set out in our [2019 Statement](#), in 2018 we undertook a human rights impact assessment across IHG's operations – covering our supply chains, our hotels and our corporate offices. Whilst the assessment found that IHG has systems in place to manage multiple human rights risks, it also identified areas where IHG can improve its management of these risks. These areas included: focusing on further due diligence related to the management of labour risks and, in particular, migrant labour and responsible recruitment risks; and human rights risks present in the wider IHG

business ecosystem, including those related to hotel construction and development.

In light of the unprecedented impact that Covid-19 has had, and continues to have, on our business and the hospitality and tourism sector more broadly, in 2020 we have undertaken a review of how the global pandemic affects IHG's human rights risks and strategy, flowing from the 2018 impact assessment. This review has included obtaining input from different IHG teams, particularly those who directly support hotels, such as Human Resources, Operations, Hotel Safety & Security, and Risk and Assurance teams; utilising external sources such as the SHA; monitoring guidance published by governments and NGOs; and reviewing media on this topic to track risk areas and identify any emerging best practice.

Whilst the risks identified in the 2018 impact assessment (and IHG's strategy to mitigate them) still remain salient, the operational impact of Covid-19 has necessitated a re-prioritisation of certain areas of IHG's human rights programme in order to address the more immediate impacts of Covid-19. For example, migrant labour risk was identified as the highest priority area in relation to Covid-19, as set out further below. Some areas, such as responsible recruitment, have been less immediately relevant due to the impact of Covid-19 on hotel operations, although it continues to remain a risk area for the industry, particularly throughout recovery and in the medium to longer term.



## Risk assessment and management *continued*

### Migrant worker risk

Covid-19 has heightened risk areas relating to migrant workers, particularly where the pandemic has resulted in temporary hotel closures or where workers are unable to return to their home countries due to travel restrictions. Across the industry, migrant workers can be particularly vulnerable to certain human rights risks as they often live in staff accommodation in dormitories or shared rooms and may have less knowledge of local language or laws. As a result, they will be particularly reliant on their employer for information and support through a crisis such as the Covid-19 pandemic.

To address the increased risks in response to Covid-19, IHG re-prioritised the development of additional guidance to support hotels and operations teams to address migrant workers' needs to prevent and mitigate impact.



**In light of the pandemic's impact, we increased our focus on identifying and addressing human rights risks for migrant workers through increased guidance and resources for our hotels in this area. In 2021, we will maintain our focus on working and living conditions for migrant workers, as well as topics such as responsible recruitment. We will also continue to engage on collaborative industry initiatives, which are addressing these risks.**

**Helen Jones**

Vice President  
Ethics and Compliance, IHG

The IHG Hotel Staff Accommodation Guidance sets out health and safety considerations in the context of Covid-19 for IHG-branded hotels and third-party labour providers that provide staff living accommodation for workers at IHG-branded hotels. We have also produced an IHG Migrant Worker Checklist, which sets out broader considerations on topics such as taking into account language difficulties and ensuring effective communications, enabling communication with families, repatriation and other considerations in the event of hotel closures – for example, the provision of return assistance such as payment of flights/travel costs for a colleague's return to their home country.

Both sets of guidance are available to General Managers across all IHG hotels and hotel support teams and have been communicated via IHG's regional senior leadership and operations teams. The Hotel Staff Accommodation Guidance has been downloaded 2,914 times (May – December 2020), and the Migrant Worker Checklist 128 times (October – December 2020). We continue to engage on this topic with regional teams that support hotel operations, so they are better able to identify and escalate issues and communicate expectations in this area, as well as monitor and assess the migrant worker risk at hotel level via our risk management approach and the ongoing monitoring of the confidential hotline.

### Health and Safety risks

Concerns related to workplace conditions in the context of the Covid-19 pandemic, particularly health and safety, continue to be addressed by enhanced measures and processes being put in place as hotel operations and occupancy return to higher levels. Our hotels are working to best practice Covid-specific training and operating procedures, aligned to regularly monitored advice from global health bodies. We have also strengthened our industry leading IHG Way of Clean programme, including introducing clear PPE standards and rolling out additional training and certifications to protect our frontline hotel colleagues. We want every IHG hotel to meet the highest of standards and we're working closely with our properties to ensure this is the case by setting targets, monitoring performance and reviews, and conducting virtual quality audits, with clear steps in place to make necessary improvements.

→ [For more information on the IHG Clean Promise, see our Annual Report and Form 20-F 2020.](#)



## Risk assessment and management *continued*

### Market-level assessment – Oman

Prior to the impact of Covid-19, in early 2020 IHG completed a pilot market-level labour standards assessment in Oman with a focus on migrant workers. The assessment was carried out by Article One, our external human rights advisors, and included visits to all seven IHG hotels in Oman and input from a range of stakeholders including hotel leadership, colleague focus groups, and external stakeholders such as local and international NGOs. In total, Article One spoke with 293 colleagues across seven hotels (including direct employees of the hotels and workers employed by third parties). The assessment and report was completed in Q1 2020 and included a review of key areas covered by the Dhaka Principles and the SHA Forced Labour Principles, such as payment of fees for jobs, clear and transparent contracts, retention of identity documents, and working and living conditions.

The assessment generally reported that direct employees of the hotel did not pay for their jobs, had access to their documents and were paid on time, and largely reported being treated with respect by management and guests. The issue of No Objection Certificates (NOCs), which are required by employees from their employer in certain Middle Eastern countries in order to change jobs, was noted as an area for improvement. While guidance has been issued to hotels on this topic the review found inconsistent practice at different properties and also identified some confusion from colleagues as to when NOCs would be granted. More generally, the report noted that the experiences of hotel employees were somewhat dependent on individual hotel management and were also influenced by hotel owners, highlighting the importance of clear expectations, guidance, and requirements for General Managers and hotel management to drive consistent practice in these areas. The assessment

found that compared with direct employees of the hotel, workers employed through third parties (casual and contract workers) were more likely to have experienced forced labour issues, such as retention of passports, recruitment fees, poor living conditions and difficulties obtaining NOCs. To remediate the highlighted issues, we have prepared an action plan in conjunction with Article One to address risks identified through this work and provide hotels with appropriate tools and resources on these topics.

Whilst Covid-19 has had an impact on the pace at which we have been able to carry out work to address the findings, the assessment has greatly enhanced our understanding of potential forced labour and migrant worker issues in relation to IHG's operations. This understanding has been particularly useful in the context of the Covid-19 crisis and has initially been used, alongside other information sources, to inform the development of IHG's Staff Accommodation Guidance and Migrant Worker Checklist (both noted above and which include guidance on topics highlighted such as NOCs).

### Oman Assessment - Worker Voice

Article One conducted worker interviews independently with a facilitator and note-taker present for each interview and focus group. Hotel senior management were not present for any of the focus groups with workers. Article One spent one day on site with each hotel to conduct the interviews, which included: three focus groups with direct employees of the hotel, each with additional time to speak with women independently; one focus group with contractors (i.e. colleagues performing functions, such as housekeeping and food and beverage who are employed by a third party); and one focus group with casual workers (i.e. colleagues performing specialised services, such as landscaping and pest control who are employed by a third party). To conduct the interviews, Article One followed ethical research guidelines, which required: (1) ensuring the consultation was voluntary and making it clear that participants could end their engagement at any time without adverse consequences by providing an introductory explanation and written informed consent notices in English, Bengali, Hindi, Sinhala, Tagalog and Tamil; (2) ensuring the anonymity of all individual participants by aggregating data and ensuring the final report contained no identifiable information; (3) carrying out the consultations with respect for the cultural practices, beliefs and norms of each community or group; and (4) providing email and phone access to participants to issue a complaint in case they have concerns after the engagement, including concerns regarding retribution for engaging in the assessment.

→ For a summary of risk assessment activities undertaken for prior years, see IHG's previous Modern Slavery Statements.

### In summary

7

IHG hotels

293

colleagues

3

focus group types

- Direct employees of the hotel, including women-only feedback
- Contractors\*
- Casual workers\*\*

\* colleagues performing functions such as housekeeping and food and beverage who are employed by a third party

\*\* colleagues performing specialised services such as landscaping and pest control who are employed by a third party

## Training and awareness

### IHG-wide engagement

The importance of respecting human rights and combating modern slavery is made clear to colleagues as soon as they start working for IHG through our Code of Conduct training. This includes information on our approach to human rights and modern slavery and information on how to report concerns.

This training is part of the onboarding of all new hires and it is an annual requirement for all current corporate and central reservation office employees and more senior colleagues in IHG owned and managed hotels. To aid the group or classroom training of more junior hotel colleagues, we have developed additional resources, such as the '10-minute trainer' which is available in 14 languages. Over 53,000 colleagues, including the Board, completed the training in 2020 (this number is reduced compared with 2019 due to continued hotel closures and a reduced workforce).

We have continued building on our approach to human rights-related training to focus on those colleagues (in particular frontline hotel colleagues) and parts of our business that play an important role in preventing and mitigating human rights impacts. In 2020, the Preventing Human Trafficking training, which was developed by ECPAT USA and Polaris, was completed by over 49,000 colleagues globally.

In 2020, the SHA's training on Responsible Recruitment was also made available to all IHG-branded hotels as part of the Human Rights Brand Standard update and recommended to all Human Resources colleagues and recruiting managers to continue to drive responsible recruitment practices.

→ For more details, see the section **Human Rights Brand Standard**.

Raising awareness among our colleagues of responsible purchasing best practice is fundamental to our success. In 2019, we launched an education programme on responsible procurement to increase colleagues' ethical supplier awareness. The programme has commenced by educating colleagues on what responsible procurement involves, including raising awareness of supply chain risk and the considerations that colleagues need to be aware of.

In 2020, we developed Responsible Sourcing Principles to support our hotels in making the right choices when purchasing, focusing on social and environmental matters. We will continue to further expand our colleague education programme focused on responsible procurement best practice.

### Hotel-level engagement

We continue to work closely with colleagues in operational roles to provide enhanced training, raise awareness of the available tools and review operational procedures to mitigate any identified risks where necessary – for example, on occasion of major sporting events.

Ahead of the 2020 Super Bowl in Miami, IHG partnered with It's a Penalty to support anti-human trafficking efforts and raise awareness of this crime. Forty IHG hotels contributed to the awareness raising campaign through distributing more than 27,000 materials, including posters, leaflets, business cards, wristbands and lip balms to guests and staff over a two-week period. In addition, IHG colleagues joined a volunteer event that saw 500 volunteers distribute nearly 150,000 materials and awareness kits to more than 400 businesses in the Miami area.

As a result of this awareness raising campaign, the calls to the National Human Trafficking Hotline increased by 160% compared to the same period in 2019, 22 human trafficking victims were rescued, and four girls on the National Center for Missing & Exploited Children's list of missing children were found.

We continue to leverage important dates such as Anti-Slavery Day (18 October 2020) to raise internal awareness by highlighting the role that hotels can play in combating modern slavery and human trafficking and the materials available to all IHG-branded hotels on this issue.

“

**IHG's partnership with It's a Penalty Campaign during the Miami 2020 Super Bowl was vital in our efforts to prevent human trafficking. By distributing our materials in their IHG hotels throughout Miami, all its staff, management and guests were educated about the signs to look out for and hotlines to report. It is so important that the hotel industry prioritise the prevention of human trafficking in our fight to disrupt it.**

**Thank you, IHG.**

**Sarah de Carvalho**  
CEO, It's a Penalty

40

**IHG hotels supported the It's a Penalty campaign**

27k

**awareness campaign materials were distributed to guests and hotel colleagues**

## Working together

### Working together – Governance

The Responsible Business Committee of IHG's Board of Directors (formerly the Corporate Responsibility Committee) is responsible for reviewing our overall Human Rights programme. The General Counsel and Executive Vice President is the sponsor of the programme and, with the support of the Business Reputation and Responsibility leadership team, reviews the overall priorities and strategy. In 2020, the Ethics and Compliance Team provided the Responsible Business Committee with regular updates on the human rights programme, taking into account specific risks identified from the impact of the Covid-19 pandemic.

The Responsible Business Governance Committee supports our Board and Executive Committee. It is comprised of cross-departmental Senior Leaders who advise and collaborate on a number of responsible business priorities and initiatives, specifically including human rights and modern slavery, to help drive IHG's responsible business ambitions and external targets/commitments.

### Working together – Collaboration

We strongly believe that collaborative initiatives are a powerful and effective way to combat modern slavery and human rights abuses. Through industry and cross-industry initiatives we can identify how to address systemic risks, scale up best practice and provide remedy to victims of modern slavery.

Collaborative initiatives play an important role in addressing human rights risks through focusing attention and actions towards a joint purpose with the potential of driving systemic change.

#### Promoting Fair Recruitment and Employment: A Guidance Tool for Hotels in Qatar

Together with members of the SHA, IHG and our hotels in Qatar participated in the development of 'Promoting Fair Recruitment and Employment: A Guidance Tool for Hotels in Qatar'. This was a collaborative initiative among the Ministry of Administrative, Development Labour and Social Affairs in Qatar, the ILO Project Office for the State of Qatar, the IHRB, the SHA and hotel representatives.

The tool provides a set of resources for hotels, such as sector-specific guidance for engagement with labour recruiters and service providers and easy-to-use checklists to drive responsible recruitment practices across the industry. It was shared with the IHG hotels in Qatar and we will seek to adopt all relevant resources and learnings in other locations to continue developing the human rights due diligence of our recruitment practices.



## Working together *continued*

### Sustainable Hospitality Alliance

- Regular attendance at the SHA's human rights working group to collaborate with industry peers.
- Engagement on projects with international organisations, which are researching migrant corridors and migrant worker journeys.
- Working on supporting the SHA's workforce development programmes, some of which are supporting survivors of modern slavery.
- Participated in the working group for sustainable growth and decent work in Qatar's hospitality sector. For more details, see the section [Qatar Toolkit](#).



### Business in the Community

- Became an early supporting partner of the Beacon Project, together with a retail brand and a telecommunications brand. The project focuses on leveraging a wider range of business resources to broaden the support available to modern slavery survivors and have a greater impact.
- Carried out 'Behind the Scene' events in collaboration with BITC to help survivors find out more about the world of work and hospitality.
- Contributed to BITC's Responsible Sourcing Guide published in July 2020.



### Business and Social Responsibility (BSR)

- Regular attendance at BSR human rights working group webinars to hear updates and to consult with experts and cross-industry peers on best practice and challenges.
- Participated in the BSR Annual Conference, which virtually gathered sustainability and human rights professionals to discuss the most pressing issues in 2020 and how to build a more just, resilient and sustainable future.



### It's a Penalty

- Partnered with It's a Penalty and sponsored the anti-human trafficking awareness campaign ahead of the 2020 Miami Super Bowl, which reached colleagues, guests and the wider local community. For more details, see the section [Hotel Awareness](#).





## Working together *continued*

### The Tourism Child-Protection Code of Conduct

- Joined the Tourism Child-Protection Code of Conduct (The Code) in 2019 to benefit from ECPAT-USA's expertise on addressing human trafficking and child sexual exploitation risks within the hospitality industry.



### Transparency International UK Business Integrity Forum

- Presented as part of a panel discussion on Business, Human Rights and Corruption – The Role of the Corporate.

### UN Forum for Business and Human Rights

- Attended 2020 UN Forum on Business and Human Rights, which emphasised the need to prevent and mitigate harm on people and the planet in light of the Covid-19 pandemic.

### Project with CARE International UK

- Following a review of our supply chain in 2019, we identified textiles as a priority supply chain commodity, given they are widely present in our hotels. In 2020, in partnership with CARE International UK and our key suppliers, we continued our programme to create a more gender-inclusive workplace leading to more productive, resilient and secure value chains.



## Our effectiveness and performance indicators

Due to Covid-19, we had to adjust our 2020 focus to develop additional guidance that addressed the most immediate migrant workers' needs to prevent and mitigate impact. We remain committed to ongoing human rights due diligence and the 2020 priority areas included in our 2019 Modern Slavery Statement continue to be part of our human rights and modern slavery approach.

The training figures and number of suppliers who have signed our Supplier Code of Conduct help us measure our performance. As of December 2020, over 53,000 colleagues completed the Code training. In addition, 4,623 suppliers have signed our Supplier Code of Conduct.

To measure the reach of the newly introduced resources, we started tracking the number of downloads: 2,914 for the Hotel Staff Accommodation Guidance (May – December 2020) and 128 for the Migrant Worker Checklist (October- December 2020). The aim is to build on this information and adopt a more targeted engagement approach with our hotels.

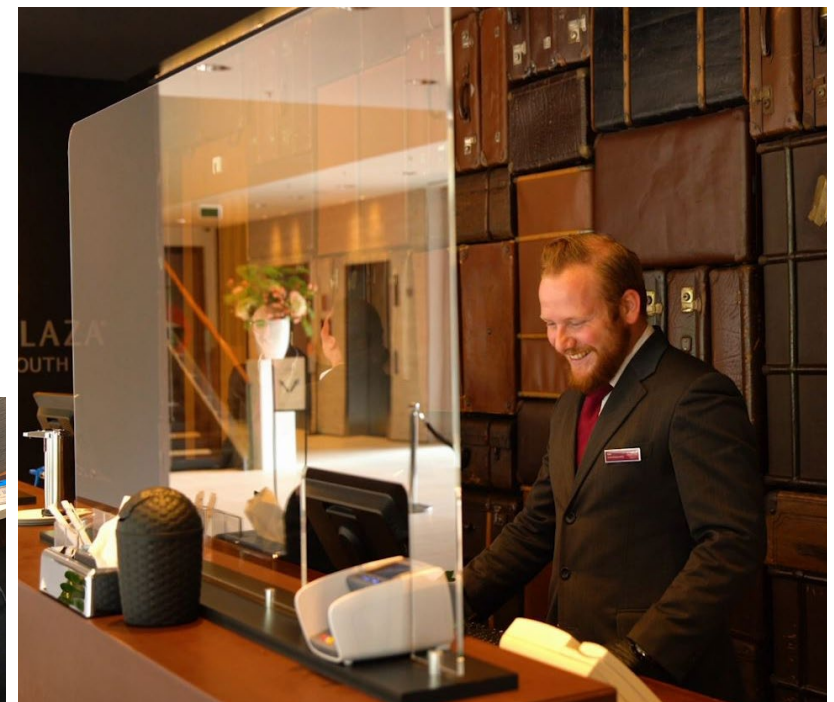
How we emerge from the pandemic will shape both our industry and our planet in the years to come. We are committed to ensuring that as we respond to this crisis and recover from the most challenging year our industry has ever faced, we do so in a sustainable way that recognises the many environmental and societal challenges, that existed before Covid-19, will persist afterwards.

This commitment is reflected in our priority to care for our people, communities and planet, as a core part of our strategy for 2020 and beyond. The respect and advancement of human rights is at the heart of the People and Communities pillar, which is part of our Responsible Business strategy.

### People and Communities:

Building on a culture of investing in our people, we will focus on promoting wellbeing in the workplace, respecting and advancing human rights, and providing equality, inclusion and fairness for all.

→ [Click to view IHG's 2020 Responsible Business Report.](#)



## Looking ahead

We believe that increased transparency in the way businesses are addressing risks is an important step in efforts to combat modern slavery. As an organisation with a long-standing commitment to responsible business, IHG is focused on further developing our approach to human rights and combating modern slavery.

Looking ahead, in 2021 we will continue our focus on working and living conditions for migrant workers. Other focus areas will include our approach to responsible recruitment, supply chain due diligence and human trafficking.

The work on supply chain due diligence will involve assessing the extent to which such due diligence can be incorporated into centrally managed procurement processes as well as further understanding those areas where procurement continues to be managed locally at hotel level versus centrally; necessitating the mitigation of risks through guidance and resources provided to hotels.



We will also continue to issue guidance and communications on responsible recruitment to hotels on issues such as ensuring that recruitment fees are not charged, employment terms and conditions are clearly communicated in advance with respect to direct employees, and clear expectations are set for hotel labour suppliers. This work will involve leveraging the recent ILO/IHRB hospitality sector Guidance Tool (see above), working closely with SHA as part of its Human Rights Working Group, and building on the learnings from the Oman labour standards assessment described above. While in the short term, much recruitment has slowed or stopped at the hotel level, responsible recruitment will continue to be an important topic for the hospitality industry through the Covid-19 recovery and beyond. To drive change, we will continue to engage on industry and cross-industry collaborative initiatives.

**The IHG Board approved this statement on 19 February 2021.**

**Keith Barr**  
Chief Executive Officer

This Statement is for the financial year ended 31 December 2020 and covers IHG PLC and all fully owned group entities as listed in IHG's [Annual Report and Form 20-F 2020](#).

We welcome any feedback you may have in relation to this statement – please contact us at [ethicsandcompliance@ihg.com](mailto:ethicsandcompliance@ihg.com).

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