

Modern Slavery Statement

Shangri-La Hotels PTE Limited

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This statement is published by Shangri-La Hotels PTE Limited ("Shangri-La UK", "we", "us", "our") in accordance with section 54 of the Modern Slavery Act 2015 (the "Act") for the financial year ending 31 December 2018. It addresses the business of Shangri-La UK based in the United Kingdom. Shangri-La UK is a part of the global Shangri-La group and operates Shangri-La Hotel, At The Shard, London.

About Shangri-La Group

Shangri-La group is one of the world's premier developers, owners and operators of hotel and investment properties which comprises office buildings, commercial real estate and serviced apartments/residences. The group's other principal activities include hotel management services as well as property development for sale. It currently owns and/or manages over 100 hotels globally in more than 75 destinations under the Shangri-La, Kerry, Hotel Jen and Traders brands. Prominently positioned in Asia, the group has a substantial pipeline of upcoming hotel and mixed-use development projects in Australia, Bahrain, Mainland China, Cambodia, Indonesia and Saudi Arabia. More information about the group can be found [here](#).

The Act

The Act creates offences in respect of slavery, servitude, forced or compulsory labour and human trafficking ("Modern Slavery"). We understand that the hospitality sector can present risks from a Modern Slavery perspective and this statement details what preventative steps our business is taking in the financial year.

We are opposed to all forms of Modern Slavery and we have policies and procedures in place to address these risks. The group's commitment to Human Rights is central to that and states: *"Our people are at the heart of everything we do. We support and uphold human rights throughout our business and we are committed to operating responsibly."*

Policies and procedures in respect of Modern Slavery

Membership of the UN Global Compact

The Shangri-La group became a member of the United Nations Global Compact ("UNGP") in 2011. All participants must publish an annual communication on progress, describing efforts to implement the ten UNGP principles, which can be found [here](#). We aim to embed the 10 principles in our policies and procedures across our business to foster a culture of honesty and integrity. The following principles are of particular relevance from a Modern Slavery perspective:

Human Rights

Principle 1: Businesses should support and respect the protection of internationally proclaimed human rights; and

Principle 2: make sure that they are not complicit in human rights abuses.

Labour

Principle 3: Businesses should uphold the freedom of association and the effective recognition of the right to collective bargaining;

Principle 4: the elimination of all forms of forced and compulsory labour;

Principle 5: the effective abolition of child labour; and

Principle 6: the elimination of discrimination in respect of employment and occupation.

We continue to report on our progress towards integrating the ten principles and the group's latest report can be found [here](#). As policies and procedures operate on a group basis, many are relevant to addressing Modern Slavery risk in our business and supply chains in the UK.

Guiding Principles

We place a high value on business ethics and operate under the group's set of guiding principles which underpin every aspect of our business. We value honesty, care and integrity in all our relationships; and remain deeply committed to our social responsibility by making a positive contribution to our communities, environment, colleagues, guests and business partners.

Code of Conduct

In addition to our guiding principles, we operate under a Code of Conduct that requires all of the group's affairs to be conducted in full compliance with the law. Colleagues that commence work with us at a hotel level are orientated on the articles of the Code of Conduct and sign a copy at induction. Regular refresher training is also undertaken.

Supplier Code of Conduct

We partner with reputable suppliers through our supply chain to help carry out our business ethically and fairly. We expect all of our suppliers to comply with relevant legislation including the Modern Slavery Act.

We draw on the group's purchasing division to procure many of our products and supplies, and purchase the majority of our food and beverage locally to support local businesses and the community in which we operate.

Our suppliers are also required to adhere to the group's Supplier Code of Conduct and guarantee that their own employees, contractors and supply chains also follow its requirements. Key terms in respect of Modern Slavery are that:

- Suppliers shall deal honestly, fairly and ethically in every aspect of their business, including sourcing, operations and relationships with clients, employees, suppliers and business partners.
- Suppliers shall comply with all applicable laws and regulations pertaining to working hours, wages, working conditions, occupational health and safety, and industrial relations.
- Suppliers shall implement fair, humane and non-discriminatory employment practices and treat their employees fairly, with dignity and respect.
- Suppliers shall not use any form of forced labour, including trafficked, coerced, bonded, indentured or child labour.
- Suppliers shall provide a safe and healthy work environment to their employees and take measures to prevent workplace hazards and accidents.
- Where employee housing is provided, suppliers are expected to meet or exceed the standards for health and safety as those that apply in the workplace.
- Suppliers shall provide employees with avenues to raise issues of concern in confidence, without fear of reprisal or negative repercussion.

The group wide Supplier Code of Conduct requires suppliers to notify us immediately of any violation of applicable laws and regulations that may affect their ability to supply products and services to Shangri-La UK.

Purchasing processes

In accordance with the group's Purchasing Policy, suppliers complete a questionnaire on the Supplier Code of Conduct. This code is included as an appendix to every supplier contract and we conduct regular reviews to ensure compliance. Whether sourced locally or abroad, all new suppliers go through a vendor approval process which, amongst other steps, requires that the Supplier Code of Conduct is signed. Thereafter, our finance team and purchasing manager review the supplier and decide on approval. All Heads of Departments are trained in the purchasing and supplier verification process.

Employee and labour agent checks

All employees have right to work checks carried out at the interview stage and again on the day of induction. Checks are also automatically carried out through our payroll system to check for duplication of bank details, which is a red flag from a Modern Slavery perspective.

Further steps are carried out in respect of the labour providers we use including right to work checks. Contractual controls are also in place.

Whistleblowing

A Whistleblowing policy is in place, which states that every colleague has the right and responsibility to act upon any incidence of behaviour running counter to the Code of Conduct.

Training & development

Shangri-La Academy was set up in 2004 with a focus on nurturing talented colleagues, developing hospitality leaders, and building organisational capabilities. In 2018, a strategic decision was taken to reposition and rebrand Shangri-La Academy as a global provider of blended and experiential learning opportunities that will empower people from across the group to take responsibility for their own learning journeys.

The group has started to curate in-house learning content comprising over 200 videos and 100 other learning materials. We will be taking opportunities for social learning through these assets and the sharing of best practices.

At Shangri-La Hotel, At The Shard, induction training is provided to every single employee on the Code of Ethics. Our commitment to respecting human rights and mitigating Modern Slavery is made clear to colleagues as soon as they start working with us. In addition, face to face training is delivered to enable relevant staff to identify suspicious activity potentially linked to human trafficking and child exploitation.

We work with the Metropolitan Police to deliver training at Shangri-La Hotel, At The Shard through a programme called Operation Makesafe. The programme aims to raise awareness and educate participants on the nature of child sexual exploitation and human trafficking. It also aims to establish working practices that enable the safeguarding of vulnerable young people and provide support to victims.

Looking ahead

As an organisation that is dedicated to responsible business, we are committed to helping tackle Modern Slavery along with our peers in the industry.

Our current focus is on the continuous development of our training material and practices, and we plan to ensure the valuable training curated by the Metropolitan Police through Operation Makesafe is delivered consistently to every relevant employee in the hotel. In addition, the Shangri-La group plans to release a video and learning material centred on Modern Slavery and human rights to equip the group's employees with the knowledge and training to mitigate the risks associated with Modern Slavery. We will also ensure the group's Supplier Code of Conduct remains up to date and that we continue to embed the 10 UNGP principles across the business.

We will continue to build upon our existing efforts to support and uphold human rights throughout our business and operating responsibly in the communities in which we operate.

This statement has been approved by the board of Shangri-La Hotels PTE Limited.



Signature of Director

On behalf of Shangri-La Hotels PTE Limited

Date: 18 JUNE 2019

