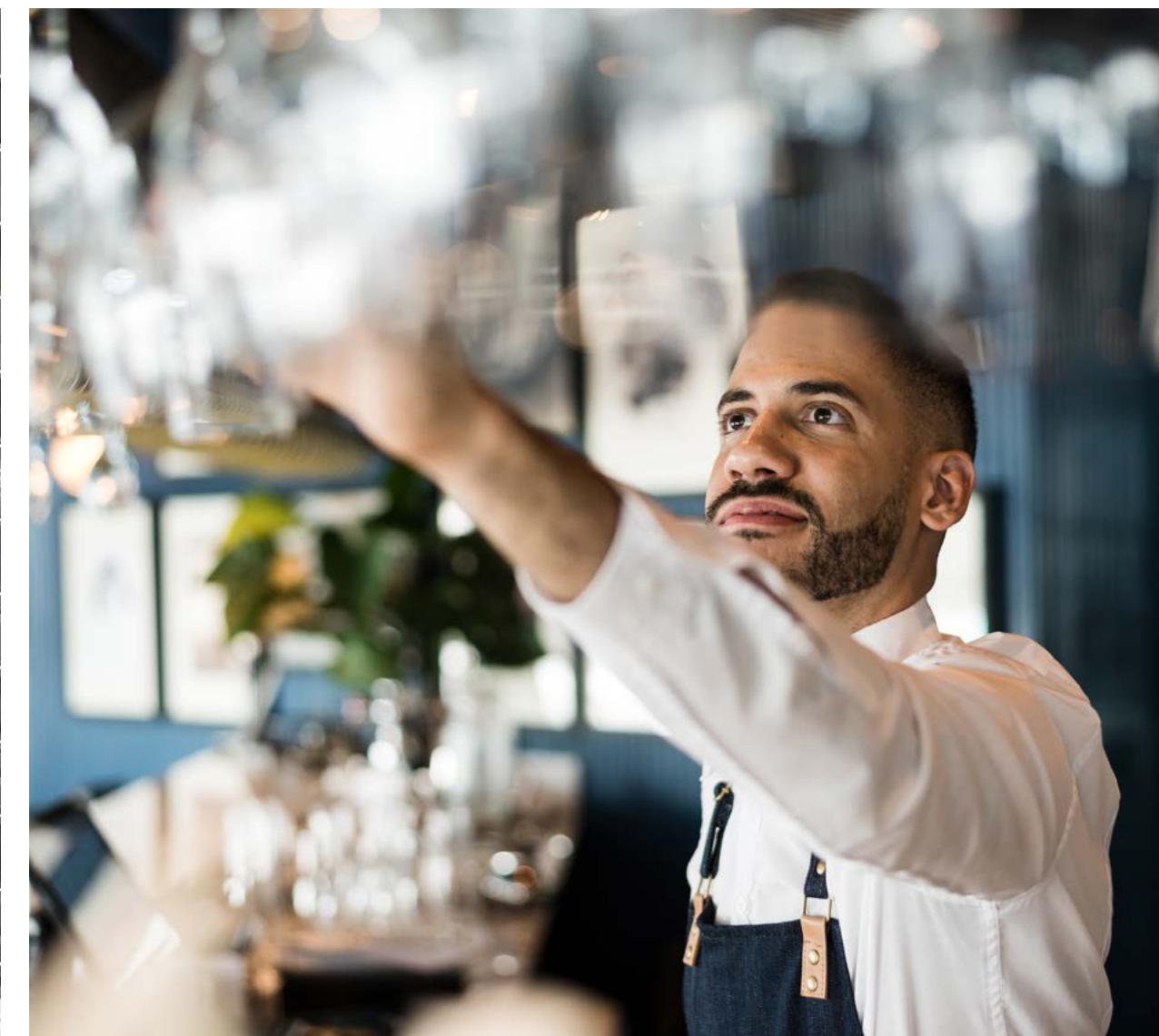
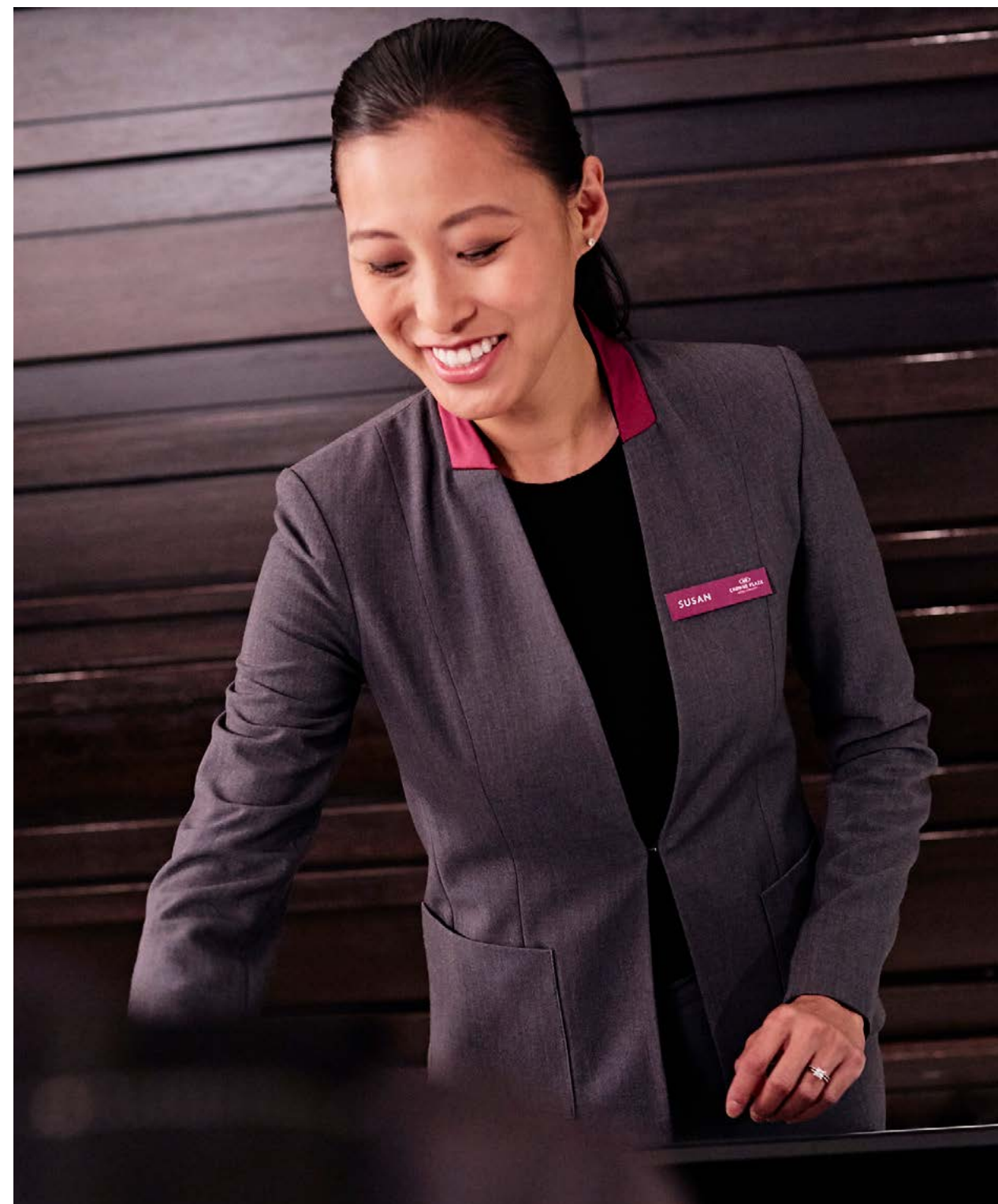


Modern Slavery Statement 2021



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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 sixth Modern Slavery Statement and reflects the progress we have made during the financial year (January – December) 2021.



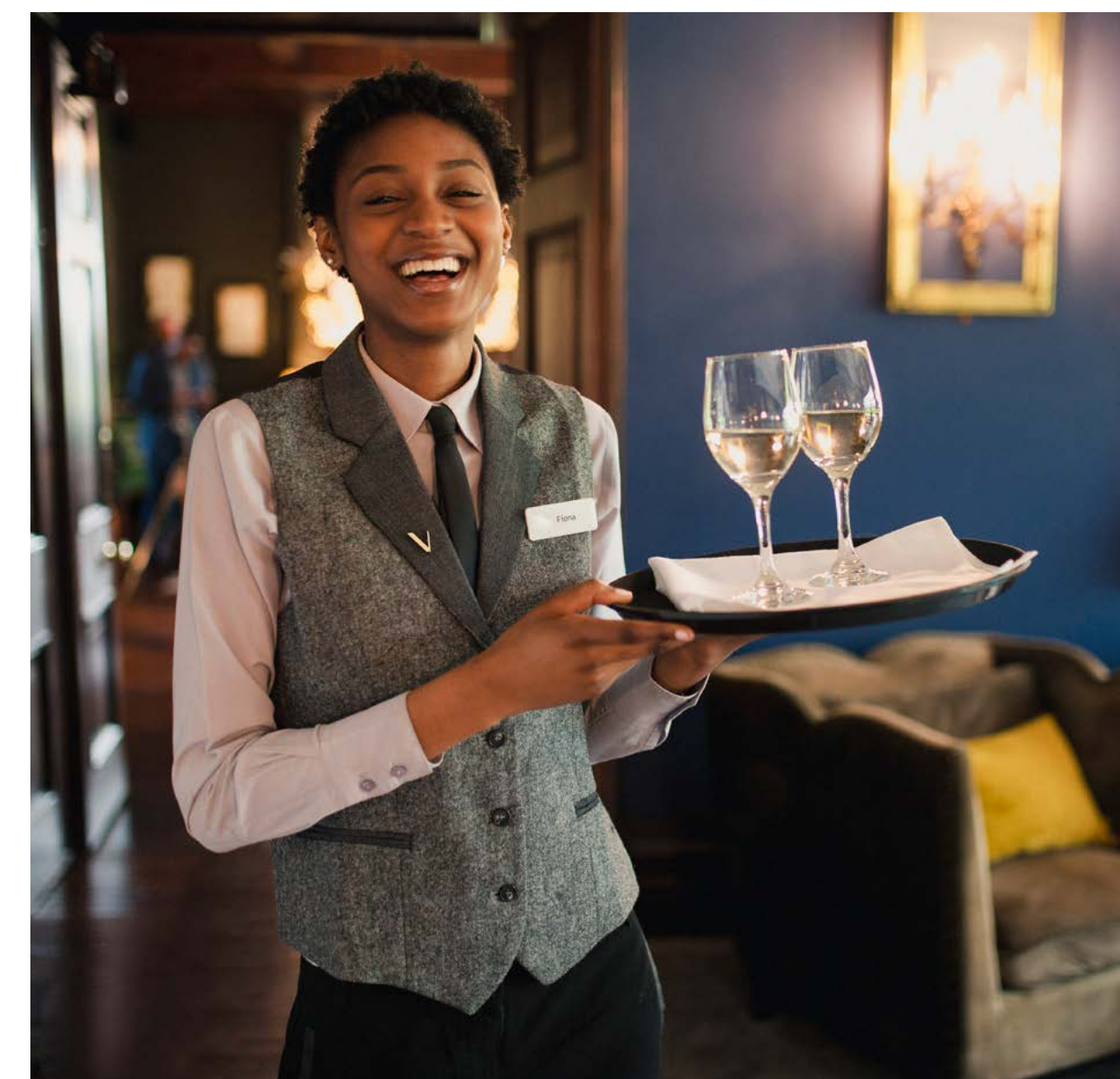
Our commitment to respecting human rights

Respecting human rights in accordance with internationally recognised standards is an integral part of our global commitment to responsible business. We understand the importance of human rights in relation to our colleagues, guests and the communities in which we operate, 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 recognise that modern slavery affects millions of vulnerable individuals, and everyone has a role in tackling it. As a global leader in the hospitality and tourism sector, IHG is working together with a wide range of stakeholders to identify challenges and implement effective solutions to affect systemic change. We seek to advance human rights through our business activities and are committed to ongoing human rights due diligence in support of these efforts. This Statement details our approach to advancing the priority areas outlined in our 2020 Modern Slavery Statement.

It also describes how we are continuing to assess and mitigate ongoing risks relating to human rights and impacts related to Covid-19.

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



2021 activities in summary

- Developed and piloted minimum requirements relating to migrant worker risks for IHG's owned, leased and managed hotels. These cover responsible recruitment and onboarding, staff living accommodation and worker voice.
- Continued to address findings from the 2019/20 Oman market-level labour assessment and to apply what we've learnt from the project to other countries in the IMEA (India, Middle East and Africa) region.
- Collaborated with the Sustainable Hospitality Alliance (the Alliance) and International Organization for Migration (IOM) on projects focused on ethical recruitment in the hospitality industry.
- Commenced a UK market-level labour assessment so that we can review and update our understanding of the risks to human and labour rights existing in the hospitality industry and in IHG-branded hotels in the UK.
- Continued to progress our supply chain risk assessment work and approach to human rights supplier due diligence.

For more information on pre-2021 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 to support this approach.

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



Recovery phase – Covid-19

During the pandemic, the nature of hotel stays changed significantly. As guests return to travel following the lifting of restrictions and reopening of hotels, there has been an even greater focus on cleanliness, which has seen us work with leading medical experts to support our hotels. We continue to collaborate with the industry and governments to support a strong recovery for the sector, and alongside helping our owners navigate local market challenges and capture increasing demand, we are providing our teams with training and support to meet changing guest expectations in light of evolving brand standards and procedures.

As travel accelerates and occupancy levels rise around the globe following the pandemic, the hospitality industry, like many others, is now facing key challenges. One of those is recruiting talent to fill available roles, with vacancies at record highs in some markets after government-mandated closures in 2020 saw many people in hospitality switch careers. With the World Travel & Tourism Council predicting an 18% rise in employment in 2022 to create 324 million jobs in the sector, IHG is providing a number of recruitment tools and solutions for hotels, including new hiring resources, deeper relationships with job platforms and targeted social media campaigns.

Another challenge is dealing with disrupted supply chains along with rising costs. With the lack of available products largely due to input shortages, businesses with complex supply chains, such as those in the hotel industry, are finding things particularly challenging, which has led to shortages in key areas, from linen for guest stays to timber for construction projects. To help meet this challenge, we have expanded our central procurement services to create programmes for hotel goods, services and construction, which have also resulted in significant savings for our owners.

As the pandemic evolves, we are continuing to assess its impact on human rights and modern slavery risks in relation to our industry, business and supply chains. To prevent and mitigate the more dynamic of these, including ones relating to recruitment and our supply chains, we are focused on advancing our ethical recruitment practices and due diligence efforts, both within our own operations and within our supply chains – for more information see [page 16](#).

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 17 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 cover areas including marketing, commercial & technology, finance, procurement, strategy, communications, human resources, legal, risk management and internal audit. In addition, we have reservation call centres in locations including Manila, Baguio, Guangzhou, Mexico City and Salt Lake City. We also have outsourcing arrangements in place in some areas. For example, at the corporate level, we outsource some of our call centres and technology support services, as well as some cleaning, facilities management and 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 workers in IHG-branded hotels are employed by third-party hotel owners, rather than by IHG directly. Depending on operational needs, hotels may also choose to outsource certain roles and/or teams (such as security and maintenance contractors, additional staff for events or housekeeping) to third-party labour suppliers.



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	IHG
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	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	Global Finance, Procurement and Strategy Finance, procurement and strategy
Business Reputation & Responsibility Risk management, internal audit, legal	Global Corporate Affairs Communications, public affairs and corporate responsibility
Commercial & Technology Revenue management, property systems and digital and voice sales	Human Resources People and talent
Marketing Brand development, guest experience, strategic partnerships and loyalty	

*Europe, Middle East, Asia and Africa

Our structure and business model 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 supply chains

Our corporate supply chains cover categories such as technology, including money spent in relation to our reservation and loyalty systems, 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 energy, 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 supply chains.

The IHG Procurement team has hotel buying programmes in place for certain goods and services in key IHG markets. Hotel owners and IHG-branded hotels have the opportunity to purchase from our contracted suppliers in these markets, leveraging IHG's system scale. IHG provides these hotel buying programmes in the US, Canada, Mexico, Greater China and has been expanding this support in the EMEAA region in 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.

In our corporate supply chain, nine strategic suppliers, who are our largest global technology and outsourcing providers, are identified for their contractual and operational value, with business performance reviews to promote value realisation, risk mitigation and create healthy supplier partnerships.

Our Procurement teams, empowered by our digital solutions and policies (such as the Supplier Code of Conduct), play a key role in communicating with suppliers and business stakeholders as part of our sourcing process. This includes ensuring that responsible business criteria are included in our supplier selection frameworks. Our Procurement Excellence is a global team and its role includes implementing and continuing to develop our approach to responsible procurement along with providing training and guidance for our colleagues, particularly for our procurement managers within our corporate offices and company managed hotels.



TOP SUPPLIER LOCATIONS

across corporate and hotel programmes

United States, United Kingdom, Australia, Japan, Germany, China, France, Ireland, Singapore, India

PROCUREMENT CATEGORIES

Food and Beverage	Furniture, Fixtures & Equipment	Travel	Operating Supplies and Equipment
	Maintenance, Repair and Operations	Energy	Commercial and Technology
Marketing	Professional Services	Human Resources	Real Estate

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.

Code of Conduct

IHG's Code of Conduct (Code), available in 10 languages, is fundamental to supporting colleagues working in IHG corporate offices, reservation centres and managed hotels in making the right decisions, in compliance with the law and our high ethical standards. The Ethics and Compliance Team oversees the Code of Conduct, which provides an overview of our values, reporting concerns framework and group policies, including human rights, respect in the workplace, diversity, equity, inclusion and equal opportunities, accurate reporting, 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.

In 2021, the IHG Board approved updates to the Code to ensure that it continues to reflect and respond to changes in the external environment and continues to support IHG's purpose and strategy. The updated Code will be communicated to colleagues and external stakeholders in early 2022. We also continue to evolve our Code training, engagement and measurement approaches, with plans to develop and launch a new Code e-learning in 2022 to support and provide additional guidance on the updated Code.

Our Values



Do the right thing



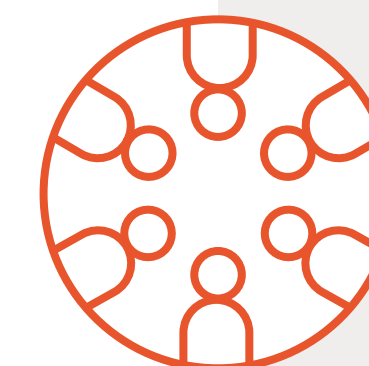
Show we care



Aim higher



Celebrate difference



Work better together

Human Rights Policy

IHG’s Human Rights Policy, which was drafted with assistance from external advisers, Article One (a specialist business and human rights consultancy), 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 Organization’s 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, the UN Global Compact and the UN Guiding Principles on Business and Human Rights.

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.

Following IHG’s public commitment in 2018, the **Sustainable Hospitality Alliance’s Principles of Forced Labour** have also been explicitly incorporated into our Human Rights Policy.

In 2021 we have continued to develop our approach to guidance and requirements for hotels to support the Human Rights Policy and specifically help address migrant worker risks.

Responsible Labour Requirements

To build on our work undertaken in 2020, in particular the findings from the Oman labour assessment and workforce mapping, and to help address risks for migrant workers, in 2021 we developed “Responsible Labour Requirements” for IHG owned, leased and managed hotels. These are a set of core minimum requirements that align with internationally recognised best practice. They were developed utilising resources such as the ‘Promoting Fair Recruitment and Employment: Guidance Tool for Hotels in Qatar’ report by the International Labour Organization and Institute for Human Rights and Business to which IHG hotels and other industry peer members of the Alliance contributed. The IHG Responsible Labour Requirements focus on the following key human rights risk areas:

1. Responsible recruitment and onboarding – setting expectations for hotel level practices when recruiting directly, via a recruitment agency or when leveraging the workforce of a third-party labour provider (including topics such as payment of recruitment fees, passport retention and provision of Non-Objection Certificates).
2. Hotel staff living accommodation – setting expectations for living conditions, including occupancy levels, facilities, fixtures and furnishings, for staff accommodation when managed by either IHG hotels or third-party providers.
3. Worker voice (grievance mechanisms and reporting concerns) – setting expectations for gathering worker feedback and raising awareness of the confidential hotline for reporting concerns from all colleagues, including third-party workers.

The objective of the Requirements is to help operationalise IHG’s Human Rights Policy at the hotel level and support hotels in mitigating human rights-related risks in a consistent and effective manner.

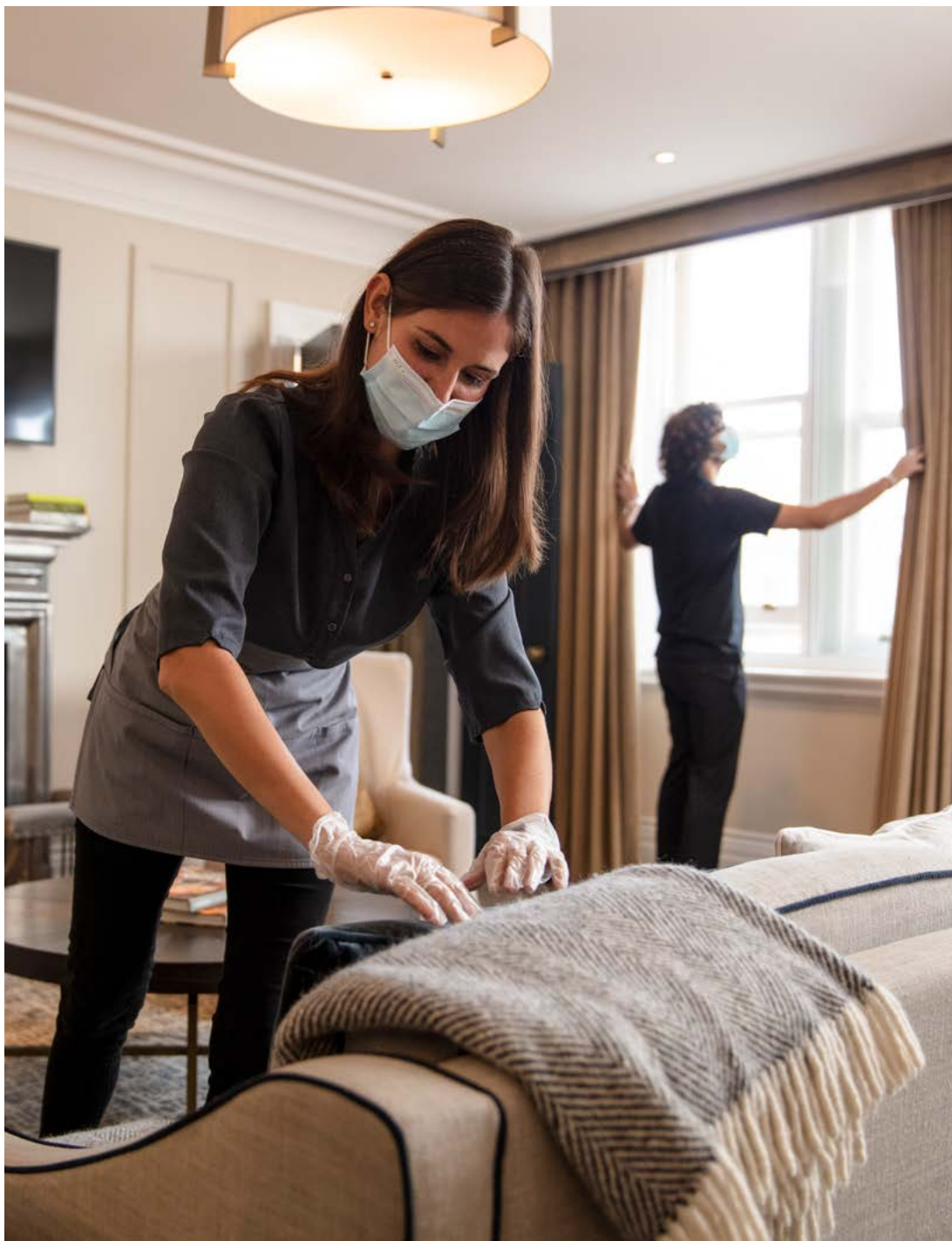
The Requirements have been piloted in 2021 with a representative sample of owned and managed hotels globally. We intend to communicate the Requirements on a global basis to all IHG owned and managed hotels in 2022, and develop risk-based measuring and monitoring. It is envisaged that the Requirements will continue to be built on to help hotels advance their practices over time.



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, and which apply to all IHG-branded hotels including franchised. 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, we updated the resources supporting the standard in 2020 to include a template policy and guidance focusing on those human rights areas most relevant to hotel operations, including key responsible recruitment practices and principles to combat forced labour and anti-human trafficking. The materials are available in more than 20 languages to enable colleagues, including migrant workers, to better understand and review them. To continue to raise awareness of labour sourcing risks, we make the Sustainable Hospitality Alliance’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 (Supplier Code) 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.

Under the Supplier Code, 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. While we aim to work with suppliers to resolve any issues identified, material breaches of the Supplier Code may lead to termination of a supplier’s contract with IHG.

Our new corporate suppliers are required to confirm their acceptance to the Supplier Code (or demonstrate they have equivalent policies in place) at the onboarding stage, in addition to it being a contractual requirement. Guidance on responsible procurement is also provided to company managed hotels. The Supplier Code is planned for a review in 2022.

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 (HR) 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. In 2021, we recorded 137 attempts of recruitment fraud globally. Where possible we reported these to authorities to deactivate email addresses and web content related to the fraudulent activity.

As recovery from the Covid-19 pandemic continues, IHG corporate colleagues have returned to the office. Like many other global companies, we have been thinking about how we want to work in the future. Building on changes that we introduced during the pandemic, in 2021 we updated our Global Flexible Working Guidelines with hybrid working principles. To support corporate colleagues with the shift to hybrid working, office enhancements, guidance and feedback forums were introduced.

Reporting concerns

IHG is committed to proactively avoiding human rights infringements within our sphere of influence. 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 through which colleagues can share any ethical concerns or breaches of the IHG Code of Conduct, including those in relation to human rights and modern slavery. Translation services (for approximately 150 languages) are available to enable the reporter to raise concerns in their native language. 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.

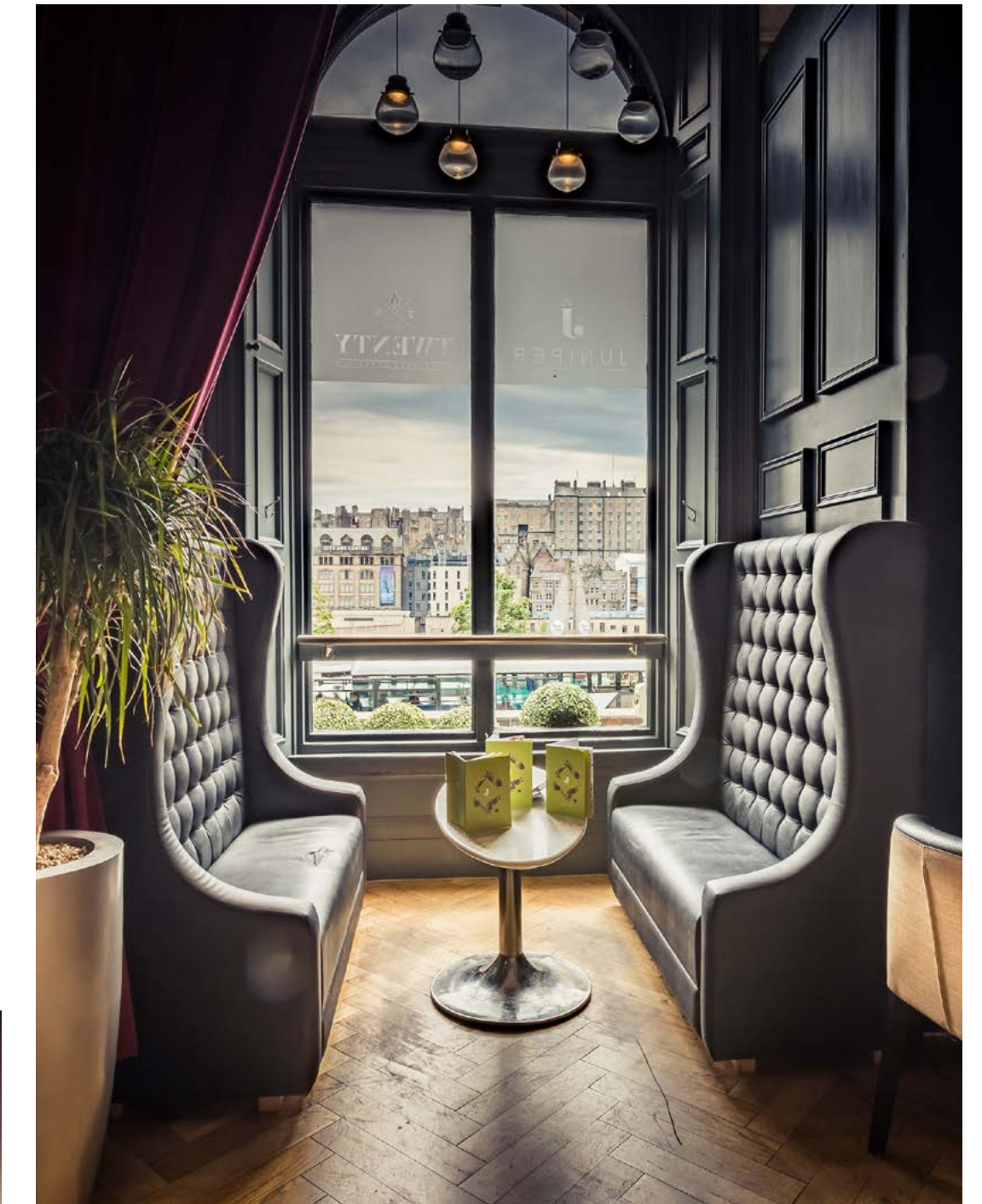
IHG managed hotels raise awareness of the confidential reporting hotline by displaying posters in hotel staff areas in English and local languages and information about the hotline is also available on our intranet and our external website. To increase accessibility to the hotline, a QR code leading to the confidential reporting hotline's web page (available in 25 languages) was added to the posters in 2021.

The confidential reporting 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) or via the Ethics and Compliance team's email address (ethicsandcompliance@ihg.com). IHG commits to undertaking inquiries for all reports received, which are reviewed and investigated by a group of dedicated personnel.

In 2021 we continued to monitor the confidential hotline cases relating to human rights and related human resources topics, including bullying, discrimination, physical abuse, sexual abuse, exploitation, harassment, recruitment costs, wages, general working or living conditions, health and safety. One substantiated case in 2021 regarded the passport retention of a small number of colleagues in the United Arab Emirates, for more details please see [page 16](#).

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

- Anti-bribery Policy
- Diversity, Equity, Inclusion and Equal Opportunities Policy
- Respect in the Workplace 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 2021, IHG introduced a new procurement intelligence solution that enables better visibility of spending, opportunity identification and savings adding synergies to our services and enhancing the procurement support provided to our business, owners, and hotels. This will help us better understand our supply chain for future risk reviews – for more information on our supplier risk assessment and management, see [page 17](#).

Empowered by our procurement platforms, our procurement teams play a key role in performing due diligence checks on suppliers. In addition to acknowledging adherence to IHG's Supplier Code of Conduct, during the tendering process new suppliers being onboarded to the system are required to complete our responsible procurement due diligence questionnaire, which was reviewed and updated in 2021. Further strengthening our commitment to growing our business sustainably and delivering long-term value for our owners, hotels and guests, this updated set of pre-contract criteria includes questions on where products are sourced and/or manufactured to help continue to build our understanding of our supply chains. For new suppliers of higher-risk products or services we have piloted the use of supplementary labour practices questions as part of the due diligence process for RFPs/RFIs. These supplementary questions cover topics such as recruitment fees and recruitment processes, worker accommodation and grievance mechanisms. For more information on our supplier risk assessment activities including our assessment of which products/services are higher risk, see the Risk assessment and management section, starting on [page 17](#).

IHG also reserves the right to conduct unannounced assessments and on-site audits and while we aim to work with suppliers to resolve any material findings during or after contracting, non-cooperation may lead to contractual termination. We continue to collaborate with our prospective and existing suppliers, managing supply chain risks related to labour practices and 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.



Our own operations

Labour migration process mapping

In 2021 we partnered with the Philippines Office of the International Organization for Migration (IOM), also known as the UN migration agency, and the Sustainable Hospitality Alliance (the Alliance) to participate in the “Aligning Lenses Toward Ethical Recruitment” (ALTER) project. This multi-stakeholder project focuses on the labour supply chain and recruitment process between the Philippines and the GCC countries to better understand the migrant journey of Filipino workers. IOM engaged with the main stakeholders, including government, employers, recruitment agencies, civil society groups and workers, to identify systemic challenges and build capacity for both recruitment agencies and employers, where needed.

Six IHG managed hotels from across Oman, Qatar, Kuwait, and United Arab Emirates participated in the project by completing the full assessment process, which included a set of questionnaires, worker interviews, and a validation meeting, to provide more information on their Filipino workforce, recruitment practices and use of recruitment agencies. Four recruitment agencies used by the hotels were also invited to participate in the project and one carried out the self-assessment. In addition to the hotel self-assessments, IOM carried out interviews directly with Filipino colleagues working at the participating hotels, with 36 worker interviews being conducted. IOM leveraged the information to conduct an analysis of hotel practices and will be providing reports for each hotel identifying good practices and guidance on areas for improvement. In 2022 we will continue to work with the hotels to help address any findings and to assess whether any of the recommendations should be incorporated into our resources for other hotels.

UK market-level assessment

Our commitment to ongoing human rights due diligence includes assessing human rights impacts across the different locations we operate in. Our recent due diligence efforts have focused on migrant worker risks, with a particular focus on our IMEA region where we know there are high numbers of migrant workers. However, we recognise the importance of continuing to assess human rights risks across all our regions. The impact of Covid-19 and factors such as labour supply shortages and Brexit-related changes have impacted the UK hospitality industry. To better understand the changes in human rights risks associated with these challenges, we are carrying out a market-level labour assessment in the UK working with our specialist human rights advisers. The assessment commenced in 2021 and will be completed by Article One in 2022. The project includes desktop research to review policies and processes in IHG hotels in the UK, 8 planned hotel visits (including worker interviews and focus groups) to assess the practices at hotel level, and interviews with external stakeholders, such as UK labour authorities, international NGOs, human rights organisations, as well as gathering feedback from a sample of our UK franchisees.



Implementation work in IMEA

In 2021, we continued to address findings from the 2019/20 [Oman market-level labour assessment](#) and to apply the learnings from the project to further countries in our IMEA region. In 2021 our Ethics & Compliance Team engaged with HR and Operations colleagues in our IMEA region and in country to gather input on the best approach for implementing the assessment's recommendations and to progress the action plans. The actions related to practices impacting hotel employees are being addressed through engaging with the hotel General Managers (GMs) and reviewing current hotel-level policies and processes. For example, we are working on driving consistent practices in carrying out interviews with new joiners to identify payments of recruitment fees, including any hidden fees. To ensure that GMs and HR colleagues at hotel level have the necessary knowledge to assess hidden fees we carried out training sessions on migrant worker risks run by IOM Geneva – for more information, see [page 19](#). To address the findings regarding third-party workers, the hotels started engagement with labour providers with the view of formally communicating our expectations and upcoming due diligence processes in 2022, including checks on the regularity of wage payments, passport retention and regular staff accommodation visits. The findings and action plans for our Oman hotels have also been reviewed to assess the extent to which they are relevant to hotels in Kuwait and Qatar. Relevant areas that will help further develop practices at hotel level are also being progressed in these countries, including migrant worker interviews, raising awareness of policies, and due diligence processes for recruitment agencies and labour providers.

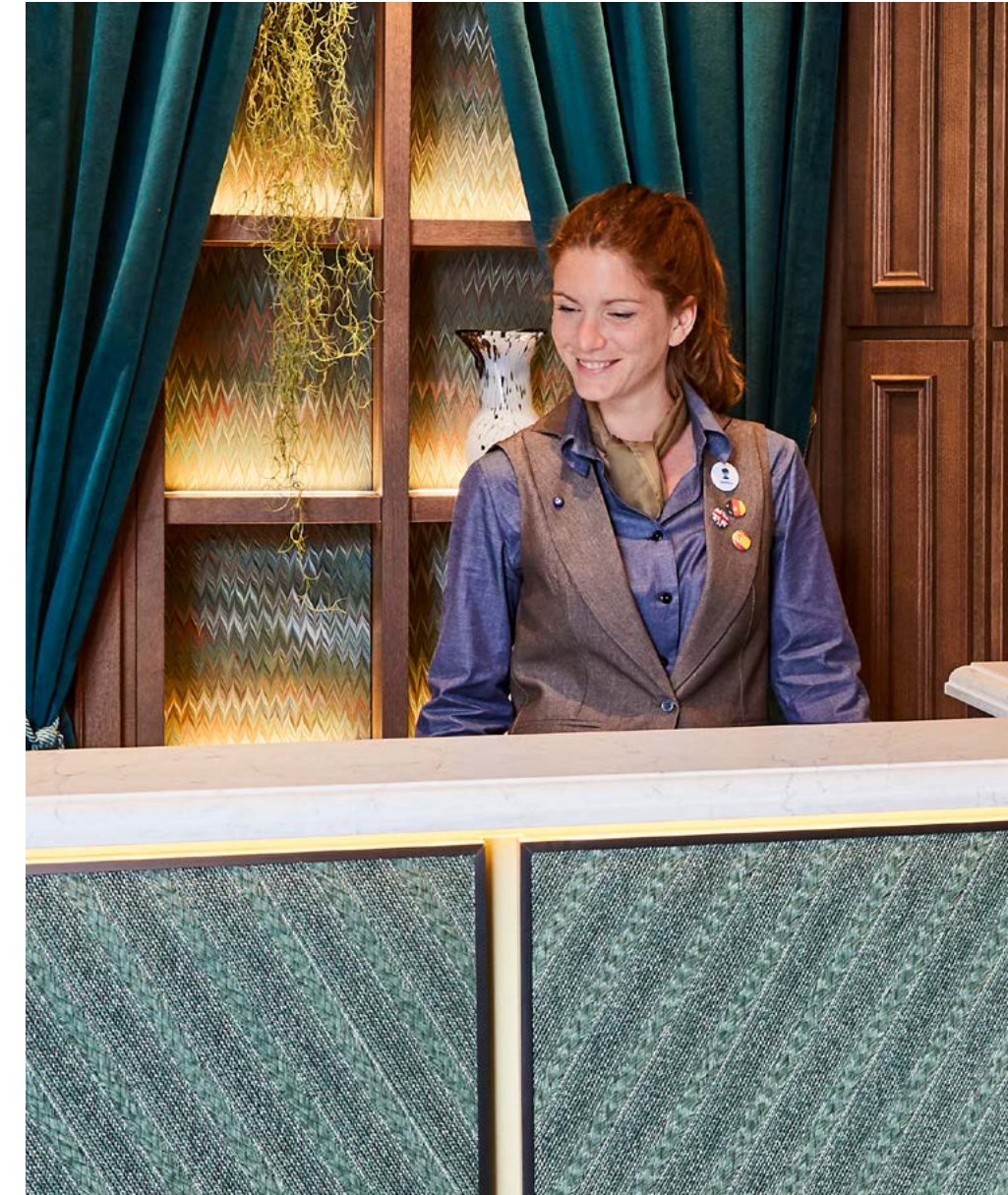
Risk assessment and management

Risk assessment

Information on IHG's 2018 global human rights impact assessment is provided in our **2019 Statement**. Areas where IHG could improve its management of salient human rights risks were identified, including focusing on further due diligence related to the management of labour risks, 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.

While the 2018 assessment continues to inform our approach to human rights-related risks and impacts across our operations and supply chains, as noted in our **2020 Statement**, the impact of Covid-19 necessitated a review of IHG's human rights risks and strategy, and a re-prioritisation of certain areas of the human rights programme. In 2021 we continue to see migrant labour risk as a high priority area and as a result, are continuing our work in relation to preventing and mitigating it by progressing our due diligence efforts and collaborating on industry projects. In addition – and as displayed by the activities we have undertaken in 2021, we see an opportunity in other areas, such as responsible recruitment, to improve standards and drive best practice as business activities recover.

We have provided further information on some identified risks areas that continue to be affected by the pandemic including risks to migrant workers, recruitment risks and health and safety risks on pages [16](#) and [17](#).



External risk indicators

To accurately monitor any changes in the salient risks across our operating countries, we utilise resources such as the Responsible Sourcing Tool developed by the US State Department's Office to Monitor and Combat Trafficking in Persons, Verité, Made in a Free World, and the Aspen Institute and risk indices and country analysis from Verisk Maplecroft, a global risk consulting firm, on migrant worker and modern slavery risks for the hotel and lodging industry. Together with our risk management approach, we leverage these data points to better target our due diligence priorities.

Migrant worker risks

We continue to focus closely on assessing and mitigating risk to migrant workers, who can be particularly vulnerable to certain human rights violations within the industry.

As set out in our [2020 Statement](#), IHG produced additional guidance in 2020 to support hotels and operations teams to address migrant workers’ needs, and to prevent and mitigate any potential impacts. This included Hotel Staff Accommodation Guidance and a Migrant Worker Checklist that include health and safety and migrant worker considerations in the context of Covid-19 for IHG-branded hotels and third-party labour providers. In 2021 this approach has been substantially enhanced through the development of Responsible Labour Requirements for IHG owned, leased and managed hotels, which set out core minimum requirements across key human rights risk areas (responsible recruitment, hotel staff living accommodation and worker voice). For more information on the Requirements, see [page 10](#).

In addition, we have continued to provide support to our hotels by partnering with the Alliance and IOM to conduct training on migrant worker risks. For more information, see the Training section starting on [page 19](#).

Confidential hotline case study

In 2021, IHG received a report on its confidential hotline regarding passport retention in one IHG hotel in the UAE. A colleague reported that a small number of colleagues did not have direct access to their documents and they recognised this to be in contravention of the IHG Human Rights Policy. This led to an internal investigation involving HR and Ethics and Compliance colleagues. The case related to a recently opened IHG hotel with a new GM. The documents were immediately returned, and coaching and guidance were provided to the GM, with appropriate controls, including training, introduced to prevent recurrence.

Industry survey in Qatar

In 2021, IHG participated in Business and Human Rights Resource Centre’s second hospitality survey on migrant workers’ rights in the Middle East. This focused on Qatar to assess human rights practices across the hospitality industry ahead of the 2022 Qatar FIFA World Cup. The report found that IHG demonstrated significant improvements on our previous submission and ranked the highest across the hotel companies reviewed. The survey helped to measure both the areas we have made progress in and the ones where more improvements can be made. Recognising the importance of continuing to develop our due diligence approach at hotel level, we are working to equip HR hotel colleagues globally with the tools for assessing the practices of existing/new recruitment agencies and labour providers and for engaging with workers to identify any potential negative impacts, including payment of recruitment fees, passport retention, provision of Non-Objection Certificates, where applicable (for more information, see Responsible Labour Requirements on [page 10](#)).



Recruitment risks

Covid-19 disrupted labour markets globally, and the travel and hospitality industry are now experiencing challenges in retaining and recruiting talent. Hotels are scaling operations back up to pre-pandemic levels, as a staggered process of recovery continues globally. To prevent and mitigate recruitment risks, we will communicate the Responsible Labour Requirements in 2022 following completion of a pilot in 2021 (see [page 10](#)) which sets expectations for hotels to follow in relation to new and existing recruitment agencies, and third-party labour providers. For more details on the Responsible Labour Requirements, see [page 10](#).

In addition, we continue to make the Alliance's Responsible Recruitment training available to all IHG-branded hotels. This is recommended to all Human Resources and recruiting managers at hotel level to support them in identifying recruitment risks. For more information on the Responsible Recruitment training, see [page 19](#).

Health and safety risks

With the Covid-19 vaccination campaign reaching more countries globally, IHG continues to align to the health and safety regulations and public health guidance in the countries where we operate. As more people return to travel and reconnect with one another, we continued the execution of IHG Way of Clean and IHG Clean Promise in our hotels. Cleanliness and safety standards have remained hugely important in our hotels, and we are working closely with our owners and hotels to provide training and support for evolving brand standards and procedures to provide a safe environment for our colleagues and guests.

We employ a team of global risk specialists to coordinate and monitor a safety and security management system to mitigate systemic health and safety issues across our hotels. Subject matter experts have also continued to monitor local law and public health guidance, reported incidents and external trends that may impact the safe operation of hotels, including the health of our colleagues, and customer expectations.

Supply chain risk assessment

We completed a review of our supply chain risk management and assurance approach in 2021, which included the assessment of our supply chain risks and approach to due diligence and audits. We are procuring a responsible procurement risk management digital solution and a supplier diversity digital solution to enhance our supplier due diligence checks and to identify opportunities in our supply chain. The tools are planned to be implemented in 2022 and will provide better visibility of IHG's responsible procurement risks, including human rights, sustainability and financial risks; help to identify new opportunities, including diverse suppliers; and enable the management and mitigation of supply chain disruptions.

To support our supplier due diligence approach, we carried out a review of our supplier categories (including categories across our corporate spend and covered by purchasing programmes in place for hotels) to identify those which are higher risk from a modern slavery and human rights perspective. This utilised external sources such as Responsible Sourcing Tool developed by the US State Department's Office to Monitor and Combat Trafficking in Persons, Verité, Made in a Free World, and the Aspen Institute. Products and services designated as higher risk include items such as textiles, cleaning services, and some food and beverage items.

For new suppliers of products or services identified as higher risk, we have developed and piloted use of additional labour practices due diligence questions, which are being incorporated into our RFP/RFI processes (for more information on our supplier due diligence processes, see [page 13](#)). We have also commenced a project to further develop this work and have engaged Article One, our human rights advisers, to review and update our internal risk assessment work and provide additional guidance on which procurement categories may be higher risk from a human rights and forced labour perspective. The project will then look at our textiles suppliers in our US hotel purchasing programme to carry out a more detailed risk assessment of these suppliers and due diligence processes and to develop approaches for mitigation and continuous improvement where issues are identified.

Worker voice

We included specific considerations on worker voice in a number of our 2021 areas of focus.

- Responsible Labour Requirements – these requirements, which will be launched in 2022 for owned, leased and managed hotels, set expectations for gathering worker feedback and raising awareness of the confidential hotline for reporting concerns among all colleagues, including third-party workers. For more information on the Responsible Labour Requirements, see [page 10](#).
- Accessibility of the Confidential Hotline – To improve the accessibility of migrant workers to the confidential hotline, we developed a QR code. This can be easily read by mobile devices and it is also available in 25 languages. For more information on the Confidential Hotline, see [page 12](#).
- Worker interviews – The IOM project, described on [page 14](#) mapping the Filipino migrant corridor to GCC countries included worker interviews. 36 Filipino workers provided information on their recruitment experience to help map the typical migrant worker journey from the Philippines to the Middle East. This feedback will help in driving best practice and identifying any potential impacts. Early feedback suggests that workers may benefit from more consistent and transparent communication on the overall recruitment process. The project’s findings will be available in early 2022 and these will provide us with more information on key areas of focus for the participating hotels. Our UK market assessment will also include obtaining worker feedback through colleague focus groups.



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 designated senior colleagues in IHG owned and managed hotels. To aid the group or classroom training of a greater number of frontline hotel colleagues, we have developed additional resources, such as a '10-minute trainer', which is available in 14 languages. Over 47,000 colleagues, including the Board, completed the training in 2021.

We continue to build on our risk-based training approach relative to human rights topics 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 support of our Human Rights Brand Standard, we offer two additional training modules on Preventing Human Trafficking and Responsible Recruitment. The Preventing Human Trafficking training, which was developed by ECPAT USA and Polaris, was completed by more than 45,000 colleagues globally.

Responsible Recruitment training, provided by the Alliance, is recommended to all Human Resources colleagues and recruiting managers to continue to drive responsible recruitment practices, and over 4,000 colleagues, completed this training in 2021.

Raising awareness of responsible purchasing practices among our colleagues is fundamental to our supply chain practices. In 2019, we launched an education programme on responsible procurement to increase ethical supplier awareness of our colleagues. The programme educates colleagues on what responsible procurement involves, including raising awareness of supply chain risk and the considerations that colleagues need to be aware of. Since 2019, more than 14,000 employees have completed this training.

In 2020, we developed Responsible Sourcing Principles to support our hotels in making the right choices when purchasing, focusing on social and environmental matters. In 2021, we reviewed and refreshed these Principles to continue supporting hotels in making the right decisions when dealing with suppliers. To date, 766 hotels have accessed the Responsible Procurement Guidance, demonstrating their commitment to sourcing responsibly. We will continue to further expand our colleague education programme focused on responsible procurement best practice.

Project with CARE International UK

We recognise suppliers working in the textiles industry as a priority for our attention, given they play a big role in our hotels. In 2021, in partnership with CARE International UK and our key suppliers, we continued our programme to create a more gender-inclusive workplace, with the aim of creating more productive, resilient and secure supply chains in the textile industry. This year, a workplace gender analysis was carried out with a supplier across two factories involving interviews and focus groups with 55 workers. We have the findings and recommendations of this research and will keep collaborating with specialist organisations and our suppliers to continue this work in 2022.

Ethical Recruitment Training from IOM

In 2021, we collaborated with the Alliance and IOM Headquarters in Geneva on the project 'Promoting Ethical Recruitment in the Hotel and Tourism Industry' to develop training resources for the hospitality industry. As part of the project, IOM and the Alliance developed training for key internal stakeholders in HR, Operations and Finance/Procurement at country level, hotel level, and corporate level. IOM with the help of the Alliance delivered the following tailored content:

- Implementation of Ethical Recruitment – providing guidance and best practice on working with a wide range of stakeholders (including hotel suppliers, third-party labour recruiters and recruitment agencies) and on contractual terms for migrant workers.
- Policies and Commitments – providing an introduction to the IRIS Standard, an international standard that defines ethical recruitment, and the IRIS programme, IOM's flagship initiative to provide ethical recruitment of migrant workers, and what constitutes policy alignment with the Standard. For more details on IRIS, see iris.iom.int.
- Access to remedy and grievance mechanisms – focusing on strengthening existing grievance mechanisms, providing remedy to migrant workers, gathering worker feedback and migrant worker voice.

The sessions had 120 attendees in total, including HR and Operations hotel colleagues in the Middle East, corporate regional HR and Operations, and Global Procurement colleagues. In feedback from participants, they noted that it improved their knowledge and prompted them to review contractual terms with recruitment agencies and assess whether the hotel level policies align with the IRIS standard.

Hotel-level engagement

We continue to work closely with colleagues, both at corporate and hotel level, to provide enhanced training on key human rights areas, raise awareness of the available tools and review operational procedures to mitigate any identified risks where necessary – for example, in relation to major sporting events.

Leading up to the EURO2020 and COP26 events in 2021, the Operational Risk Management team liaised with the hotels hosting these events, such as IHG hotels in Glasgow and Edinburgh in Scotland. Tools and training materials were made available to hotels in preparation for the events, including Preventing Human Trafficking and Responsible Recruitment e-learning. In addition, other stakeholders, including local Police forces, were engaged during the preparation phase.

2022 Super Bowl

Ahead of the 2022 Super Bowl in Los Angeles, IHG is partnering with It's a Penalty to foster local activities leading up to and during the event to raise awareness and help prevent human trafficking in the city. To continue to drive awareness of the human trafficking signs among hotel colleagues and stakeholders, together with It's a Penalty we will host the campaign kick-off event at our Hotel Indigo property in Los Angeles. This will include an awareness training – both in-person and virtually – for hotel employees, industry leaders and partners.

In addition, the attendees at the kick-off event, including hotel employees, airport employees and Uber drivers across Los Angeles, will also receive awareness kits that contain campaign resources about recognising and reporting instances of human trafficking. More than 60 IHG hotels in the Los Angeles area will receive the kits, and hotel teams will be trained on how to use the collateral. Hotels will distribute and display the campaign materials to their teams and guests to raise awareness of human trafficking.



2022 Qatar FIFA World Cup

With the 2022 Qatar FIFA World Cup approaching, we continue working closely with our hotels in the country to support them in preparation for the event.

Together with other resources, IHG hotels leveraged the ‘Promoting Fair Recruitment and Employment – A Guidance Tool for Hotels in Qatar’ to improve their practices. This tool was developed by the International Labour Organisation and Institute for Human Rights and Business with the collaboration of IHG hotels and other industry peers. For more information, see [page 14](#) of our 2020 Modern Slavery Statement. In addition, the IHG hotels in Qatar participated in the BHRRRC survey on labour practices within the hospitality industry in 2021, which helped measure and benchmark their efforts to drive change (for more details, see [page 16](#)). The overall findings of the survey show that there is still more work for the industry to do across a number of topics, such as recruitment processes and fees, discrimination

in position and pay based on nationality, ensuring workers feel able to change jobs and treatment of subcontracted workers. The survey also recognised the significant progress that IHG hotels have made since its last iteration and ranked IHG highest among participating companies. We have reviewed the BHRRRC report to help identify areas for improvement where IHG received lower scores, such as processes to monitor supplier wage payments to subcontracted workers, and continue to work to address these areas. In parallel, our Qatar-based hotels have participated in government audits on ethical recruitment, hotel staff accommodation and worker welfare. We consider that stakeholder engagement has an important role in the preparation for this event. We continue to review information from external organisations such as international NGOs focused on sports and human rights to understand human rights risks and opportunities in relation to the upcoming World Cup.

Working together

Working together – Governance

The Responsible Business Committee of IHG's Board of Directors 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 2021, the Ethics and Compliance Team provided updates on the human rights programme directly to the Responsible Business Committee. 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 and commitments. These include our Journey to Tomorrow 10-year responsible business plan that we launched in 2021, which includes our commitment to drive respect for and advance human rights.



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. Set forth next are various collaborations that we engaged in over 2021:

Sustainable Hospitality Alliance

- Regular attendance at the Alliance'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 Alliance's workforce development programmes, some of which are supporting survivors of modern slavery.



Business in the Community

- Became an early supporting partner of the Beacon Project, that made support available to modern slavery survivors.
- Member of the Global Goals Leadership Team that aims to drive business to deliver the United Nations' 17 Sustainable Development Goals.



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.



Working together – Collaboration 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. In 2021 we achieved Top Member status.



UN Forum on Business and Human Rights

- Attended 2021 UN Forum on Business and Human Rights that focused on the next decade of business and human rights.

Project with CARE International UK

- We recognise suppliers working in the textiles industry as a priority for our attention, given they play a big role in our hotels. In 2021, in partnership with CARE International UK and our key suppliers, we continued our programme to create a more gender-inclusive workplace, with the aim of creating more productive, resilient and secure supply chains in the textile industry. This year, a workplace gender analysis was carried out with a supplier across two factories involving interviews and focus groups and with 55 workers. We have the findings and recommendations of this research and will keep collaborating with specialist organisations and our suppliers to continue this work in 2022.



UK Modern Slavery Policy and Evidence Centre

- Participated in the Policy and Evidence Centre's roundtables to provide input from businesses on potential modern slavery research areas.

Labour Migration Process Mapping

IHG worked with the Alliance and IOM to conduct assessments to map the migration journey of Filipino hospitality workers to GCC countries. This multi-stakeholder project had IOM engage with the Filipino government, employers (including IHG and other industry peers) in GCC countries, recruitment agencies, civil society organisations and Filipino migrant workers.

The aim of the project was to gain a better understanding of the workers' experiences and identify risks that could leave workers vulnerable to labour exploitation during their journeys. To map the migrant journey, IOM, the Alliance and Diginex Solutions developed an online platform for completion of recruitment practices self-assessments by hotels and recruitment agencies. In addition, IOM conducted interviews with Filipino workers to gather their feedback on their experience.

The results of this project informed 1) the development of capacity building tools on ethical recruitment, including an online platform, to be made available to the hospitality industry to help support and improve labour due diligence, and 2) the development of a National Action Plan to mainstream ethical recruitment among the Philippines' recruitment industry which was launched on 11 November 2021 and adopted by the various stakeholders, including both the government and the private recruitment sector. For more information on IHG hotels' involvement in the project, see the Our due diligence processes section on [page 14](#).



Our effectiveness and performance indicators

As certain human rights risks, including the risk to migrant workers and recruitment, continue to be elevated as the industry recovers from the pandemic, ongoing human rights due diligence remains an important tool to help identify and mitigate human rights risks, and it enables us to evolve our approach to human rights and modern slavery. We are focused on continuously developing our due diligence processes and reporting, and it is encouraging to have external stakeholders acknowledge our progress in this area (such as through the Business and Human Rights Resource Centre report on Qatar (for more information, see [page 16](#)), and the [CCLA's 'Find It, Fix It, Prevent It' initiative](#)).

The training figures and number of suppliers who have signed our Supplier Code of Conduct help us measure the reach of our programme. As of December 2021, over 47,000 colleagues completed the Code training. In addition, 5,523 suppliers have signed our Supplier Code of Conduct.

As our training efforts and awareness of available resources increases, the reach of the programme continues to grow. For more information, see the Training and Awareness section on [page 19](#).

To measure the reach of the hotel resources, we track the number of downloads: over 3,000 for the Hotel Staff Accommodation Guidance and over 150 for the Migrant Worker Checklist since launch. In parallel, we monitor numbers of human rights related cases reported through our confidential reporting hotline.

In 2021 we launched Journey to Tomorrow, a 10-year action plan of clear commitments we've made to drive positive change for our people, communities and planet, aligned to our purpose of True Hospitality for Good and to the UN Sustainable Development Goals. For more information, see the [2021 Responsible Business Report](#).

Looking ahead

We consider that increased transparency is key in the way businesses are addressing risks to combat modern slavery. As an organisation with a long-standing commitment to responsible business, IHG recognises its areas of improvement and we are focused on further developing our approach to human rights and combating modern slavery.

Looking ahead to 2022, we will continue to further our due diligence efforts and the roll-out of the Responsible Labour Requirements. Other focus areas will include advancing our remedy approach and continuing our supply chain risk assessment and due diligence work across a number of areas, including continuing to evolve our approach and mapping of those suppliers that are higher risk from a human rights and modern slavery perspective. We will also be completing and addressing any findings from our UK market labour assessment and the Labour Migration Process Mapping project. In addition, we are planning on reviewing IHG's 2018 global human rights impact assessment to ensure that our programme continues to effectively address the most pressing salient human rights risks.

To drive systemic change, we will continue to engage with industry and cross-industry collaborative initiatives.

The IHG Board approved this statement on 18 February 2022.



Keith Barr
Chief Executive Officer



This Statement is for the financial year ended 31 December 2021 and covers InterContinental Hotel Group PLC, IHG Hotels Limited, InterContinental Hotels Group Services Company, Six Continents Limited and all fully owned group entities as listed in [IHG's Annual Report and Form 20-F 2021](#).

We welcome any feedback you may have in relation to this statement – please contact us at ethicsandcompliance@ihg.com.

