

 TFE hotels

MODERN SLAVERY
STATEMENT

IDENTIFYING THE REPORTING ENTITY

This modern slavery statement is made pursuant to the Modern Slavery Act 2018 (Cth) (**Act**) by Toga Hotel Management Holdings Pty Ltd (**TFE Hotels**) on behalf of its subsidiaries. The purpose of this statement is to outline TFE Hotels' approach to minimising the risk of modern slavery in our business operations and supply chain. This statement relates to the financial year of 1 July 2019 to 30 June 2020 (Financial Year).

TFE Hotels has almost 60 years of hotel ownership, management and development experience and has earned its reputation as the "developers' hotelier" and "owners' operator", with a successful track record of end-to-end hotel design, development and management capability over many years.

TFE Hotels does not tolerate slavery, human trafficking, forced or child labour or exploitation. TFE Hotels is committed to reducing the risks of modern slavery in our business operations and supply chains, and to managing incidents where they might occur. This commitment has become increasingly important to us over 2020/21 as the impacts of COVID-19 were felt across the world.

OUR STRUCTURE, OPERATIONS AND SUPPLY CHAINS

TFE Hotels comprises a range of entities which contributed to its annual consolidated revenue as at 30 June 2020. TFE Hotels and its wholly owned subsidiary Medina Property Services Pty Ltd are identified as reporting entities for the purposes of the Modern Slavery Act 2018 (Cth).

TFE Hotels submits this statement as a joint statement on behalf of itself and Medina Property Services Pty Ltd pursuant to section 14 of the Modern Slavery Act 2018 (Cth).

TFE Hotels operates 79 hotels across Australia, New Zealand and Europe, with more than 15 hotels in its development pipeline. TFE Hotels is an international hotel group operating in Australia, New Zealand, Germany, Denmark and Hungary. It has a portfolio of five established hotel brands - Adina, Vibe, Travelodge, Rendezvous, Quincy and Collection by TFE Hotels, as follows:

- **Adina Apartment Hotels** in 34 locations in Australia, New Zealand and Europe. Other locations coming soon include Cologne, Vienna, Fremantle, and Munich.
- **A by Adina** in 2 locations in Australia.
- **Adina Serviced Apartments** in 4 locations in Australia
- **Vibe Hotels** in 11 locations in Australia.
- **Quincy Hotels** in 1 locations in Australia
- **Travelodge Hotels** in 18 locations in Australia and New Zealand. Other locations coming soon include Auckland.
- **Rendezvous Hotels** in 5 locations in Australia and New Zealand.
- TFE Hotels Collection include **The Calile Hotel Brisbane, Hotel Kurrajong Canberra, The Savoy Hotel on Little Collins Melbourne** and **The Hotel Britomart** in Auckland.

TFE Hotels employs 1,871 staff across its hotel and head office operations in Australia, New Zealand and the EU in a mix of permanent, part time and casual roles. TFE Hotels' team members are employed pursuant to workplace and immigration laws.

TFE Hotels' business involves the following primary supply chains:

- Procurement of services, including housekeeping, security, waste removal
- Procurement of goods, including food and beverage, uniforms, linen
- Corporate suppliers, including corporate partners and online travel agents
- Outsourced offshore support services - IT, accounting and treasury

TFE Hotels' response to modern slavery risk assessment and mitigation across its group of companies is managed by the TFE Hotels Procurement leadership team, supported by the Group General Counsel, and is reported to the Board.



Adina

vibe
HOTELS

quincy

Travelodge
Hotels

R E N D E Z V O U S

Collection
by TFE hotels

MODERN SLAVERY RISKS IN OUR OPERATIONS, SUPPLY CHAINS AND CONTROLLING SUBSIDIARIES

TFE Hotels predominantly deals with Australian based suppliers, with the majority of TFE Hotels' operations based in Australia.

TFE Hotels has assessed the following specific risks of modern slavery within its supply chain:

- **Housekeeping**

This category is outsourced and the specific risks are:

- Low skilled workers
- Temporary, casual and part-time workers
- Overseas students

- **Distribution of consumable goods**

Most of these items are imported, and the specific risks are:

- Child labour
- Compliance with local labour laws
- Non-ethical sourcing

- **Laundry & Linen**

Specific risks are:

- Low skilled workers
- Temporary, casual and part-time workers
- Non-ethical sourcing
- Environmental impacts

- **Uniforms**

Specific risks are:

- Non-ethical sourcing
- Environmental impacts
- Child labour
- Compliance with local labour laws

- **Dry/Chilled/Frozen Food distribution – Fruit & Vegetables/Meat**

Specific risks are:

- Low skilled workers
- Temporary, casual and part-time workers
- Overseas students
- Environmental impacts
- Non-ethical practices

The hospitality industry has been identified as a high-risk industry due to the prevalence of migrant labour and labour hire agencies within its outsourced workforces, including housekeeping, maintenance and security in particular.

TFE Hotels also outsources certain components of its operations offshore, including accounts payable, treasury and IT support, to low-cost country alternatives.

TFE Hotels therefore acknowledges that there may be risks of modern slavery practices inadvertently occurring in our extended supply chains specifically where products are sourced from overseas. However, we believe our mitigation processes set out in this statement combats this risk.



Adina

vibe HOTELS

قصر

Travelodge Hotels

RENDEZVOUS

Collection by TFE hotels

ACTIONS TAKEN TO ASSESS AND ADDRESS THOSE MODERN SLAVERY RISKS, INCLUDING DUE DILIGENCE AND REMEDIATION

TFE Hotels has implemented a number of processes across its family of suppliers and contractors to protect vulnerable workers from the impacts of the pandemic and to integrate modern slavery risk mitigation into our operations. This includes a requirement for suppliers to:

- Annually provide a Modern Slavery Statement detailing the steps they have taken to minimise modern slavery practices within their own supply chain, including a COVID-19 response; and
- Obtain Independent Certification if deemed high risk due to the location or products they supply,

as well as imposing contractual obligations on its suppliers to:

- comply with the Modern Slavery Act 2018 (Cth);
- take all reasonable steps to ensure that there is no modern slavery in its supply chains;
- maintain in place policies and procedures to meet its requirements under all applicable laws relating to anti-bribery, anti-corruption and modern slavery; and
- maintain a complete set of records to trace the supply chain of all goods and services provided by the supplier and its subcontractors to TFE Hotels.

In addition, TFE Hotels has internally conducted an assessment of higher risk suppliers that require on site auditing in addition to the above mitigation procedures. Whilst this occurred for offshore materials sourcing and outsourced services in FY19, COVID-19 has unfortunately suspended this process. It is intended that due diligence audits will be conducted for all new suppliers consistently moving forward once international borders are re-opened.

Finally, TFE Hotels has various policies which are an integral aspect of TOGA's commitment to managing human rights, including:

- **Code of Business Conduct and Ethics**
- **Whistleblowing Policy**
 - supports and reflects TFE Hotels' values and code of conduct
 - sets out procedures and avenues available to report unethical, corrupt, illegal or otherwise inappropriate conduct
 - ensures disclosures of wrongdoing are dealt with appropriately and promptly
- **Procurement Policy**
 - Team members making commercial commitments on TFE Hotels' behalf must:
 - seek to reduce adverse social and environmental impacts from the supply chain; and
 - take reasonable steps to ensure that people in the supply chain are treated with respect, have adequate working conditions, and work in a safe and healthy environment.
- **Contractors and Subcontractors Policy:**
 - outlines policies regarding performance on human rights, health & safety and environmental issues when engaging contractors, and applies TFE policies to its contractors.
 - requires all contractors to comply with applicable Australian and international laws regarding employment practices and benefits, anti-discrimination and work, health and safety.
 - requires contractors to ensure they do not, and their supply chain does not, engages in any 'modern slavery' practices including forced labour, exploitation, debt bondage and deceptive recruiting for labour or services
- **Work, Health and Safety Policy**
 - maintains safe working conditions for all team members and contractors
- **Bullying, Discrimination and Harassment**
 - prohibits workplace bullying, harassment or discrimination in any form

- **Recruitment and Selection**

- ensures TFE Hotels' recruitment and selection processes encourage equal employment opportunity and diversity

- **Anti-Corruption, Bribery and Political Donations Policy**

- prohibits any activities associated with corruption or bribery, and setting clear criteria for permissible political donations

The commitments we make in these policies apply to all employees of TFE Hotels and our consultants, contractors, suppliers and their employees.

ASSESSING THE EFFECTIVENESS OF OUR ACTIONS

Our first reporting period provided a welcome opportunity for TFE Hotels to introduce a number of new processes and procedures to combat the risks of modern slavery within our supply chain. As we progress through FY21, TFE Hotels expects to continue to implement these processes with the benefit of experience, and hopefully without the restrictions of COVID-19 in place.

We will continue to work collaboratively with our peers to understand what we can do both as a company as well as an industry to better improve processes moving forward.

No instances of modern slavery have been identified in TFE Hotels' supply chain to date.

OUR CONSULTATION PROCESS WITH SUBSIDIARIES IN PREPARING THIS STATEMENT

TFE Hotels maintains a consistent leadership team across each of its subsidiaries, including the reporting entities listed above, and there is therefore one management team responsible for the above processes.



Adina

vibe HOTELS

مركز

Travelodge
Hotels

RENDEZVOUS

Collection
by TFE hotels