

Motel One Group human rights strategy policy statement

I. Introduction

At the Motel One Group, we make it our business to make the hotel world a better place for the future. We are aware of the responsibilities that companies in the hotel industry have in respecting human rights and protecting the environment as part of their business activity. With our actions, we want to help strengthen human and environmental rights and prevent and/or eliminate violations.

This policy statement serves as the basis for Motel One Group's business practices and illustrates the values that we strive to ensure both in our own areas of operation and across our supply chain. We adhere to the key frameworks below, demonstrating our commitment to responsible and sustainable business operations. Our policy statement aligns with the core principles of the Motel One Group's One Code (Code of Conduct) and our corporate vision.

II. Our values and principles

The hotel industry is a 'people's business'. It is, therefore, part of our self-image to protect and respect internationally recognised human rights, particularly those enshrined in:

- The Universal Declaration of Human Rights (UDHR)
- The International Covenant on Civil and Political Rights (ICCPR)
- The International Covenant on Economic, Social and Cultural Rights (ICESCR)
- The International Labour Organisation (ILO) Declaration on Fundamental Principles and Rights at Work
- The UN Guiding Principles on Business and Human Rights
- The OECD Guidelines for Multinational Enterprises

We are already committed to promoting social and societal equal opportunities, as well as protecting and respecting the environment. With our One Foundation, a non-profit foundation, we support projects for young, economically and socially disadvantaged people all over the world.

Our 'One Planet. One Future.' programme is aligned with the UN Sustainable Development Goals. With the 2030 Agenda agreed in 2015, the United Nations committed to 17 global goals for a better future. The guiding principle of the 2030 Agenda is to give people all over the world the chance to live in dignity while protecting the natural basis for our existence for the future. This spans economic, environmental and social factors.

With 'One Planet. One Future.', we want to help achieve the UN's Sustainable Development Goals. Further information on the Motel One Group's sustainability efforts (e.g. the handling of packaging and the responsible use of water) can be found in our ESG brochure.

In light of this, the Motel One Group received the 'Sustainability Champion' award from *Die Welt* newspaper and has been crowned 'Particularly Sustainable', receiving the best result in the budget hotels category in 2022 and 2023.

III. Our approach to protecting human rights and the environment

The Motel One Group is committed to respecting and strengthening human rights and protecting the environment along the entire supply chain. Our procurement practices are not just based on our own sustainability programme 'One Planet. One Future.', they also align with other globally recognised standards, including the United Nations Guiding Principles on Business and Human Rights (UNGPs), the UN Sustainable Development Goals (SDGs) and applicable supply chain due diligence laws.

1. Implementation of measures for effective risk management

The Motel One Group is committed to complying with all applicable laws and regulations protecting human rights and enforcing due diligence obligations within its own business operations and supply chain. In this context, we have implemented our own human rights and environmental risk management system, which aims to identify and reduce risks related to human rights and the environment. Through due diligence measures, we actively identify and mitigate risks in our supply chain and ensure that our own business operations are consistent with our values and commitments.

(a) Risk management

Our risk management system rests upon clear responsibilities within each division. Our risk management processes are designed to proactively identify new risks. We prioritise regular communication between the division with final responsibility and relevant internal stakeholders, including Procurement/Purchasing, Sustainability, People & Culture, Health, Safety and Environment, Corporate Security and Compliance/Legal.

Our Human Rights Officer regularly submits a report on risks and developments to the Motel One Group Board of Directors. This allows us to ensure regular checks. We properly document measures that protect human rights and the environment and are committed to complying with all applicable reporting obligations.

By implementing this far-reaching approach, the Motel One Group prevents any adverse impact on human rights and the environment. In addition, sustainable business practices are supported across all our business operations.

(b) Risk analysis

A detailed risk analysis is carried out within the Motel One Group at least once a year and (if necessary) ad hoc. This allows us to identify potential risks and prioritise them accordingly. We use legal criteria to ensure appropriate prioritisation. The risk assessment and analysis are carried out with the support of the responsible specialist departments. They have the necessary specialist knowledge in their area of responsibility. The results of the risk analyses are communicated to management regularly and on an ad hoc basis.

We ensure the continuous optimisation of the risk analysis process and strive to optimise our understanding of human rights and environmental risks along our entire supply chain.

The implementation and constant development of risk-based measures ensures a high level of ethical behaviour and sustainable business practices.

(c) **Preventive measures**

(i) **Our business operations**

The Motel One Group strives to reduce human rights and environmental risks through effective measures. The aim is to ensure that this policy statement is implemented in all business operations. Our preventive measures include various precautions consistent with applicable laws and regulations. This includes the implementation of specially developed procurement strategies and purchasing practices, including an onboarding process for suppliers that primarily covers human rights and environmental issues. The Motel One Group's Code of Conduct emphasises our strong commitment to protecting human rights and the environment. We regularly train our employees to ensure that we promote awareness and understanding of human rights and environmental risks throughout our company. With these comprehensive measures, we actively ensure that any risks and threats in our company are identified and eliminated promptly. The Motel One Group implements risk-based control measures to verify compliance with this statement.

(ii) **Supply chain**

Contributing to sustainable development is not only one of our core values, but also a prerequisite for our economic success. The Motel One Group's efforts to offer our customers' services and products in the most sustainable way possible are also confirmed by our multiple sustainability certifications, which are listed in our [ESG brochure](#). The protection of human rights and the environment is an integral part of the cooperation between the Motel One Group and its direct suppliers.

We implement effective and appropriate preventive measures with our direct suppliers. This includes, in particular, the contractual promise to act in accordance with our Supplier Code of Conduct. This Code of Conduct aims to ensure that our direct suppliers and entire supply chain all comply with human rights and environmental issues. The Motel One Group guarantees that it will only enter into business relationships with direct suppliers who comply with applicable laws, rules and regulations and who, in turn, ensure compliance with our standards as described in our Supplier Code of Conduct. Suppliers, their employees and all other parties involved in carrying out work for the Motel One Group must comply with applicable laws and make a reasonable commitment to respect these principles.

Our direct suppliers are expected to identify and appropriately address human rights and environmental issues along the supply chain. An effective and appropriate approach may be to offer and support regular training for employees. Our direct suppliers must be capable of optimising human rights and environmental practices and, thereby, reducing risks. Through this proactive approach, we aim to support and promote positive development and continuous optimisation along the entire supply chain.

(d) **Corrective measures**

Our responsibilities include preventing any adverse impact on human rights and the environment. The Motel One Group condemns (imminent) human rights and environmental threats. We will investigate hazards immediately and, if necessary, implement prompt and appropriate corrective measures in accordance with applicable laws. For this purpose, the Motel One Group has drawn up internal guidelines and introduced basic escalation and corrective measures.

The Motel One Group will use its influential position to immediately prevent, avert or stop violations. The Motel One Group also explicitly expects direct suppliers to support this.

If the violation cannot be stopped in the foreseeable future, the Motel One Group will work with its direct suppliers to develop mechanisms to promptly stop or minimise the violation.

To stop a violation, the Motel One Group will use all possible contractual representations and obligations. If the business partner does not respond appropriately and does not take measures to prevent, stop or minimise the violation, the Motel One Group will terminate the business relationship as a last resort.

(e) **Complaints mechanism**

We provide an effective complaints mechanism that is designed to provide access to corrective measures for human rights and environmental risks and violations as well as being an early warning system. We strive to always communicate openly with our suppliers and business partners, their employees and those otherwise affected by the business activities of the Motel One Group or its direct or indirect suppliers (or their representatives). Problems should be explored and solutions developed collectively.

The Motel One Group has a zero-tolerance retaliation policy – whistleblowers should not fear retaliation for raising concerns in good faith. This applies to employees and external whistleblowers reporting any potential or actual risks or violations properly and in good faith. This also applies if the report subsequently turns out to be incorrect. If you have any questions or doubts, the Motel One Group encourages you to speak up!

If you have any questions or reports, you can contact the Group Compliance Officer anonymously via our complaints channel. This reporting channel is accessible to employees and external persons. Information about possible compliance violations can be reported here at any time. The confidentiality of reports will, of course, be respected.

The Motel One Group's Group Compliance Officer fully assesses every report. The Motel One Group is committed to making the process objective and fair. The handling of reports is independent, impartial and unbound to any instructions. If a violation of applicable laws and regulations or a relevant risk is identified, effective and appropriate measures will be taken immediately to end the violations or risks promptly. If required, the Motel One Group will subsequently adopt necessary and appropriate sanctions.

If you have any questions about the values and obligations described here, please contact the compliance team by email: compliance@motel-one.com.

Further information about the use of the complaints mechanism and the procedural rules are available [here](#).

(f) **Measures concerning indirect suppliers**

If we have substantiated knowledge of possible violations by indirect suppliers, we will immediately take effective and appropriate (preventive) measures and appropriate corrective measures. The aim is to end or mitigate violations as quickly as possible.

(g) **Documentation and reporting**

We collect and store all the information we need to fulfil our human rights and environmental obligations as required by applicable laws (e.g. the German LkSG). This is done solely in accordance with applicable laws and regulations. To this end, all important decisions regarding the selection of suppliers and the drafting of contracts are made transparently and comprehensibly. The relevant documents will be retained for seven years from their creation.

2. What we expect from colleagues and suppliers

The Motel One Group aims to act responsibly, reduce risks and continually optimise. The precise conduct of our business is just as relevant as our range of products and services. The Motel One Group will only engage in business relationships with suppliers, contractors and consultants who comply with applicable laws, rules and regulations and who are committed to upholding our values and principles. The Motel One Group extends the same expectation to suppliers, their employees, suppliers and all other parties involved along our supply chain.

This expectation is clearly communicated to our business partners. To do this, we use our Supplier Code of Conduct, in which we emphasise the recognition of the value of human rights and the environment as the basis for a functioning business relationship. The Supplier Code of Conduct of the Motel One Group sets out the most fundamental principles and is intended to serve as the basis for this relationship. Suppliers and their business partners must also adopt these principles and enforce them in their own supply chains. This ensures that conditions along the entire supply chain are optimised. They must ensure that their suppliers are committed to implementing these standards. The Motel One Group strives to have a responsible and sustainable supply chain for its products. The Motel One Group's due diligence obligations in the area of human rights and environmental protection serve as the basis for the following expectations of its employees and suppliers, which are set out in our Supplier Code of Conduct:

Protection of human rights

The Motel One Group supports and respects internationally recognised human rights, in particular those defined in the Universal Declaration of Human Rights and in the European Convention for the Protection of Human Rights and Fundamental Freedoms.

No child labour

The Motel One Group opposes any form of child or forced labour in any company or subsidiary of the Motel One Group. The Motel One Group ensures the protection of children through comprehensive mechanisms and compliance with ILO Conventions No. 138 on the minimum age for employment and No. 182 on the prohibition of the worst forms of child labour.

Working together respectfully

The Motel One Group does not tolerate any form of direct or indirect discrimination or harassment such as that based on national or ethnic origin, social origin, health status, disability, sexual orientation, age, gender, political opinion, religion or ideology. This includes, in particular, the payment of equal compensation for work of equal value. We create an environment of diversity and inclusion.

We apply the principles of equal treatment and opportunity when hiring and dealing with employees as well as in our dealings with guests and business partners.

We aim for a high level of employee satisfaction. Only on this basis can we successfully expand further in major cities in Germany and abroad.

Fair working conditions

Fair working conditions are crucial to the Motel One Group. The remuneration of employees complies with applicable law and ensures an adequate standard of living (in accordance with the International Labour Organisation (ILO) internationally recognised standards).

The Motel One Group observes applicable laws regarding breaks, rest periods and compensatory time off. Overtime is compensated appropriately. Every employee is entitled to the prescribed minimum statutory annual leave.

Freedom of association

The Motel One Group maintains an open and constructive dialogue with its employees and respects the freedom of its employees to exercise their rights in accordance with applicable laws – without having to fear reprisals. The Motel One Group, therefore, respects the freedom of association and the right of employees to freely organise into unions to exercise their collective rights.

Health and safety at work

The Motel One Group is committed to the health and safety of its employees, guests and business partners. In doing so, we comply in particular with the applicable health and safety laws and regulations.

No adverse environmental impact

The Motel One Group guarantees that it will not cause harmful soil changes or noise emissions, water or air pollution or increased water consumption that significantly impair the natural basis for the preservation and production of food or make it difficult or impossible for people to access safe and clean drinking water and sanitation or with the potential to harm people's health.

In the course of its business activities, the Motel One Group undertakes not to unlawfully vacate or take possession of land, forests and waters whose use secures a person's livelihood.

Security staff

To avoid human rights violations, the Motel One Group ensures that the employment or use of security staff to protect projects is not carried out without prior training and ongoing supervision.

Respect for the environment & sustainability

The Motel One Group is committed to respecting and protecting the environment and is aware of its social and societal responsibility. We are committed to reducing our environmental footprint and to developing and implementing strategies and solutions to consistently improve our sustainability goals.

In this context, we recognise the importance of the following conventions and adopt them: the Minamata Convention on Mercury, the Basel Convention on the Control of Transboundary Movements of Hazardous Wastes and their Disposal, and the Stockholm Convention on Persistent Organic Pollutants (POP Convention).

IV. Outlook for future human rights strategy – review and reporting

The Motel One Group views supply chain due diligence as a continuous and dynamic process. The Motel One Group will, therefore, regularly and permanently monitor implemented measures and check for potential optimisations, and adopt them if necessary. Relevant developments in the risk situation or signs that indicate that the effectiveness of preventive measures (including the complaints mechanism) and/or corrective measures are compromised will be fully taken into account.

Your contact

Group Compliance Officer
Motel One GmbH
Tegernseer Landstrasse 165
81539 Munich, Germany
compliance@motel-one.com



Stefan Lenze & Daniel Müller

Co-CEOs, Motel One Group