

UK HUMAN TRAFFICKING TRANSPARENCY STATEMENT

Marriott Hotels Limited is publishing this statement in compliance with the *UK Modern Slavery Act 2015*. It details the steps taken by Marriott Hotels Limited, Marriott European Hotel Operating Co. Limited, Marriott Hotels International Limited, Sheraton Hotels (England) Limited, Sheraton Hotels (UK) Limited, GH Hotel Operating Company Limited, and their parent company, Marriott International, Inc. (collectively, "Marriott"), to aid in the prevention of modern slavery and human trafficking during the year ending on 31 December 2018.

This is the third corporate statement for Marriott Hotels Limited. In the past year, we have continued to drive awareness of human trafficking and modern slavery throughout our business, deepened engagement and partnerships with key human rights stakeholders and expanded the breadth of our efforts to address forced labour risks through improved corporate policies and practices.

EXECUTIVE SUMMARY OF KEY ACTIONS IMPLEMENTED IN 2018

- Signed The Tourism Child-Protection Code of Conduct (ECPAT Code)
- Rolled out required human trafficking awareness training to an additional eleven brands, covering the entire Marriott portfolio of brands globally
- Partnered with the International Tourism Partnership to develop and launch the hotel industry's first
 Forced Labour Principles to promote ethical recruitment and prevent modern slavery in supply chains
- Became the first corporate partner of The Global Fund to End Modern Slavery to promote employability for survivors of human trafficking
- Trained approximately 280,000 additional associates across both managed and franchised properties globally on human trafficking awareness during the calendar year

"HOW WE DO BUSINESS IS AS IMPORTANT AS THE BUSINESS WE DO."

Marriott International's Executive Chairman, J.W. Marriott, Jr.'s belief describes our pledge to conduct business in an ethical manner and commitment to responsible business values. This statement applies to Marriott International, Inc.'s corporate offices, managed, leased and owned hotels. The Marriott brands represent 6,500 managed and franchised properties in 130 countries and territories around the world. We work with and encourage our owners and franchise partners to adopt similar policies within their businesses. Marriott's Business Conduct Guide, available in 15 languages, reinforces the importance of our corporate values and ethical responsibility and can be found <u>here</u>. An overview of our business and corporate structure can be found on our <u>corporate website</u>.

OUR HUMAN RIGHTS POLICY AND PRINCIPLES OF RESPONSIBLE BUSINESS

At Marriott, we are committed to demonstrating our core values and a company culture that represent the highest standards of guest and associate experience, ethics, integrity and corporate citizenship which is reflected in our <u>Principles of Responsible Business</u>. Since 2006, we have had a Human Rights Policy that addresses modern slavery, forced labour and child labour, as well as establishes a foundation for managing our business around the world in accordance with all applicable laws. Since then we have continued to enhance related internal policies. In 2017, we enhanced our <u>Human Rights Policy</u> to integrate criteria on ethical recruitment, specifying that we do not charge any fees to the applicant as part of the application process. Marriott's Human Rights Policy and Principles are guided by the United Nations *Universal Declaration of Human Rights, Guiding Principles on Business and Human Rights*, and *Sustainable Development Goals*, as well as related international covenants. Our collective efforts on human rights are outlined in our <u>Commitment to Human Rights statement</u>. We recognize the important role of business to respect human rights and work together with other stakeholders to address global human rights challenges such as modern slavery, human trafficking and the exploitation of children.



GOVERNANCE AND DUE DILIGENCE

Marriott's work on human rights, including human trafficking, is overseen by an internal Human Rights Council that represents global leaders across multiple business disciplines including Human Resources, Social Impact, Public Affairs, Legal, Global Operations, Sustainability, Global Design, Lodging Development, Global Safety and Security, and Owner and Franchise Services. This Council meets biannually and is co-chaired by our Social Impact Group and Human Resources Department. Additionally, we provide regular updates to our leadership and Board of Directors on the progress we are making in meeting our human rights goals. We also have a dedicated Director-level corporate associate who has expertise on and is responsible for human rights issues.

For the past twenty years, Marriott has implemented a crisis reporting protocol that includes a twenty-four hour Crisis Hotline managed by independent third parties and available for global properties to access. For example, Marriott implements the Marriott Incident Reporting Application (MIRA), which is an internal online system for gathering and reporting security-related incidents, including human trafficking, for properties managed by Marriott outside of the United States. These managed properties are required to enter incidents into MIRA within 24 hours after the incident occurred or was reported. Critical incidents, including suspicious activity around human trafficking, are flagged by the system for follow-up and investigated by regional Global Safety and Security Directors.

Marriott implements an ongoing risk management process to identify, prevent and mitigate relevant human rights risks. Our internal audit department conducts an annual Ethical Conduct Survey across a broad section of associates, including all officers and senior managers. We provide associates with a variety of means, including anonymous channels, to report unethical behaviour. This includes a toll-free international Business Integrity Hotline. The Company does not tolerate any retaliation against individuals who raise concerns in good faith and has policies in place to protect such individuals.

CASE STUDY: BUSINESS AND HUMAN RIGHTS RESOURCE CENTRE INQUIRY

We recognize the importance of conducting due diligence and responding to concerns raised regarding our supply chains and operations to better understand whether there is evidence of modern slavery. In addition to our broader human rights goals, we are committed to working within our industry to addressing human rights risks during the construction phase.

In 2018, the Business and Human Rights Resource Centre (BHRRC) brought to our attention potential human rights concerns regarding the development of a Marriott-branded property in Amman, Jordan. We immediately engaged with our business partners to better understand the allegations. We provided the necessary information to our business partners, who took immediate action and conducted an audit that did not substantiate the allegations. This information was relayed back to the BHRRC.

OUR EFFORTS TO PREVENT HUMAN TRAFFICKING

As part of Marriott's sustainability and social impact platform, <u>Serve 360</u>, the company is making progress against its public human rights goals, specifically on human trafficking awareness and prevention. Since we established a human trafficking awareness training requirement, over 500,000 associates have been trained. By 2025, we have committed that 100 percent of on-property associates globally will have completed required human rights awareness training. We have also set a 2025 Goal to enhance or embed human rights criteria in our recruitment and sourcing policies and work with our industry to address human rights risks in the hotel construction phase.



• <u>HUMAN RIGHTS AWARENESS PROGRAMME</u>: In June 2016, we rolled out comprehensive human trafficking training addressing human trafficking, child exploitation and forced labour available in 15 languages. The purpose of the training "Your Role in Preventing Human Trafficking: Know the Signs" is to raise awareness of all forms of human trafficking and educate associates on the indicators and what they can do should they suspect potential issues. At the beginning of 2017, we made human trafficking awareness training a requirement for all on-property associates across both managed and franchised properties. In 2018, we translated the human trafficking awareness training into an additional two languages to promote greater accessibility for the global workforce. The training is now available in 17 different languages. At year-end, approximately 280,000 additional associates globally had completed human trafficking awareness training is bringing the total to over 500,000 since the training launched.

To further reinforce awareness of human trafficking and common indicators for hotel management and staff, human trafficking signage was created for back-of-house posting. A total of five different posters were made available for hotel use, with at least one poster translated into 17 different languages for greater accessibility.

- <u>SUPPLY CHAIN SUSTAINABILITY</u>: Marriott collaborates with suppliers in three channels of our supply chain—furniture, fixture and equipment (FF&E), operating supplies and equipment (OS&E) and food and beverage (F&B)—as part of our overall sustainability strategy. Marriott encourages its suppliers and contractors around the world to adopt similar ethical business standards and human rights compliance measures. International contracts currently executed by Marriott require suppliers and contractors to comply with Marriott's Supplier Conduct Guidelines, which are attached to each contract as part of a continent-wide awareness campaign which includes standards on forced labour consistent with the company's Human Rights Policy. Associates with procurement and purchasing responsibilities are required to complete our Procurement 101 online training, which includes information on our human rights policies. In 2018, approximately 5,000 additional associates globally completed the training.
- ETHICAL RECRUITMENT: Marriott recognizes that some individuals try to exploit and fraudulently recruit applicants using our company's name in order to obtain sensitive personal information or solicit recruitment fees. In an effort to raise awareness of and prevent recruitment scams, we have developed guidance for job seekers and a list of approved Marriott e-mail domains that can be found <u>here</u>. Marriott managed hotels do not require payment of a fee to be considered for employment. We also do not accept job applications via email or fax. Our complete statement on recruitment scams can be found <u>here</u>. In 2018, one of Marriott's senior Human Resources leader was the sole hospitality sector representative promoting Marriott's ethical recruitment efforts at the first human rights conference co-hosted by the Institute for Human Rights and Business and the International Labour Organization in Doha. We also provided specific details on our ethical recruitment policies and practices through the Business and Human Rights Resources Centre (BHRRC) survey on Qatar.
- <u>GLOBAL SAFETY AND SECURITY</u>: Since 2011, an internal training developed by Marriott called *Human Rights and the Protection of Children* has been included in the company's Loss Prevention Certification programme available to security staff at non-U.S. managed hotels. Human trafficking is also included in our training "Security is Everyone's Responsibility" which is available in English and Spanish. In the U.K., each managed hotel has a Safety and Security Champion trained on the signs of human trafficking. In 2018, the topics of human trafficking and forced labour were included as part of internal in-person trainings for Global Safety and Security leaders.



EXTERNAL STAKEHOLDER ENGAGEMENT AND PROGRAMMES

Marriott engages and collaborates with strategic external partners to support and develop programmes that advance human rights and prevent modern slavery. In addition to awareness raising and public advocacy efforts, Marriott also support initiatives that promote skills-based training and employability to help vulnerable populations towards economic self-sufficiency.

Marriott continues to support and promote global efforts to prevent human trafficking through our engagement with our industry peers and diverse organizations to promote human rights, including collaborative efforts to address human trafficking:

- INTERNATIONAL TOURISM PARTNERSHIP: Marriott is a founding member of the International Tourism Partnership (ITP). Through our membership, we collaborate with other global hospitality companies to address critical issues that affect our industry and actively contribute to key industry initiatives such as the creation of the Industry Position Statement on Human Trafficking, Supply Chain Working Group risk-mapping which highlighted agency and construction workers as a high-risk area for trafficking, and internal and external stakeholder surveys and engagement. In 2017, Marriott contributed to the development of new industry human rights goals to prevent forced labour and human trafficking in support of the United Nations Sustainable Development Goals as part of ITP's human rights working group with can be found here. In June 2018, along with other hotel companies, we helped launch the hotel industry's first Forced Labour Principles at the Global Forum for Responsible Recruitment and Employment in Singapore. Our Chief Executive Officer's video message supporting this milestone and "no fees" pledge can be found here.
- ITP YOUTH CAREER INITIATIVE: For over 20 years, Marriott has offered the Youth Career Initiative (YCI), a 24-week education and life enhancing programme for young people at risk, at our hotels in nine countries and territories within Asia, Latin America, the Middle East and Eastern Europe. To date, thousands of students have graduated from YCI programmes around the world and have gone on to pursue careers in hospitality, banking and health care, or have continued with further education. More than 1,400 of those graduates were trained at Marriott hotels, including over a dozen students who are survivors of human trafficking.
- <u>ECPAT</u>: Marriott has collaborated with End Child Prostitution, Child Pornography and Trafficking of Children for Sexual Purposes (ECPAT-USA) to co-develop the content of our comprehensive human trafficking awareness training. We continue to partner with the American Hotel and Lodging Association (AH&LA) to make the training widely available to other hospitality companies and academia; the proceeds from the training are donated back to ECPAT-USA. ECPAT-USA is included as a strategic partner on our Loyalty platform to educate our customers on modern day slavery. In 2018, Marriott signed The Tourism Child-Protection Code of Conduct (ECPAT Code) further deepening our partnership and commitment to fight human trafficking and modern slavery.
- <u>POLARIS</u>: Marriott has continued to engage with Polaris for the organization's expertise on human trafficking. In 2018, we established a formal partnership to co-develop public-facing human trafficking awareness signage to educate hotel guests and the broader public on the issue and what to do should they come across suspicious activity that could be potential modern slavery. These public-facing assets we co-created will be made available and deployed in 2019.



<u>THE GLOBAL FUND TO END MODERN SLAVERY (GFEMS)</u>: In January 2018, Marriott became the first corporate partner of GFEMS to co-create a hospitality curriculum for survivors of human trafficking. In March 2018, we hosted a partnership launch event bringing together dozens of external expert speakers and participants from government and the service provider, survivor and non-profit communities to provide input into the development and direction of a new skills-based training program from survivors of human trafficking. This new curriculum will be made available in 2019.</u>

In 2018, our CEO published his first op-ed on the topic to reinforce the company's commitment to addressing modern slavery which can be found <u>here</u>. To create greater business and public awareness of human trafficking and modern slavery, we regularly speak on these topics at external conferences and events. In 2018, this included the following opportunities:

- World Economic Forum Modern Slavery Panel in Davos, January
- · Innovation Forum Modern Slavery Forum in New York, May
- · Skytop Reframing Human Rights Conference in New York, June
- DHS Blue Campaign Human Trafficking Facebook Live Event in Washington, D.C., June
- · World Tourism and Travel Council Human Trafficking Conference in Bogota, June
- · Institute for Human Rights and Business Responsible Recruitment Forum in Singapore, June
- · American Society of Travel Advisors Global Convention in Washington, D.C., August
- CSR Asia Summit in Hong Kong, September
- Institute for Human Rights and Business and International Labour Organization Roundtable on Ethical Recruitment in Doha, October
- City of Houston Mayor's Office Labour Trafficking and Supply Chain Conference in Texas, October
- Freedom Fund Convening in London, November.

In 2019, we will continue to implement our human trafficking awareness program requirement for managed and franchised properties globally. We will collaborate with external expert organizations to identify ways our company can continue to fight human trafficking and work with our peers and the broader hospitality industry on efforts to address human rights issues within our sphere of influence. We will continue to evaluate the effectiveness of our policy, operating procedures, trainings and supplier guidelines to comply with all relevant laws.

This statement has been reviewed and approved by our UK Board of Directors and signed off by Liam Brown, Marriott's President and Managing Director, Europe.

Liam Brown President and Managing Director, Europe