

## Hotel companies in the Gulf: 20 questions on human rights

### Introduction to the survey

International standards on responsible business – including the OECD Guidelines on Multinational Enterprises and the UN Guiding Principles on Business and Human Rights – call on companies to have policies and systems in place to avoid, mitigate and remediate harmful impacts on people and the environment.

Spurred by the concerns of owners, investors, customers and civil society, the hotel industry has made great strides in integrating sustainability and due diligence into their operations. However in some jurisdictions key challenges remain.

The legislative environment and workforce composition in the Gulf States pose significant challenges for companies to protect their workforce from exploitation. The appalling working and living conditions faced by migrant workers have been well documented by the press and in NGO reports.

Companies can find themselves being inadvertently complicit in this abuse, which may have serious operational, legal, financial and reputational consequences. As international scrutiny of businesses increases in the lead up to the 2022 Qatar World Cup and World Expo 2020 in Dubai, responsible action from companies will help them to avoid these risks as well as contribute to rising standards of worker welfare.

The survey below asks a set of questions designed to understand what policies and processes hotel companies have in place to protect migrant workers in their operations in Dubai, UAE. We invite your participation in the spirit of transparency, shared learning and dissemination of good practice.

### Human rights

1. Does your company have a publicly available commitment to respect human rights? If so, please provide the link. [YES](#)

[Hyatt Human Rights Statement 2017](#)

2. Does your company identify its salient human rights issues and does it have a due diligence process to manage them? (Key steps include: assessing actual and potential human rights risks, integrating and acting upon findings, tracking responses, and communicating how impacts are addressed).

If so:

Hyatt has a long-standing commitment to support and respect the fundamental protection of human rights for all people as embodied in the Universal Declaration of Human Rights. Our Human Rights Statement articulates our commitment to respect the rights of our colleagues, guests, and business partners, who we also expect to uphold the same principles.

Hyatt continuously assesses evolving human rights issues that have the potential to intersect with our business. Given the complexity of this issue, especially in a global context, we frequently collaborate with industry groups and experts to shape our knowledge and awareness of human rights. For example, Hyatt works in close partnership with the International Tourism Partnership (ITP) and is a leading member of the organization's Human Rights working group. ITP has consulted with stakeholders and member forums to identify the most relevant human rights risks in the industry. Through this process, the following areas were identified as potential risks to human rights: the development and construction phase, supply chain and procurement, recruitment, and the potential use of hotels as venues for human trafficking. As described in the following sections, we are vigilant in monitoring and addressing these core issues within our operations.

- are these assessments conducted at headquarter, regional, country and/or operational level?

N/A

- please list the issues identified and share a link to any accompanying public reporting by your company.

Please see prior answer regarding identified risks.

### [Hyatt 2015/16 CSR Report](#)

#### **Communicating human rights along the supply chain**

3. How does the company use its leverage to influence business partners with regards to human rights policy and practices? (E.g. business partners: franchisees, building and hotel owners, hotel management companies etc.)

Hyatt Hotels Corporation is a global hospitality company with widely recognized, industry leading brands and a tradition of innovation developed over our more than fifty-year history. We develop, own, operate, manage, franchise, license or provide services to a portfolio of properties, consisting of full service hotels, select service hotels, resorts and other properties, including timeshare, fractional and other forms of residential and vacation properties. As of December 31, 2015, our worldwide hotel portfolio consisted of 599 hotels (159,336 rooms). We primarily derive our revenues from hotel operations, management, license and franchise fees.

Hyatt has a long-standing commitment to support and respect the fundamental protection of human rights for all people. As part of that commitment we have taken an aggressive stance on identifying and attempting to prevent human trafficking, including sex and labor trafficking and the sexual exploitation of children within our sphere of influence. As part of this commitment we work to engage our business partners on human rights issues that fall within our sphere of influence. For example, our human trafficking training program, which covers labor, sex, and child sex trafficking and exploitation, is fully integrated into orientation for all new colleagues and is part of compliance training for key functions at owned and managed hotels. The training is also a brand standard for our franchised hotels.

As a multinational company with a global supply chain, which reaches well beyond our own operations, we also believe that we have an opportunity to positively influence a range of issues that impact the environment and society. Our [Hyatt Supplier Code of Conduct](#), implemented in 2012, articulates the expectations that we have of those with whom we do business around issues such as human rights, labor, health and safety, environment, and ethics.

- what challenges does your company face in doing so?

Our business structure, in which we principally provide management services to third party business owners or license our brand to franchisees, limits our sphere of influence

4. Does the company require third-party contractors to comply with the company's policies and standards? (E.g. third party-contractors: recruitment firms, labour suppliers and service providers).

If so:

[See above.](#)

5. how are these policies communicated to third-party contractors and how is their compliance monitored and enforced?

Hyatt's supplier code of conduct is embedded into contracts for all major suppliers in the Americas, our largest region, and we strive to incorporate the code of conduct in hotel contracts with major suppliers in all other hotels where feasible.

- what challenges does your company face in ensuring third-party compliance?

Our business structure limits our sphere of influence. We also have a very fragmented supply chain that poses limitations on our ability to consistently ensure compliance.

6. What steps has the company taken to mitigate the human rights risks associated with the construction phase of hotel buildings?

Hyatt, through ITP, has identified the hotel construction phase as an area of potential human rights risk. As a leading member of ITP's Human Rights working group, we are working in collaboration with our industry peers to:

- Identify appropriate mechanisms to address human rights issues throughout the value chain, from direct employment through construction to supply chains
- Identify appropriate human rights key performance indicators to implement standards and define targets
- Develop relevant training and other resources for those working in the industry

- What challenges does your company face in doing so?

Our business structure limits our sphere of influence. The development and construction of hotels that ultimately bare the Hyatt brand is predominantly the responsibility of 3<sup>rd</sup> party owners.

7. How does the company ensure that workers (including agency staff) are made aware of their labour rights and company labour policies in a language they understand?

All colleagues employed by the hotel have access to Hyatt's Employee Handbook that outlines what they can expect from the company and also what is expected of them. The handbook is available in both hard copy and online and is offered in local languages.

In the Middle East, especially in Oman and Saudi Arabia, we also have an official and approved Code of Conduct posted in the back of the house for all colleagues. This is mandated by local legislation, and is posted in both Arabic and English.

### **Business operations**

8. Describe the scope and structure of your company's operations in Dubai.

Please include information on:

- the number of hotels and rooms
- the names of the hotels
- the type and explanation of the business models they operate under (owned and operated; leased; managed properties; franchised properties; joint ventures; other).

- the level of the company's responsibility for human rights under these various arrangements.

No.	Name of hotel	No. of rooms	Business model	Explanation of business model including level of responsibility for HR practice
1	Hyatt Regency Dubai	421 Rooms & 383 Apartments	Managed Hotel	Management company, through a hotel services agreement, provides guidance on HR practices in line with local labour legislation.
2	Park Hyatt Dubai	223 Rooms	Managed Hotel	Management company, through a hotel services agreement, provides guidance on HR practices in line with local labour legislation.
3	Grand Hyatt Dubai	674 Rooms & 186 Apartments	Managed Hotel	Management company, through a hotel services agreement, provides guidance on HR practices in line with local labour legislation.
4	Hyatt Regency Dubai, Creek Heights	451 Rooms & 59 Apartments	Managed Hotel	Management company, through a hotel services agreement, provides guidance on HR practices in line with local labour legislation.
5	Hyatt Place Dubai / Al Rigga	210 Rooms & 84 Apartments	Managed Hotel	Management company, through a hotel services agreement, provides guidance on HR practices in line with local labour legislation.
6	Hyatt Place Dubai, Baniyas Square	125 Rooms	Managed Hotel	Management company, through a hotel services agreement, provides guidance on HR practices in line with local labour legislation.

***The remaining questions apply specifically to migrant workers in the company's operations in Dubai.***

### **Recruitment**

9. What categories of workers are directly employed by the company?

All employees of the hotel are employed by the respective hotels' owning company, except for those services that have been outsourced. Accordingly, none of the employees working in any Hyatt branded hotels in Dubai are employed by the company.

10. Please describe the company's recruitment process for workers that it hires directly.

In respect of the company's corporate employees based in Dubai, all vacancies are posted on the company's carrier site, and open to any applicant to apply. This carrier site is also utilized to recruit and hire prospective hotel employees, notwithstanding that they will ultimately be employed by the owning company of the applicable hotel. Many applicants apply directly to the hotels via email and most of the time they are encouraged to apply through the career site. Hotels also visit hotel schools for recruitment of graduates and sometimes make recruitment trips to recruit in specific countries.

- do you use recruitment firms to supply these workers? In some countries we are using recruitment firms for hotel employees, and this is mainly when we have mass recruitment. Otherwise, we are recruiting directly.
- does the company pay the charges and costs associated with recruitment (agency fees, travel costs, visas, medical checks) or are these costs paid by the worker? For all full time employees, employed by the hotel, the hotel is paying for expenses, including reimbursing out of pocket expenses employees incur for required medical examinations or authentication of educational certificates.

11. What categories of worker in the hotel are agency staff employed by a third party? (E.g. subcontractors, service providers or labour suppliers)

We do not have consistent, specific categories of outsourced workers.

- what due diligence checks does the company undertake to ensure that these third-party agencies are operating legally and ethically?

Third party agencies have to present their license to demonstrate that they are authorised to operate. They also have to provide copies of the work permit of the employees they have assigned to the hotel.

### Conditions of employment

What policies and processes does the company have in place to:

12. Prevent contract substitution?

We oversee contracting directly, by sending the Letter of Appointment, which provides for the employee's terms of employment, to the employee to be signed before they travel to Dubai and all conditions are the same when they arrive.

13. Ensure workers are issued with and have access to all necessary documentation including their passports, IDs and medical cards, and that these documents are renewed on time?

Passports: All employees are returned their passport once the Resident Visa has been secured and stamped in the passport. Hotels do not keep the passports.

IDs: Kept by employees, as this is a local requirement that everyone living in Dubai needs to carry his or her ID at all times.

Medical Cards: Issued directly to employees who retain the same in their possession.

14. Ensure timely and full payment of a wages?

Please include information on the company's policy and processes re:

- payment of minimum country-of-origin regulated salaries Same salary as stated in Letter of Appointment, or dictated by subsequent change of status (e.g. promotion) is paid to the employee.
- overtime pay Either paid as per provision of labour law or time in lieu.
- equal pay for equal work regardless of nationality Pay scale is by position and experience irrespective of nationality.
- prevention of illegal deductions
- other pay related issues

15. Ensure the health and safety of its workers?

Please include information on the company's policies & processes re:

- a. health & safety training [Covered in Employee Handbook](#)
- b. injury prevention [Covered in Employee Handbook](#)
- c. maximum working hours and overtime [Covered in Employee Handbook](#)
- d. non-discrimination [Covered in Hyatt's Dignity, Respect and Harassment Policy](#)
- e. prevention of physical, sexual and verbal abuse [Covered in Hyatt's Dignity, Respect and Harassment Policy](#)
- f. any other health and safety related issues covered by the company's policies & processes

16. Issue transfer permits and exit visas?

There is no need for exit visas in Dubai, nor transfer permits. Associates' visas are cancelled at the end of their employment period, and any employee is free to apply for a visa with another company in the UAE.

17. Please list any other labour-rights issues your company has identified in Dubai and the policies and processes in place to manage them. [We have our own policies and process on some benefits including:](#)

- [6 days off per month instead of 4 - alternate weekends](#)
- [5 days work week for all office related employees](#)
- [8 weeks paid maternity](#)
- [Distribution of service charge to employees, including outsourced labour](#)

#### **Worker accommodation**

18. Does the company provide accommodation for its employees? [We have our own accommodation village, which has a residential complex feel, with numerous amenities, social and recreational facilities, including swimming pool, sports area, gym, laundry facilities, nurse, wireless internet, etc.](#)

- [if using agency staff who provides their accommodation? For agency employees, the agency provides accommodation for its own employees.](#)
- [if employee or agency-staff accommodation is off site what checks are undertaken to ensure that all accommodation is of a decent standard? For hotel accommodations operated by Hyatt, we have an Accommodation Manager on site. All levels of employees live in the same complex, including senior management and their families \(with exception of General Managers, who live on the hotel premises\).](#)

#### **Grievance & remediation**

19. What mechanisms does your company have in place to facilitate freedom of association and alternative forms of organizing in a context where local law restricts the ability of migrant workers to form or join trade unions?

No comment

20. Does your company have a grievance mechanism? If so, please describe the procedures in place to submit, process and remedy grievances.

- Toll free, anonymous ethics hotline.
- Policy on Associate Communication (“open – door policy”)
- A grievance policy is outlined in employee handbook.
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21. What steps does the company have in place to remedy cases where:

Hotel management addresses these issues through our standard HR procedures, including but not limited to our Ethics Hotline. We also take the health, wellbeing and rights of our outsourced employees very seriously. They have access to our Ethics Hotline and if any issues are suspected related to their pay, physical and/or mental well-being we work through the recruitment agency to address the issue.

- a. workers have been charged recruitment fees?
- b. workers have not been paid on time or in full?
- c. workers have been victims of discrimination, physical, verbal and/or sexual abuse?
- d. workers have been threatened or faced retaliation for expressing grievances?