

UK HUMAN TRAFFICKING TRANSPARENCY STATEMENT

Marriott Hotels Ltd is publishing this statement in compliance with the *UK Modern Slavery Act 2015*. It details the steps taken by Marriott Hotels Ltd and its parent company, Marriott International, Inc., to aid in the prevention of modern slavery and human trafficking during the year ending on 31 December 2016.

EXECUTIVE SUMMARY OF KEY ACTIONS IMPLEMENTED

- 2006 Established Human Rights Policy
- 2011 Launched first human rights child exploitation awareness training
- 2011 Updated supplier code of conduct to include human rights standard
- 2014 Updated annual ethical conduct survey to include questions around human rights policy
- 2015 Developed robust new human trafficking training in partnership with ECPAT-USA and collaborated with Polaris and AH&LA (American Hotel and Lodging Association)
- 2016 Began global rollout of comprehensive training on human trafficking, forced labor and child exploitation

"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. The Marriott name is on nearly 6,000 managed and franchised properties in 120 countries and territories around the world. This statement applies to Marriott International, Inc.'s corporate offices, managed, leased and owned hotels. 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, can be found here. An overview of our business and corporate structure can be found on our corporate website here.

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 Principles of Responsible Business. In 2006, we published our Human Rights Policy establishing a foundation for managing our business around the world in accordance with all applicable laws. 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 Commitment of Human Rights statement. 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 leaders across multiple business disciplines. Marriott also has a dedicated Director-level corporate associate who has expertise on and is responsible for human rights issues.

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.

Since 2006, Marriott has implemented the Marriott Incident Reporting Application (MIRA), which is an online system for gathering and reporting security-related incidents, including human trafficking, for properties managed by Marriott. Our global managed properties are required to enter incidents into MIRA within 24 hours after the incident occurred or was reported. Critical incidents, such as human trafficking, are flagged by the system for immediate follow-up.

In 2017, we will add new criteria to our internal property certification audit to survey the compliance with the new human trafficking training requirement. These audits are conducted on a biannual basis to ensure that our properties are meeting specific requirements.

OUR EFFORTS TO PREVENT HUMAN TRAFFICKING

Marriott implements a variety of practices that help to prevent human trafficking through associate engagement and training, supply chain sustainability, and responsible recruitment practices.

- <u>HUMAN RIGHTS TRAINING</u>: We introduced our first 'Human Rights and the Protection of Children Training' in 2011. This training was also included in the Loss Prevention Certification program aimed for security staff offered through the American Hotel and Lodging Association. In June 2016, we began rolling out new and expanded online human rights training addressing human trafficking, child exploitation and forced labour in 15 languages. The purpose of the training is to raise awareness of all forms of human trafficking and educate our associates on the indicators and what they can do should they suspect potential issues. The enhanced training was launched in Europe in November and nearly 1,700 associates in the region have voluntarily completed the training.
- SUPPLY CHAIN SUSTAINABILITY: 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—as part of our overall sustainability strategy. Marriott encourages its suppliers and contractors around the world to adopt the same ethical business standards and human rights compliance it supports. Global contracts currently executed by Marriott require contractors to comply with Marriott's Global Supplier Code of Conduct, which is available in multiple languages and sent out to suppliers as part of a continent-wide awareness campaign and includes standards on forced labor 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 2016, over 5,000 associates globally completed the training.

<u>ETHICAL RECRUITMENT</u>: Marriott recognizes that some individuals may try to exploit and fraudulently recruit potential employees on behalf of our Company. In an effort to raise awareness of and prevent recruitment scams, we have developed guidance for jobseekers 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 here.

In the UK, where we may use third-party temporary worker agencies/vendors, we include in our vendor agreements the necessary reference to adherence to Marriott's Human Rights Policy.

EXTERNAL STAKEHOLDER ENGAGEMENT AND PROGRAMS

Marriott engages and collaborates with strategic external partners to support and develop programs that address the root causes of exploitation. We also help vulnerable young people prepare for and find meaningful employment through a range of partnerships.

Marriott continues to support and promote global efforts on human trafficking through our engagement with our industry peers and diverse organizations to promote social responsibility, 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 riskmapping which highlighted agency and construction workers as a high-risk area for trafficking, and internal and external stakeholder surveys and engagement.
- NON-GOVERNMENTAL ORGANIZATIONS: For nearly 20 years, Marriott has offered the Youth Career Initiative (YCI), a 24-week education and life enhancing program 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 programs around the world and have gone on to pursue careers in hospitality, banking and health care, or have continued with further education. Nearly 900 of those graduates were trained at Marriott hotels, including students who are survivors of human trafficking.

In 2016, Marriott collaborated with End Child Prostitution, Child Pornography and Trafficking of Children for Sexual Purposes (ECPAT-USA) and Polaris to co-develop the content of our enhanced human rights training, Marriott received ECPAT-USA's Changemaker for Protection Award for this project. We also partnered with the American Hotel and Lodging Association (AH&LA) to make the training widely available to other hospitality companies and academia.

Looking forward, we will be requiring human trafficking training in 2017 for managed and franchised properties. We will be working to train associates from eleven new brands acquired through Marriott International's acquisition of Starwood Hotels & Resorts on our human rights policies, standards and programs. In 2017, we plan to launch new sustainability targets and goals, inclusive of human trafficking prevention, as we work towards full integration of both companies. We will continue to work with our peer colleagues and the broader hospitality industry on efforts to address human rights issues within our sphere of influence.

This statement has been reviewed and approved by the UK Board of Directors and signed off by Amy McPherson, President and Managing Director for Europe, Marriott Hotels Ltd.

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