

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, Marriott European Hotel Operating Co. Ltd, Sheraton Hotels (England) Ltd, Sheraton Hotels (UK) PLC and their parent company, Marriott International, Inc., to aid in the prevention of modern slavery and human trafficking during the year ending on 31 December 2017.

EXECUTIVE SUMMARY OF KEY ACTIONS IMPLEMENTED IN 2017

- Established human trafficking awareness training requirement for all on-property associates
- Updated Human Rights Policy to specify ethical recruitment practices to prevent human trafficking
- Partnered with the International Tourism Partnership to develop and launch new industry goals, including on human trafficking
- Launched Serve 360 social impact and sustainability platform to include new human rights goals, with specific attention to human trafficking:
 - By 2025, 100% of associates will have completed human rights training, including on human trafficking awareness, responsible sourcing and recruitment policies and practices robust new
 - By 2025, enhance or embed human rights criteria in our recruitment and sourcing policies and work with our industry to address human rights risks during the construction phase
- Trained approximately 243,000 associates globally on human trafficking awareness

"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 brands are on over 6,500 managed and franchised properties in 127 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. Since then we have continued to enhance related internal policies. In 2017, we enhanced our Human Rights Policy to integrate criteria on ethical recruitment. 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 global leaders across multiple business disciplines. This Council is co-chaired by our Social Impact Group and Human Resources Department. 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.

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 to global properties to access. For example, Marriott implements 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 outside of the U.S. 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.

In 2017, we added new criteria to our internal property certification audit to survey the compliance with the new human trafficking awareness 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

In 2017, we launched a new sustainability and social impact platform called <u>Serve 360</u>, with specific goals about human trafficking prevention. Under our Serve 360 platform, one of our four priorities is to <u>Welcome All and Advance Human Rights</u>. By 2025, we have set a goal that 100 percent of on-property associates at managed and franchised hotels will have completed our human rights awareness programme, including training on human trafficking awareness, responsible sourcing and recruitment policies and practices. 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.

HUMAN RIGHTS AWARENESS PROGRAMME: In 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. Within the first three months of mandating human trafficking training for associates, two reported cases of human trafficking were brought to hotel management's attention and led directly to the rescuing of victims. At year-end 2017, a total of 243,000 associates globally had completed human trafficking awareness 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 (F&B)—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 Procurement Supplier Conduct Guidelines, which is available in multiple languages and sent out to suppliers as part of a continent-wide awareness campaign and 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 2017, approximately 10,280 associates globally completed the training.

- ETHICAL RECRUITMENT: 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 here. 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 2017, we updated our Human Rights policy to specify our "no fees" recruitment policy.
- GLOBAL SAFETY AND SECURITY: 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.

EXTERNAL STAKEHOLDER ENGAGEMENT AND PROGRAMMES

Marriott engages and collaborates with strategic external partners to support and develop programmes that address the root causes of exploitation. Through some of these programmes, we also help vulnerable people prepare for and find meaningful employment.

Marriott continues to support and promote global efforts to prevent human trafficking through our engagement with our industry peers and diverse organizations focused on 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.



NON-GOVERNMENTAL ORGANIZATIONS: 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 1,100 of those graduates were trained at Marriott hotels, including students who are survivors of human trafficking.

Marriott has 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 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 and Polaris. In 2017, we added ECPAT and Polaris as strategic partners to our Marriott Rewards platform to educate our customers on modern day slavery.

PUBLIC-PRIVATE PARTNERSHIPS: In January 2017, the state of Connecticut established the Marriott
human trafficking awareness training, which was co-developed with ECPAT-USA, as the state's
standard for its 2016 human trafficking law. As a result of this partnership, nearly 500 hoteliers in
Connecticut received free human trafficking awareness training through the Quinnipiac Law School.

In 2018, we will continue to implement our human trafficking awareness programme requirement for managed and franchised properties. We will collaborate with external expert organizations to identify ways our company can contribute to fight human trafficking and work with our peer colleagues and the broader hospitality industry on efforts to address human rights issues within our sphere of influence. We will also continue to evaluate the effectiveness of our policies and operating procedures to comply with all relevant laws.

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

Amy McPherson

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