

Slavery and Human Trafficking Statement

Background

As a responsible global company, the Millennium Hotels & Resorts (MHR) team is committed to upholding human rights. That commitment is alive within our organisation and we seek to apply it to the customers, suppliers and other stakeholders with whom we conduct business. As part of those efforts, we believe that slavery and human trafficking have no role in society and are taking steps to ensure that no one is being held in slavery or servitude or is required to perform forced or compulsory labour and to prevent others from arranging or facilitating of the travel of individuals with a view to exploiting them.

Our Business and Risks in 2016

Our Group is geographically diverse and operates under different business models. In some cases, we own and operate the hotels within the MHR family. In other cases, we or our joint venture partners manage hotels on behalf of third party hotel owners. In several instances, we own hotels which are operated by third parties, such as Hilton and AccorHotels, while in other limited circumstances we franchise our brands for use by third party hotel owners who, in turn, operate their hotels.

Owned and Managed Hotels

With each business model, we are able to exercise varying degrees of control over operational policies and procedures and the review and selection of suppliers. Clearly we are able to exercise the most control where we own and manage hotels, and to an extent, where we manage hotels on behalf of third party owners. In those cases, which account for the majority of MHR hotels, we have in place a Group Human Rights policy designed to communicate and enhance awareness of our values and commitment to certain human rights principles, including those outlined in the United Nations Universal Declaration of Human Rights (as applicable), such as:

- Operating to high ethical standards
- Equal treatment of employees to prevent discrimination
- Ability to work in an environment free of physical, psychological or verbal abuse, the threat of abuse and sexual or other harassment
- Ability of employees to freely chose employment; no forced or bonded labour is permitted
- Working in a healthy and safe environment
- Payment of wages and benefits for a standard working week that meet or exceed the minimum national requirements
- Freedom of association and the right to collective bargaining
- The long-term objective of eliminating child labour globally

Underpinning these principles are the Group Health & Safety policy, the Group Code of Ethics and Business Conduct and the Group Whistleblowing policy, among others, which provide for a means of raising concerns and, as appropriate, redress without fear of reprisal. Under these owner-operator business models, we can more easily and directly implement our policies and procedures, conduct appropriate training and monitor compliance within our business.

Other Business Models and Our Supply Chain

With regard to our other business models – such as franchising, management of hotels through joint ventures, and ownership of hotels which are managed by third-party operators – we may have very limited control or influence over our business partners and as such consider such situations to be higher risk in terms of ensuring their commitment to preventing slavery and human trafficking.

Also, as a hotel company, we purchase goods and services all over the world, ranging from furniture, fixtures and equipment to operating supplies, food and beverage items, and many types of services,

including outsourced cleaning services, maintenance services, consulting services and other similar services.

With regard to our suppliers and business partners, we select such parties carefully and as summarised below, where possible, conduct due diligence on them so that we are comfortable that we are doing business with trusted, known parties. We encourage them to comply with our policies, often raising awareness of our policies as part of our procurement tender processes, for example, or we expect that they will have in place similar such policies. We also endeavour to include contractual clauses that require them to comply with applicable laws and our Group Code of Ethics and Business Conduct.

Progress Made in 2016

During the year, for our owned and managed hotels, we rolled out a new global online compliance training platform and refreshed our anti-bribery and corruption policies. In addition, we continually review our procurement process and recently included a new reporting procedure whereby suppliers can report any breaches of our Group Human Rights Policy at the following email: supplychain@millenniumhotels.co.uk.

In addition, our procurement process, starting in Europe, now involves an annual assessment of our major suppliers. We ask many of our major suppliers to complete a self-assessment questionnaire with more than 60 questions, including questions targeted at assessing slavery and human trafficking risk. The Group uses this questionnaire to determine the risk profile of suppliers for environmental, safety, human rights (including slavery and human trafficking) and other supplier sustainability issues.

Looking Ahead

All of that being said, we do not believe an organisation can “achieve full compliance” in this important area and will continue to look for ways to improve upon our existing policies and procedures. In 2017, we hope to:

- Update our Group Code of Ethics and Business Conduct to better address ways in which we can help to prevent human trafficking within our hotels and supply chains; and
- Expand policy awareness and training to employees of our owned and operated hotels and hotels which we manage on behalf of third party hotel owners through greater use of our new global on-line training platform.

We appreciate the co-operation of our employees and other stakeholders. We look forward to hearing any thoughts you may have and sharing our progress with you in the future.

The Board of Directors delegated approval of this statement on its behalf to the Group Chief Executive Officer, at its board meeting on 16 February 2017.

Tan Kian Seng

Interim Chief Executive Officer