

HILTON SLAVERY AND HUMAN TRAFFICKING STATEMENT

APRIL 2017 (FINANCIAL YEAR 2016)



Hilton is publishing this statement in compliance with the UK Modern Slavery Act 2015. It details the steps taken by Hilton to aid in the prevention of modern slavery and human trafficking in any part of its business and supply chains during the Financial Year 2016.

OUR COMMITMENT TO HUMAN RIGHTS

At Hilton, we have a shared purpose to be the most hospitable company in the world by positively impacting our guests, team members*, hotel owners and communities. Our team members are central to our mission – every day, they apply their passion for hospitality to make a lasting, positive difference in people’s lives. And as a business of people serving people, respecting everyone’s human rights is a core part of our mission. Our commitment to human rights is governed by our [Human Rights Policy Statement](#).

External Engagement and Leadership

Hilton engages with global, regional and local organizations to increase awareness of human rights issues, particularly modern slavery and human trafficking. We are signatories to the United Nations Global Compact. The United Nations Guiding Principles on Business and Human Rights (UNGPs) help inform how we shape policies, develop partnerships and elevate standards to deliver on our mission. Using these UNGPs, we focus on consistently evaluating and prioritizing respect for human rights across our business.

We were the first hospitality company to join the [Global Business Initiative on Human Rights](#) and have been an active member of its steering committee since August 2016. This coalition works to advance human rights in a business context through cross-industry peer learning, outreach and capacity building, and by informing policy. In addition, we are members of the human rights working group at the [International Tourism Partnership](#) (ITP), which brings global hospitality brands together to develop common approaches to industry-wide challenges. In November 2016, we also became a founding member of the [UK Stop Slavery Hotel Industry Network](#).

Hilton is committed to demonstrating our support for human rights and ethical conduct in the communities in which we operate. Our [Travel With Purpose](#) corporate responsibility platform illustrates our approach and actions to achieving that.

Team Members

Hilton continues to assess and enhance the awareness and educational tools that help our team members meet the human rights and ethical standards expressed in our policies. In 2016, we trained more than 65,000 team members on topics related to ethics, human rights, slavery and human trafficking through the continued international rollout of our Global Code of Conduct.

We train our team members to report any instances of misconduct or potential violations of laws or policies through the Hilton Hotline, which is administered by an independent third party and coordinates with our internal Compliance team.

Hilton



OUR EFFORTS TO PREVENT TRAFFICKING

In 2011, Hilton signed the [ECPAT Code of Conduct](#). ECPAT is a global organization that leads the fight against the crime of child trafficking and sexual exploitation. Using this code as a guide, we implemented a training and education programme to raise awareness of risks of child trafficking. To date, more than 3,000 hotel team members have taken this training, which was updated in October 2016.

In order to better combat sexual exploitation, we launched the [Global Freedom Exchange](#) programme in partnership with Vital Voices, an international network of activists on the forefront of global efforts to prevent and respond to the crime of child trafficking. Through this exchange, which began in 2013, Hilton and Vital Voices have brought together more than 100 women leaders from 39 countries to participate in a two-week learning and networking programme. We also have funded programme participants to launch or expand local training, advocacy and survivor services programmes.

In 2014, together with the Global Fund for Children, we created the [Hilton Anti-Trafficking Fund](#) to support grassroots anti-trafficking efforts around the world. The fund supports five innovative, high-potential organizations in affected communities with annual grants and services. Over the course of the three-year project, an estimated 1,500 children in Nigeria, South Africa, Thailand, Turkey and the United Kingdom were positively impacted.

In 2015, we partnered with the Metropolitan Police, London Borough of Hammersmith and Fulham, the Royal Borough of Kensington and Chelsea London, and Westminster City Council to launch the [Operation MakeSafe](#) campaign. This effort focused on raising awareness about child trafficking and included in-person training for hotel teams across London. It also involved all UK heads of housekeeping and our UK labour agency partners.

OUR BUSINESS STRUCTURE

Hilton is a leading global hospitality company, with a portfolio of 14 world-class brands comprising more than 4,900 properties with over 800,000 rooms in 104 countries and territories. Hilton is dedicated to fulfilling its mission to be the world's most hospitable company by delivering exceptional experiences – every hotel, every guest, every time. The company's portfolio includes Hilton Hotels & Resorts, Waldorf Astoria Hotels & Resorts, Conrad Hotels & Resorts, Canopy by Hilton, Curio - A Collection by Hilton, DoubleTree by Hilton, Tapestry Collection by Hilton, Embassy Suites by Hilton, Hilton Garden Inn, Hampton by Hilton, Tru by Hilton, Homewood Suites by Hilton, Home2 Suites by Hilton and Hilton Grand Vacations. The company also manages an award-winning customer loyalty programme, Hilton Honors.

Hilton manages, franchises, owns and leases hotels and provides hospitality services and carries on business in the United Kingdom largely through Hilton Worldwide Manage Limited and Hilton Worldwide Limited. For the purposes of this statement, the companies carrying on business within the United Kingdom, including Hilton Worldwide Manage Limited and Hilton Worldwide Limited, are collectively referred to as "Hilton".

For its owned, managed and leased hotels, Hilton is directly involved with the operations of the hotels. Our franchise owners and their managers have full control over the operations of these franchised hotels but are required to operate under our system standards. Our supply chain consists of suppliers who sell goods and services to our hotels. Through our supply management function, we provide the opportunity for hotels to purchase goods or services from select suppliers. Our hotel owners make independent decisions on how to procure goods and services and may purchase through our supply management system or may select their own suppliers.



OUR RISK ASSESSMENT AND DUE DILIGENCE

In 2014, we completed a global human rights impact assessment across our business activities. This assessment focused on the severity and likelihood of risks that our business operations may pose to individuals' rights and included an assessment of risks in the area of modern slavery and human trafficking. We used this assessment to fine-tune our internal policies and procedures and made it a goal to implement further efforts to identify and prevent human trafficking and modern slavery. Specifically, we engage in awareness and education of our leadership, team members, franchisees, owners and supply chain. We also conduct risk-based reputational due diligence within our hotel ownership and supply chains. Our policies addressing human rights currently include our Human Rights Policy Statement, our Code of Conduct and our Responsible Sourcing Policy.

Supply Chain

Hilton works closely with our supply chain to ensure that their activities meet our expectations as set out in our [Responsible Sourcing Policy](#). We encourage our owners, managers, developers and suppliers to maintain at least the same level of commitment. In 2015, we conducted a mapping exercise of our global supply chain across a range of economic, environmental and social risks, including human rights. In the same year, we also established a Global Responsible Sourcing Advisory Council, with representatives from regional leads on procurement and corporate responsibility and launched the Responsible Sourcing Policy. That policy, which we have begun communicating to our key suppliers, confirms that Hilton reserves the right to conduct unannounced audits and inspections of facilities to ensure that our suppliers are taking reasonable efforts to operate in a manner consistent with the policy. Violations or non-compliance may lead to termination of the supplier relationship.

Leaders in key internal functions (e.g. procurement, human resources, development, design and construction) and our key suppliers have been educated with respect to high-risk sourcing arrangements in the industry (i.e. recruitment and employment agencies). In the UK, we request that our suppliers providing employment services conduct an ethical audit with a third-party auditor and/or desktop reviews, and that they implement any suggested action items. In 2016, we launched a working group to expand and apply that approach to other countries of operations, primarily in the Middle East.

We also work towards increasing our hotel owners' awareness of the risks associated with the conditions of recruitment, work and accommodation for construction site workers. As part of that, we are working with the International Tourism Partnership to raise awareness, share best practices, and develop positive mitigation tools in this area.

We will continue to work with our suppliers to refine and enforce our policies and principles with respect to modern slavery and human trafficking. In particular, we will be focusing on the continued education of our suppliers and hotel owners and on methods to ensure and confirm compliance with our Code of Conduct and Responsible Sourcing Policy.



OUR ONGOING COMMITMENT

Our commitment to human rights issues, including slavery and human trafficking, is a central part of who we are as a business of people serving people around the world, and we are proud of our mission to strengthen the communities in which we operate. We will continue to build upon our existing efforts to prevent human rights abuses and to combat modern slavery and human trafficking across our global operations, and to work with our industry partners to share best practices.

Simon Vincent

Executive Vice President & President, Europe, Middle East & Africa

**Hilton Team Members include employees of Hilton at corporate offices, owned, leased and managed properties. Franchisee employees include employees at independently owned and operated franchised properties.*