## **Carbon Disclosure Project**

CDP 2013 Investor CDP 2013 Information Request Marriott International, Inc.

**Module: Introduction** 

**Page: Introduction** 

0.1

#### Introduction

Please give a general description and introduction to your organization

Marriott International is a leading lodging company with more than 3800 properties we manage or franchise under 18 brands in 74 countries and territories worldwide. As we expand our portfolio and create economic opportunities around the world, we remain grounded in a set of core values: put people first, pursue excellence, embrace change, act with integrity and serve our world. Our relentless focus on innovation and action fuel the way we do business and the way we approach our responsibility to the planet. Both in our hotels and beyond, we seek to understand and act on the direct and indirect environmental impacts of our business operations. We aspire to be the global hospitality leader that demonstrates how responsible hotel management can be a positive force for the environment.

Marriott's environmental goals include:

- Further reduce energy and water consumption 20% by 2020. (Energy 20 percent per kWh/conditioned m2; Water 20 percent per occupied room (POR). Baseline: 2007)
- Empower our hotel development partners to build green hotels
- Green our multi-billion dollar supply chain
- Educate and inspire associates and guests to conserve and preserve
- Address environmental challenges through innovative conservation initiatives including rainforest protection and water conservation

Marriott's strategy is not static. We are continually reviewing our business goals through the lens of sustainability and pursuing efforts to ensure pull-through at our properties. Not only do we focus on these goals enterprise-wide through our various operating structures and councils, but we also seek external partners to help catalyze collaborative efforts to move the "environment needle" in our industry. Marriott played a key role in developing industry standards for carbon measurement through supporting the creation of and participating in the Hotel Carbon Measurement Initiative. We have adopted this standard, and in 2012, rolled out the Green Hotels Global<sup>TM</sup> tool and dashboard that reports on the environmental impact of each hotel in our portfolio. This is a valuable resource for our

customers seeking environmental data about their business travel, as well as an important engagement and data-gathering tool to assess pull-through of our strategy worldwide. We are also working to facilitate greening the furniture, fixture and equipment (FF&E) supply chain for hotels through the Hospitality Sustainable Purchasing Consortium. Marriott was the first company in the hospitality industry to develop a LEED® (Leadership in Energy and Environmental Design) hotel prototype pre-approved by US Green Building Council (USGBC). Marriott worked with USGBC to develop prototypes for our select-service and extended stay brands as part of its LEED® Volume program. Marriott is also working with developers and investors to push development of sustainable hotels in emerging markets.

We have developed key partnerships with local governments, communities and NGOs for our signature conservation initiatives, the Juma REDD+ project in Brazil and the Nobility of Nature fresh water initiative in China. We work with seafood suppliers and fisheries across the globe through our FutureFish program, which is designed to help the company's hotels around the world source, prepare and serve sustainable seafood.

Marriott has been recognized for its environmental leadership role in the hotel and lodging industry – for our decades-long commitment to conservation, our innovative portfolio of initiatives, our active employee and stakeholder engagement, and significant reductions in energy and water use and carbon emissions. For the fifth consecutive year, Marriott scored the highest among hospitality companies on the Climate Counts scorecard in 2012. Marriott's engineering team in the Americas received the 2012 Cool Planet Award Recognizing Environmental Leadership in Energy & Carbon Management from The Climate Registry.

We continue to focus on gathering more data, and this year are able to report on 85% of the hotels in our system. As a result, we have restated our base year and 2011 emissions as part of this year's reporting cycle. We see value in disclosure and strive each year to add depth, rigor and context to our reporting. Marriott was the first major U.S-based hospitality company to report under the GRI framework. We published our second full Sustainability Report using the GRI framework in 2012. This document is our eighth Investor Response to the CDP. We will provide our third Supply Chain Response and our second Water Response in 2013 as well. We are pleased to report progress toward our goal of reducing energy use and carbon emissions per square meter of conditioned space at the hotels we manage.

0.2

## **Reporting Year**

Please state the start and end date of the year for which you are reporting data.

The current reporting year is the latest/most recent 12-month period for which data is reported. Enter the dates of this year first. We request data for more than one reporting period for some emission accounting questions. Please provide data for the three years prior to the current reporting year if you have not provided this information before, or if this is the first time you have answered a CDP information request. (This does not apply if you have been offered and selected the option of answering the shorter questionnaire). If

you are going to provide additional years of data, please give the dates of those reporting periods here. Work backwards from the most recent reporting year.

Please enter dates in following format: day(DD)/month(MM)/year(YYYY) (i.e. 31/01/2001).

## **Enter Periods that will be disclosed**

Sun 01 Jan 2012 - Mon 31 Dec 2012

0.3

## **Country list configuration**

Please select the countries for which you will be supplying data. This selection will be carried forward to assist you in completing your response

Select country
Armenia
Aruba
Australia
Austria
Bahrain
Belgium
Brazil
Canada
Cayman Islands
Chile
China
Costa Rica

Select country
Czech Republic
Denmark
Dominican Republic
Ecuador
Egypt
El Salvador
France
Germany
Greece
Honduras
Hungary
India
Indonesia
Ireland
Italy
Japan
Jordan
Kazakhstan
Kuwait
Malaysia
Mexico
Netherlands
Peru
Philippines
Poland
Portugal
Puerto Rico
Romania
Russia
Saudi Arabia

Select country
Spain
Switzerland
Thailand
Trinidad and Tobago
Turkey
United Arab Emirates
United Kingdom
United States of America
Venezuela
Hong Kong
South Korea
Rest of world

0.4

# **Currency selection**

Please select the currency in which you would like to submit your response. All financial information contained in the response should be in this currency.

USD(\$)

0.6

**Module: Management [Investor]** 

Page: 1. Governance

1.1

## Where is the highest level of direct responsibility for climate change within your company?

Individual/Sub-set of the Board or other committee appointed by the Board

#### 1.1a

## Please identify the position of the individual or name of the committee with this responsibility

Marriott's Global Green Council, led by ten global officers and other senior executives representing the following disciplines: Architecture & Construction; Global Communications & Public Affairs, , Finance, Global Operations Services; Human Resources; Law; Lodging Development; Marketing and Commercial; Owner & Franchise Services; Sales & Revenue Management; Corporate Social Responsibility. Since 2007, our Global Green Council has been guiding our environmental strategy by evaluating our practices, setting long-term goals, developing an environmental strategic plan and catalyzing our progress. The Council reports to the President and Chief Executive Officer, Arne Sorenson, who provides annual updates to the Board of Directors.

#### 1.2

Do you provide incentives for the management of climate change issues, including the attainment of targets?

Yes

#### 1.2a

## Please complete the table

Who is entitled to benefit from these incentives?	The type of incentives	Incentivized performance indicator
Other: Global Green Council	Monetary reward	MBOs –Compensation is linked to results in meeting objectives. The Global Green Council MBOs relate to hotel development, our energy and water use targets, sustainability reporting and stakeholder engagement, supply chain issues

Who is entitled to benefit from these incentives?	The type of incentives	Incentivized performance indicator			
		and conservation initiatives.			
Other: VPs Engineering	Monetary reward	MBOs – same as above. Our Global Vice President of Engineering and Facilities Management, and our Vice Presidents of Engineering at the continent level have energy and water reduction goals, both for annual and long-term targets.			
Energy managers	Monetary reward	MBOs – same as above. Our Directors of Energy and Environment at the Continent level have specific MBOs related to energy, water and waste, including annual targets and long-term goals.			
Other: Environment/sustainability managers	Monetary reward	MBOs – same as above. Our Vice President of Sustainability and Supplier Diversity has MBOs related to our overall environmental strategy, stakeholder engagement and supply chain issues.			
Public affairs managers	Monetary reward	MBOs – same as above. Our Vice President and Senior Directors of Corporate Social Responsibility have MBOs related to two conservation projects, stakeholder engagement and sustainability reporting.			
Facility managers	Monetary reward	MBOs – same as above. Our General Managers and property Directors of Engineering have MBOs related to property performance against goals.			
Other: Business Councils	Recognition (non-monetary)	Quarterly and annual awards recognize performance. Marriott has more than 70 Business Councils comprised of Hotel General Managers and other field leaders in key markets around the world focused on driving community/environment, government relations and culture.			
Other: Hotel	Recognition (non-monetary)	Hotels receive internal and external recognition for performance against sustainability goals and for innovative projects which help meet our sustainability targets.			

#### Page: 2. Strategy

#### 2.1

Please select the option that best describes your risk management procedures with regard to climate change risks and opportunities

Integrated into multi-disciplinary company-wide risk management processes

#### 2.1a

#### Please provide further details

**I.** (the scope of the process, i.e. the type of risks and opportunities considered by the process such as regulatory, customer behavior changes, reputational and weather-related)

With increasing global travel and development comes responsibility for mitigating our business impact on the natural environment, as well as responding to forces of nature, such as hurricanes, earthquakes, floods and droughts. The reliance of our properties on their surroundings in a resource-challenged world cannot be taken for granted. Our compelling need to operate our hotels efficiently is derived not only from optimizing financial performance, but also from our commitment to work with our stakeholders to understand and act on our environmental impact and sustainability. Various business units address the risks and opportunities that arise from regulation, including building codes and carbon taxes. We also recognize the increasing salience of climate change to our current customers and next generation travelers, as well as the importance of conservation of natural capital resources in many emerging markets.

II. (how risks/opportunities are assessed at a company level (e.g. reputational risk can impact on the full Corporation)

Identifying significant risks and/or opportunities from climate change and assessing the degree to which they could affect Marriott

International's business is the focus of the executive level Global Green Council, a cross-discipline team responsible for developing,
catalyzing and driving accountability for the company's environmental strategy. At quarterly meetings, the Council integrates a
sustainability lens in how we think about, design and deliver programs and services enterprise-wide. The council hosts external
speakers bi-annually, who share insights on such topics as sustainability trends impacting global enterprises and policy and regulatory
environment. The co-Chairs report on strategy development and progress toward goals to the President and CEO, who presents to our
board of directors. Within the corporation, numerous functional areas keep abreast of the risks and opportunities associated with
climate change, including Corporate Social Responsibility, Law, Operations, Engineering, Architecture and Construction, Procurement
and Sales. Key executives within these departments regularly evaluate risks and opportunities relating to environmental sustainability,
including: Global Operations Officer, Chief Marketing and Commercial Officer, Chief Public Affairs Officer, VP Social Responsibility &

Community Engagement, and VP Sustainability and Supplier Diversity. To identify important risks and opportunities from our valued customers, we commission research on the views of frequent travelers on various topics including corporate reputation and environmental action.

Marriott also gathers information on significant risks and opportunities of climate change from a broad array of external sources, such as NGOs, governments, industry organizations, legislators, consultants and others. We have worked with industry organizations and other hospitality companies to develop effective metrics for sustainability for both our corporate customers and guests, and for our own supply chain.

Marriott partners with selected organizations to help identify significant risk areas and opportunities to meet environmental goals. Our partners include: The International Tourism Partnership; World Travel & Tourism Council; World Environment Center; American Hotel & Lodging Association; U.S. Green Building Council; U.S. Department of Energy; The Clinton Global Initiative; The World Economic Forum; Corporate Eco Forum; Avoided Deforestation Partners; The Amazonas Sustainable Foundation; Conservation International; Audubon International; WWF; The Climate Registry; and The Carbon Trust.

III. (how risks/opportunities are assessed at an asset level (e.g. physical impacts can affect individual facilities). Asset level is defined as anything below company level such as individual sites and subsidiaries)

Additionally, we have organizational structures and programs which identify risks and opportunities at the division, brand and property level, including:

- Green Hotels Global™ dashboard which reports on each property's environmental impact, practices and policies.
- Energy & Environmental Action Plans: This tool guides engineering and other property leaders through an energy and water audit process to help them accomplish energy and water reduction goals. Plan metrics are incorporated into performance evaluations for engineering and business leadership and are reviewed quarterly at the property, region, continent and global levels.
- Transcendent: A web-based enterprise asset management tool that tracks a property's preventive maintenance status, projects and capital expenditure plans. The information is presented as a dashboard for onsite managers and the data rolls up at the country, continent and corporate level.
- Utility database systems that track consumption across our managed portfolio, allowing data to be analyzed and benchmarked with greater transparency and knowledge to be leveraged for other projects/priorities. The data is reviewed monthly at the property level and reported quarterly at the corporate level.
- Marriott Business Councils: Business Councils operate in more than 70 markets and represent all Marriott business units in those
  areas. They leverage resources across business lines to drive guest, associate, and overall stakeholder loyalty and add value to
  the marketplace by focusing on common objectives, including risk management and local environmental impacts and community
  needs.

• The Ritz-Carlton hotels across the globe have property-level goals set each year that are visible to both the hotel and corporate quality teams through the Business Priority Matrix. Reviewed each quarter by the executive team at the property and corporate, these goals help determine how well the property is doing against its goals before the year is completed.

#### **IV.** (the frequency of monitoring in terms of weeks/months/years)

As described above, monitoring of risks and opportunities related to climate change occurs at regular intervals and levels dependent upon the nature of the risk. Property performance data related to energy and water consumption is monitored monthly and reported quarterly and annually. Risks and opportunities related to regulation, customer preference, and corporate reputation are evaluated regularly by relevant departments and reviewed by the Global Green Council quarterly.

## **V.** (*criteria* for determining materiality/priorities)

Materiality and priorities are determined within the context of corporate business strategy and the impact of our operations on the environment, both locally and globally. We strive to refine our understanding of the direct and indirect impact of our hotels and work with our stakeholders and external partners to mitigate our risks and seek opportunities to develop innovative solutions to manage our business sustainably.

#### **VI.** (to whom are the results reported)

As described above, the responsibility for assessing climate change risks and opportunities rests with Marriott's Global Green Council. With representation from all major business functions, the Council is structured to collect input from across the company. The Council's co-Chairs report our sustainability performance and results to Marriott's President and CEO.

2.2

Is climate change integrated into your business strategy?

Yes

#### 2.2a

## Please describe the process and outcomes (7000 Character limit)

I. (How the business strategy has been influenced, i.e. the internal process for collecting and reporting information to influence the strategy)

Sustainable hotel operations are a business priority. From senior executives and our global family of associates to an array of external partners, we have engaged the resources needed to address this priority. Our robust environmental strategy supports business growth and we have established the organizational structures, programs and tools to drive our sustainability goals. We realize costs savings and brand recognition in delivering sustainable lodging facilities and event services. Our strategy also looks beyond cost reduction and the doors of our hotels, to meaningful impacts on preserving natural capital resources and mitigating the effects of climate change.

Marriott's Global Green Council, a cross-functional team of senior executives, meets quarterly to advance sustainability initiatives across the company. The co-Chairs of the Council give regular reports to Arne Sorenson, President and CEO, who provides annual updates to the Board of Directors. Sustainability objectives are included in the performance reviews of Marriott's senior executives. Several dashboards and data systems capture energy use and other environmental metrics at the property level and report this data up to the relevant continental and global departments. The Global Engineering and Facilities Management team communicates regularly with continental engineering leaders around strategy, best practices and progress on energy reduction targets. The Vice President of Sustainability and Supplier Diversity works routinely with Global Operations Services, as well as with our Directors of Energy and Environment.

We recognize that our associates form the foundation of our environmental strategy, delivering vital pull-through of our overall strategy. We provide standards and training on practices such as Energy and Environment Action Plan audits, green meetings, recycling and linen/terry re-use to associates worldwide. We distribute our Sustainability Reports each year, and communicate regularly on environmental and conservation topics through our internal news service, Marriott World Express, as well as social media. Property managers communicate Marriott environmental policies, best practices and initiatives with their employees through bulletin boards, daily briefings and departmental meetings. In 2012, our corporate Environmental Policy was combined with other key policies in Marriott's *Principles of Responsible Business*, which was communicated internally and externally.

**II.** (What aspects of climate change have influenced the strategy, e.g. need for adaptation, regulatory changes or opportunities to develop green business?)

Marriott's Spirit To Preserve® environmental strategy includes ambitious and comprehensive goals designed to increase sustainability in hotel operations, help preserve natural capital (i.e. resources) and reduce the impact of climate change. This strategy is linked to aspects of climate change material to our business. We face risks related to global temperature increases and extremes which drive our energy efficiency efforts. Given the potential for extreme weather to disrupt travel and damage property, measures taken to stabilize the climate have demonstrable business value. We also face both challenges and opportunities relating to regulation, consumer preferences and our reputation for environmental leadership. As we expand in markets outside the United States, we seek to develop understanding of and to address risks and opportunities related to different locales and cultures.

**III.** (The most important components of the short term strategy that have been influenced by climate change (e.g. changes in operational practices, changing the way business is communicated, etc.). Short term can mean current. If climate change has only affected the long term strategy, this should be stated)

The most important change in the way we communicate our business is the addition of property-level environmental sustainability data to our resources for meeting planners and customers. In addition to the carbon and water footprint of each hotel, Green Hotels Global™ provides information on another 58 operational and management practices in such categories as Energy, Water and Waste Management, Supply Chain, Environmental Policy and Certifications. We rolled out this tool to our properties beginning in 2012 and will begin to report data to group customers in 2013. We drive and track operational practices which support our environmental strategy through the utility databases, Transcendent asset management system, and Energy and Environment Action Plans.

**IV.** (The most important components of the long term strategy that have been influenced by climate change (e.g. changing core business focus, development and incorporation of new technologies, etc.). In the less likely event that climate change has only affected the short term strategy, this should be stated)

Marriott's Spirit To Preserve® environmental strategy goals:

- Further reduce energy and water consumption 20% by 2020. (Energy 20 percent per kWh/conditioned m2; Water 20 percent per occupied room (POR). Baseline: 2007)
- Empower our hotel development partners to build green hotels
- Green our multi-billion dollar supply chain
- Educate and inspire associates and guests to conserve and preserve
- Address environmental challenges through innovative conservation initiatives including rainforest protection and water conservation.

We have established a variety of programs and tools to help us meet our goals and we are pursuing multiple initiatives and collaborative efforts with property owners, developers and industry peers/groups.

## **V.** (How this is gaining you strategic advantage over your competitors)

Marriott's leadership in conservation has been recognized worldwide. Such recognition helps to enhance our brand and to attract and retain customers and business partners who share our values. Our LEED® Volume build program with the USGBC provides incentives for owners and developers to build sustainable hotels under Marriott's select service and extended stay brands. Through the Green Hotels Global™ dashboard, we will offer environmental metrics to meeting planners and customizable carbon and water footprint data to our group customers. Our lengthy, visible and successful commitment to sustainability in and beyond our hotels has led to numerous awards. For example, Climate Counts has given Marriott the highest ranking within the hotel sector every year since 2008.

**VI.** (What have been the most substantial business decisions made during the reporting year that have been influenced by the climate change driven aspects of the strategy (e.g. investment, location, procurement, M&A, R&D). Both the business decision and the aspect of climate change that has influenced the business decision must be made clear in the answer. If there are none to report, this should be stated)

Building on the experience of our successful demand response partnership with Constellation Energy in the U.S., a similar agreement

was developed in the	U.K. with Kiw	i Power to par	rticipate in tha	t country's	demand response	market through	automated	energy lo	cad
curtailment at our pro	perties.			-		_			

2.2b

Please explain why not

2.3

Do you engage in activities that could either directly or indirectly influence policy on climate change through any of the following? (tick all that apply)

Trade associations Funding research organizations Other

2.3a

On what issues have you been engaging directly?

Focus of legislation Con	porate Position De	etails of engagement	Proposed solution
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2.3b

Are you on the Board of any trade associations or provide funding beyond membership?  $\ensuremath{\text{Yes}}$ 

# 2.3c

Please enter the	e details of th	hose trade associations that are likely to take a	position on climate change legislation
Trade association	Is your position on climate change consistent with theirs?	Please explain the trade association's position	How have you, or are you attempting to influence the position?
World Travel and Tourism Council	Consistent	The World Travel and Tourism Council's Action Agenda (set forth in the Report "Leading the Challenge on Climate Change) is comprised of ten action items which will advance efforts to address climate change. WTTC and participating members outlined climate change policies and commitments around five themes; accountability and responsibility; local community sustainable growth and capacity building; educating customers and stakeholders; greening supply chains; and innovations, capital investment and infrastructure.	Marriott supports and endorses the World Travel & Tourism Council's (WTTC) Action Agenda as part of our Environmental Policy. In addition, Marriott was instrumental in establishing the Hotel Carbon Measurement Initiative with the International Tourism Partnership and the WTTC. This joint effort, which also included collaboration with The World Resources Institute, Greenview Consulting, Cornell University and KPMG, grew to include over 20 hospitality companies as part of the working group. In 2012, the HCMI released a methodology for carbon measurement of hotels and set of metrics based on available data. The work of the group to refine the methodology as it is implemented by the various members, including Marriott and other leading hospitality companies, continues.
International Tourism Partnership	Consistent	The International Tourism Partnership (ITP) describes its mission in the following way: "ITP brings together the world's leading international hotel companies to provide a voice for environmental and social responsibility in the industry. We work to demonstrate in a very	Representatives from Marriott participate in ITP working groups, including: Carbon Measurement Working Group (the Hotel Carbon Measurement Initiative referenced above), the Sustainable Supply Chain Working Group and the Human Rights Working Group.

Trade association	Is your position on climate change consistent with theirs?	Please explain the trade association's position	How have you, or are you attempting to influence the position?
		practical way that environmental and social responsibility makes good business sense. ITP does this by highlighting best practice, offering a range of practical products and programmes and tackling emerging sustainability issues through its collaborative working groups."	

## 2.3d

Do you publically disclose a list of all the research organizations that you fund?

No

## 2.3e

Do you fund any research organizations to produce public work on climate change?

Yes

## 2.3f

Please describe the work and how it aligns with your own strategy on climate change

Since 2008, Marriott has partnered with the Amazonas Sustainable Foundation (FAS) to protect 1.4 million acres of Amazon rainforest. Our 2 million USD investment empowers the residents of the Juma Reserve through promotion of sustainable livelihoods. Marriott supported a case study about the Juma REDD+ (Reducing Emissions from Deforestation and Forest Degradation) Project and hosted an event to share learnings from this study during the 2012 Rio+ 20 conference in 2012. The Pingwu Wildlife Conservation Association issued a report of research conducted by scientists and experts from Chengdu Institutes of Biology (part of the Chinese Academy of Science) on our successful water conservation program in China, Nobility of Nature. The report highlighted project's environmental and social benefits and potential for replication throughout China.

## 2.3g

#### Please provide details of the other engagement activities that you undertake

Guidance: Please use the text box provided to detail any other activities that you have engaged in the reporting year that could either directly or indirectly influence policy on climate change.

- U.S. Department of Energy (DOE) and the Global Superior Energy Performance Partnership (GSEP): Marriott has been working with the DOE to pilot a certification program that requires adoption of an energy management system and continuous energy performance programs under the GSEP. The U.S. DOE is leading the GSEP Energy Management Working Group. As part of this pilot, the JW Marriott in Washington, D.C. is pursuing the first ISO 50001 certifications for a hotel in the United States.
- Marriott also participates in the U.S. DOE's Commercial Real Estate Energy Alliance.
- Marriott executives, including President and Chief Executive Officer Arne Sorenson, participate in the World Economic Forum, attending annual gatherings in Davos, as well as regional meetings and Travel & Tourism Council meetings.
- Marriott has partnered with Conservation International on our portfolio of conservation initiatives.
- Marriott is an active participant on the Global Business Travel Association (GBTA) Sustainability Committee, which provides
  leadership and resources to help member organizations integrate sustainability into their corporate travel management programs.
  One of the resources developed by GBTA through assistance from Marriott and other members is a Request for Proposal (RFP)
  template that many of our corporate customers use during their annual bid process for preferred business travel hotels. The
  template includes sustainability questions.
- We have been participating in the Sustainability Roundtable at Cornell's Center for Hospitality Research since its inception.

#### 2.3h

What processes do you have in place to ensure that all of your direct and indirect activities that influence policy are consistent with your overall climate change strategy?

Pursuit of our environmental strategy is the responsibility of our Global Green Council, which sets our goals and establishes policies. With representation from all major departments and quarterly meetings to review progress, the Council supports our major engagements with policy makers and stakeholders.

2.3i

Please explain why you do not engage with policy makers

## Page: 3. Targets and Initiatives

3.1

Did you have an emissions reduction target that was active (ongoing or reached completion) in the reporting year?

Intensity target

3.1a

Please provide details of your absolute target

ID	Scope	% of emissions in scope	% reduction from base year	Base year	Base year emissions (metric tonnes CO2e)	Target year	Comment	

3.1b

Please provide details of your intensity target

3.1c

ID	Scope	% of emissions in scope	% reduction from base year	Metric	Base year	Normalized base year emissions	Target year	Comment
MAR	Scope 1+2	100%	20%	Other: metric tonnes C02e per square meter of conditioned space	2007	0.168	2020	Marriott's strategy includes the goal to reduce energy use per square meter of conditioned space 20% by 2020 over 2007 levels. For the purposes of this CDP disclosure, we are stating our goal here in terms of emissions.

# Please also indicate what change in absolute emissions this intensity target reflects

ID	Direction of change anticipated in absolute Scope 1+2 emissions at target completion?	% change anticipated in absolute Scope 1+2 emissions	Direction of change anticipated in absolute Scope 3 emissions at target completion?	% change anticipated in absolute Scope 3 emissions	Comment
MAR	Increase				We forecast substantial business growth, especially in emerging markets across the globe. By increasing the number of hotels we manage, we will increase our absolute

ID	Direction of change anticipated in absolute Scope 1+2 emissions at target completion?	% change anticipated in absolute Scope 1+2 emissions	Direction of change anticipated in absolute Scope 3 emissions at target completion?	% change anticipated in absolute Scope 3 emissions	Comment
					Scope 1 & 2 emissions. Our efforts to reduce energy (kWh per square meter of conditioned space) and water use (per occupied room) by 20% over 2007 levels by 2020 will deliver significant reductions in CO2e emissions per these metrics. In addition, Marriott's substantial commitment to conservation will encourage sustainability in the built environment through efficient management of existing properties and development of new Marriott properties built to "green" codes such as LEED®.

# 3.1d

# Please provide details on your progress against this target made in the reporting year

ID	% complete (time)	% complete (emissions)	Comment
MAR	38%	66.5%	From 2011 to 2012, Marriott could demonstrate a 3.9% reduction in kWh per square meter of conditioned space at its managed properties. Since 2007, we have reduced our energy consumption according to this intensity metric by 16.5%. These reductions have resulted in a similar decline in our emissions since 2007 of 13.3%.

3.1e

Please explain (i) why not; and (ii) forecast how your emissions will change over the next five years

3.2

Does the use of your goods and/or services directly enable GHG emissions to be avoided by a third party?

Yes

#### 3.2a

#### Please provide details (see guidance)

Companies may choose to report the emissions associated with business travel and more specifically with hotel stays under their Scope 3 inventory. In working to reduce energy and water use, reduce waste and increase recycling in our hotels, we help our customers address their own goals for sustainable travel and meeting services. Marriott has developed initiatives and continuously drives activity throughout our portfolio and across our supply chain to reduce the carbon footprint of guest stays and corporate customer activities at our hotels.

In collaboration with other hospitality companies, we participated in the Hotel Carbon Measurement Initiative (HCMI) to develop the first-ever carbon calculation methodology for guest stays and meetings. In May 2012, Marriott rolled out the Green Hotels Global™ tool, an online environmental sustainability dashboard developed and managed by The Carbon Accounting Company. The system collects data and calculates each hotel's carbon footprint according to the HCMI guidelines, which will provide our customers with a tool to help them quantify and report on their own Scope 3 emissions. It also calculates each hotel's water footprint and waste diversion rate.

Our business customers will have online access to these metrics as well as a comprehensive list of environmental practices for each hotel in the Marriott portfolio. More than 55 operational and environmental management practices will be reported in the following categories: Policy, Energy Management, Waste Management, Water Management, Supply Chain and External Certifications. Green Hotels Global was phased in globally across Marriott's brands in 2012 and became a brand standard in March 2013. Recently, The

Carbon Accounting Company was awarded the Global Business Travel Association's 2013 Project ICARUS Outstanding Achievement Award for Green Hotels Global<sup>TM</sup>.

While we strive to do all that we can to provide a wonderful guest experience in an energy-efficient hotel, our guests play a significant role in our carbon footprint through their in-room use of lighting, HVAC and linens and towels. Given the potential for substantial water and energy resource and cost savings, we recently implemented a new linen and terry re-use policy which includes a global standard, brand-specific guest communications and associate training at all managed and franchised properties. One property case study showed 3600 USD in laundry-related energy and water savings per month under the linen and terry re-use program.

Marriott's own sustainability practices also impact others in our supply chain. From 2011 to 2012, Marriott's pounds of landfill waste per occupied room decreased 4.9% in the Americas. We work collaboratively with our national waste and recycling partners to audit our waste stream and reduce the tonnage that must be transported to landfill. In 2012, Marriott initiated 15 third-party waste audits and waste characterization analyses to better understand our waste streams. As a result of these efforts, Marriott-managed properties in the Americas diverted over 12,800 tons of waste from the landfill through recycling and food waste composting.

The majority of our full-service properties in the Americas are providing their used kitchen oil to recycling companies, many of which utilize the oil as a feedstock for biodiesel production. In the United Kingdom, Marriott has partnered with Convert2Green and 3663 to collect and turn waste cooking oil from its hotels into carbon savings. The waste is collected by Convert2Green and refined into biodiesel at its plant in Cheshire. This biodiesel is then used to power 3663's trucks, a Marriott supply chain partner, to deliver goods back to its properties. Convert2Green issued a certificate to Marriott which assigned a validated savings of 91.14 tonnes CO2e through this program in 2012.

One of Marriott's energy strategies is to fully participate in utility-sponsored load shed events. Shedding load when the utility grids are at capacity keeps utility companies from utilizing additional, older and less efficient generation capabilities and helps them to reduce overall emissions. In 2012, Marriott's demand response program with Constellation Energy at 225 Marriott-managed hotel properties in the mid-Atlantic, New England, New York, Texas and California led to reductions in over 2200 tonnes of CO2 emissions. (Emissions calculated Using eGRID2012 Version 1.0, U.S. annual non-baseload CO2 output emission rate as an electricity emissions factor and 0.005 metric tons CO2/therm emissions factor for natural gas therms.)

Did you have emissions reduction initiatives that were active within the reporting year (this can include those in the planning and implementation phases)

Yes

## 3.3a

Please identify the total number of projects at each stage of development, and for those in the implementation stages, the estimated CO2e savings

Stage of development	Number of projects	Total estimated annual CO2e savings in metric tonnes CO2e (only for rows marked *)
Under investigation		
To be implemented*		
Implementation commenced*		
Implemented*		
Not to be implemented		

## 3.3b

For those initiatives implemented in the reporting year, please provide details in the table below

For those initiatives implemented in the reporting year, please provide details in the table below

Activity type	Description of activity	Estimated annual CO2e savings	Annual monetary savings (unit currency)	Investment required (unit currency)	Payback period
Energy efficiency: building services	Through a major partnership agreement with Constellation Energy, Marriott expanded/leveraged building automation in all brands and developed a load response program across the United States. Property managers at 225 U.S. hotels in the Northeast, Mid-Atlantic, Texas and California can track electricity usage, participate in demand response markets and use automated systems to customize energy load curtailment strategies. The VirtuWatt platform provides Marriott with a centralized system that enables load control at multiple sites and gives an enterprise view of electricity usage. The projected, annualized Scope 1 energy savings estimate is 146,000 therms of natural gas. The projected, annualized Scope 2 energy savings are estimated at 1.98 million kWh of electricity per year. This voluntary initiative represents a multi-year effort to capitalize on enterprise and public utility energy savings. Shedding electrical load during peak periods is a strategy that serves utility needs, the hotel bottom line and Marriott's energy reduction target. Using the experience in the Americas, a similar agreement has been signed in the U.K, where the deregulation of the electricity market makes demand response partnerships possible. Marriott is the first hospitality company in the U.K. to utilize this strategy.	2128	1,529,000	313,000	1-3 years
Energy efficiency: processes	Marriott continued to expand and standardize building automation platforms in 2012 in the U.S. We have developed a national partnership with Automated Logic to keep costs down and maintain product consistency. This voluntary initiative helps us meet our energy reduction targets and drives down both Scope 1 and 2 emissions and will continue to be pursued over the next several years with property owners in the Americas.	14,471	1,934,000	2,821,000	1-3 years

Activity type	Description of activity	Estimated annual CO2e savings	Annual monetary savings (unit currency)	Investment required (unit currency)	Payback period
	Building automation also facilitates 3rd-party analyses of our energy use and efficiency for our Marriott retro-commissioning program. A similar project is rolling-out in the U.K. through a strategic partnership with Siemens. Building automation improves efficiency and enables participation in demand response programs. We work with utility companies to secure rebates which help create an attractive ROI for this project.				
Energy efficiency: processes	Marriott implemented resource efficient laundry formulations and management systems designed to reduce demand for water and energy at properties in the Americas and Asia. Through a partnership with Ecolab, Marriott piloted Aquanomic in 2010, and continued to deploy this system in 2012. A similar strategy, called Ensure continues to roll-out in Asia. These voluntary programs are designed to reduce the environmental impact and cost of our laundry wash operations by reducing the amount and temperature of water required to wash linens. Using baseline comparisons at specific property locations, the combined water savings in 2012 were estimated at over 100 million gallons and reductions in Scope 1 energy use for natural gas boilers were achieved by reducing the energy requirement for laundry by 20%. These savings help properties meet sustainable operations goals, including Marriott's energy reduction target. The initiative will continue at sites until such point as equipment is replaced or new technology provides increased efficiency.	2181			<1 year
Energy efficiency: building	As part of its proactive efforts to reduce the environmental impact of hotel operations, Marriott continued to roll-out 3D-Trasar monitoring equipment and innovative water treatment				1-3 years

Activity type	Description of activity	Estimated annual CO2e savings	Annual monetary savings (unit currency)	Investment required (unit currency)	Payback period
services	chemistry to optimize performance of chillers and cooling towers to full-service hotels worldwide. By the end of 2012, over 200 properties were using this state-of-the-art control technology and chemical additives to improve cooling system performance, significantly reduce fresh water use and conserve Scope 2 energy consumption. Since cooling towers are not metered separately, energy reductions are difficult to quantify. Engineering studies at individual properties have indicated that increased efficiency of heat transfer with the improved systems lowers property energy use. One hotel study in Hawaii indicated an annual decrease of 182,000 kilowatt hours. A large convention center property in India reduced fresh water use by 16 million gallons and conserved 600,000 kWh of energy per year. This multi-year, voluntary initiative will continue at sites until such point as equipment is replaced or new technology provides increased efficiency.				
Energy efficiency: building services	In Europe, Marriott has been working to maximize the cost benefits of installing and replacing combined heat and power (CHP) plants at full service properties, primarily in the U.K. Through strategic procurement and leveraging government rebates, Marriott has supported the replacement of CHP plants at 10 hotels and further identified 20 properties as targets for installation. The combination of the replacement and new CHPs is projected to reduce annual CO2e emissions by over 11,000 tonnes.				
Energy efficiency: processes	LED lighting retrofit projects were a 2012 priority for our managed hotels in Asia to help reduce electricity demand and costs. This voluntary initiative helps Marriott make progress	2,782	516,000	995,000	1-3 years

Activity type	Description of activity	Estimated annual CO2e savings	Annual monetary savings (unit currency)	Investment required (unit currency)	Payback period
	towards our energy reduction targets, as well as reducing our Scope 2 emissions. We identify strategic partnerships where possible, and install LED bulbs where the lighting needs are best suited to the technology and provide the most compelling ROI. Lighting retrofits have been part of our environmental efforts for years; as newer technology makes lighting more energy efficient, systems are upgraded at our properties around the world.				
Behavioral change	In 2012, Marriott Energy and Environmental Action Plans (EEAP) continued to be deployed at full-service properties worldwide. This tool guides engineering and other property leaders through an energy audit process to help them accomplish energy and water reduction goals. The audit covers everything from linen/terry re-use policies to best practice behaviors for lighting, appliance, HVAC and central plant conservation and efficiency. Calculators are linked to each audit point to assist the properties with assigning an energy unit and dollar value to each behavior change or project. This voluntary best practices audit is available to the property teams for annual evaluations of their current state and their opportunities for resource conservation and Scope 1 and 2 emissions reductions. The EEAPs are an important tool to drive Marriott's energy reduction targets. In the Americas region alone, implementation of 30% of the action items identified as part of their Energy and Environmental Action Planning audits represents forecasted savings of 14.7 million kWh, 147,000 therms of gas and 1.5 billion gallons of water. While we do not expect every one of these property plans will be achieved, we believe that this focus on efficiency and conservation reduces our environmental				

Activity type	Description of activity	Estimated annual CO2e savings	Annual monetary savings (unit currency)	Investment required (unit currency)	Payback period
	impact and costs.				
Behavioral change	Using the Energy and Environmental Action Plans as a roadmap, properties in the Americas select a "Signature Project" based upon the following criteria: the project can be completed during the first half of the year AND it has the potential to significantly impact cost and emissions linked to reductions in electricity use. In the Americas operating group, Signature projects implemented in 2012 are projected to save about 20.4 million kWh of purchased electricity. These voluntary projects reduce Scope 2 emissions, drive down operating costs by reducing resource consumption and taking advantage of utility rebates/incentives, and help Marriott achieve its 2020 energy conservation goals. This push to "rise to the energy challenge" is also being implemented over the next year in the other continental operating groups as the EEAP process is fully rolled-out.	14,398	2,124,000	4,096,000	
Low carbon energy installation	By the end of 2012, 23 renewable energy installations have been deployed at Marriott hotels, representing more than half of our goal of 40 renewable energy sites by 2020. These sites are installed around the globe, harnessing solar or wind energy for hotel operations. These voluntary projects help reduce Scope 1 emissions where they replace fuel use on site, and Scope 2 emissions in the case where solar panels reduce purchased electricity consumption.				1-3 years

3.3c

What methods do you use to drive investment in emissions reduction activities?

Method	Comment
Financial optimization calculations	Our Energy and Environmental Action Plans evaluate return on investment projects and help prioritize owner investments. Marriott Retro-commissioning (MRCx) drive 3rd party studies of our more complex facilities in order to identify the efficiency opportunities.
Employee engagement	We engage our employees through various training opportunities and communicate through our Sustainability Report, various intranet channels and social media, including Marriott World Express, Bill Marriott's and Arne Sorenson's blogs, Facebook, Weibo and Twitter; company-wide Environmental Awareness Month activities; and internal recognition of hotel performance. Property managers share information on Marriott environmental policies, best practices and initiatives with their employees through bulletin boards, daily briefings and departmental meetings. Question #4 on Marriott's annual associate engagement survey centers on sustainability with close to 9 out of 10 associates expressing pride in the steps their hotel or office takes to protect the environment, such as recycling and saving energy.
Compliance with regulatory requirements/standards	Many cities across the United States require LEED® certification for new commercial construction. Marriott's LEED® Volume build program with the USGBC provides incentives for owners and developers to build sustainable hotels under Marriott's select service and extended stay brands. By constructing projects through this program, owners can build more environmentally sustainable buildings and expect to reduce their total energy and water consumption by 20% to 30%. Marriott complies with all relevant local, regional and national regulations, including those relating specifically to climate change, such as the UK CRC Energy Efficiency Scheme. Under that mandatory program, Marriott's UK properties report and pay taxes on annual carbon emissions.

3.3d

If you do not have any emissions reduction initiatives, please explain why not

## Page: 4. Communication

## 4.1

Have you published information about your company's response to climate change and GHG emissions performance for this reporting year in places other than in your CDP response? If so, please attach the publication(s)

Publication	Page/Section reference	Attach the document
In mainstream financial reports (complete)	p. 14	https://www.cdproject.net/sites/2013/29/11329/Investor CDP 2013/Shared Documents/Attachments/Investor-4.1-C3-IdentifytAttachment/Marriott Final_2012_Form_10-K.pdf
In voluntary communications (complete)	"Marriott and the Environment," Marriott Sustainability Report 2011- 2012	https://www.cdproject.net/sites/2013/29/11329/Investor CDP 2013/Shared Documents/Attachments/Investor-4.1-C3-IdentifytAttachment/Investor-4.1-PublishedInformation2/MarriottSustainabilityReport_2011and2012condensed4MB.pdf
In voluntary communications (underway) – previous year attached	"Marriott and the Environment," 2013 Marriott Sustainability Report Update	

## **Further Information**

Marriott's environmental policy, goals and information about our efforts to mitigate our business impact on the natural environment can be found on the environment page of our corporate website, <a href="https://www.marriott.com/environment">www.marriott.com/environment</a>.

**Module: Risks and Opportunities [Investor]** 

## **Page: 5. Climate Change Risks**

## 5.1

Have you identified any climate change risks (current or future) that have the potential to generate a substantive change in your business operations, revenue or expenditure? Tick all that apply

Risks driven by changes in regulation Risks driven by changes in physical climate parameters Risks driven by changes in other climate-related developments

#### 5.1a

## Please describe your risks driven by changes in regulation

ID	Risk driver	Description	Potential impact	Timeframe	Direct/ Indirect	Likelihood	Magnitude of impact
1	Product efficiency regulations and standards	Green building standards, such as the U.S. Green Building Council's (USBC) Leadership in Energy and Environmental Design ( LEED® ) standards, which have been adopted as either a mandatory compliance regulation or encouraged through incentives throughout the U.S., as	Increased operational cost	Current	Direct	Virtually certain	Low

ID	Risk driver	Description	Potential impact	Timeframe	Direct/ Indirect	Likelihood	Magnitude of impact
		well as other national and international standards impact project costs related to compliance and certification.					
2	Carbon taxes	To discourage greenhouse gas emissions, various governments have or are anticipated to introduce taxes on the carbon content of various fuels. Some current carbon tax schemes such as the UK Climate Change Levy apply to all businesses, while others target the companies with significant emissions such as utilities, who can then pass on increased costs to their customers.	Increased operational cost	Current	Direct	Virtually certain	Low
3	Fuel/energy taxes and regulations	Taxes designed to encourage companies to reduce energy consumption, including the UK CRC Energy Efficiency Scheme. Currently these tax rates vary widely across types and use of fuel both within and across countries. The current impact of these types of taxes is greater for our operations outside the United States.	Increased operational cost	Current	Direct	Virtually certain	Low
4	Uncertainty surrounding new regulation	The diverse, complex and fluid nature of climate change regulation is challenging for	Increased operational cost	Current	Direct	Very likely	Unknown

ID	Risk driver	Description	Potential impact	Timeframe	Direct/ Indirect	Likelihood	Magnitude of impact
		global corporations.					

#### 5.1b

Please describe (i) the potential financial implications of the risk before taking action; (ii) the methods you are using to manage this risk and (iii) the costs associated with these actions

#### Risk #s 1-3:

- i. Marriott International is subject to the range of operating risks common to the hotel industry. The profitability of the hotels and vacation resorts that we operate or franchise may be adversely affected by a number of factors, including the costs and administrative burdens associated with compliance with applicable environmental laws and regulations.
- ii. Marriott has taken a highly proactive approach to complying with environmental laws and regulations by consulting with expert organizations and agencies and taking steps to mitigate and manage our environmental impacts and policies. (The information above applies to more than one risk, more specific information is added below)

#### Risk #1:

- i. (see Risk #s 1-3: i, above) Mandatory green building standards, such as the U.S. Green Building Council's (USBC) Leadership in Energy and Environmental Design (LEED®) standards, as well as other national and international standards pose a risk in terms of project costs related to compliance and certification. New and existing building codes represent a risk to Marriott as we develop new properties and work with owners to remodel existing buildings. Incorporating green building standards may increase the costs of project-related design and construction, as well as impact the permit process.
- ii. (see Risk #s 1-3: ii, above) Marriott is working collaboratively with our business partners to expand LEED® -certified and other 3rd party certified (e.g., Green Key) hotels across the entire Marriott portfolio. LEED® is an internationally-recognized certification system developed by the U.S. Green Building Council. LEED® certification provides independent, third-party verification that a building project meets the highest green construction and operations performance measures. LEED®-certified buildings reduce waste sent to landfills, conserve energy and water, are healthier and safer for occupants, and reduce harmful greenhouse gas emissions. We have worked with the USGBC to certify prototypes for all of our select service and extended stay brands as part of their volume build program, which will add LEED®-certified properties to our portfolio at a greater rate than seen under the one-off certification process. We are

also seeing an increase of LEED® registrations outside of the United States including projects in Asia, Central America and Europe, and have hotels certified according to other standards such as Green Globe. iii. While there may be small administrative and scope cost increases to owners related to green building standards, these costs are usually offset in an ever-shortening payback timeframe by more significant ROI generated by lower operational costs. Marriott has invested significant resources in the volume build program over the past several years, including development fees and salaries for three dedicated associates.

#### Risk #s 2 and 3:

- i. (see Risk #s 1-3: i, above) Carbon and fuel taxes represent a significant operational expense in the regions where they have been enacted, such as the U.K. For the most recent tax year (April 2011 to March 2012), the obligation for Marriott properties under the UK CRC Energy Efficiency Scheme was GBP 1,220,090. In addition, rising fuel costs can also depress the volume of business and leisure travel. Business may suffer from the dual impact of rising costs and reduced demand.
- ii. (see Risk #s 1-3: ii, above) Marriott remains focused on reducing energy consumption, which is one of the key goals of our environmental strategy. Energy conservation helps mitigate the risks posed by fuel and carbon taxes. Pull-through of our strategy at the property-level drives results, and our support for each hotel is tailored to the characteristics of the property, its location and our partnership with the property owner. We have developed and/or acquired tools and technology which help facilitate implementation of conservation projects, such as the Transcendent asset management platform and Energy and Environment Action Plans (EEAPs). Our engineering leaders provide additional guidance to hotels with the greatest opportunities for energy savings, leverage strategic partnerships across countries and continents, work with utility partners to identify rebates and incentives to develop attractive ROI for owners and explore innovative ways to approach conservation for our many properties already operating at high efficiency. In the U.K., Marriott has earned Carbon Trust Standard certification, a program that helps companies to benchmark against the CRC Energy Efficiency Scheme.
- iii. Financial investments in energy efficient technology and equipment vary by installation type and other factors such as government incentives, but these projects have a typical payback period of one to three years. The combination of incentives and savings realized through the demand response program often reduces the payback timeframe for building automation to less than two years.

#### Risk #4:

- i. Uncertainty surrounding new climate change regulation is a challenge for global corporations such as Marriott, as laws vary by municipality, state and country. Public policy debates and the uncertain status of legislative action in the U.S. make it more difficult to assess risks in this area. Adapting to multiple, changing and potentially conflicting standards is also a management challenge. ii. Marriott has taken a highly proactive approach to complying with environmental laws and regulations by consulting with expert organizations and agencies and taking steps to mitigate and manage our environmental impacts and policies. We report regularly to our owners and franchisees our latest achievements in energy conservation, newest technologies, and developments in energy management. We work with them closely on the purchase of new equipment, helping to ensure that they are buying the most energy-efficient equipment available.
- iii. The specific costs associated with uncertainty surrounding new regulation vary and are not discreet, but include staff time spent engaging with various stakeholders.

5.1c

Please describe your risks that are driven by change in physical climate parameters

ID	Risk driver	Description	Potential impact	Timeframe	Direct/ Indirect	Likelihood	Magnitude of impact
5	Change in temperature extremes	Greater extremes in temperature would impact energy consumption and could result in decreased desirability of certain destinations and changes to travel patterns.	Increased operational cost	Unknown	Direct	Very likely	Low
6	Tropical cyclones (hurricanes and typhoons)	More frequent and more severe storms would increase the risk of property damage and related insurance costs for what has generally been very short-term business disruption.	Increased operational cost	Unknown	Direct	More likely than not	Unknown
7	Change in precipitation extremes and droughts	Severe changes in weather patterns would impact the desirability of destinations where our operations are located. Prolonged periods of rain and/or drought could also disrupt the food supply chain, impacting our ability to serve our guests and potentially increasing resource costs.	Reduced demand for goods/services	Unknown	Direct	Unknown	Unknown
8	Change in mean	Increasing global	Increased	Current	Direct	Virtually certain	Low

ID	Risk driver	Description	Potential impact	Timeframe	Direct/ Indirect	Likelihood	Magnitude of impact
	(average) temperature	temperatures would drive up the energy consumption at our properties, thus reducing profits from operations.	operational cost				

#### 5.1d

Please describe (i) the potential financial implications of the risk before taking action; (ii) the methods you are using to manage this risk; and (iii) the costs associated with these actions

Risk #s 5-8: As more travelers do business globally and explore new destinations and cultures, Marriott wants to be there to welcome them. Our 3,800 plus lodging properties are located in 74 countries and territories worldwide. A high percentage of Marriott's growth continues to be fueled by global development and, in alignment with our disciplined focus on worldwide growth, we have embraced a global mindset. Creating more sustainable hotel operations in the context of a healthy planet is a business priority. Any factor, including those related to climate change, which could limit or reduce the demand or the pricing our hotels are able to obtain for hotel rooms or which could increase costs, would reduce profits. Costs specifically related to the physical risks of climate change have not been specifically quantified. Each property's capital expenditure planning process conducted by the hotel management team with building owners includes consideration of property enhancements that could increase the ability of the hotel to address the effects of climate. Issues such as plant capacity to handle increased peak energy/cooling loads are also addressed as part of the ongoing equipment maintenance and planned replacement process.

#### Risk #5:

- i. If seasonal temperature variations become more extreme, some of Marriott's managed lodging properties would be more costly to operate. Possible increases in temperature extremes could increase the severity and duration of seasonal dips in demand. More extreme seasonality could adversely affect the desirability of certain destinations. Hotels in destinations most affected by the climate extremes might experience decreasing occupancy rates at the same time that expenses increase.
- ii. Marriott continues to pursue a comprehensive platform of initiatives and practices designed to drive down operational costs and reduce energy consumption. Greater utilization of data management and monitoring systems and new ways of working in energy markets help us continue to meet the energy challenge. We have recently developed demand response programs with energy

companies in the U.S. and the U.K. Our continental engineering leaders leverage relationships with commercial partners to build the most compelling ROI for our property owners and pave the way for global implementation of energy and water conservation projects. Energy and Environment Action Plan audits have been rolled out globally, enabling our property teams to identify and quantify energy reduction opportunities. Property managers select "Signature" projects to target for completion early enough in the year to drive down costs. The Americas energy team identifies hotels with the greatest opportunity for energy savings, and offers additional support and direction to help prioritize conservation efforts at these "Focus hotels."

iii. The results of these various energy conservation efforts are substantial. In the U.S., where the majority of our managed properties are located, the combination of signature projects and actions taken at focus hotels in 2012 delivered annual savings of almost 30 million KWh and 4.9 million USD.

#### Risk #6:

- i. Weather events such as hurricanes can endanger our customers, our associates and their families and communities, as well as adversely impact our facilities and properties. Increased frequency of tropical cyclones could cause a decline in the level of business and leisure travel and thus reduce the demand for lodging. Increased climatic risks may generally increase the costs of insurance. Widespread property destruction would impact the availability of construction materials and resources, and so increase the cost and timeframes for repairs and resumption of full operations at our affected hotels.
- ii. Marriott has developed procedures and protocols at both the corporate and operational level to prepare for, mitigate, manage and respond as expeditiously as possible to physical risks such as severe weather and environmental disasters. Marriott has focused on environmental and climate issues identified as risks at the board level as one of five global issues—poverty, environment, community workforce development, well-being of children, and diversity and inclusion—that comprise our global citizenship strategy. iii. Operational cost increases due to higher insurance costs might occur.

#### Risk #7:

- i. Longer dry or wet periods would make some destinations less desirable. Such climate conditions could also disrupt the global and local food supply chains, which could affect restaurant and other food service operations at our hotels. Water restrictions could impact landscaping and other hotel operations. The potential for increasing periods of drought highlights the importance of preserving the supply of fresh water around the world.
- ii. In addition to strategies to mitigate risks in local destination areas by having a diverse and global business, Marriott has been a leader in addressing climate change "beyond our hotels." The destruction of tropical rainforests contributes to the world's greenhouse gas emissions and accelerates climate change. The Amazon Rainforest and other forests absorb vast quantities of carbon dioxide and through photosynthesis, convert it into clean, breathable air. When rainforests are logged or burned, carbon is released into the atmosphere. In 2008, Marriott started a portfolio of innovative conservation initiatives with a 2 million USD corporate grant to protect 1.4 million acres of rainforest in the Juma Sustainable Development Reserve, a REDD+ project in Amazonas, Brazil. Since then, we have raised nearly 300,000 USD through associate and business partner support, the "Spirit to Preserve" meetings promotion and guests' voluntary carbon offset program. In April 2012, the Juma REDD+ Project received the Rainforest Alliance's Eco-Index award for "Best Lessons Learned." Marriott's "Nobility of Nature" initiative is a vital water conservation program that helps protect the source of fresh water for more than 2 billion people in Asia. The program assists rural communities in Sichuan Province, China, with

sustainable businesses, such as honey production, which place less stress on the environment. By avoiding deforestation, erosion and sedimentation are reduced and thereby improve water quality/quantity downstream in both rural and urban areas. These projects are now self-sustaining and independent research has highlighted the potential for project replication throughout China. iii. Marriott donated 2 million USD in corporate grants to the Juma project; 500,000 USD of seed money was invested in the "Nobility of Nature" project.

#### Risk #8:

5.1e

i. Given the number of properties in our managed portfolio, the impact of an increase in average global temperatures could be considerable. Increases in the costs of energy, fuel and other expenses central to the conduct of our business could pose a financial risk.

ii/iii. (see Risk #5)

Please describe your risks that are driven by changes in other climate-related developments

ID	Risk driver	Description	Potential impact	Timeframe	Direct/ Indirect	Likelihood	Magnitude of impact
9	Changing consumer behaviour	With growing environmental awareness on the part of many travelers, as well as the focus and stakeholder pressure on businesses to reduce their carbon footprint, hotels need to provide products and services that respond to changing consumer demand. The success of growing our brand through development of new properties and franchises is also linked to our ability to adapt to new market priorities.	Reduced demand for goods/services	6-10 years	Direct	Unlikely	Medium

#### 5.1f

Please describe (i) the potential financial implications of the risk before taking action; (ii) the methods you are using to manage this risk; (iii) the costs associated with these actions

#### Risk #9:

- i. Awareness and knowledge of environmental issues and climate change have grown among a variety of important stakeholders, such as Marriott's guests, corporate customers, associates, investors, suppliers, business partners and the communities in which we operate around the world. Amid rising expectations regarding business action and accountability, failure to maintain our leadership position in addressing the issues of climate change and environmental sustainability could negatively impact Marriott's reputation, brand and competitive advantage in the hotel and lodging industry.
- ii. Marriott is managing risks relating to changing consumer behavior through continual pursuit and refinement of our environmental strategy, stakeholder engagement and comprehensive reporting on sustainability efforts and results. Marriott was one of the first global hotel companies to calculate its carbon footprint and develop an integrated strategy to minimize that footprint by improving energy efficiency, conserving water, building more sustainable hotels, and supporting high-quality projects that reduce greenhouse gas emissions from deforestation. Our strategy addresses potential changes in consumer behavior and related impact on our business. The most important way to respond to changing market forces influenced by climate change is to deliver on our vision of being a hospitality leader that demonstrates how responsible hotel management can be a positive force for the environment and to effectively communicate our leadership.

We recognize the need for our corporate customers to reduce their Scope 3 emissions from business travel, and we work to make our hotels a sustainable choice through energy-efficient hotel operations and green meetings. We supported the development of a standard carbon calculator for the hotel industry and have invested in new technology to capture and report property-level sustainability data.

Marriott helped advocate for and actively participated in the Hotel Carbon Measurement Initiative (HCMI) which developed a unified methodology and set of metrics for calculating and reporting emissions at hotels. This collaborative effort was in direct response to the customers' requests for a common carbon calculator for hotel stays and meetings. In 2012, Marriott began roll-out of the Green Hotels Global™ online dashboard to collect and report information from its hotels based upon the HCMI methodology. Our group business customers will have online access to a comprehensive list of environmental practices for each hotel in the Marriott portfolio, including more than 55 operational and environmental management practices in the following categories: Policy, Energy Management, Waste Management, Water Management, Supply Chain and External Certifications. Green Hotels Global™ was phased in globally across Marriott's brands in 2012 and became a brand standard in March 2013.

Our environmental strategy supports owners/developers seeking to build sustainable hotels with LEED® or other certification. Marriott worked with the USGBC to develop LEED®-certified prototypes for select service and extended stay brands through their volume build program, and by the end of 2012 there were 13 hotels in development under this program. Local environmental interests are also served by our "Nobility of Nature" initiative in China which has helped protect the source of fresh water for more than 2 billion people in Asia. Located in the mountains of Southwest China, the program helps rural communities develop sustainable businesses, such as honey production, which reduce erosion and sedimentation and improve water quality and availability downstream. Sustainability efforts at Marriott properties in China have focused on reducing water consumption.

Marriott has developed a set of cost-neutral and optional (higher price point) "Green Meetings" standard offerings, an online Green Meeting function and menu planner, and training and certification of associates. In 2012, Marriott and its Ritz-Carlton brand trained over 1500 associates in green meetings standards. Marriott's strategy:

- Provide standards, direction and guidance to hotels to execute green meetings
- Meet customer demand for those seeking a green meeting experience
- Minimize harm to the environment

Ritz-Carlton Hotels offer "Meaningful Meetings", an opportunity for groups booking ten or more room nights at any Ritz-Carlton hotel or resort in the United States, Canada and the Caribbean to have ten percent of the total room revenue donated equally to a charity of their choice, and to causes supported by Community Footprints, the social and environmental responsibility program sponsored by The Ritz-Carlton.

iii. Our energy-efficiency and water reduction efforts typically have payback time frames of 2 years or less. The anticipated payback period for the LEED® prototypes is less than three years. For Green Meetings, we have leveraged our relationship with vendors to provide us cost-neutral, environmentally-sustainable products and services. Our Juma REDD+ and Nobility of Nature water projects represent multi-year corporate grants totaling 2.5 million USD.

#### **Page: 6. Climate Change Opportunities**

6.1

Have you identified any climate change opportunities (current or future) that have the potential to generate a substantive change in your business operations, revenue or expenditure? Tick all that apply

Opportunities driven by changes in regulation Opportunities driven by changes in physical climate parameters Opportunities driven by changes in other climate-related developments

6.1a

#### Please describe your opportunities that are driven by changes in regulation

ID	Opportunity driver	Description	Potential impact	Timeframe	Direct/Indirect	Likelihood	Magnitude of impact
1	Product efficiency regulations and standards	The development and adoption of green building and energy management standards creates an opportunity for Marriott to lead the hospitality industry.	Reduced operational costs	Current	Direct	Virtually certain	Low- medium

#### 6.1b

Please describe (i) the potential financial implications of the opportunity; (ii) the methods you are using to manage this opportunity and (iii) the costs associated with these actions

#### Opportunity #1:

i. Green building standards, such as the U.S. Green Building Council's (USGBC) LEED® standards, which have been adopted as either a mandatory compliance regulation or encouraged through incentives throughout the U.S, as well as other national and international standards create opportunities for Marriott to demonstrate leadership in green hotel development. As we develop new properties and work with owners to remodel existing buildings, we can call on our experience in LEED® standards and certification. Marriott's leadership in sustainable hotel design and operation will allow the company to respond to increased market demand for "green buildings." Energy management standards, such as those being developed by the Global Superior Energy Performance Partnership (GSEP) and the recently released ISO 50001 standard represent another opportunity to demonstrate leadership in energy management. The JW Marriott in Washington DC has partnered with the US-Department of Energy, the National Renewal Energy Laboratory and the Georgia Institute of Technology to develop and implement ISO 50001 Energy Management System standards in

#### Commercial Building.

ii. Marriott is working collaboratively with our business partners to expand LEED® -certified hotels across the entire Marriott portfolio. LEED® is an internationally-recognized certification system developed by the USGBC. LEED® certification provides independent, third-party verification that a building project meets the highest green construction and operations performance measures. LEED®-certified buildings have a positive impact on communities, reduce waste sent to landfills, conserve energy and water, are healthier and safer for occupants, and reduce harmful greenhouse gas emissions. By the end of 2012, we had 115 properties either LEED® -certified or registered, including our headquarters in Bethesda.

Marriott has worked with the US Green Building Council to create a pre-certified LEED® Volume Program and prototype documents, which enables our owners to deliver LEED® certified projects without going through the one-off building standard LEED® process which can be costly and time consuming. Streamlining and standardizing the process through Marriott's extensive research removes the guesswork so that owners can now save time and money (about six months of development time and up to 100,000 USD in expenses). By constructing projects using Marriott's LEED® Volume Program owners can build more environmentally-sensitive buildings and expect to reduce their total energy and water consumption by up to 25%, reducing the net building operating expenses for the life of their building. Additional benefits for owners or franchisees include:

- Provides a clearly defined road map to achieve LEED® certification at a competitive cost
- Offers owners and franchisees a single point of contact throughout the LEED® certification process
- Significantly reduces risks by providing a predetermined LEED® design
- Provides documentation of LEED® intent when promoting development and / or pursuing permitting

We have developed LEED® prototypes for the following brands: Courtyard, TownePlace Suites, Residence Inn, Springhill Suites, and Fairfield Inns & Suites by Marriott brands and these hotels are being built all over the world. Other Marriott properties have earned Green Globe certification.. Marriott has been working with the U.S. Department of Energy to pilot a certification program that requires adoption of an energy management system and continuous energy performance programs under the GSEP program. The U.S. DOE is leading the GSEP Energy Management Working Group. As part of this pilot, the JW Marriott in Washington, D.C. is pursuing the first ISO 50001 certifications for a hotel in the United States.

iii. Incorporating green building standards may increase the costs of project-related design and construction, as well as impact the permit process. While there may be administrative cost increases related to green building standards, these costs are usually offset by more significant ROI generated by lower operational costs. The pre-certified Courtyard LEED® Silver status prototype will save owners approximately 100,000 USD and six months in design time over a one-off LEED® project, and reduce a hotel's energy and water consumption by up to 25%, based on national averages. These savings, combined with incentives offered in many jurisdictions, could provide a payback for the LEED® building investment in about two years. Marriott has invested significant resources in the volume build program over the past several years, including development fees and salaries for three dedicated associates.

6.1c

Please describe the opportunities that are driven by changes in physical climate parameters

ID	Opportunity driver	Description	Potential impact	Timeframe	Direct/ Indirect	Likelihood	Magnitude of impact
2	Change in mean (average) temperature	Increases in average temperatures would present an opportunity for Marriott to outperform peers in managing increasing energy demand at its hotels.	Reduced operational costs	Current	Direct	Very likely	Low
3	Change in temperature extremes	Marriott's ability to run more energy efficient hotels offers the opportunity to outperform competitors in regulating the temperature at its hotels.	Reduced operational costs	Unknown	Direct	Unknown	Low

#### 6.1d

Please describe (i) the potential financial implications of the opportunity; (ii) the methods you are using to manage this opportunity and (iii) the costs associated with these actions

Marriott's opportunities regarding changes in physical climate parameters are defined by the ability to perform comparatively better than other hotels in regard to minimizing the risks associated with changes in temperature and weather patterns. With Green Hotels Global<sup>TM</sup>, customers can view the carbon footprint and information on various environmental practices related to energy efficiency at each of the hotels in our system. Sustainable hotel operations are a business priority for Marriott International. By taking advantage of opportunities to undertake "green" operations and initiatives, Marriott has already garnered a number of business benefits.

#### Opportunity #2:

- i. Increases in average global temperatures would mean that our hotels would experience more demand for cooling. More efficient air conditioning systems allow Marriott to meet that energy demand in a more cost-effective way.
- ii. Marriott has partnered with Ecolab to deploy its 3D-Trasar monitoring equipment and innovative water treatment chemistry to over

200 of our full-service hotels worldwide, helping optimize the water treatment in the hotels' chillers and cooling towers and optimize cooling performance. Engineering studies at individual properties have indicated that increased efficiency of heat transfer with the improved systems lowers property energy use. Marriott regularly replaces in-room air conditioning or PTAC units with more energy efficient models.

iii. The average payback period for the 3D-Trasar system is 1-3 years. Replacing guestroom air conditioning units with more efficient systems is part of our replacement/upgrade practice.

#### Opportunity #3:

6.1e

- i. Possible increases in temperature extremes could increase the severity and duration of seasonal dips in demand. In addition, Increases in demand for energy to regulate the building environment (number of heating degree days and cooling degree days) will increase energy costs. Marriott's ability to run more energy-efficient hotels offers the opportunity to outperform competitors. ii. Our efforts to increase the energy efficiency of the properties we manage will create an opportunity for our hotel operations to remain profitable in the event of increased temperature extremes. Through building automation, electric load curtailment is facilitated, allowing Marriott to participate in demand-response programs. In 2011, Marriott entered into a five-year agreement with Constellation Energy to leverage building automation systems at properties in the U.S. through participation in demand response markets. This program has significantly improved the energy efficiency of our hotels, saving an estimated 1.98 million kilowatt-hours of electricity in
- iii. Most of the energy-saving policies and equipment replacement efforts conducted with our property owners are either cost neutral, or offer a short payback time. With utility incentives and cost savings through energy load curtailment, the anticipated payback time for new building automation systems associated with the Constellation Energy deal are under two years.

# Please describe the opportunities that are driven by changes in other climate-related developments

2012. A similar demand response agreement has been signed with Kiwi Power in the U.K.

ID	Opportunity driver	Description	Potential impact	Timeframe	Direct/ Indirect	Likelihood	Magnitude of impact
4	Reputation	Growing awareness and knowledge of environmental issues and climate change among important stakeholders around the world, as well as rising expectations for business	Other: Reputational Advantage	Current	Direct	Very likely	Low

ID	Opportunity driver	Description	Potential impact	Timeframe	Direct/ Indirect	Likelihood	Magnitude of impact
		accountability offer opportunities to highlight Marriott's environmental leadership position in the hospitality industry.					
5	Changing consumer behaviour	With growing environmental awareness on the part of many travelers, as well as sustainability goals, business focus and stakeholder expectations on many other businesses to reduce their carbon footprint, hotels providing products and services that respond to changing consumer demand are better positioned to achieve business goals. The success of growing our brand through development of new properties and franchises is also linked to our ability to adapt to new market priorities.	Increased demand for existing products/services	Current	Direct	Very likely	Low- medium

#### 6.1f

Please describe (i) the potential financial implications of the opportunity; (ii) the methods you are using to manage this opportunity; (iii) the costs associated with these actions

# Opportunity #s 4 & 5:

i. Awareness and knowledge of environmental issues and climate change continues to grow among Marriott's stakeholders, including guests, corporate customers, associates, investors, suppliers, business partners and the communities in which we operate. Amid rising expectations regarding business action and accountability, our leadership position in addressing environmental sustainability

helps maintain our reputation and provides a competitive advantage in the hotel industry.

#### Opportunity #4:

ii. We recognize our obligation to mitigate the impact of our business on the natural environment. We have been focused on energy conservation for decades and since 2007, we have been pursuing a comprehensive set of environmental goals. Marriott continues to proactively address the challenges presented by climate change through our business strategy, internal policies and practices. We strive to enhance our reputation for environmental leadership by focusing on innovation, collaboration, constructive engagement with key stakeholders, driving pull-through at our properties across the globe, delivering results and reporting our progress. We recognize the importance of disclosure to our investors and other key stakeholders. Our efforts and reputation have been recognized through numerous awards, including: earning the highest hotel company score by Climate Counts since they began ranking the hospitality industry; Ethisphere Institute's *World's Most Ethical Companies*; and membership in the FTSE 4Good Index.

iii. Specific associated costs include those related to stakeholder engagement and strategy development, such as funding research and associate time dedicated to participation in various industry roundtables and working groups, collaborating with NGOs, preparing reports and responding to various surveys.

#### Opportunity #5:

ii. Marriott capitalizes on opportunities related to changing consumer behavior through continual pursuit and refinement of our environmental strategy, stakeholder engagement, inspiring guests and associates and comprehensive reporting on sustainability efforts and results. Marriott was the first global hotel company to calculate its carbon footprint and develop an integrated strategy to minimize that footprint by improving energy efficiency, conserving water, building more sustainable hotels, and supporting high-quality projects that reduce greenhouse gas emissions from deforestation. The most important way to respond to changing market forces influenced by climate change is to deliver on our goal of industry leadership in demonstrating how responsible hotel management can be a positive force for the environment. We recognize the need for our corporate customers to reduce their Scope 3 emissions from business travel, and we work to make our hotels a sustainable choice through energy efficient hotel operations and green meetings. Marriott was a key participant in the Hotel Carbon Measurement Initiative (HCMI), which developed an industry standard for calculating and reporting emissions. This collaborative effort was in direct response to the customers' requests for a common carbon calculator for hotel stays and meetings. Marriott deployed the Green Hotels Global™ to its portfolio in 2012. The system collects data and calculates each hotel's carbon and water footprint and waste diversion rate according to the HCMI guidelines and reports on 58 operational and environmental management practices. Our business customers will have online access to this information in May 2013. Internally, the information will be reviewed regularly, and will help drive action towards achievement of our environmental goals.

We have addressed the needs of owners/developers seeking to build sustainable hotels, with LEED® or other certification. Marriott worked with the USGBC to develop LEED®-certified prototypes for select service and extended stay brands through their volume build program. We have also developed a Model Green Courtyard hotel to serve as an example of how existing properties can become more green without having to meet all the requirements for LEED®-certification. In 2012, Marriott senior leaders and one of the largest owners of our select service brands toured the Model Green Courtyard in Plano, Texas. Initiatives implemented at this demonstration site have been replicated at other locations and this will continue in 2013. Marriott also looks beyond the USGBC standard to other

certification programs or unique opportunities to leverage sustainable development. Local environmental priorities are also served by our "Nobility of Nature" initiative in China which has helped protect the source of fresh water for more than 2 billion people. The program helps rural communities in Southwest China develop sustainable businesses, such as mushroom farming and honey production, which reduce erosion and sedimentation and improve water quality and availability downstream. By the end of 2012, these sustainable livelihood projects were self-supporting.

Marriott has developed a set of price-neutral and optional (higher price point) Green Meeting standard offerings, an online Green Meeting function and menu planner, and training and certification of associates. Marriott's Strategy:

- Provide standards, direction and guidance to hotels to execute green meetings
- Meet customer demand for those seeking a green meeting experience
- Minimize harm to the environment

We also seek to inspire our guests and associates through our priorities and practices. Our guests are informed and encouraged to participate in our recycling and linen/terry re-use programs. Marriott has responded to advancements in green travel options and supports guests who are making electric vehicle choices by offering "Level 1" charging at all properties. By the end of 2012, 85 electric vehicle (EV) charging stations were installed at 50 properties. Guests at these hotels can now charge their EVs using the "Level 2" charging stations.

iii. The anticipated payback timeframe for LEED® prototypes is less than three years. For Green Meetings, we have leveraged our relationship with vendors to provide us cost-neutral, environmentally sustainable products and services. We incur training costs associated with certification in our green meetings standard. The investment in EV charging stations varies according to type of installation and the government incentives offered.

6.1g

Please explain why you do not consider your company to be exposed to opportunities driven by changes in regulation that have the potential to generate a substantive change in your business operations, revenue or expenditure

6.1h

Please explain why you do not consider your company to be exposed to opportunities driven by physical climate parameters that have the potential to generate a substantive change in your business operations, revenue or expenditure

#### 6.1i

Please explain why you do not consider your company to be exposed to opportunities driven by changes in other climaterelated developments that have the potential to generate a substantive change in your business operations, revenue or expenditure

Module: GHG Emissions Accounting, Energy and Fuel Use, and Trading [Investor]

### **Page: 7. Emissions Methodology**

#### 7.1

# Please provide your base year and base year emissions (Scopes 1 and 2)

Base year	Scope 1 Base year emissions (metric tonnes CO2e)	Scope 2 Base year emissions (metric tonnes CO2e)
Mon 01 Jan 2007 - Mon 31 Dec 2007	663,602	2,530,871

Please give the name of the standard, protocol or methodology you have used to collect activity data and calculate Scope 1 and Scope 2 emissions

### Please select the published methodologies that you use

The Greenhouse Gas Protocol: A Corporate Accounting and Reporting Standard (Revised Edition) Other

#### 7.2a

#### If you have selected "Other", please provide details below

The collection of activity data and the subsequent carbon calculations follow the methodology of The GHG Protocol and the World Travel & Tourism Council/International Tourism Partnership's Hotel Carbon Measurement Initiative (HCMI).

#### 7.3

### Please give the source for the global warming potentials you have used

Gas	Reference
CO2	IPCC Fourth Assessment Report (AR4 - 100 year)
CH4	IPCC Fourth Assessment Report (AR4 - 100 year)
Other: N20	IPCC Fourth Assessment Report (AR4 - 100 year)

Please give the emissions factors you have applied and their origin; alternatively, please attach an Excel spreadsheet with this data

Fuel/Material/Energy	Emission Factor	Unit	Reference
Natural gas	5.34	Other: kg C02e/therm	WRI, GHG Protocol, Emissions Factors from Cross-Sector Tools, V 1.3 (2012)
Town gas or city gas	0.20	Other: kg CO2e/kWh	Hong Kong Environmental Protection Dept and the Electrical and Mechanical Services Dept
Other: Heating Oil	11.13	Other: kgC02e/gallon	WRI, GHG Protocol, Emissions Factors from Cross-Sector Tools, V 1.3 (2012)
Steam	7.89	Other: kg C02e/therm	Energy Information Administration, US Department of Energy
Other: Hot Water	7.89	Other: kg C02e/therm	Energy Information Administration, US Department of Energy
Other: Chilled Water	66.5	Other: kg C02e/MBtu	Energy Information Administration, US Department of Energy
Diesel/Gas oil	10.14	Other: kg C02e/gallon	WRI, GHG Protocol, Emissions Factors from Cross-Sector Tools, V 1.3 (2012)
Propane	6.11	Other: kg C02e/gallon	WRI, GHG Protocol, Emissions Factors from Cross-Sector Tools, V 1.3 (2012)

#### **Further Information**

Electricity emissions factors used in these calculations are country-specific. Emissions factors for the U.S. are eGRID subregion-specific. Emissions factors for Canada are province-specific.

For the U.S., see eGRID 2012 Version 1.0 Year 2009 GHG Annual Output Emissions Rates http://www.epa.gov/cleanenergy/documents/egridzips/eGRID2012V1\_0\_year09\_GHGOutputrates.pdf. For Canada, see Provincial emissions factors, Environment Canada National Inventory Report, 1990-2008, Annex 13

For the Rest of the World, one of two sources of emission factors was used. The preferred source was the 2011 Guidelines to Defra/DECC's GHG Conversion Factors for Company Reporting, 5-year rolling average as of 2008.

http://archive.defra.gov.uk/environment/business/reporting/pdf/110819-guidelines-ghg-conversion-factors.pdf. The secondary source was used if the country in question was not listed in the preferred source. This secondary source is the Voluntary Reporting of Greenhouse Gases, Appendix F, Electricity Emissions Factors 1999-2002, US Dept of Energy, Energy Information Administration (2007).

None of these emissions factors include losses from transmission and distribution.

Base year numbers have been restated to more accurately reflect actual managed hotel data. Previously reported numbers were based on a subset of the managed hotel portfolio. Restated and current results are based on an extrapolation ratio applied to actual hotel data (85%) in order to estimate the entire managed portfolio.

#### Page: 8. Emissions Data - (1 Jan 2012 - 31 Dec 2012)

8.1

Please select the boundary you are using for your Scope 1 and 2 greenhouse gas inventory

Operational control

8.2

Please provide your gross global Scope 1 emissions figures in metric tonnes CO2e

666436

8.3

Please provide your gross global Scope 2 emissions figures in metric tonnes CO2e

2875456

8.4

Are there are any sources (e.g. facilities, specific GHGs, activities, geographies, etc.) of Scope 1 and Scope 2 emissions which are not included in your disclosure?

Yes

#### 8.4a

#### Please complete the table

Source	Scope	Explain why the source is excluded
Approximately 15% of the total managed portfolio did not provide data or provided less than 12 months of data.	Scope 1 and 2	To account for these hotels, we grossed up the reported data by an "available room ratio" derived from the available rooms of hotels with data to the available rooms of hotels in the entire portfolio.
Above-property-level facilities, such as world headquarters, are not included in our current data gathering for disclosure.	Scope 1 and 2	We added 1.5% to the emissions from hotels with data to account for the difference.

8.5

Please estimate the level of uncertainty of the total gross global Scope 1 and 2 emissions figures that you have supplied and specify the sources of uncertainty in your data gathering, handling and calculations

Scope 1 emissions: Uncertainty range	Scope 1 emissions: Main sources of uncertainty	Scope 1 emissions: Please expand on the uncertainty in your data	Scope 2 emissions: Uncertainty range	Scope 2 emissions: Main sources of uncertainty	Scope 2 emissions: Please expand on the uncertainty in your data
More than 5% but less than or equal to 10%	Data Gaps Assumptions Extrapolation Metering/ Measurement Constraints	We are missing some data for 150 of the 998 hotels in the portfolio. As explained above, we accounted for the missing data by using a ratio of available rooms of hotels with data to available rooms of the entire managed portfolio. Using this ratio, we grossed up the reported data for 2012, as well as for restatements of 2007 (base year) and 2011. We do not have data on Marriott's above-property (i.e. non-hotel) facilities. Therefore, we followed the assumption used in previous disclosures that this number is equal to approximately 1.5% of the company's total Scope 1 & 2 emissions from hotels and added it to the total Scope 1 & 2 emissions from hotels. For air conditioning fugitive emissions, we added 1% to the total emissions. For hotels that operate gasoline or diesel powered vehicles and maintenance equipment, we	More than 5% but less than or equal to 10%	Data Gaps Assumptions Extrapolation Metering/ Measurement Constraints	We are missing some data for 150 of the 998 hotels in the portfolio. As explained above, we accounted for the missing data by using a ratio of available rooms of hotels with data to available rooms of the entire managed portfolio.  Using this ratio, we grossed up the reported data for 2012, as well as for restatements of 2007 (base year) and 2011. We do not have data on Marriott's above-property (i.e. non-hotel) facilities. Therefore, we followed the assumption used in previous disclosures that this number is equal to approximately 1.5% of the company's total Scope 1 & 2 emissions from hotels and added it to the total Scope 1 & 2 emissions from hotels.

Scope 1 emissions: Uncertainty range	Scope 1 emissions: Main sources of uncertainty	Scope 1 emissions: Please expand on the uncertainty in your data	Scope 2 emissions: Uncertainty range	Scope 2 emissions: Main sources of uncertainty	Scope 2 emissions: Please expand on the uncertainty in your data
		added 1% to the total emissions.			

# Please indicate the verification/assurance status that applies to your Scope 1 emissions

No third party verification or assurance

8.6a

Please indicate the proportion of your Scope 1 emissions that are verified/assured

8.6b

Please provide further details of the verification/assurance undertaken, and attach the relevant statements

Type of verification or assurance	Relevant standard	Attach the document

8.6c						
		orther details of the regule oring Systems (CEMS)	atory regime to which y	ou are complying that	specifies the use of Continuou	S
	Regulation	% of emissions cove	red by the system	Compliance period	Evidence of submission	
8.7						
	Please indicate th	ne verification/assurance	status that applies to y	our Scope 2 emissions	5	
	No third party verif	ication or assurance				
8.7a						
	Please indicate th	ne proportion of your Sco	ope 2 emissions that are	e verified/assured		
8.7b						
0.70	Please provide fu	rther details of the verifi	cation/assurance under	taken, and attach the r	elevant statements	
	Type of verifi	cation or assurance	Relevant standard	Attach the docume	ent	

Are carbon dioxide emissions from biologically sequestered carbon relevant to your organization?

No

8.8a

Please provide the emissions in metric tonnes CO2

# Page: 9. Scope 1 Emissions Breakdown - (1 Jan 2012 - 31 Dec 2012)

9.1

Do you have Scope 1 emissions sources in more than one country?

Yes

### 9.1a

# Please complete the table below

Country/Region	Scope 1 metric tonnes CO2e
United Kingdom	65,646
Rest of world	600,790

Please indicate which other Scope 1 emissions breakdowns you are able to provide (tick all that apply)

By business division

### 9.2a

### Please break down your total gross global Scope 1 emissions by business division

Business division	Scope 1 emissions (metric tonnes CO2e)
Americas	438636
Asia Pacific	124293
Europe	81393
Middle East & Africa	22114

### 9.2b

Please break down your total gross global Scope 1 emissions by facility

Facility	Scope 1 emissions (metric tonnes CO2e)	Latitude	Longitude

Please break down your total gross global Scope 1 emissions by GHG type

GHG type	Scope 1 emissions (metric tonnes CO2e)

9.2d

Please break down your total gross global Scope 1 emissions by activity

Activity	Scope 1 emissions (metric tonnes CO2e)

9.2e

Please break down your total gross global Scope 1 emissions by legal structure

Page: 10. Scope 2 Emissions Breakdown - (1 Jan 2012 - 31 Dec 2012)

10.1

Do you have Scope 2 emissions sources in more than one country?

Yes

### 10.1a

# Please complete the table below

Country/Region	Scope 2 metric tonnes CO2e	Purchased and consumed electricity, heat, steam or cooling (MWh)	Purchased and consumed low carbon electricity, heat, steam or cooling (MWh)
United Kingdom	98,773		
Rest of world	2,776,683		

### 10.2

Please indicate which other Scope 2 emissions breakdowns you are able to provide (tick all that apply)

By business division

### 10.2a

Please break down your total gross global Scope 2 emissions by business division

Business division	Scope 2 emissions (metric tonnes CO2e)
Americas	1506735
Asia Pacific	713641
Europe	315886

Business division	Scope 2 emissions (metric tonnes CO2e)
Middle East & Africa	339194

#### 10.2b

Please break down your total gross global Scope 2 emissions by facility

Facility	Scope 2 emissions (metric tonnes CO2e)

### 10.2c

Please break down your total gross global Scope 2 emissions by activity

Activity	Scope 2 emissions (metric tonnes CO2e)

### 10.2d

Please break down your total gross global Scope 2 emissions by legal structure

Legal structure	Scope 2 emissions (metric tonnes CO2e)

# Page: 11. Energy

What percentage of your total operational spend in the reporting year was on energy?

More than 5% but less than or equal to 10%

### 11.2

Please state how much fuel, electricity, heat, steam, and cooling in MWh your organization has purchased and consumed during the reporting year

Energy type	MWh
Fuel	3,363,804
Electricity	4,531,909
Heat	134,559
Steam	95,875
Cooling	91,314

#### 11.3

Please complete the table by breaking down the total "Fuel" figure entered above by fuel type

Fuels	MWh
Natural gas	2661320
Other: Heating Oil	12509
Diesel/Gas oil	154905

Fuels	MWh
Propane	436779
Town gas or city gas	98291

Please provide details of the electricity, heat, steam or cooling amounts that were accounted at a low carbon emission factor

Basis for applying a low carbon emission factor	MWh associated with low carbon electricity, heat, steam or cooling	Comments
No purchases or generation of low carbon electricity, heat, steam or cooling		

### Page: 12. Emissions Performance

### 12.1

How do your absolute emissions (Scope 1 and 2 combined) for the reporting year compare to the previous year?

Increased

### 12.1a

Please complete the table

Reason	Emissions value (percentage)	Direction of change	Comment
Emissions reduction activities	4.4	Decrease	Emissions per square meter of conditioned space at our managed properties declined 4.4% in 2012 as compared to 2011, despite an increase in our absolute emissions of 2.9%. This continuing decline in our emissions intensity is largely a result of our energy conservation and emissions reduction activities.
Divestment			
Acquisitions			
Mergers			
Change in output			
Change in methodology			In previous year, country-level emissions factors for calculating Scope 2 emissions were used. This year, the Scope 2 emissions for properties in the U.S. were calculated using eGRID subregion emissions factors from the 2012 eGRID file.  This year our accounting data set was expanded from a set of comparable properties (defined much in the same way as in our financial reporting) to all managed hotels. While some extrapolations were done to estimate emissions for our managed portfolio in 2011, this year we are able to report actual data on approximately 85% of our hotels. To account for the "missing" hotels, we grossed up the reported data by an "available room ratio" derived from the available rooms of hotels with data to the available rooms of hotels in the entire portfolio.
Change in boundary			
Change in physical operating conditions		Increase	We do not have weather normalized data for the entire portfolio, but data from managed properties in the U.S. indicate that weather did play a part in increased energy use in 2012.
Unidentified			
Other			

Please describe your gross combined Scope 1 and 2 emissions for the reporting year in metric tonnes CO2e per unit currency total revenue

Inten	nsity figure	Metric numerator	Metric denominator	% change from previous year	Direction of change from previous year	Reason for change
		metric tonnes CO2e	unit total revenue			

### 12.3

Please describe your gross combined Scope 1 and 2 emissions for the reporting year in metric tonnes CO2e per full time equivalent (FTE) employee

Intensity figure	Metric numerator	Metric denominator	% change from previous year	Direction of change from previous year	Reason for change
26.87	metric tonnes CO2e	FTE employee	2.77	Decrease	While Marriott's gross emissions increased 2.9% over 2011, the number of employees as reported in our 10-K increased 5.83%. This measure is not the most useful metric for Marriott due to the seasonal shifts in employment that is typical of the hospitality industry.

### Please provide an additional intensity (normalized) metric that is appropriate to your business operations

Intensity figure	Metric numerator	Metric denominator	% change from previous year	Direction of change from previous year	Reason for change
0.146	metric tonnes CO2e	Other: square meter of conditioned space	4.4	Decrease	Emissions per square meter of conditioned space at our managed properties declined 4.4% in 2012 as compared to 2011, despite an increase in our absolute emissions of 2.9%. This continuing decline in our emissions intensity is largely a result of our energy conservation and emissions reduction activities.

# **Page: 13. Emissions Trading**

### 13.1

# Do you participate in any emissions trading schemes?

No, and we do not currently anticipate doing so in the next 2 years

#### 13.1a

Please complete the following table for each of the emission trading schemes in which you participate

Scheme name	Period for which data is supplied	Allowances allocated	Allowances purchased	Verified emissions in metric tonnes CO2e	Details of ownership
----------------	-----------------------------------------	----------------------	----------------------	------------------------------------------	----------------------

### 13.1b

What is your strategy for complying with the schemes in which you participate or anticipate participating?

# 13.2

Has your company originated any project-based carbon credits or purchased any within the reporting period?

Yes

### 13.2a

# Please complete the table

Credit origination Proje or credit type purchase	Pro	oject identification	Verified to which standard	Number of credits (metric tonnes of CO2e)	Number of credits (metric tonnes CO2e): Risk adjusted volume	Credits retired	Purpose, e.g. compliance
-----------------------------------------------------------	-----	----------------------	-------------------------------	-------------------------------------------------------------	--------------------------------------------------------------------------------------	--------------------	--------------------------------

Credit origination or credit purchase	Project type	Project identification	Verified to which standard	Number of credits (metric tonnes of CO2e)	Number of credits (metric tonnes CO2e): Risk adjusted volume	Credits retired	Purpose, e.g. compliance
Credit Purchase	Other: REDD Initiative	In 2007, we started a portfolio of innovative conservation initiatives with a 2 million USD corporate grant to protect 1.4 million acres of Amazon rainforest in the Juma Reserve in Brazil. Juma is the first REDD initiative validated to the standards of the Climate, Community, and Biodiversity Alliance (CCBA) that secured Gold Status, the highest level of certification. The CCB Standards ensure credible carbon offsets while protecting biodiversity and supporting the local community. It is hoped that the Juma REDD+ Project will be able to pursue the Voluntary Carbon Standard certification for carbon offsets in 2013. Individual hotels may offer credit purchases in connection with group meeting events.	CCBS (developed by the Climate, Community and Biodiversity Alliance, CCBA)				

Page: 14. Scope 3 Emissions

# Please account for your organization's Scope 3 emissions, disclosing and explaining any exclusions

Sources of Scope 3 emissions	Evaluation status	metric tonnes CO2e	Methodology	Percentage of emissions calculated using primary data	Explanation
Purchased goods and services	Relevant, not yet calculated				Marriott has not calculated emissions for this source due to lack of emissions factors covering the breadth of purchased goods and services. While such data to create meaningful measurements of Scope 3 emissions for purchased goods and services are being produced by various policy and industry organizations, we are already managing our supply chain in accordance with our Principles of Responsible Business. Improving the sustainability of our supply chain is material to our business and key stakeholders, and as such, has been a pillar of our business policies and environmental strategy.  Marriott has been working for years to select, and, in many cases, help develop more sustainable options for purchased goods and services used in our hospitality business. Examples include: recycled content key cards, Eco-Smart™ pillows, "room-ready" towels which eliminate the need for pre-washing throughout the entire value chain, recycled material pens developed for Marriott by Bic, low VOC paint, biodegradable laundry bags and coreless toilet paper. We have multi-year global initiatives to implement laundry formulations which reduce energy and water consumption in our hotels, and reduce packaging associated with detergents.

Sources of Scope 3 emissions	Evaluation status	metric tonnes CO2e	Methodology	Percentage of emissions calculated using primary data	Explanation
Capital goods	Relevant, not yet calculated				(See explanation above about lack of current emissions factors)  Viewing capital goods through a sustainability lens is a priority for Marriott. To help move the needle in this area, Marriott is pursuing a partnership to help refine and evaluate useful measurements. Marriott is a founding member, and the first lodging brand member, of the Hospitality Sustainable Purchasing Consortium (HSPC). Along with MindClick and the U.S. Green Building Council, HSPC has created a Supplier Sustainability Performance Scorecard to facilitate greening the furniture, fixture and equipment (FF&E) supply chain for the industry. The scorecard criteria include not only carbon emissions, but other key factors such as water conservation, waste reduction, air quality and responsible labor practices. Marriott has set a goal to spend 75 percent of our 2013 FF&E procurement dollars with companies rated in the HSP Index.  Already in place to address the source of emissions is Marriott's LEED™ Volume Build program. Building hotels according this USGBC standard addresses the sustainability of our hotels before they even open. Additionally, we have established various standards for our hotels which stipulate sustainable procurement of capital goods. For example, at our Courtyard hotels in the U.S., it is a brand standard to use carpet made from

Sources of Scope 3 emissions	Evaluation status	metric tonnes CO2e	Methodology	Percentage of emissions calculated using primary data	Explanation
					recycled material and is 100% recyclable including the backing of the carpet.
Fuel-and-energy- related activities (not included in Scope 1 or 2)	Not relevant, explanation provided				We have worked with Cornell University and peer hospitality companies around the issue of relevant sources of emissions to measure. Scope 3 sources material to the hospitality industry such as outsourced laundry operations have been included in the Hotel Carbon Measurement Initiative methodology. As an end user of energy, these Scope 3 sources are not within our direct sphere of influence, nor are they feasible to measure with reasonable accuracy for our diverse locations and thus do not meet our standard of relevance.
Upstream transportation and distribution	Relevant, not yet calculated				In the absence of primary and secondary data applicable to Marriott's global supply chain, Marriott has provided guidance to our hotels for more than a decade to encourage sustainability in our kitchens through such actions as purchasing organic and responsibly sourced food, planting herb and vegetable gardens, establishing relationships with local farmers and recycling cooking oil.
Waste generated in operations	Relevant, calculated		Marriott calculates landfill waste per occupied room and		Reducing waste generated in operations is one of the goals of our overall environmental strategy. Our measurement and management efforts focus on reducing waste throughout our value chain, beginning with our suppliers, and continuing through our

Sources of Scope 3 emissions	Evaluation status	metric tonnes CO2e	Methodology	Percentage of emissions calculated using primary data	Explanation
			reports waste diversion rates by hotel per the Hotel Carbon Measurement Initiative.		operations and partnerships with our waste management contractors.  From 2011 to 2012, Marriott's pounds of landfill waste per occupied room decreased 4.9% in the Americas. From 2009 to 2011, a 10% reduction was accomplished.  With the Green Hotels Global™ dashboard, we are able to report on our global recycling efforts at our managed properties. In 2012, 69% of our managed properties had a recycling program.  We work collaboratively with our national waste and recycling partners to audit our waste stream and reduce the tonnage that must be transported to landfill. In 2012, Marriott initiated 15 third-party waste audits and waste characterization analyses to better understand our waste streams. In 2012, Marriott partnered with Waste Management's Sustainability Services Team to implement an innovative waste program at the Newport Beach Marriott, which culminated in an 84% waste diversion rate. As a result of all of these efforts, Marriott-managed properties in the Americas diverted over 12,800 tons of waste from the landfill through recycling and food waste composting.
Business travel	Relevant, calculated	67,058	This number represents an average of	100	

Sources of Scope 3 emissions	Evaluation status	metric tonnes CO2e	Methodology	Percentage of emissions calculated using primary data	Explanation
			emissions from business travel from the United States and the U.K. Total business travel miles were computed with emissions factors for both low and high emissions flights and the totals were averaged.		
Employee commuting	Not relevant, explanation provided				Due to the seasonality of employment in the hospitality industry, this category is less feasible to measure and/or influence.
Upstream leased assets	Not relevant, explanation provided				The upstream leased assets category is not relevant for our Scope 3 accounting, as we have included estimates of these properties' emissions in Scope 1 & 2. Some of the operating agreements for our managed properties

Sources of Scope 3 emissions	Evaluation status	metric tonnes CO2e	Methodology	Percentage of emissions calculated using primary data	Explanation
					include leases. Additionally, leased properties such as our headquarters facilities are included in our Scope 1 and 2 emissions reporting through the methodology of an estimated 1.5% addition to our total emissions calculations.
Investments	Not relevant, explanation provided				We are a worldwide operator, franchisor, and licensor of hotels and timeshare properties under numerous brand names at different price and service points, and as such investments are not a source of Scope 3 emissions for our business.
Downstream transportation and distribution	Not relevant, explanation provided				As a hospitality company, Marriott provides services at its managed and franchised properties, and does not manufacture products for transportation and distribution outside its facilities.
Processing of sold products	Not relevant, explanation provided				As a hospitality company, Marriott provides services at its managed and franchised properties, and does not manufacture products that are processed by third parties.
Use of sold products	Not relevant, explanation provided				As a hospitality company, Marriott provides services at its managed and franchised properties, and does not sell goods such as engines or fuel which produce direct-use phase emissions.
End of life treatment of sold products	Not relevant, explanation provided				As a hospitality company, Marriott provides a variety of hospitality services at its managed and franchised properties. Sales of products for use outside our properties are minimal in comparison with our core business, and no primary data is available regarding

Sources of Scope 3 emissions	Evaluation status	metric tonnes CO2e	Methodology	Percentage of emissions calculated using primary data	Explanation
					the end of life treatment of such products.
Downstream leased assets	Not relevant, explanation provided				Consistent with our focus on management, franchising, and licensing, we own very few of our lodging properties. Owning properties leased and operated by others is not part of our business model.
Franchises	Relevant, not yet calculated		Using the Green Hotels Global™ Dashboard, Marriott will be able to calculate and report emissions intensity and other metrics for each property according per the Hotel Carbon Measurement Initiative methodology.		The Green Hotels Global™ Dashboard was rolled out in 2012-2013 to all Marriott branded properties, giving visibility for the first time to data on our environmental metrics from our franchised properties. With less than one year of full data, Marriott is not reporting these figures. We anticipate doing so in future disclosures.
Other (upstream)					
Other (downstream)					

14.2				
	Please indicate the verification/assurance	e status that applies to yo	our Scope 3 emissions	
	No third party verification or assurance			
14.28				
	Please indicate the proportion of your Sc	ope 3 emissions that are	verified/assured	
14.21				
17.21				
	Please provide further details of the verifi	cation/assurance underta	aken, and attach the relevar	nt statements
	Type of verification or assurance	Relevant standard	Attach the document	
14.3				
17.3				

Yes

Are you able to compare your Scope 3 emissions for the reporting year with those for the previous year for any sources?

### 14.3a

### Please complete the table

Sources of Scope 3 emissions	Reason for change	Emissions value (percentage)	Direction of change	Comment
Waste generated in operations	Emissions reduction activities		Decrease	From 2011 to 2012, Marriott's pounds of landfill waste per occupied room decreased 4.9% in the Americas. In the absence of emissions data from our waste management partners, we do not currently assign an emissions value to our waste reductions. However, we continue to work with our partners to audit our waste stream and with our properties on a variety of initiatives to reduce waste to landfills.
Business Travel	Change in output	.59	Decrease	Total airline miles traveled in the U.S. declined from 2011 to 2012.

### 14.4

Do you engage with any of the elements of your value chain on GHG emissions and climate change strategies? (Tick all that apply)

Yes, our suppliers

Yes, our customers

Yes, other partners in the value chain

### 14.4a

#### Please give details of methods of engagement, your strategy for prioritizing engagements and measures of success

#### Supplier Engagement

Marriott is a founding member of and the first lodging company participant in the Hospitality Sustainable Purchasing (HSP) Consortium, established in May 2011. Facilitated by MindClick SGM, the consortium of hospitality management companies, suppliers, architecture firms and sustainability experts has been working in collaboration with the U.S. Green Building Council to provide the industry with a unified approach and metrics for greening our global furniture, fixtures and equipment (FF&E) supply chain through the creation of the HSP Index. By the end of 2012, the majority of suppliers participating in the index have initiated and/or completed their carbon, energy and water footprinting. Marriott set a goal to spend 75 percent of our 2013 FF&E procurement dollars with companies rated in the HSP Index.

Marriott continues to focus on driving sustainability in our supply chain by working closely with Avendra, the largest professional procurement company serving the hospitality industry in North America. Additionally, we work with our continent procurement leaders to understand opportunities available for improving the products we source. In 2012, Avendra worked with an outside company, PE International and key constituents, including Marriott, in a collaborative effort to define Avendra's three-year plan related to sustainability initiatives. The six-month project involved customer perspectives, supplier interviews and surveys, industry analyses and a broad look at the global sustainability landscape. The project helped define a roadmap for Avendra that encourages more sustainable supply chains and product offerings within its contracted suppliers.

#### **Customer Engagement**

Marriott helped launched and actively participated in the International Tourism Partnership and World Travel and Tourism Council's Hotel Carbon Measurement Initiative (HCMI) which established the first common carbon calculator for the hospitality industry. In 2012, we rolled out the Green Hotels Global™ dashboard which reports on each property's environmental impact through the HCMI methodology. This tool engages each property management team in measuring and disclosing the carbon, water and waste footprint of the hotel, as well as reporting on the status of 58 operational and management practices in such categories as Energy, Water and Waste Management, Supply Chain, Environmental Policy and Certifications.

Green Hotels Global<sup>™</sup> is now a brand standard for our managed and franchised properties worldwide, so our customers will be able to calculate the emissions associated with their room nights and meetings at any of our hotels beginning in May 2013. In 2012, we previewed this tool with our largest corporate customers. Our Vice President of Sustainability and Supplier Diversity participates in sales meetings with group customers, as well as national conferences of meeting planners such as the Green Meetings Industry Council to discuss Marriott's environmental strategy, various sustainability practices and the Green Hotels Global<sup>™</sup> dashboard.

#### Other Partners

Marriott worked with Conservation International to develop the company's environmental strategy in 2007, and subsequently on two innovative conservation initiatives. Marriott donated two million USD in corporate funding to help protect 1.4 million acres of Amazon rainforest in the Juma Reserve in the State of Amazonas, Brazil. Marriott has raised an additional 300,000 USD for the Juma Reserve

through its partners, guests, green meetings promotion and employees. This project is a ground breaking public-private partnership between Marriott, the State of Amazonas and the Amazonas Sustainable Foundation (FAS), which designed and administers the Reducing Emissions from Deforestation and Forest Degradation (REDD) program. In 2010, Marriott partnered with Conservation International and local officials of Pingwu and Yingjing communities in Sichuan Province, China, to launch "Nobility of Nature," a vital water conservation program that helps protect the source of fresh water for more than 2 billion people. The program assists rural communities in Sichuan Province with sustainable businesses. Marriott invested 500,000 USD in seed money.

Marriott's support for FAS helped fund a case study about the Juma REDD+ project and Marriott hosted an event to share lessons learned from this study during the 2012 Rio+ 20 conference in 2012. A Chinese university case study recently highlighted the environmental and social benefits of our water conservation program in China, Nobility of Nature. The study supported the program as a model of payment for ecosystem services that can be replicated in other communities.

Marriott engages with numerous partners at the property and corporate level. In addition to those mentioned above, examples of our key partners include (with year partnership began): Corporate Eco Forum (2011-2012), Audubon International (2008), and The Carbon Trust (2009).

#### 14.4c

If you have data on your suppliers' GHG emissions and climate change strategies, please explain how you make use of that data

How you make use of the data	Please give details
Use in supplier scorecards	In 2013, at least 75 percent of the Marriott's FF&E purchases through architecture & construction procurement will be rated by the HSP Index.

#### 14.4d

Please explain why not and any plans you have to develop an engagement strategy in the future

**Module: Sign Off** 

Page: Sign Off

Please enter the name of the individual that has signed off (approved) the response and their job title

Mari Snyder Vice President, Social Responsibility