RESIDENTIAL MANAGEMENT OF NATURAL RESOURCES IN OUR HOTEL OPERATIONS has been a part of our business since we opened our first hotel in 1957. As we grew over the years, we established a formal program to reduce our water and energy use. In 2007 we established our long-term environmental goals.

Marriott International's environmental performance is a critical focus for our company. With the rise in unpredictable weather patterns, stresses on natural capital and resources, air and water quality issues, there is a rising tide of customers, associates and external stakeholders who want to be informed about and engaged in our efforts.

OUR ENVIRONMENTAL GOALS

1. Further reduce energy and water consumption 20 percent by 2020.
2. Empower our hotel development partners to build green hotels.
3. Green our multibillion dollar supply chain.
4. Educate and inspire associates and guests to conserve and preserve.
5. Address environmental challenges through innovative conservation initiatives, including rainforest protection and water conservation.

MANAGEMENT APPROACH

Our commitment to the environment starts at the top with our Global Green Council of ten Marriott® global officers and other senior executives, and extends enterprise-wide to our global family of associates and external partners. Since 2007, the Council has evaluated our practices, set long-term goals, developed an environmental strategic plan and inspired our progress. The Council meets quarterly and reports progress to Marriott’s President and CEO, Arne Sorenson, who provides annual updates to the Board of Directors.

CHALLENGES, OPPORTUNITIES AND PATH FORWARD

Given our growing portfolio of more than 4,000 managed and franchised properties around the world, Marriott’s operations are dependent on the supply of fresh water, reliable energy, waste management, recycling facilities and sustainable materials available within the markets and municipalities in which we operate. As a result, we will continue to refine and address the direct and indirect environmental impact of our hotels and work with our stakeholders and external partners to develop innovative solutions to manage our business sustainably. This is critical as we anticipate natural resources becoming more constrained and costly, and as local governments begin to enact new carbon taxes and more efficient building codes. We are also increasingly responding to and preparing for natural events such as hurricanes, floods and droughts.

In the Americas, our largest distribution of hotels, we also plan to focus on the expansion, integration and ongoing monitoring of our building automation systems. Our commitment to build more sustainable hotels as well as reduce waste, water and energy while inspiring others to do the same is essential to our long-term business and community sustainability.

1 Our Responsible Sourcing and Natural Capital micro reports offer more detailed information on their respective goals.
2 20 percent reduction from our 2007 energy intensity baseline of 401.2 kWh per square meter of conditioned space and a water intensity baseline of 0.86 cubic meter per occupied room.
We aspire to be the global hospitality leader that demonstrates how responsible hotel management can create economic opportunities and be a positive force for the environment.

2013 ACCOMPLISHMENTS

Energy/Carbon

- In partnership with Siemens, Marriott is implementing an energy optimization program in Europe. During the first phase of the project, which will include 20 hotels, Marriott and Siemens will audit energy usage and optimize management systems to monitor energy consumption. In a trial at the Paris Charles de Gaulle Airport Marriott Hotel, the property’s energy costs and CO₂ emissions fell by 15 percent during the first six months of participation. In addition, during that same period, electricity and gas consumption was reduced by 6 and 17 percent, respectively, compared to the second half of 2012.

- In the U.K., a pilot project at four Marriott properties saved a combined 995 kWh of electricity through KiWi Power’s DR program. Marriott plans to roll out the program to 30 additional hotels in 2014 and is the first international hotel group to adopt KiWi Power’s DR program in the U.K.

- 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. Through strategic procurement and leveraging government rebates, Marriott has supported the replacement of CHP plants at 10 hotels in the U.K. and further evaluated 15 properties in Europe as targets for installation of new plants.

- In the U.S., Marriott continued to expand and standardize building automation platforms in 2013. We developed a national relationship with Automated Logic to help us meet our energy reduction targets and reduce carbon emissions. Fifty-three hotels installed building automation in 2013, and realized nearly $200,000 in savings by year-end.

- We developed and implemented a Chilled Water Diagnostic Tool in our managed hotels in the Americas to help our full service hotels identify energy savings opportunities. Our chilled water systems can account for up to 40 percent of electricity use in our hotels.
Energy/Carbon
Marriott works to reduce energy and carbon intensity at our hotels through strategic initiatives and partnerships at the continental operating level as well as a focus on identifying and implementing projects and best practices at the property level. From industry-leading demand response partnerships to capital expenditure (CAPEX) initiatives and a continual pipeline of return on investment projects such as lighting upgrades, building automation systems and combined heat and power plants, we are committed to making our properties as energy efficient as possible. An increasing number of our properties have installed low-carbon or renewable energy systems such as geothermal, wind and solar.

Water
Marriott assesses available resources for projects, including fresh water, in its feasibility studies as hotels are being developed. Among operating hotels, heavy water users implement water conservation action plans to manage and reduce water usage. Marriott also supports several natural capital projects, including the Nobility of Nature project in Sichuan Province, China, that helps to protect the source of fresh water for more than 2 billion people, while encouraging water conservation in our China hotels.

In pursuit of our water conservation goals, we have implemented a number of projects designed to enhance the efficient use of water at the hotels we manage. These include low-flow faucet and toilet fixtures, water sub-meters, more efficient laundry and dishwashing formulations and service, central plant upgrades, landscaping and irrigation, and golf course maintenance and operation. Many of our properties have greywater reuse or rainwater capture systems for irrigation. When municipal water supply is not available or sufficient, our hotel partners install water systems, including bore (water from underground aquifers), desalination and filtration.

2013 ACCOMPLISHMENTS  Continued
• Together with energy supplier Constellation Energy, an Exelon company, Marriott has developed a demand response (DR) program across the U.S., enrolling 167 properties across five regions. During a one-year period, Marriott reduced its overall energy usage by 83.5 MWh through participation in the DR program.
• Our owners invested $14.5 million in 232 energy-efficient mechanical-related CAPEX projects in our Americas full service, select service and extended stay portfolio. These projects include chillers, rooftop package units, hot water heaters and boilers and split systems.
• LED lighting retrofit projects were a 2013 priority for our managed hotels in Asia Pacific and Middle East/Africa to help reduce electricity demand and costs. Lighting retrofits have been part of our environmental efforts for years; as newer technology makes lighting more energy efficient, we upgrade systems at our properties around the world.

Water
• Our Caribbean and Latin America properties have numerous water-savings projects, including sea water cooling, which eliminates fresh water and chemical needs, repurposing treated guest room water, recapturing rainwater for irrigation, reverse osmosis water treatment, and condensate capture from property HVAC (heating, ventilation and air conditioning) systems for reuse in cooling towers.
• Marriott established a standard for water sub-meters and monthly sub-meter readings for cooling towers and irrigation at its managed, full service properties in the Americas. These meter readings will give a more detailed view of water consumption and aid in the early detection of leaks. The meters are currently installed in 143 of our Americas properties.
• We installed water-flow controllers at dozens of Marriott properties throughout the Americas, Asia Pacific, Middle East and North Africa hotels.
2013 ACCOMPLISHMENTS

Waste
- From 2012 to 2013, Marriott’s pounds of landfill waste per occupied room decreased by 3.9 percent in North America. In 2013, over 14,000 tons of landfill waste was diverted to recycling.
- Since 2006, Marriott has partnered with Arrow Value Recovery to ensure the secure and environmentally compliant disposition of Marriott’s retired information technology (IT) assets at our managed and franchised properties worldwide. This commitment to protecting the environment and use of Arrow’s Value Recovery IT asset disposition services has resulted in Marriott preventing nearly 1.7 million pounds of used technology from entering the solid waste stream. Reuse through the remarketing of Marriott qualified, retired IT assets extended the useful life of nearly 15,000 PCs, laptops and LCDs globally.

Green Buildings
- Marriott continued to grow its partnership with Clean the World®, a nonprofit that collects partially used soaps and other hygiene amenities, recycles these items as source material then manufactures and distributes new bars of soap globally to communities in need. With over 60,000 rooms participating, Marriott has the largest number of properties participating in Clean the World’s program. In 2013, our managed and franchised hotels donated over 91,000 pounds of soap and 61,000 pounds of amenities to Clean the World. To date, Marriott has donated over 271,000 pounds of soap and over 175,000 pounds of amenities through Clean the World.

For the fifth consecutive year, Marriott scored the highest among hospitality companies by Climate Counts in its 2012–2013 Company Scorecard, and we were the only hospitality industry company featured as a sustainable company in Climate Counts’ first ever science-based ranking of corporate carbon emissions.

MANAGEMENT APPROACH

Waste
While not all of our hotels are in communities where recycling is accessible, we strive to reduce our waste wherever possible through reuse or donations. We work collaboratively with our U.S. waste and recycling partners to audit our waste stream and reduce the tonnage that must be transported to a landfill. In some cases, we have been able to partner with organizations that reuse grease for biofuel production and food waste for the production of animal feed.

Green Buildings
Marriott was the first company in the hospitality industry to develop a LEED® (Leadership in Energy and Environmental Design) hotel prototype pre-approved by the U.S. Green Building Council (USGBC). Marriott worked with USGBC to develop pre-certifications for all five prototypes of our select service and extended stay brands as part of its LEED Volume Program, and has the greatest number of hotels certified and registered as LEED buildings. On average, Marriott’s LEED Volume certified projects use 25 percent less energy and water than other comparable hotels that are constructed to meet U.S. states’ building code standards. In addition to LEED certification, many of our properties have been recognized by other green certifications, such as Green Key, Green Globes, or International Organization for Standardization (ISO) voluntary International Standards. Marriott partners with developers and investors to push sustainable hotel development in emerging markets.

Continued
**Associate and Guest Engagement**

We provide standards and training for our associates on responsible operational practices and communicate regularly on environmental and conservation topics through our communications channels and social media. At each property, Energy & Environment Committees are also encouraged to engage one associate from each department to form a cross-disciplinary team for the site’s environmental pursuits. Our corporate Environmental Policy is part of Marriott’s Principles of Responsible Business, which we communicate internally and externally.

We encourage our guests to be informed about our environmental efforts. Marriott has made available an online environmental sustainability dashboard, Green Hotels Global™, to provide corporate customers with the environmental footprint, performance metrics and practices for each hotel in our portfolio, including water and energy use, emissions, recycling and over 100 property-level environmental practices.

We also offer a variety of additional options to engage guests including green meetings and EcoEvents; which include linen-free tables to reduce laundry, products made from post-consumer waste, the ability to donate leftover event food, our Linen and Terry Reuse program, electric vehicle charging stations and our new Meeting Services App. The Ritz-Carlton’s Give Back Getaway® program also offer leisure guests the opportunity to participate in half-day local social or environmental projects.

We engage corporate customers and meeting planners through active participation in the Global Business Travel Association’s Sustainability Committee and national conferences of meeting planners such as the Green Meetings Industry Council.

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### 2013 ENVIRONMENTAL PERFORMANCE INDICATORS

<table>
<thead>
<tr>
<th>Indicator</th>
<th>2007</th>
<th>2012</th>
<th>2013</th>
<th>Change from 2012</th>
</tr>
</thead>
<tbody>
<tr>
<td>Total Water Consumption (million cubic meters)*</td>
<td>58.6</td>
<td>59.2</td>
<td>57.2</td>
<td>-3.5%</td>
</tr>
<tr>
<td>Intensity b</td>
<td>0.86</td>
<td>0.79</td>
<td>0.75</td>
<td>-5.1%</td>
</tr>
<tr>
<td>Total Energy (million MWh)</td>
<td>7.59</td>
<td>7.94</td>
<td>8.48</td>
<td>6.8%</td>
</tr>
<tr>
<td>Intensity c</td>
<td>401.2</td>
<td>352.4</td>
<td>357.1</td>
<td>1.3%</td>
</tr>
<tr>
<td>Direct Energy (million MWh)</td>
<td>3.40</td>
<td>3.15</td>
<td>3.44</td>
<td>9.2%</td>
</tr>
<tr>
<td>Indirect (Purchased) Energy (million MWh)</td>
<td>4.19</td>
<td>4.79</td>
<td>5.05</td>
<td>5.3%</td>
</tr>
<tr>
<td>GHG Emissions (million tons CO₂e) d</td>
<td>3.19</td>
<td>3.30</td>
<td>3.47</td>
<td>5.1%</td>
</tr>
<tr>
<td>Intensity e</td>
<td>372.3</td>
<td>325.5</td>
<td>325.9</td>
<td>0.1%</td>
</tr>
</tbody>
</table>

* Represents total withdrawal from municipal water sources, and does not include withdrawals from private wells or desalination plants or greywater reused onsite

b Cubic meters per occupied room

c kWh per square meter of conditioned space

d Direct (i.e., Scope 1) and Indirect (i.e., Scope 2) greenhouse gas emissions

e Pounds CO₂e per square meter conditioned space

*2012 results have been restated to more accurately reflect actual managed hotel data. In order to account for any missing/unreliable data, the final results include extrapolations. To calculate the restated and current results for energy and carbon emissions, the actual data (available for 85% of the portfolio) have been grossed up by a ratio derived from hotel rooms in the data set. In this way, we can more accurately estimate energy consumption and GHG emissions for the entire managed portfolio (inclusive of all hotels operating for the entire year). To account for missing data in water consumption, we grossed up the actual withdrawal data by a ratio derived from total occupied rooms over occupied rooms with accurate data. Linking usage to the number of occupied rooms is the most relevant intensity metric denominator for water use in the hotel industry.

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### 2013 ACCOMPLISHMENTS

**Associate and Guest Engagement**

- Each April, our hotels worldwide celebrate Marriott’s Environmental Awareness Month. To kick off the month, a number of Marriott properties in India, Dubai, Mexico City, Istanbul, Egypt, London and elsewhere dimmed their lights to celebrate Earth Hour. Guests and associates alike were encouraged to turn off all nonessential lights and electronics to conserve power and advocate for greater sustainability in the future.

- Marriott’s annual Associate Engagement Survey includes a section on sustainability. Close to nine out of 10 associates expressed pride in the steps Marriott takes to protect the environment, such as recycling and energy conservation.

- With our new, first-of-its-kind Red Coat™ Direct Meeting App, meeting organizers can more easily help us save natural resources by adjusting and editing their meeting requests and preferences—such as room temperature—with a touch of a button and without ever leaving the meeting room. The app was rolled out to 350 managed and franchised U.S. Marriott hotels in May 2013 and is continuing to expand.
### 2013 Environmental Performance Indicators

<table>
<thead>
<tr>
<th></th>
<th>Americas</th>
<th>Europe</th>
<th>Asia Pacific</th>
<th>Middle East/Africa</th>
</tr>
</thead>
<tbody>
<tr>
<td>Total Water Consumption (million cubic meters)*</td>
<td>35.7</td>
<td>4.6</td>
<td>13.9</td>
<td>3.0</td>
</tr>
<tr>
<td>Intensity b</td>
<td>0.66</td>
<td>0.55</td>
<td>1.27</td>
<td>1.23</td>
</tr>
<tr>
<td>Total Energy (million MWh)</td>
<td>5.23</td>
<td>1.03</td>
<td>1.65</td>
<td>0.58</td>
</tr>
<tr>
<td>Intensity c</td>
<td>345.9</td>
<td>410.8</td>
<td>362.0</td>
<td>455.8</td>
</tr>
<tr>
<td>Direct Energy (million MWh)</td>
<td>2.24</td>
<td>0.44</td>
<td>0.62</td>
<td>0.14</td>
</tr>
<tr>
<td>Indirect (Purchased) Energy (million MWh)</td>
<td>2.99</td>
<td>0.59</td>
<td>1.03</td>
<td>0.44</td>
</tr>
<tr>
<td>GHG Emissions (million metric tons CO₂e)d</td>
<td>2.01</td>
<td>0.33</td>
<td>0.86</td>
<td>0.27</td>
</tr>
<tr>
<td>Intensity e</td>
<td>292.8</td>
<td>291.6</td>
<td>414.8</td>
<td>470.1</td>
</tr>
</tbody>
</table>

* Represents total withdrawal from municipal water sources, and does not include withdrawals from private wells or desalination plants or greywater reused onsite

b Cubic meters per occupied room

c kWh per square meter of conditioned space

d Direct (i.e., Scope 1) and Indirect (i.e., Scope 2) greenhouse gas emissions

e Pounds CO₂e per square meter conditioned space

In order to account for any missing/unreliable data, the final results include extrapolations. To calculate energy and carbon emissions, the actual data (available for 85 of the portfolio) have been grossed up by a ratio derived from hotel rooms in the data set. In this way, we can more accurately estimate energy consumption and GHG emissions for the entire managed portfolio (inclusive of all hotels operating for the entire year). To account for missing data in water consumption, we grossed up the actual withdrawal data by a ratio derived from total occupied rooms over occupied rooms with accurate data. Linking usage to the number of occupied rooms is the most relevant intensity metric denominator for water use in the hotel industry.

**Marriott Joins the TripAdvisor® GreenLeaders™ Program**

Nearly 50 percent of Marriott’s U.S. portfolio has earned TripAdvisor GreenLeader™ status. GreenLeaders helps TripAdvisor’s community of more than 260 million travelers plan greener trips by highlighting U.S. accommodations engaging in good environmental practices. Developed in consultation with the United Nations Environment program, the U.S. Green Building Council, ENERGY STAR®, and the International Center for Responsible Tourism Canada, the TripAdvisor GreenLeaders program invites hotels to apply for status based on their environmental practices, and showcases the award-winners to consumers on TripAdvisor’s website. By year-end 2013, nearly 1,400 Marriott properties had achieved GreenLeader Partner status.

**Related Links**

- Earth Day Blog: Beyond the Towel Rack (Arne Sorenson)
- Green Hotels Global
- Our LEED Hotels and Buildings
- Our Electric Vehicle Charging Stations
- Ritz-Carlton VolunTeaming®
- Ritz-Carlton Give Back Getaways
- Rest Better® by MindClick Global
- Awards and Recognition

*Unless otherwise noted, the reports are based on data from Marriott’s 2013 fiscal year and reflect operational performance of our 1,101 company-operated hotels, which include owned, leased and managed properties, and exclude rooms from franchised, unconsolidated joint ventures and timeshare properties.*

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