INTRODUCTION
As a global travel company with managed and franchised lodging operations, Marriott International has a range of stakeholder groups including shareholders, hotel owners and franchisees, suppliers, associates, customers, community organizations and industry associations, as well as governmental and nongovernmental entities. These organizations are diverse—some operating globally and others operating at the regional and local levels. Understanding the opinions, needs and desires of our stakeholders is important to the development of our business strategy, products and services.

We are a leading voice for policies that support growth within the travel and tourism industry at all levels in numerous markets around the world. In the U.S., where we maintain a robust public policy agenda, we engage leaders on a wide range of issues including visa and entry policies that facilitate travel, immigration reform, equal rights measures for our lesbian, gay, bisexual and transgender (LGBT) employees, and transportation policy.

GOALS/TARGETS
Marriott executives engage broadly with our stakeholders as part of their management responsibilities, including political leaders, shareholders and the media. Our overarching public affairs strategy is to educate and communicate with key influencers to create an environment conducive for growth and understanding of our business.

MANAGEMENT APPROACH
Our stakeholders play an important role in driving Marriott’s business success. Our executives therefore continually engage with allied trade associations and nongovernmental organizations (NGOs) through leadership roles on boards and executive committees. In 2013, Marriott executives held outside leadership roles at the World Economic Forum, World Travel and Tourism Council (WTTC), International Tourism Partnership, U.S. Travel Association, U.S. Travel and Tourism Advisory Board, Brand USA and the American Hotel and Lodging Association, including its state-level affiliates. We inform stakeholders about our priorities and actions, understand evolving expectations and viewpoints, and create opportunities to address substantive issues through partnerships and collaboration.

Right: President Barack Obama gathered CEOs from the travel industry, including Arne Sorenson, to discuss how to best harness the travel and tourism industry’s potential for creating economic growth and jobs in the U.S.
AREAS OF ENGAGEMENT IN 2013

- **Advocating for Reforms to Improve Travel**

  President and CEO Arne Sorenson spoke at the World Economic Forum annual meeting in Davos, Switzerland in January 2014, where he encouraged governments to move quickly to adopt Smart Visa and Entry policies that stimulate global travel, create new jobs and spur economic development. Before speaking at the Forum, Mr. Sorenson commented in his blog that “the U.S. must do a better job welcoming international guests, who are traveling outside their home countries in unprecedented numbers. If the U.S. had the same share of global travel it had in 2000, the U.S. would be welcoming roughly 35 million visitors every year. We estimate that would create one million more jobs in the U.S.” According to the WTTC, nearly 266 million jobs were supported by Travel & Tourism in 2013, which is one out of 11 jobs worldwide.

  Our CEO and our government affairs team meet regularly with administration officials and the U.S. Congress to promote the power of tourism in furthering the country’s continued economic recovery. In early 2014, Marriott and the broader travel industry celebrated record-high employment figures, surpassing pre-recession levels. Part of this domestic growth was the result of the Brand USA marketing campaign, the first-ever national destination marketing program to sell the United States abroad. In 2013, Brand USA’s overseas marketing campaigns brought 1.1 million new international visitors to the U.S. who spent an estimated $3.4 billion—enough to support 53,000 domestic jobs. Marriott is currently advocating for Brand USA’s reauthorization by Congress before its scheduled expiration in 2015.

  We also urged U.S. legislators to pass the Jobs Originated through Launching Travel (JOLT) Act, a bill to encourage international visitation by enhancing the Visa Waiver program and set standards to ensure rapid processing of tourist and business visitor visa applications at U.S. consular offices overseas.

- **Advocating for Comprehensive Immigration Reform**

  As the U.S. Congress considers reforms to the U.S. immigration system, Marriott advocates for measures that will provide more stability and certainty to immigrants, while ensuring we can fill critical service positions at our U.S. hotels when we are not able to staff them with Americans.

  We support reforms that would resolve the status of the large numbers of undocumented individuals currently in the United States, permitting them to fully participate in the economy, while ensuring adequate future flows of foreign workers to meet market needs. We remain committed to advocating for a uniform federal approach to immigration enforcement that will supersede a growing patchwork of state laws.

- **Collaborating with the Industry to Address Trafficking of Illegal Products and Services**

  Marriott and Sabre Holdings represented the tourism industry at the launch of an anti-trafficking campaign, Your Actions Count—Be a Responsible Traveller, at ITB Berlin, the world’s largest tourism trade fair.

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The campaign, created by the U.N. World Tourism Organization, U.N. Office on Drugs and Crime and U.N. Educational, Scientific and Cultural Organization, is an effort to raise awareness about illicit goods and services that tourists might be exposed to while traveling. It provides guidance to recognize possible situations of trafficking in persons, wildlife, cultural artifacts, illicit drugs and counterfeit goods, and invites travelers to take action through responsible consumer choices and alerting the proper authorities when trafficking is suspected.

Marriott supports the year-long campaign by delivering the campaign’s educational messages through existing guest and associate communications channels. We also encourage others in the industry to join this campaign.

**Integrating Guest Survey Feedback with Social Media Listening—guestVoice™**

In collaboration with our guests, owners, franchisees, brands and market leaders, we developed a new guest feedback program, guestVoice, to provide better insight into our customers’ experiences at our hotels. guestVoice integrates a shorter, simpler guest satisfaction survey with social media listening (reviews, posts, tweets, etc.) into a single user dashboard.

By combining both survey and social media feedback, guestVoice will deliver enhanced guest feedback and insights, enabling Marriott to take action on issues and concerns and facilitate a more timely response. This tool also provides powerful and flexible capability for the company to better understand trends and causes of both guest issues and positive experiences.

**Addressing Global Recruitment through Social Media**

In January 2014, Marriott became the first hospitality company to enable job seekers to apply for new career opportunities on their mobile devices. We believe that investing in new mobile technology is critical to attracting talent, especially millennials, and those in emerging markets, who depend on their mobile devices for information and connectedness. With more than 4,000 properties worldwide and continued, aggressive growth, we need to reach job seekers just as much as they need to reach us.

As more users forgo computers for mobile-only Web experiences, and with Marriott’s global presence spanning nearly 80 countries, it is imperative that we have the technology in place to meet fundamental needs—like finding a job.

**Greening the Furniture, Fixtures and Equipment in Our Supply Chain**

In 2012, Marriott committed to spend 75 percent of its 2013 furniture, fixtures and equipment budget for the Americas with suppliers who are part of the MindClick Hospitality Index for Sustainable Sourcing (HSP Index). By year-end 2013, we had reached that goal and are exploring the expansion of the Index to the Operating Supplies and Equipment supply chain.

We see the benefit of using an online sustainability index to facilitate the flow of information from suppliers to our brands, and from our brands to the consumer, to meet the growing demand for sustainability. We encourage other industry leaders to take part and also recognize that the next generation of travelers—an ever larger share of our customer base—care greatly about sustainability.

Continued...
We piloted a marketing program, Rest Better™ by MindClick Global (MCG), to promote the benefits of sustainable procurement to our guests. We implemented this pilot program at the renovated Courtyard® San Diego Rancho Bernardo, CA, over a three-month period. Through mobile marketing efforts, we informed hotel guests of the positive health and environmental impacts verified through the MCG Index, such as improved indoor air quality, water-based finishes, local sourcing and use of recycled materials. Guest surveys showed 1.5 times the intent to return and two times the intent to refer the property to others among those aware of the sustainability efforts. Based on the success of the program, we are exploring broader implementation over the next two years.

**Finding Shared Value with U.S. Military Veterans**

We have pledged to hire 1,500 veterans by 2015 as part of Operation Enduring Opportunity. While recruiting military veterans has been a part of Marriott’s diversity & inclusion strategy for many years, the company fine-tuned its approach based on extensive research among hundreds of veterans who now work for the company. Our research confirmed that values learned in military service are aligned with the hospitality industry and in particular with Marriott’s culture. To appeal to former military, as well as those who are in their last months of service, we have increased outreach to more than 500 military bases around the world, and launched a new career website for veterans. Additional support for U.S. veterans and their families includes in-kind and volunteer support to organizations such as the United Service Organizations (USO), Wounded Warriors, National Veteran-Owned Business Association and Fisher House Foundation. We enable our Marriott Rewards® members to donate their points to Fisher House Foundation’s Hotels for Heroes program, which provides lodging to families of U.S. military veterans receiving medical treatment.

**Teaming with British Airways and the Institute of Travel & Meetings to Engage Travel Buyers on Corporate Social Responsibility (CSR)**

In early 2014, Marriott joined British Airways and the Institute of Travel & Meetings to host a travel industry forum to discuss global social and environmental trends. More than 120 corporate travel buyers attended the forum to discuss how the industry can move beyond basic environmental programs to address more complex and challenging CSR issues, including social innovation and long-term industry collaboration. The forum gave Marriott the opportunity to engage on sustainable operations and supply chain management with a key stakeholder group. The day’s interactive format let travel buyers tell us what they thought of our strategies and programs—in input that will help shape our future direction.

Above: Industry experts discussed CSR trends with an audience of more than 120 travel buyers at the CSR Forum developed in partnership with Marriott, British Airways and the Institute of Travel & Meetings.

**GUEST SATISFACTION**

Marriott’s reputation for superior customer service dates back to founder J. Willard Marriott’s original goal for his business: good food and good service at a fair price. Extensive research into the experiences that drive guest satisfaction and loyalty forms the basis of our Quality Assurance program, which ensures that our guests experience our hotels and services consistently. Marriott Rewards®, the longest running hotel guest loyalty program, is committed to creating long-term relationships and outstanding guest experiences with our customers.

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<tr>
<th>GUEST SATISFACTION</th>
<th>2011</th>
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<td>81.6</td>
<td>81.9</td>
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<td>Rewards Members**</td>
<td>38 million</td>
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Note: Results include both Marriott-managed and -franchised U.S. and Canadian hotels branded as JW Marriott; Renaissance® Hotels, Marriott Hotels; Courtyard; SpringHill Suites; Fairfield Inn & Suites; Residence Inn; and TownePlace Suites. We have not included The Ritz-Carlton® Customer Engagement program as it uses a different scale than other Marriott brands, which makes the scores noncomparable.

* Respondents ranked various aspects of their hotel stay and service experience on a scale of one to 10, with 10 being excellent. Overall Guest Satisfaction Scores represent a percentage of respondents ranking their overall hotel experience with a score of at least eight.

** Includes members of the Marriott Rewards and The Ritz-Carlton Rewards® programs worldwide.
BANNING SHARK FIN THROUGH OUR FUTURE FISH INITIATIVE

Having removed shark fin from our menus in late 2012, we reduced consumption by 80 percent in 2013. Effective July 1, 2014, Marriott implemented a complete global ban on the sale of shark fin in our managed and franchised locations. We believe the high-end, sustainable dining alternatives that our culinary team has developed, which have contributed greatly to the reduction in demand for shark fin dishes at our hotels to-date, will continue to be successful replacements for shark fin.

We are encouraged that many global hotel brands are moving in this direction. At the April 2014 World Travel & Tourism Council’s Global Summit for Tourism in Hainan Province, China, Marriott’s Executive Vice President and Chief Global Communications and Public Affairs Officer Kathleen Matthews interviewed Yao Ming, the former basketball star, who returned to Shanghai after retiring from professional basketball. The sports hero spoke passionately about his efforts to improve China’s rural schools and protect sharks, elephants and rhinos, which are endangered due to China’s exotic tastes. Yao’s courage to speak out against long-held cultural tastes has inspired companies like Marriott to ban shark fin soup in our hotels and ensure that no ivory is sold in our gift shops.

The Chinese government’s austerity measures have also been a factor in reduced demand for shark fin dishes.

Above: Marriott announces its ban of the sale of shark fin during an interview at the World Travel & Tourism Council Conference in Hainan Province, China. Kathleen Matthews, EVP and chief global communications and public affairs officer, interviews Yao Ming, an advocate for protecting vulnerable species including shark fin, elephants and rhinos.