

2014 SUSTAINABILITY REPORT



Marriott.

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TO OUR STAKEHOLDERS



J.W. Marriott, Jr., Executive Chairman (left); and Arne M. Sorenson, President and Chief Executive Officer

nnovation and growth strategies drive good companies. But to be a great company—the leader in an industry—a company must also have a set of core values that inform every decision the company makes. For Marriott International, our core values have stood the test of time: put people first, pursue excellence, embrace change, act with integrity and serve our world.

The Marriott® name is on more than 4,000 hotels in nearly 80 countries around the world. Innovation and growth remain key drivers to our success. But along the way, we have also been steadfast in our commitment to people and the planet.

We understand that conservation and community engagement is more than a moral imperative; it also makes good business sense. Smart, socially responsible policies bring us customer preference and loyalty from the next generation travelers and workforce. Travelers care about companies that do good and advocate broadly for issues of global importance that extend far beyond our properties. Initiatives like preserving the Amazon Rainforest, providing job readiness training to underserved youth, empowering diverse owners of businesses through our supply chain, advocating for secure and frictionless visa and entry policies into the U.S., and continuing to innovate for more resource-efficient hotels are growing in importance and being recognized by our guests and industry alike.

We continue to evolve our sustainability reporting to best meet our stakeholder's needs. This year, we have created a series of issue reports to provide easier access to relevant topics and have also consolidated these reports for those who are interested in the whole story. The reports disclose the progress we have made toward our sustainability goals in 2013. 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.

We invite you to take a look at the reports to see where we've made important strides and where we're headed next. We welcome your input and encourage you to join us as we invest in the communities where we do business around the world.

















AUTOGRAPH COLLECTION®



















Marriott.

BUSINESS MODEL AND SUSTAINABILITY STRATEGY



INTRODUCTION

Marriott International was founded on the principle that quality service is at the core of how we do business. Our commitment to serve our customers, associates, environment and communities makes our culture vibrant, our business robust and our communities strong. With a vision to be the world's favorite travel company, a powerful lodging brand portfolio, and a business model that focuses on management and franchising rather than property ownership, we set the bar for our industry. Our heritage, renowned company culture and how we do business both informs and enriches relationships and instills a passion for who we are that our stakeholders can experience every day.

GOALS/TARGETS

As we look ahead, our focus will be on continuing to build loyalty to our brands, understanding and attracting next generation associates and guests, embracing innovation and technology, and generating value for our hotel owners and franchisees. We believe success in achieving these goals will allow us to expand our global footprint and profitability.

In the coming years, we expect that nearly half of our hotel growth will be outside of the United States, including emerging markets such as Brazil, China, India and Sub-Saharan Africa, as well as other areas around the world. Our focus on sustainable hotel operations and new hotel development creates jobs, supports local businesses and grows local economic and tourism infrastructure.

MANAGEMENT APPROACH

Marriott* manages and franchises hotels, a strategy that positions us for growing distribution and long-term success. At year-end 2013, our system included more than 675,000 rooms. We operated 42 percent of our rooms under long-term management agreements while 55 percent of rooms were franchised. Two percent of rooms were owned or leased, with the remainder included in unconsolidated joint ventures. Marriott also manages residential real estate and licenses its brands in the timeshare business.

At year-end 2013, our development pipeline totaled more than 195,000 rooms worldwide. As we drive our global growth, we are focused on responsibly investing in our brands, people and the systems that support them. We remain true to our founding principles and core values: putting people first, pursuing excellence, embracing change, acting with integrity and serving our world.

CHALLENGES, OPPORTUNITIES AND PATH FORWARD

FOR ITS LOW-CARBON EMISSIONS USING CARBON-FOOTPRINTING TECHNOLOGY.

Travel is expanding around the world, boosting economic development and employment. Given this opportunity, we are increasing our distribution of existing brands as well as introducing new brands tailored for new markets and new market categories.

We remain focused on doing the things that we do well, which is selling hotel stays and experiences, taking care of our guests, and controlling costs. We are investing in innovative conservation initiatives designed to provide long-term solutions to critical social and environmental issues. Our continued focus on sustainable hotel development generates opportunity

for Marriott in exciting new markets and supports economic development in emerging economies by boosting local tourism, creating new jobs and supporting local communities.

MANAGEMENT APPROACH Continued

Our Business Model

We operate our managed, leased and owned hotels, working with owners to improve building efficiency. For our franchised hotels, we set brand standards, but do not manage associates, building operations or maintenance. At the same time, franchised hotels benefit from our business systems and platforms and collaborate with us in areas of social responsibility and sustainability. For all our hotels, we encourage sustainable operational practices.

Corporate Governance

Marriott has a long-standing commitment to transparency and integrity. Our Board of Directors oversees management and through this oversight enhances the long-term value of the company. A formal infrastructure of a range of councils comprised of executives and associates (assisted by external experts) guides us in making everyday decisions that affect our work environment, our sustainability practices and our business strategy.

Committee for Excellence—Driven by a CEO-led committee of senior executives and members of our Board of Directors, this committee monitors the progress of our global diversity and inclusion strategy and evaluates the company's efforts to promote diversity among our workforce, owners, customers and suppliers. The Committee reports twice a year to the Board of Directors.

Global Green Council—This executive-level Council evaluates our environmental practices, sets major sustainability business objectives by discipline, and measures our progress. The Council reports annually through the CEO to the Board of Directors.

Human Rights Task Force—This executive-level Task Force advances Marriott's human rights policies and programs including the approval of Human Rights and the Protection of Children training for our security officers and all property-based associates worldwide.

Business Councils—Comprised of general managers representing properties in a given city, country or region, the Councils support business strategies and add value to their markets by perpetuating our core values and culture, participating in government advocacy, and implementing Marriott's community partnerships and social responsibility initiatives.

TOP MARKETS 2013

| | | | | The state of the s | | / |
|-------------------|---------------------|------------------------------|----------------------|--|-----------|-------------|
| | Total Properties | Company- Operated Hotels* | Franchised Hotels | Unconsolidated JV Hotels | Timeshare | Total Rooms |
| United States | 3,255 | 711 | 2,497 | - | 47 | 522,298 |
| China | 67 | 66 | - | - | 1 | 25,140 |
| Canada | 80 | 14 | 66 | - | - | 15,749 |
| Jnited Kingdom | 64 | 55 | 8 | - | 1 | 12,191 |
| Spain | 75 | 3 | 2 | 67 | 3 | 9,590 |
| Germany | 28 | 16 | 12 | - | - | 6,481 |
| India | 23 | 23 | - | - | - | 5,752 |
| Mexico | 23 | 8 | 15 | - | - | 5,561 |
| France | 21 | 13 | 5 | 2 | 1 | 4,266 |
| Thailand | 18 | 14 | 1 | - | 3 | 3,815 |

^{*} Company operated hotels include managed, owned and leased hotels.

NOTE: We determine top markets using total room counts (including timeshare activity at year-end 2013).

^{**} We continue to include timeshare units in our unit and room counts following our spin-off of Marriott Vacations Worldwide, as we receive a licensing fee.



HAITI HOTEL BOOSTS LOCAL ECONOMY

We first broke ground on the \$45 million 175-room Marriott Port-au-Prince Hotel in Haiti at the end of 2012, with a "topping-off ceremony" just 15 months later in March 2014, and an opening scheduled for February 2015. Marriott took on this project with particular fervor for its thousands of Haitian associates who, after the devastating 2010 Haiti earthquake, urged the company to do what it does best and open a hotel that spurs economic activity through travel and in so doing to help bring hope back to Haiti. Working with the Ministry of Tourism, Marriott interviewed and selected 10 Haitian youth to gain work and life skills experience by being part of the operations and food & beverage opening teams for the new JW Marriott® Hotel Santo Domingo in the summer of 2014. Upon completion of the program, the youth will return to Haiti to interview for supervisory positions at the Marriott Port-au-Prince Hotel.

Above: Ineke Botter, CEO of Digicel Haiti (left) and Andrew Houghton, Marriott's area vice president, Caribbean surrounded by the Marriott Port-au-Prince Hotel construction crew during the topping-off ceremony in March 2014.

Below: Three of the 10 Haitian youth selected for the Marriott Leadership Development training program celebrate at a luncheon in their honor followed by a topping-off tour of the Marriott Port-au-Prince Hotel in Haiti. Joining the young people that day were Denis O'Brien, chairman, Digicel Group; Mary Noel, general director of the Ministere du Tourisme, Republique d'Haiti; and Andrew Houghton, Marriott's area vice president, Caribbean.





Above: The Marriott Marquis Washington, D.C. is one of the largest hotels in the U.S. to earn LEED Silver certification.

2013 ACCOMPLISHMENTS

- In April 2014, Marriott became the largest hotel company in Africa when we acquired the 116-hotel Protea Hospitality Group, based in South Africa. The acquisition positions Marriott for growth in one of the fastest expanding economic markets in the world where we expect to become a significant employer.
- Opened in May 2014, the Marriott Marquis® Washington, DC is one of the largest hotels in the U.S. to earn LEED® (Leadership in Energy and Environmental Design) Silver certification, based primarily on energy savings, water efficiency, CO₂ emissions reduction, and improved indoor environmental quality. The hotel plans to boost local economic development and job creation through attraction of more meetings to the area. The hotel is working through a partnership with Goodwill of Greater Washington, Events DC and a coalition of community-based organizations to help recruit and train nearly 600 District of Columbia residents for jobs at the hotel.
- The Marriott Port-au-Prince Hotel in Haiti plans to open in February 2015, making it the first four-star branded hotel in Haiti. The hotel should help improve the local economy by supporting local vendors, supporting hospitality training and generating more than 200 new hospitality jobs.

TRAVEL AND TOURISM'S CONTRIBUTION TO GLOBAL GDP AND EMPLOYMENT

9.5% of GDP



2013 GROSS DOMESTIC PRODUCT

265,855,000 Jobs



2013 EMPLOYMENT

Travel and Tourism Economic Impact 2014, World Travel and Tourism Council

2013 ACCOMPLISHMENTS Continued

- We expect the first Marriott-branded hotel in Rwanda, scheduled to open in 2016, will help fuel the Rwandan travel industry. Through a partnership with Akilah Institute for Women, whose graduates are currently training at our hotels in Dubai, we will also have skilled local talent who can fill positions at the Kigali hotel and worldwide as they grow with Marriott.
- At the 2014 World Economic Forum (WEF) annual meeting in Davos, Switzerland, CEO Arne Sorenson served as chairman of the WEF Governors of Aviation, Travel and Tourism, and spoke on the travel industry's role in youth employment, trade and women's economic empowerment. Marriott and world leaders increasingly see that travel is trade, enabling greater mobility while creating more jobs, opportunity and economic prosperity.

REGIONAL PRESENCE 2012-2013

| Region | Total Pr | operties | Comp Operated | | | hised tels | | olidated lotels | Times | hare** | Total | Rooms |
|---------------------------|----------|----------|------------------|-------|-------|---------------|------|--------------------|-------|--------|---------|---------|
| | 2012 | 2013 | 2012 | 2013 | 2012 | 2013 | 2012 | 2013 | 2012 | 2013 | 2012 | 2013 |
| Americas | 3,339 | 3,424 | 795 | 775 | 2,488 | 2,596 | _ | - | 56 | 53 | 550,319 | 558,030 |
| Europe | 284 | 293 | 140 | 143 | 55 | 65 | 84 | 80 | 5 | 5 | 53,321 | 54,560 |
| Asia Pacific | 137 | 155 | 125 | 141 | 8 | 10 | _ | - | 4 | 4 | 44,829 | 49,938 |
| Middle East and Africa | 41 | 44 | 39 | 42 | 2 | 2 | _ | - | _ | - | 11,925 | 13,095 |
| Total | 3,801 | 3,916 | 1,099 | 1,101 | 2,553 | 2,673 | 84 | 80 | 65 | 62 | 660,394 | 675,623 |

^{*}Company operated hotels include managed, owned and leased hotels.

RELATED LINKS

Marriott International, Inc. 2013 Annual Report
WTTC Travel and Tourism Economic Impact 2014 Report

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 ex

^{**}We continue to include timeshare units in our unit and room counts following our spin-off of Marriott Vacations Worldwide, as we receive a licensing fee.



STAKEHOLDER ENGAGEMENT AND POLICY ADVOCACY



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.

CHALLENGES, OPPORTUNITIES AND PATH FORWARD

In order to remain a leader in the lodging industry, it is important that we aim for continuous improvement and deliver ever higher levels of performance. Through our regular communications with shareholders and customers, we describe our business accomplishments and high-quality products and services. Through our annual sustainability reporting process we disclose our progress toward our sustainability goals. Our sustainability reports also highlight how we are teaming up with diverse stakeholders including suppliers, governments, nonprofits and NGOs, universities and others in our industry—to find long-term solutions to some of society's most critical challenges.



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.

WORLD ECONOMIC FORUM 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 billionenough 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.

Continued





Above left: Simon Cooper, president and managing director Asia Pacific, co-chaired the travel and tourism meeting at the World Economic Forum meeting in Burma.

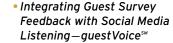
Middle: Debbie Harrison, global officer, Marriott culture and business councils, is among Marriott executives who meet with members of the U.S. Congress to promote tourism.

Right: Kathleen Matthews, EVP and chief global communications and public affairs officer, announces Marriott's commitment to the U.N.'s anti-trafficking campaign at ITB Berlin.



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.



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.



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

Above: Rest Better™ by MindClick educates our guests about the health benefits of sustainable materials used in bedding, drapery and carpeting.



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—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.

| GUEST SATISFACTION | | | |
|--|------------|------------|------------|
| | 2011 | 2012 | 2013 |
| Guest Satisfaction Score Response Rate | 22% | 21% | 20% |
| Overall Guest Satisfaction Score* | 81.6 | 81.9 | 82.2 |
| Rewards Members** | 38 million | 42 million | 45 million |

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.

| STAKEHOLDERS | FORMS OF ENGAGEMENT |
|--|---|
| Associates | Global Engagement Survey, Marriott Global Source (intranet), executive town hall meetings, social media, newsletters, Business Councils, community projects, wellness programs, Legal and Ethical Conduct Survey |
| Customers | Guest Satisfaction Surveys, charitable donations of loyalty program rewards points, cause marketing, industry working groups, sustainable guest room products, customer forums, research, social media |
| Communities | Community engagement programs, volunteering, fundraising and cash contributions, in-kind donations, disaster relief |
| Shareholders | Annual Report, sustainability reporting, carbon disclosure, quarterly earnings releases and conference calls, annual shareholder meetings, analyst meetings |
| Associations | Board memberships, executive committees, working groups, advisors, research, partnerships, workshops, lobbying |
| Supply Chain | Local supplier capacity building, supply chain screening, supplier diversity program, sustainable procurement surveys, engage- ment workshops, strategic partnerships |
| Owners and Franchisees | Economic development, sustainable hotel development |
| Nongovernmental Organizations (NGOs) | Board memberships, executive committees, working groups, advocacy for Reduced Emissions from Deforestation and Degradation (REDD) projects, strategic partnerships on global issues |
| Government | Lobbying, advocacy, briefings, meetings, pilot projects and research, regulatory filings |



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.

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.

RELATED LINKS

MIndClick Global Sustainability Index

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 ioint ventures and timeshare properties.



BUSINESS ETHICS AND HUMAN RIGHTS



INTRODUCTION

Marriott International's Executive Chairman, J.W. Marriott, Jr., believes that "How we do business is as important as the business we do" describes our pledge to maintain an ethical workplace and the commitment of our associates to do the right thing. High ethical standards foster pride and confidence among our associates and help us maintain our competitive advantage.

GOALS/TARGETS

- We are committed to transparency as we enter new markets.
- We research and understand potential business partners and maintain our integrity worldwide, including those regions where corruption is considered prevalent.
- We train our associates on the company's policies, including human rights, ethics and supply chain policies and anti-corruption laws, including the U.S. Foreign Corrupt Practices Act and the UK Bribery Act.
- Our online anti-corruption training is mandatory for all managers, and nonmanagerial associates as appropriate, and we provide in-person training to managers worldwide.
- We distribute the company's Business Conduct Guide to managers worldwide, which is available in 15 languages. Managers are held accountable for their conduct.
- We are committed to observing our fundamental values and ethical standards in everything we do in order to provide our associates with the honest and ethical work environment they deserve.

MANAGEMENT APPROACH

We make our associates aware of the company's ethical policies, compliance programs and related training programs. We publish details of these policies on our website including our Principles of Responsible Business on global employment, human rights, environment and supplier conduct as well as our Human Rights Commitment and Policy Statement.

Our internal audit department conducts an annual Legal and Ethical Conduct Survey of a broad cross section of associates, including all officers and senior managers. We provide associates with a variety of means, some anonymous, to report unethical behavior, including a toll-free international Business Integrity Line.

Our executive-level Human Rights Task Force advances Marriott's human rights policies and programs. In 2010, the Task Force approved Human Rights and the Protection of Children training for our security officers and all property-based associates worldwide.

CHALLENGES, OPPORTUNITIES AND PATH FORWARD

As we continue to expand our business in new and emerging markets, we recognize the need to understand business practices that can affect our business and important stakeholders, particularly our associates, business partners and supply chain. A lack of business integrity by anyone at Marriott® may affect not only our company's profitability, but also our reputation and associate morale. When business problems arise that challenge our fundamental values, we swiftly and deliberately investigate and resolve the issues.



2013 ACCOMPLISHMENTS

Business Ethics

 Marriott was named a 2014 World's Most Ethical Company® by the Ethisphere Institute,



an independent center of research promoting best practices in corporate ethics and governance. This is the seventh time we have received this award. We are recognized for our exemplary practices in corporate citizenship and responsibility; ethics and compliance programs; corporate governance, as well as leadership and innovation.

Human Rights

- Marriott was named among America's top corporations for lesbian, gay, bisexual and transgender equality, by earning a perfect 100 percent score on the Human Rights Campaign's 2014 Corporate Equality Index. The Index rankings are based on factors such as nondiscrimination policies inclusive of sexual orientation and gender identity, benefits for same-sex spouses and domestic partners, appropriate and respectful advertising, and external community outreach.
- Marriott, together with Sabre Holdings, were the industry's first companies to join the United Nations' Your Actions Count— Be a Responsible Traveller campaign launched at ITB Berlin in March 2013. The campaign includes a focus on human trafficking, wildlife and fauna, cultural artifacts, illicit drugs and counterfeit goods. Marriott will deliver these important campaign messages through our communications channels, including communications to our 45 million Marriott Rewards® members and to our global workforce.
- Beginning in 2012, we integrated our Human Rights and the Protection of Children training into our onboarding process for all new associates. The training is mandatory for all Marriott managed properties, covering nearly 200,000 associates. We also make this training available to all Marriott franchise properties worldwide.

RELATED LINKS

Marriott's Principles of Responsible Business
Our Commitment to Human Rights
Marriott's Business Conduct Guide
Youth Career Initiative

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 ex

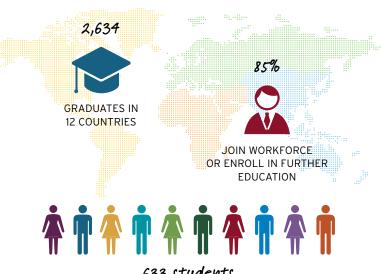


PROTECTING VULNERABLE YOUTH

Underprivileged youth are vulnerable to human trafficking and exploitation. For more than 15 years Marriott has offered the Youth Career Initiative (YCI), a six month education and life enhancing program for young people at risk, at our hotels in nine countries. Marriott helped YCI secure a five-year grant worth \$550,000 from the U.S. State Department Office to Combat and Monitor Trafficking in Persons. This funding has enabled YCI to integrate rehabilitated trafficking survivors into the program as well as provide awareness training to hotel staff. Nearly 30 trafficking survivors have completed YCI with 75 percent securing employment upon completion of the program.

YOUTH CAREER INITIATIVE

PROVIDING EMPLOYMENT AND LIFE SKILLS FOR AT-RISK YOUTH



633 STUDENTS
TRAINED BY MARRIOTT SINCE 1997

2014 MARRIOTT INTERNATIONAL SUSTAINABILITY REPORT

WORKFORCE DEVELOPMENT



INTRODUCTION

Marriott International's founder J. Willard Marriott as well as his son, Executive Chairman, J.W. Marriott, Jr. have coached managers to "take care of your associates and they'll take care of your customers and the customers will come back." This philosophy is the cornerstone of our culture and the foundation of our company's global growth and success. We are committed to providing an environment where our associates have the opportunity to achieve their potential, are highly engaged and are empowered to deliver great guest service.

GOALS/TARGETS

Our commitment to hiring, retaining and motivating the next generation of associates who can help our business thrive includes an innovative approach to recruiting, training and development, and evaluating performance regularly.

MANAGEMENT APPROACH

Marriott's workforce includes nearly 200,000 associates working at corporate offices and managed properties in nearly 80 countries. Through skills training programs, professional development opportunities, other learning experiences, and growth in the number of hotels, we provide associates with a multitude of choices for career and personal growth. Marriott* associates participate in approximately 10,000 training classes every year, 4,500 of which are formal learning programs. Over half of our formal learning programs are eLearning, with the balance being instructor-led or blended programs.

We also have a variety of vehicles in place to encourage open dialogue with associates such as Living Our Core Values/Living Our Employee Promise meetings, walk-around management, daily stand-ups and world tour town hall meetings. Performance development is accomplished through ongoing conversations between associates and their managers and reviews conducted with all associates annually.

Each year we conduct a confidential Associate Engagement Survey worldwide. We hold managers accountable for sharing survey results, conducting feedback sessions and creating action plans to deliver continued improvement.

"OUR CULTURE OF INCLUSION EMPOWERS ALL ASSOCIATES TO DISCOVER WHAT IT MEANS TO 'FIND YOUR WORLD' AT MARRIOTT—FROM MEETING NEW PEOPLE AND EXPERIENCING NEW PLACES TO SEEKING OPPORTUNITIES TO GROW AND ACHIEVE." —J.W. MARRIOTT, JR.

CHALLENGES, OPPORTUNITIES AND PATH FORWARD

As we grow our system around the world, we must work to identify and hire hospitable associates to serve our guests, extending our culture and service commitment to new markets and new hotels. In the coming years, we expect nearly half of Marriott's new hotels will be located in emerging markets where tourism is a major driver of new jobs and economic growth. We use social media and mobile technology to ensure our access to a global pipeline of next-generation talent, and to complement traditional recruiting through universities and key nonprofit partners including Youth Career Initiative and National Academy Foundation.

For Marriott to grow and continue to be successful, our associates must also be committed to training for professional advancement.

Training is also an essential way to maintain our renowned culture that focuses on associate engagement, participative management and outstanding customer service.

To meet the demands of Marriott's global growth, we also need to continue our investment in a strong leadership pipeline to ensure associates are ready to assume advanced leadership roles.

2013 ACCOMPLISHMENTS

- For the third consecutive year, Marriott was recognized as one of the World's Best Multinational Workplaces by Great Place to Work®, the world's largest annual study of workplace excellence. Ranked seventh out of 25, Marriott is the highest-ranked hotel company on the list, building on its inclusion on Great Place to Work lists in multiple countries around the world.
- Under Marriott's philosophy of promoting from within, many of our leaders have moved up from entry-level hourly to management positions. In addition to participating in internal learning programs, these leaders have taken advantage of tuition reimbursement and flexible schedules to attend school and cross-train to gain experience and skills in various departments.
- Marriott launched a new iteration of our Living Our Core Values/Living Our Employee Promise program for all Marriott-branded and Ritz-Carlton® hotels. We created this program to assist general managers in building a foundation for engaging associates.
- Our Professional Leadership program
 is a one-week leadership program for
 high-potential leaders from around the world.
 Participants identify their strengths and areas
 for growth, and create action plans to support
 ongoing development. In addition, Marriott's
 Women in Leadership program helps our
 women leaders assess and determine leadership
 and business challenges and create measures
 of success.
- We launched Marriott's Global Voyage program for university graduates in late 2013. This 12 to 18 month global leadership development program features an innovative virtual environment, on-the-job discipline-specific training and interaction with global senior leadership through an exclusive executive leadership speaker series. As of June 2014, we hired over 540 Voyagers into the program from over 30 countries in the Americas, Asia Pacific, Middle East & Africa and Europe. As Voyagers graduate, many will move in to management positions within the company.



| TOTAL GLOBAL WORKFORCE1 | YE 2011 | YE 2012 | YE 2013 |
|---|---------|---------|---------|
| Total Global Associates ² | 191,104 | 199,318 | 199,929 |
| Hourly-paid | 87% | 86% | 87% |
| Salaried | 13% | 14% | 13% |
| Full-time ³ | 91% | 91% | 91% |
| Part-time ³ | 9% | 9% | 9% |
| Male ³ | 47% | 48% | 48% |
| Female ³ | 53% | 52% | 52% |
| Voluntary Turnover (includes retirements) | 16% | 17%4 | 17% |
| New Hires | 35,847 | 46,3724 | 51,659 |

| TOTAL U.S. WORKFORCE | YE 2011 | YE 2012 | YE 2013 |
|---|---------|---------|---------|
| Total U.S. Associates | 100,261 | 107,278 | 102,950 |
| Hourly-paid | 84% | 84% | 84% |
| Salaried | 16% | 16% | 16% |
| Full-time | 88% | 88% | 88% |
| Part-time | 12% | 12% | 12% |
| Male | 45% | 46% | 46% |
| Female | 55% | 54% | 54% |
| Voluntary Turnover (includes retirements) | 12% | 13%4 | 13% |
| New Hires | 20,205 | 19,1304 | 22,225 |

| 2013 U.S. WORKFORCE BY GENDER ¹ | MALE | FEMALE |
|--|------|--------|
| Hourly-paid | 46% | 54% |
| Salaried | 46% | 54% |
| Full-time | 46% | 54% |
| Part-time | 43% | 57% |

¹Includes hourly-paid and salaried associates at headquarters, corporate offices and managed properties unless otherwise noted.

² Includes Marriott associates and associates at Marriott managed international properties.

³ Excludes non-U.S. hourly population not tracked in human resources information system.

⁴ Does not include Gaylord Hotels*, which we acquired in 2012.





Above: Marriott annually recognizes associates from around the world with the company's top honor during the Awards of Excellence (AOE) ceremony. Executive Chairman J.W. Marriott, Jr. (far right) joined the 2014 AOE honorees during the event in Bethesda, Maryland.

Right: Marriott women leaders like Peng Zhuangsheng (left), Pan Xiaoying (middle) and Wang Dong, who are general managers for Marriott hotels in Beijing, were featured in a news story in Chinese media.

ONE MILLION FANG!



MARRIOTT HOSTS #1 CAREERS FACEBOOK PAGE ACROSS ALL INDUSTRIES

Reaching a milestone of 1 million fans in 2013, Marriott Jobs and Careers engages the next generation of talent where they already spend time—on social media—and drives highly qualified candidates to Marriott jobs.

RELATED LINKS

Marriott's Global Employment Principles
Marriott, Where I Belong
Marriott Jobs and Careers Facebook Page
XPLOR™ by Marriott
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.

MOBILE APPLY

In 2014, more than 100,000 people will begin their Marriott careers, including thousands of millennials from around the globe. To meet this demand, we launched Mobile Apply—an industry first—giving job seekers an easy way to find and apply for jobs from their

APPLY TO JOBS ON YOUR MOBILE DEVICE.

MINERAL TRAFFIC MOBILE D

phones. This engages candidates across the globe in a relevant way and recognizes that in the developing world, candidates are often more likely to have smartphones than computers.

Available on all smartphones, tablets and feature phones, candidates can visit http://m.jobs.ritzcarlton.com or http://m.jobs.ritzcarlton.com to search and apply for jobs. Candidates have the choice to enter their information or import it directly from their LinkedIn profile. Mobile Apply is currently available in 10 languages including English, French, German, Japanese, Korean, Mandarin, Portuguese, Russian, Spanish and Thai.



HEALTH, SAFETY AND WELLBEING



INTRODUCTION

The foundation of Marriott International's success lies in our core value to "Put People First." The company's long-standing philosophy as expressed by both J. Willard Marriott and our current Executive Chairman, J.W. Marriott, Jr. has been, "Take care of your associates and they'll take care of your customers and the customers will come back." When our associates feel valued, respected and trusted, they are better able to take care of themselves, our customers and our communities. We believe the health, safety and wellbeing of our associates and guests is critical to our success and the vitality of our local communities. We have established formal programs to help drive our efforts in each of these areas.

MANAGEMENT APPROACH

In 2010, we created the TakeCare Wellbeing program for associates as a primary focus of Marriott's health care strategy. We partner with our medical plans and Wellbeing experts to offer programs and resources to give our associates the support they need to live a healthy lifestyle. The TakeCare Wellbeing program offers a variety of programs such as worksite Wellbeing challenges, health coaching, and health promotion activities that focus on nutrition, physical activity, stress management, smoking cessation, weight management, cancer prevention, family wellbeing and more. Through the support of Wellness Champions located in nearly all of our managed hotels in the U.S., Marriott® associates learn how to choose health every day. To enhance our employees' competitive benefits package, including health insurance, we also offer a portfolio of work-life balance initiatives including flexible work arrangements, paid and unpaid time off, dependent care discounts and flexible staffing for professional career breaks.

We established an Occupational Health Services program in 1985, which currently employs 46 nurses who support our health needs in the United States. Nursing roles include providing occupational nursing care to associates, as well as providing telephone case management services to injured workers.

Our Global Safety & Security team provides training, policy enforcement and technical expertise in safety and security management to help minimize harm to our stakeholders and business. Our staff is trained to assess and respond appropriately to threatening situations and our hotels work closely with local, state, federal and international authorities. We also work with the U.S. Department of State and Department of Homeland Security when establishing security protocols for some of our hotels. Because each property is unique, including configuration and location, we tailor individual security measures to each hotel and review those measures often. We also focus on food safety and the quality and supply chain integrity of the food we serve to our associates and guests.

GOALS/TARGETS

Taking care of our guests and associates is a priority for Marriott. We take pride in offering a comprehensive benefits package, including the TakeCare Wellbeing program, to ensure associates have the tools they need to live and prosper. Since the program's inception, we have shown that properties that actively participate in wellness program activities experience medical claims cost savings and have higher associate engagement. We also strive to provide a safe and healthy environment for associates and guests, raise awareness of potential hazards, and educate associates on proper reporting procedures.

CHALLENGES, OPPORTUNITIES AND PATH FORWARD

Our traveling customers and our associates increasingly focus on their health, safety and wellbeing. We understand that health and productivity are linked and that a healthy workforce leads to a healthy bottom line. Marriott continues to strive to provide an environment that supports a healthy and productive lifestyle, while promoting associate and guest safety.

September is Global Safety &

Security Awareness Month

2013 ACCOMPLISHMENTS

Health & Wellbeing

- Marriott again earned the Work-Life Seal of Distinction from WorldatWork's Alliance for Work-Life Progress. The Work-Life Seal of Distinction recognizes companies that demonstrate leadership in providing a wide variety of workplace policies, programs and practices that support employees in all aspects of work-life navigation. We have also been designated as a Fit-Friendly Company by the American Heart Association and earned Gold Designation for our TakeCare Wellbeing from the National Business Group on Health.
- In a LinkedIn blog post "Taking Care of Yourself, Then Business," President and CEO Arne Sorenson wrote about the power of exercise and the importance of fitting it into our schedules. In early 2014, along with Dave Grissen, group president, we launched our TakeCare Healthy Hotel Certification program to recognize properties that create a healthier environment for their associates with the goal of jump-starting properties that haven't already gone down this path.
- Marriott piloted a marketing program, Rest Better™ by MindClick Global, to promote the benefits of sustainable procurement to our guests. We implemented this pilot program at the renovated Courtyard® San Diego Rancho Bernardo in California. Through mobile marketing efforts, we informed hotel guests of the positive health and environmental impacts verified through the MindClick Global Index, such as improved indoor air quality, water-based finishes, local sourcing and use of recycled materials.



Marriott's myARL (my Assistance and Resources for Life) free, confidential program offers consultation and referral services on a variety of work-life issues including emotional wellbeing, access to legal and financial advice, and child and elder care referrals. myARL has an extensive library of resources to assist our associates and their families with life's everyday challenges. In 2013, nearly 20 percent of Marriott's total U.S. workforce reached out to myARL more than 18,000 times to use the service.

RELATED LINKS

Marriott Where I Belong Career Site Marriott Safety and Security Marriott Internet Privacy Statement Awards and Recognition

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Safety & Security

- We recognized more than 60 associates with Chairman's & President's Awards for their life-saving actions.
- We completed our annual testing of hotel sprinkler and alarm systems, along with life safety audits and training.
- Every September Marriott recognizes Global Safety & Security Awareness Month. We provide resources and activities to help associates remember that we all have a role to play in creating a safe and secure environment at our workplace and in our homes.



Above: Doha Marriott Hotel Nurse Mary Jane Amora (left) was one of nine Marriott associates to recently receive the company's annual Awards of Excellence recognition for her outstanding efforts to take care of fellow associates.



Marriott.

GLOBAL DIVERSITY AND INCLUSION



INTRODUCTION

Marriott International's global Diversity and Inclusion (D&I) approach is deeply rooted in our company's culture and core values. Our culture is best represented by the first and most significant of our five core values, Put People First, including an emphasis on providing opportunity.

Valuing and embracing differences is also a part of the way we do business every day around the world, and essential to our success as a leading hospitality company with a growing global portfolio of more than 4,000 hotels in nearly 80 countries. We realized long ago that a diverse and inclusive workforce strengthens Marriott's culture and provides a competitive advantage. Our commitment to diversity and inclusion also enhances sustainable business growth, as well as economic and social vitality.

GOALS/TARGETS

Our global D&I objectives include:

- Leveraging our core values to embed global D&I so that it is an integral part of how we do business.
- Positioning global D&I as a business priority.
- Continuing to put our global D&I strategies into practice while building leadership capability to promote global thinking, optimize individual and team performance, and provide better service to our customers.
- Building preference with next-generation associates and travelers.
- Creating workplace and travel experiences that generate loyalty.

2013 DIVERSITY OWNERSHIP AND PROCUREMENT





MANAGEMENT APPROACH

In 1989, Marriott[®] was the first company in the travel industry to establish a formal D&I program, and the first to introduce a formal supplier diversity program in 1997. Today, our Global Diversity & Inclusion Council, a CEO-led council of senior executives, drives Marriott's global D&I efforts, and a board-level committee, the Committee for Excellence, oversees the Council. The Committee is responsible for monitoring the progress of our global D&I strategy and evaluating the company's efforts to promote an increasingly diverse workforce, guest, owner and supplier communities. Corporate Supplier Diversity Champions cascade Supplier Diversity information and objectives within their disciplines to drive increased spend with diverse suppliers. Through the company's Global D&I Council, our continental presidents have regional D&I objectives that may focus on customers, associates, hotel owners, and suppliers, specifically women and diverse-owned businesses selling goods and services to Marriott. The company also holds its leadership accountable for our D&I goals. All continental presidents have a D&I Management Business Objective (MBO) and strategy that are meaningful to their geography. Their incentive compensation reflects performance against this MBO and other objectives.

We strive to be an active corporate member of national and multinational organizations that support the development of our key stakeholders including diverse and historically excluded suppliers, current and potential associates, and hotel owners. Our continental procurement teams also work with organizations like WEConnect International, Vital Voices Global Partnership and Avendra—the largest professional procurement company serving the hospitality industry in North America—to support and identify diverse suppliers globally, including women, who can provide products and services to meet our business needs.

CHALLENGES, OPPORTUNITIES AND PATH FORWARD

While we have made progress in our efforts to date, success is never final. We continue to assess and improve upon our efforts as we expand our reach around the world. We are committed to embracing and valuing the unique talents and contributions of our associates, customers, suppliers and owners.

2013 ACCOMPLISHMENTS

Customers

- We launched a Country Deep Dives cultural awareness program for the Washington, D.C. and Chicago Sales offices. This initiative allows our sales teams to learn about new cultures and their impact on business. At year-end 2013, we made Country Deep Dives available for Brazil, Russia, India, China, Japan, Ghana, Mexico, Turkey and Germany.) Each 30-minute presentation includes a country overview, business and social protocols, customs, holidays and foods.
- We created a fresh look for Marriott.com/gaytravel, the first hospitality portal tailored for lesbian, gay, bisexual and transgender (LGBT) customers worldwide. The portal is available in English, French, Spanish, German and Portuguese.
- Our 2014 marketing campaign, Be You, With Us^s, celebrates Pride Season in cities around the world that host events to support the LGBT community. Residence Inn[®] also partnered with Mombian.com and the Family Equality Council to host a travel-focused Twitter party for parents who are LGBT.



Above: Marriott's recently launched #LoveTravels is our largest campaign aimed at the LGBT community.

• Marriott Rewards® partnered with Warner Bros. to promote the film 42 about baseball legend Jackie Robinson, who became an American hero when he joined the Brooklyn Dodgers in 1947, as the first African-American to play in the Major Leagues. In support of 42, Marriott Rewards held a contest that gave winners the opportunity to experience the premiere and release of this important film about equality, inclusion and opportunity.

Workforce

- We designed Valuing Our World of Differences, a new mandatory training course for all associates, to help our workforce develop or further enhance cross-cultural competence. In our global environment this is critical to our success from an associate, customer, supplier and business perspective. The course includes techniques to build and value cultural differences and defines associate roles in creating an inclusive work environment.
- Our training programs throughout 2013 for leaders included a growing percentage of women, with women representing 47 percent of participants in our Leadership Excellence program, 21 percent of participants in the General Managers One Week program, 24 percent of participants in the Executive Development program, and 41 percent of participants in the newly launched Professional Leadership program.
- Launched in October, Marriott's Veterans
 Career Page helps U.S. military veterans seeking
 jobs identify the right opportunities through
 a customized military occupational translator
 tool that we developed in association with
 Military.com. Transitioning from active duty,
 military service members and veterans can search
 a broad range of opportunities at Marriott that
 map to their military experience.



2013 ACCOMPLISHMENTS Continued

Suppliers

- From 2003 to 2013, Marriott spent more than \$4 billion with diverse suppliers globally and that number continues to grow.
- Over 50 percent of 2013's inclusive purchasing (spend with diverse suppliers) was with more than 4,000 women-owned businesses globally.
- We continue to sponsor, support and host an array of events, conferences, and summits to further develop our Supplier Diversity program, mentor diverse suppliers to equip them for corporate opportunities and identify new opportunities to incorporate diverse suppliers into our global supply chain.

Owners

- Marriott launched its Diversity Ownership Initiative in 2005 to bridge the gap between successful women and minority business owners/professionals and the hospitality industry. The Initiative focuses on outreach and education for diverse hotel owners and franchisees and may offer financial incentives.
 We surpassed our early goals and by year-end 2013 had 640 open managed and franchised hotels with diverse ownership.
- To encourage minority hotel ownership, Marriott hosts the Diversity Ownership Summit twice a year and conducts Hotel Ownership 101 Sessions during the National Black MBA Association's annual conferences.



OUR COMMITMENT TO WOMEN-OWNED BUSINESSES

At the 2013 Clinton Global Initiative annual meeting, Marriott joined more than two dozen global corporations and organizations in a five-year commitment to expand engagement with women-owned businesses outside the United States, particularly in emerging economies. Working with two existing multinational organization partners that support and promote the economic potential of women, WEConnect International and Vital Voices Global Partnership, Marriott is part of a pledge to collectively develop at least 15,000 women business owners and spend \$1.5 billion with global women-owned businesses by 2018.

As a part of this commitment, in 2014 our JW Marriott® brand will debut Voices for Women, a program in partnership with Vital Voices. This initiative enables JW Marriott general managers to select one high-performing female associate per property who is responsible for identifying local women-owned businesses for the hotel's supply chain via events, procurement and networking opportunities. The program helps stimulate economic growth in the destinations where we operate hotels. We are piloting the program at the JW Marriott Mexico City, with a global brand roll-out planned for late 2014.

Above: Marriott International, Inc. President and CEO Arne Sorenson (pictured, center) recently joined a Clinton Global Initiative commitment to support the advancement of women-owned businesses in our procurement process.

| DIVERSITY | 2011 | 2012 | 2013 | Target |
|--|--------|-----------------------|---------|-------------------|
| Minority- and Women-Owned Open Hotels ^a | 600 | 614 | 640 | 700 by 2015 |
| Inclusive Purchasing | \$567M | \$491M ^{b c} | \$468M° | \$476M by 2015 |

^a Figures reflect managed and franchised properties.

RELATED LINKS

Marriott Global Diversity and Inclusion
Awards and Recognition
Supplier Evaluation
Marriott.com/gaytravel

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This year, the Marriott

Foundation for People with Disabilities and its Bridges from School to Work program will celebrate serving 20,000 youth since the launch of the nonprofit 25 years ago. In the excerpt below from Marriott's 1973 Annual Report—forty years ago—our then president and current executive chairman, Bill Marriott, addressed the value of social responsibility and employing people with disabilities.

1973 ANNUAL REPORT
A SPECIAL MESSAGE FROM THE PRESIDENT:

What About This Business of Social Responsibility?

The National Rehabilitation Association has honored Marriott Corporation with its 1973 Organizational Award for our record in employing the physically and mentally handicapped.

We have had a practice of hiring the handicapped for many years. They are very good workers . . . very loyal workers. With us they get equal pay, equal benefits, and a lot of understanding. Many have had richer lives for years because we welcome them.

b Decrease due to Marriott International's disposition of Marriott Vacation Club® and ExecuStay®.

 $^{^{\}rm c}$ Decrease due to reporting error in Tier 2 spend collected from prime suppliers.

2014 MARRIOTT INTERNATIONAL SUSTAINABILITY REPORT

COMMUNITY ENGAGEMENT



INTRODUCTION

Investing in the communities where we do business is at the core of Marriott International's "Spirit To Serve Our Communities" social responsibility and community engagement strategy. Our company's core value—to Serve our World—is intrinsic to our business and makes our culture more vibrant and our business and communities stronger.

GOALS/TARGETS

Marriott's corporate social responsibility (CSR) strategy and community investments focus on global issues of both business and social importance, and unite our associates through our "Spirit To Serve Our Communities." We work through nonprofit and nongovernmental organizations (NGOs), and give first preference to current partners before sourcing new ones. We seek to make a "balanced portfolio" of investments of cash, in-kind contributions and volunteerism for each of our five SERVE issues:

- Shelter and Food ... addressing housing and hunger needs including in times of disaster
- Environment ... progressing toward a healthier planet and more sustainable future
- Readiness for Hotel Careers ... educating and training the next generation for a "World of Opportunity"
- Vitality of Children ... aiding sick and impoverished children
- Embracing Global Diversity and Inclusion ... providing opportunity, inclusiveness and a warm welcome to all people

MANAGEMENT APPROACH

Marriott® has a rich legacy of CSR that began with our founders hiring a doctor, then a surgeon for our associates' healthcare needs in the years following the Great Depression. Since then, our social responsibility has grown and evolved; it includes decades-long nonprofit partnerships like Children's Miracle Network Hospitals, the National Academy Foundation and The Marriott Foundation for People with Disabilities as well as more recent collaborations including the Youth Career Initiative, the Amazonas Sustainable Foundation and commitments we made through the Clinton Global Initiative.

Continued

CHALLENGES, OPPORTUNITIES AND PATH FORWARD

The importance of CSR initiatives has grown significantly in the last decade. Important stakeholders—including customers, guests, investors and business partners—assess the companies they do business with to ensure they are good corporate citizens who are becoming more sustainable, uphold ethical standards and values, and operate with transparency.

This has driven Marriott to enhance its CSR strategy, such as the creation of several enterprisewide groups, including the company's Global Green Council, the Human Rights Task Force and the Marriott & Ritz-Carlton Disaster Relief Fund Committee.

As we progress, our focus is on better measurement tools and systems, participating in more customer-, guest-, industry- and cross-sector-level engagement, communicating more frequently using social media and increasing integration of our efforts throughout the enterprise.



MANAGEMENT APPROACH Continued

Marriott's Worldwide Business Councils are a network of Marriott's general managers and hotel leaders who volunteer to drive macro business initiatives including CSR, government advocacy and corporate culture in 75 major markets throughout the world. By engaging owners, franchisees, suppliers and even customers, the Business Councils achieve greater impact through collaboration.

We enable our Marriott Rewards® and The Ritz-Carlton Rewards® members to donate millions of points each year in support of charitable organizations that align with our community engagement strategy.

In 2013,
The Ritz-Carlton
Community
Footprints® program
was recognized
by the Points of
Light Institute
with the Corporate
Engagement Award



of Excellence, which honors companies that have created a culture that inspires and equips employees to volunteer and make an impact in their communities.



In 2014, the Marriott Foundation for People with Disabilities and its Bridges from School to Work program will celebrate serving 20,000 youth since the launch of the nonprofit 25 years ago. In 1989, the Marriott family provided funding and Marriott associates developed the model that has supported, coached and placed youth in competitive positions with employers in 10 markets in the U.S.

CONTRIBUTIONS* (\$M)

| | 2011 | 2012 | 2013 |
|----------------------------------|---------|---------|---------|
| Cash Contributions | \$7.5 | \$7.2 | \$7.8 |
| In-Kind Contributions | \$15.6 | \$16.0 | \$16.0 |
| Total Cash/In-Kind Contributions | \$23.1 | \$23.2 | \$23.8 |
| Associate Fundraising | \$4.9 | \$4.3 | \$3.3 |
| Associate Service Hours | 429,412 | 459,483 | 508,270 |

^{*}In addition to Marriott Corporate Headquarters' giving, we rely on voluntary reporting from our managed (and some franchised) properties to capture our overall contributions. We encourage our hotels to share these numbers, as we believe they are currently underreported. NOTE: As of 2013, we no longer estimate or track a monetary equivalent of our associate volunteer hours.

2013 ACCOMPLISHMENTS

Global/Continent

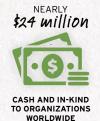
- At the 2013 Clinton Global Initiative annual meeting, Marriott joined more than two dozen global corporations and organizations in a five-year commitment to expand engagement with women-owned businesses outside the United States, particularly in emerging economies. Working with two existing multinational partners that support and promote the economic potential of women, WEConnect International and Vital Voices Global Partnership, Marriott is part of the pledge to collectively develop at least 15,000 women business owners and spend \$1.5 billion globally with women-owned businesses by 2018.
- When Typhoon Haiyan hit the central Philippines in November 2013, an estimated 10 million people were affected by the strongest typhoon to make landfall in recorded history. Marriott contributed \$50,000 (more than 2 million Philippine Pesos) to the Red Cross Typhoon Haiyan Appeal and our hotels and 11 Marriott Business Councils throughout the Asia Pacific region helped the Philippine Red Cross address the most critical needs for food, water, clothing and medicine.
- Marriott-branded hotels across
 Europe continued their support
 of World of Opportunity Europe by
 unifying Marriott-branded properties
 across Europe with one social cause:
 Youth Employment. In Continental
 Europe, funds raised benefit the SOS
 Children's Villages Youth Programme



and in the United Kingdom funds raised benefit The Prince's Trust Fairbridge Employ Me courses and Get into Hospitality programs. Since the program started in 2012, we have contributed nearly \$1.4 million in cash and in-kind donations, including funds raised during the 2014 You Eat, We Give restaurant promotion. We enabled our partner charities to offer training and development opportunities to 550 youth in our hotels, with 62 finding employment after finishing the training—34 of whom were employed at a Marriott hotel.

Above: Umesh Narshi left a life of chaos and violence behind when he joined The Prince's Trust Team program, a personal development course that gives unemployed young people skills and confidence to find work. As part of the program, Umesh received a work placement in the gym of the Peterborough Marriott Hotel (U.K.). Upon completion of the program, the hotel offered Umesh a job and is also funding his training as a qualified gym instructor and personal trainer.

2013 MARRIOTT CHARITABLE CONTRIBUTIONS



\$3.3 million



500,000+ hours



OF ASSOCIATE COMMUNITY SERVICE

IN SUPPORT OF THEIR COMMUNITIES

Marriott REWARDS.

17.5 MILLION POINTS

WERE DONATED IN 2013 BY MARRIOTT REWARDS MEMBERS AND CONVERTED TO CASH DONATIONS AND HOTELS STAYS

TO BENEFIT OTHERS

2013 ACCOMPLISHMENTS Continued

- In June, Marriott's Asia-Pacific team announced a three-year agreement with The Yao Ming Foundation to support educational programs for children in rural areas of China. The Foundation, founded by former professional basketball star Yao Ming, promotes the all-around development of Chinese youth by providing opportunities to improve their education, sports skills, health and self-esteem. Marriott will donate \$800,000 over three years to establish three Project Hope schools in the southwestern region of China.
- The J. Willard and Alice S. Marriott
 Foundation, a private family foundation,
 announced a commitment of
 \$6.5 million (40.5 million RMB)
 over five years to support China's
 youth through the Marriott China
 Hospitality Education Initiative
 (CHEI). The Initiative's vision is
 to create world-class hospitality
 education that leads to
 life-changing careers for youth
 in China's booming travel and
 tourism industry. Developed
 in partnership with global
 academic and industry experts,



\$6.5 MILLION

WAS COMMITTED BY THE THE J. WILLARD AND ALICE S. MARRIOTT FOUNDATION, A PRIVATE FAMILY FOUNDATION, OVER FIVE YEARS

TO SUPPORT CHEI

CHEI enables Chinese educators and students from vocational schools and universities to gain knowledge and real-world experiences in hotel operations. CHEI's portfolio of programs, piloted in 2013 and 2014, includes hospitality curricula, faculty internships at local hotels, guest lectures, hotel field trips, international fellowships and a teaching conference. Marriott will support the initiative by providing mentoring and externships for leaders at our hotel properties.

Marriott Rewards

- In early 2014, we expanded our online donation options to allow Marriott Rewards members to easily convert their points into dollars and donate to our "featured causes" and other nonprofit organizations with U.S. and international reach. In 2013, Marriott Rewards members donated approximately 17.5 million points, which were converted to cash donations and hotel stays to help others.
- Through our "featured cause" portal, Marriott Rewards members have donated a total of 43.7 million points since 2012 to Fisher House Foundation's Hotels for Heroes program. In 2013, Fisher House used Marriott Rewards points to help lodge 322 families of U.S. military veterans receiving medical treatment for more than 1,300 room nights, saving military families nearly \$240,000.



Above: Marriott Rewards' website portal allows members to donate points to the charity of their choice or one of Marriott's five "featured causes."



EXPANSION OF JOB PARTNERSHIP FOR YOUNG AFRICAN WOMEN

Marriott expanded its successful partnership with the Akilah Institute for Women in Kigali, Rwanda by selecting a second class of graduates to train for hotel careers. These 24 African women between the ages of 21 and 30 are participating in the job training partnership in Dubai and Doha. Akilah offers a three-year business diploma with a focus in hospitality management, information systems or entrepreneurship. The unique Akilah model emphasizes leadership and communication skills and works closely with the local private sector to develop market-relevant curricula and to ensure job placement for graduates.

The 41 women now enrolled in the training program will help open the Kigali Marriott Hotel as supervisors and trainers in 2016. To date, this partnership has helped ensure that 92 percent of Akilah's graduating classes have successfully launched sustainable careers in Africa.

Above: Among the new group of employees will be Cecile Musanase who spoke at an event held in Washington, D.C. to celebrate the partnership between Marriott and the Akilah Institute for Women.

RELATED LINKS

Our Partners in Corporate Responsibility
Marriott Rewards Featured Causes
Ritz-Carlton Community Footprints®
Akilah Institute for Women Video
Children's Miracle Network Hospitals
The Yao Ming Foundation
Youth Career Initiative
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.

2013 ACCOMPLISHMENTS Continued

Brands

 The Ritz-Carlton® employees around the world engaged in 118,887 hours of volunteer service to help address the Community Footprints' program's three areas of focus: child wellbeing; hunger and poverty relief; and environmental responsibility. One of many examples of the brand's social impact is the pro-bono, skills-based Succeed Through Service youth engagement program that partners employees with children facing economic, social or personal challenges and provides career exploration, life skills training and service-learning modules. Over 15,000 students have benefited from the program to date. To expand the scope and scale of the program's impact, the curriculum and resources were made available on a nonproprietary, open source basis to be a catalyst for others to support at-risk youth.

- More than 3,000 general managers (GMs) representing our select-service and extended-stay brands convened at the Orlando World Center Marriott in May 2013 for training, teambuilding and supporting their communities through brand-specific service projects:
 - Residence Inn® GMs received emergency preparedness training as part of the brand's new alliance with the American Red Cross.
 - Fairfield Inn & Suites® GMs painted homes as part of the brand's long-standing partnership with Habitat for Humanity®
 - •GMs from the TownePlace Suites® brand made blankets for each child being cared for at the Arnold Palmer Hospital for Children in Orlando.
 - Courtyard® GMs assembled nearly 200 bicycles for the Orlando Boys & Girls Club.
 - SpringHill Suites® GMs assembled art horses (sturdy seats for art students) for a local elementary school.

• To celebrate the brand's 18-year relationship with Habitat for Humanity, Fairfield Inn & Suites launched its Design for Habitat Facebook application,

allowing people to creatively build virtual homes and customize them with elements such as landscaping and house colors. Fairfield Inn & Suites donated \$10 for each virtual house built, with a total donation of \$50,000.

Top: The Ritz-Carlton's Succeed Through Service skills-based mentoring program teaches students life skills and about career opportunities and the importance of giving back to the community. (Pictured is Banquets Captain Raul Menjivar of The Ritz-Carlton,

Pentagon City demonstrating necktie tying during the life skills training.)

2014 MARRIOTT INTERNATIONAL SUSTAINABILITY REPORT

ENVIRONMENTAL PERFORMANCE



INTRODUCTION

Responsible 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 GOALS¹

- Further reduce energy and water consumption 20 percent by 2020?
- Empower our hotel development partners to build green hotels.
- Green our multibillion 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.

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.

Continued

CHALLENGES, OPPORTUNITIES AND PATH FORWARD

TO RECEIVE LEED GOLD CERTIFICATION.

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.



INTENSITY

Progress as of Year-End 2013 (compared to 2007 baseline)

WATER
CONSUMPTION
CUBIC METER
PER OCCUPIED ROOM

environment.

12.8%

ENERGY CONSUMPTION kWH PER SQUARE METER OF CONDITIONED SPACE

11.0%

GHG EMISSIONS

POUNDS OF CO₂e PER SQUARE

optimization program with Siemens in Europe.

12.4%

MANAGEMENT APPROACH Continued

Integrating Sustainability Into Our Operations

Marriott's Engineering Global Leadership Team (GLT) is responsible for driving performance on our energy, carbon, water and waste targets through our continental operating structure. These leaders help identify and implement enterprise-level projects, partnerships and tools that deliver substantial savings across our portfolio. This GLT also helps guide our efforts to build more sustainable hotels, and inspires our associates and guests to live and work more sustainably. In specific geographic markets, we have established Engineering Business Leadership Councils to help guide our on-the-ground efforts. At the regional level, directors of engineering and cluster engineering managers work to address environmental challenges and opportunities, while our property managers do so locally. At every level of the engineering discipline, from our global engineering leader to individual property engineers, performance goals are set to meet environmental targets.

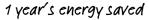
Our Energy & Environmental Action plans guide engineering and other property leaders through energy and water audits to help identify opportunities for improvement. The plans help properties identify projects and practices that will deliver energy and water savings, as well as best practice guidelines for recycling and reducing waste. Transcendent, a web-based enterprise asset management tool, tracks our properties' preventive maintenance status, projects and capital expenditure plans and rolls data up at the country, continent and corporate level. Utility database systems also track consumption across our managed portfolio, allowing data to be analyzed and benchmarked.

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.







10 years of growth of 1,476 tree seedlings

MANAGEMENT APPROACH Continued

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 automations 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.

ADDITIONAL EFFORTS & HIGHLIGHTS*



2,908 HIGH EFFICIENCY LIGHTING

110
ELECTRIC VEHICLE
CHARGING STATIONS

218
ALTERNATE ENERGY
RESOURCES

WATER

1,045 LOW FLOW TOILETS

1,198 LOW FLOW FAUCETS

2,143 LOW FLOW SHOWERHEADS

1,576

RAINWATER FOR LANDSCAPING

1,628

135,000 DAILY NEWSPAPER "OPT OUT"

WASTE

RECYCLE

465

COMPOST

2,075

DONATE UNUSED

SUPPLIES TO CHARITY

LANDSCAPE USING DROUGHT TOLERANT PLANTS

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.

^{*}Numbers are based on 3,917 managed and franchised hotels in our system as of year-end 2013



Marriott President and CEO Arne Sorenson (center) helps celebrate the LEED gold-certified Residence Inn® Arlington Ballston hotel in Virginia. It is one of eight Marriott properties declared LEED certified in 2013, bringing our total to 31.

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 Continued

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.

2013 ACCOMPLISHMENTS Continued

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.
- 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.

Green Buildings

- Marriott helped several existing hotels obtain LEED certification for existing buildings by identifying local government incentive programs.
- We reduced energy consumption at Marriott's two data centers by 10.4 percent and water consumption by 2.5 percent in 2013 versus 2012.

MANAGEMENT APPROACH 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.

2013 ENVIRONMENTAL PERFORMANCE INDICATORS

| | 2007 | 2012* | 2013 | Change from 2012 |
|---|-------|-------|-------|---------------------|
| Total Water Consumption (million cubic meters) ^a | 58.6 | 59.2 | 57.2 | -3.5% |
| Intensity ^b | 0.86 | 0.79 | 0.75 | -5.1% |
| Total Energy (million MWh) | 7.59 | 7.94 | 8.48 | 6.8% |
| Intensity ^c | 401.2 | 352.4 | 357.1 | 1.3% |
| Direct Energy (million MWh) | 3.40 | 3.15 | 3.44 | 9.2% |
| Indirect (Purchased) Energy (million MWh) | 4.19 | 4.79 | 5.05 | 5.3% |
| GHG Emissions (million tons CO ₂ e) ^d | 3.19 | 3.30 | 3.47 | 5.1% |
| Intensity ^e | 372.3 | 325.5 | 325.9 | 0.1% |

- ^a 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.

2013 ACCOMPLISHMENTS Continued

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*

| | Americas | Europe | Asia Pacific | Middle East/ Africa |
|---|----------|--------|-----------------|------------------------|
| Total Water Consumption (million cubic meters) ^a | 35.7 | 4.6 | 13.9 | 3.0 |
| Intensity ^b | 0.66 | 0.55 | 1.27 | 1.23 |
| Total Energy (million MWh) | 5.23 | 1.03 | 1.65 | 0.58 |
| Intensity ^c | 345.9 | 410.8 | 362.0 | 455.8 |
| Direct Energy (million MWh) | 2.24 | 0.44 | 0.62 | 0.14 |
| Indirect (Purchased) Energy (million MWh) | 2.99 | 0.59 | 1.03 | 0.44 |
| GHG Emissions (million metric tons CO ₂ e) ^d | 2.01 | 0.33 | 0.86 | 0.27 |
| Intensity ^e | 292.8 | 291.6 | 414.8 | 470.1 |

- ^a 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.

| LEED BUILDINGS* | 2010 YE** | 2011 YE** | 2012 YE** | 2013 YE |
|--|--------------|--------------|--------------|------------|
| LEED-Registered | 68 | 94 | 106 | 106 |
| LEED-Certified | 13 | 16 | 23 | 31 |
| Total LEED-Registered + LEED-Certified | 81 | 110 | 129 | 137 |

- *All data is cumulative; registered and certified data includes franchised properties and Marriott Corporate Headquarters.
- **Adjustments to LEED hotel counts reported in 2010, 2011 and 2012 are due to inclusion of hotels from Autograph Collection*, hotels in international markets and hotels previously not associated with Marriott.

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.

CARBON DISCLOSURE PROJECT

2013 CARBON PERFORMANCE BAND **2013** CARBON DISCLOSURE SCORE

В

81

Marriott reports annually to the CDP (<u>www.cdp.net</u>).

Performance is rated from A to E with A being highest.

Disclosure is rated on a 100-point normalized scale.



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.

LEED is the preeminent program for the design, construction, maintenance and operations of high-performance green buildings. LEED, and its related logo, is a trademark owned by the U.S. Green Building Council and is used with permission.

2014 MARRIOTT INTERNATIONAL SUSTAINABILITY REPORT

RESPONSIBLE SOURCING



INTRODUCTION

Marriott International works with its supply chain to help develop innovative products and programs that deliver superior performance while meeting our sustainability goals. We collaborate with suppliers to conserve energy, reduce water use, increase waste diversion and include more sustainable materials.

GOALS/TARGETS

In our effort to meet our environmental goal of "greening our multibillion dollar supply chain," Marriott® works closely with Avendra, the largest procurement company that specializes in serving the hospitality industry in North America, to encourage a more sustainable supply chain. Outside North America, our continental procurement leaders seek opportunities to source sustainable products.

MANAGEMENT APPROACH

We collaborate with our suppliers in three channels of our supply chain furniture, fixture and equipment (FF&E), operating supplies and equipment (OS&E) and food and beverage—as part of our overall environmental strategy. We focus on supply chain engagement to develop innovative products and programs we use to deliver superior performance and meet our sustainability goals. We target dynamic partnerships and initiatives to help mitigate our impact on the natural environment while developing innovative products and services that maintain our position as a global hospitality leader.

Avendra works with key constituencies, including Marriott, in a collaborative effort to define its five-year plan related to sustainability initiatives. Avendra has established two key sustainability goals, which we support, that encourage more sustainable supply chains and product offerings within its contracted suppliers:

- To undertake efforts that ensure all contracted suppliers will have a sustainability policy by the end of 2016.
- To identify 10 significant categories and "champion" improved sustainability in these categories by the end of 2016.

of sustainability data within our supply chain, we continue to face challenges tracing each step in the journey of a given product that we purchase. The production

CHALLENGES, OPPORTUNITIES

AND PATH FORWARD

While we seek transparency, traceability and measurements

of any given product often involves multiple organizations with different systems and requirements working across international borders, making traceability difficult. At the same time, we continue to work with our biggest suppliers to reduce energy, water and waste and encourage innovative products that replace less sustainable solutions. We also work with others, such as our hotel owners, franchisees and nongovernmental organizations, on "red flag" supply chain issues, such as sustainable seafood and a ban

on shark fin.

OUR FOCUS IN SUPPLY CHAIN ENGAGEMENT IS THE DEVELOPMENT OF INNOVATIVE PRODUCTS AND PROGRAMS TO DELIVER SUPERIOR PERFORMANCE AND MEET OUR SUSTAINABILITY GOALS.

2013 ACCOMPLISHMENTS

Avendra's 2013 progress on our shared sustainable supply chain goals

- Educated more than 700 contracted suppliers on sustainable supply chain goals.
- Updated processes and documents, including requests for proposals to raise visibility of sustainability with the suppliers, inform them of Avendra's goals and help facilitate collection of sustainability policy statements.
- In collaboration with customers, contracting experts and our company executives, identified personal paper and foodservice disposables as the initial categories for improvement.
- Working with select suppliers, we appointed a cross-functional team to lead the analysis of the initial product categories for improvement.

MindClick/Hospitality Sustainable Purchasing Consortium

 As a founding partner of the Hospitality Sustainable Purchasing Consortium, facilitated by MindClick Global, we work to "green" our



FF&E supply chain. We achieved our goal of spending 75 percent of our 2013 FF&E procurement dollars on companies in MindClick Global's Sustainability Index.

- Marriott is exploring the expansion of the Index to the OS&E supply chain.
- MindClick Global has partnered with NSF International to expand its Sustainability Index to cover food supply chain sustainability from farm to processor. Marriott is a member of the newly established Foodservice Sustainable Purchasing Roundtable, working with industry leaders in foodservice to help establish the performance criteria for sustainable food commodity categories.

Continued



In the last two years, an increase in eco-uniforms we purchased in the Americas resulted in a 30 percent increase in plastic bottles diverted from landfills.

2013 FF&E EXPENDITURES

WITH SUPPLIERS COMMITTED TO





FROM WATER BOTTLES TO ASSOCIATE UNIFORMS

Marriott partners with Cintas, one of our largest vendors, to find product solutions that help us meet environmental goals. Hotels across nine Marriott brands are purchasing uniforms from Cintas' product range made partially, if not fully, of recycled polyester from post-consumer plastic bottles. Each item of clothing purchased by our hotels contains an average of 25 plastic bottles. Across the Marriott portfolio we removed nearly 2.3 million plastic bottles from landfills globally in 2013 by choosing these uniforms. A wear test of the Regeneration Suiting at a Courtyard® property resulted in feedback that the wearers preferred the fit, feel and care of the 100 percent recycled suit over their previous uniform.

Above: This Courtyard by Marriott uniform is made from fabric containing approximately 25 post-consumer plastic bottles.

2013 ACCOMPLISHMENTS Continued

Market Initiatives

- In the U.S., we contract with Cintas for the collection and shredding of confidential documents. This process has a positive environmental impact. In 2013, across our U.S. hotel system, we shredded more than 1.4 million pounds of paper, which was then used by manufacturers of recycled paper products.
- Our investment in nature extends to supporting bee farming and local produce—some of our hotels feature rooftop gardens, others produce their own honey and many are supporting local farmers. For example, 10 of our hotels in France are collectively sponsoring four organic beehives through the organization, Un Toit Pour Les Abeilles. In China, our hotels source their honey from hives in Sichuan Province through Marriott's Nobility of Nature program.

IN 2013, WE SHREDDED MORE THAN

1.4 MILLION

POUNDS OF PAPER THAT WAS THEN USED BY MANUFACTURERS OF RECYCLED PAPER PRODUCTS



Our Future Fish Guide neips associates in our hotels around the world source, prepare and serve sustainable fish wherever seafood is offered.

RELATED LINKS

<u>MindClick Global Sustainability Index</u> Cintas Recycled Polyester Process Video

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 ioint ventures and timeshare properties.



An associate from the Riviera Marriott Hotel La Porte de Monaco observes a professional beekeeper at work during a hotel visit to the beehives they sponsor.



• Animal welfare is an important consideration as Marriott works toward a more sustainable food supply chain, and we are addressing these complex issues with our vendors who supply our hotels. In support of the humane treatment of animals, we are directing suppliers to use only cage-free eggs and liquid egg products by 2015 and are directing our pork suppliers to discontinue the use of gestation confinement crates in their production processes by 2018. Marriott has also, for several years, featured down-alternative pillows, blankets and comforters in our guest rooms as a brand standard at a number of our hotel brands. And, at our other brands, we continue to offer a guest room that is free of any feather and down products upon request. We have engaged with organizations interested in our providing more down-alternative products to guests so we can continually evaluate our product offerings balancing, among other things, sustainability and consumer preferences.

Marriott

NATURAL CAPITAL: CONSERVATION INITIATIVES



INTRODUCTION

To help mitigate the direct and indirect environmental impacts of our business, Marriott International invests in and promotes innovative conservation initiatives. With more than 4,000 hotels in nearly 80 countries, our presence and Spirit To Preserve® environmental strategy drives economic opportunity for many and inspires us to consciously build more sustainable hotels. This helps to preserve natural capital wherever we are open for business.

Marriott's strategic conservation initiatives began in 2007. Our most significant projects to date include the Juma REDD (Reducing Emissions from Deforestation and Forest Degradation) Amazon rainforest project in Brazil, the Nobility of Nature fresh water conservation project in Sichuan Province, China, and a mangrove restoration project in Thailand. Each creates significant economic development locally while ensuring a healthier planet for all-both key to Marriott's long-term business success.

GOALS/TARGETS

- Demonstrate leadership, innovation and action in creating a healthier planet for all.
- Address critical environmental challenges through innovative conservation initiatives that have the potential to be scaled and replicated in the long-term to help protect the world's natural capital resources, particularly rainforests, fresh water and mangroves.
- Investment in natural capital resource projects that we expect to be self-sustaining models within five years.
- Engage stakeholders, particularly our associates, guests, customers and business partners at the hotels in close proximity to our conservation projects.



"NATURAL CAPITAL" REFERS TO THE VALUE THAT HEALTHY ECOSYSTEMS PROVIDE IN THE FORM OF GOODS SUCH AS CLEAN WATER, METALS AND MINERALS; AND SERVICES SUCH AS DEFENSE FROM STORMS, FLOOD PREVENTION, AND PROTECTION FROM FIRES.—CORPORATE ECO FORUM

CHALLENGES, OPPORTUNITIES AND PATH FORWARD

These projects can be challenging. Outcomes, such as improved water quality, may be difficult to measure. In addition, such conservation projects are typically in remote locations and challenging to manage. We have learned that the greatest engagement in such projects comes from associates and guests located close to the projects.

Despite our challenges, we recognize that both Marriott and our communities benefit from protecting our natural resources. According to Corporate Eco Forum, key benefits for valuing natural capital include reducing risk, lowering costs, enhancing brand and company reputation, and generating revenue. We expect to continue supporting investments in natural capital, as well as participating in and supporting gatherings to help to bring the spotlight to valuing natural capital.

MANAGEMENT APPROACH

Our Global Green Council, including executives from every business discipline, guides our environmental strategy by evaluating our practices, setting long-term goals, developing an environmental strategic plan and inspiring results. While many companies focus their sustainability strategies solely on internal operations, we expanded the scope of our sustainability strategy far beyond our hotel doors to include investing in the preservation of natural resources relevant to the global community such as the Amazon Rainforest, the lungs of our planet. We have since further expanded our efforts to address fresh water in China and mangrove restoration in Thailand.

We work collaboratively with local nongovernmental organizations (NGOs), governments, community leaders and other key stakeholders in these projects to support sustainable livelihoods while also protecting natural resources. We involve our associates in these initiatives, particularly those at hotels located close to our select projects.





JUMA—FIVE YEARS LATER

Five years ago Marriott pledged \$2 million to support the Juma REDD rainforest project in Amazonas, Brazil. Since then, our investment in Juma's infrastructure, sustainable livelihoods and education has helped to foster a new generation of local youth dedicated to rainforest preservation. Marriott associates visited the project in late 2013 to document progress.

Above: Juma's next generation is experimenting to find ways to sustainably maximize the forest's natural resources.

FROM 2008 TO 2013

WITH IMPROVED QUALITY, PACKAGING AND DISTRIBUTION, JUMA'S BRAZIL NUTS HAVE COMMANDED A





2013 ACCOMPLISHMENTS

Preserving the Rainforest in Brazil

2013 marked the five-year anniversary of our partnership with the Amazonas Sustainable Foundation (FAS) and the State of Amazonas in Brazil. In 2008, we pledged \$2 million to help FAS protect 1.4 million acres of rainforest in the Juma Sustainable Development Reserve, while also helping to empower and educate the local community that acts as guardians of this rainforest. Recent highlights of the Juma REDD project include:

- Ninety-six percent of the Juma Reserve remains covered by rainforest. According to Brazil's National Institute for Space Research, which monitors deforestation in the Brazilian Amazon, the Juma Reserve has lost only 1.3 percent of its forest from 1997 to 2013.
- The project helps support over 2,000 people within 38 Juma communities.
- Juma received the Rainforest Alliance's "Eco-initiative of the Month" recognition in June 2013.
- The project has helped increase the number of registered students at Juma's schools. Enrollment rose 300 percent, from 60 to 180 students over five years.
- Local residents continue to pursue sustainable livelihoods through activities such as the Brazil nut cooperative, growing fruit and raising chickens. Juma's Brazil nuts are featured in several of our Brazilian hotel gift shops and Marriott chefs use them as ingredients in local dishes.
- Marriott properties and associates raise funds to help support the Juma Project.
 The Renaissance[®] São Paulo Hotel raised nearly BRL 16,000 (about \$7,000) for Juma, in addition to a gift of soccer uniforms for the Boa Frente community.
- Marriott sponsored FAS General Director Virgilio Viana's participation as a panelist in The Future of the Amazon discussion at the World Economic Forum Latin America (Lima, Peru; April 2013).
- FAS has worked with Google to map rainforests, including Juma, for real-time tracking of deforestation and to replicate the Amazon Street View at the reserve.

Conserving Fresh Water in Asia

Our collaboration with the government of Sichuan Province and Conservation International has helped protect the source of fresh water for more than 2 billion people while supporting sustainable livelihoods through bee farming. From 2010 to 2012, Marriott supported Conservation International's community-based conservation work and today we continue to see benefits in our efforts to build sustainable business and conserve fresh water resources in Southwest China and beyond including:

In the Pingwu and Yingjing Communities:

- Nearly 6,000 Pingwu and Yingjing County (Sichuan Province) villagers participated in the Nobility of Nature project. Sustainable beekeeping has replaced hillside farming and deforestation in these areas.
- Marriott's funding has helped provide 750 beehives, equipment to monitor the condition of nearby fresh water sources and wildlife, training in the organic bee farming business and marketing support.
- Marriott-branded hotels have raised \$80,000 (RMB 483,000) through 2013 through honey sales in China to support ongoing community beekeeping activities.
- As of year-end 2013 bee farming revenue for Guanba Village in Pingwu quadrupled and honey sale revenue in Yingjing has nearly tripled from the program's inception in 2010. These project sites are now self-sustaining.



Above: Beekeepers in Guanba Village, Sichuan Province, China, produce sustainable honey for nearly all Marriott hotels across China.



2013 WATER USAGE

PER OCCUPIED ROOM WAS REDUCED IN MARRIOTT'S CHINA HOTELS BY

In support of water conservation:

- Marriott's China hotels reduced water usage per occupied room by 4 percent during 2013.
- Three hundred sixty-five Marriott Nobility of Nature Associate Ambassadors promote fresh water conservation at nearly 50 hotels in China and Hong Kong.
- Nobility of Nature honey is available for breakfast, retail and bulk kitchen use in nearly all The Ritz-Carlton, JW Marriott, Renaissance, Marriott Hotels, and Courtyard hotels in China, and most recently in Hong Kong. Since the start of the program, total honey purchased topped 6,900 kilograms in early 2014.

Continued

CAPITAL: CONSERVATION INITIATIVES / 2014 SUSTAINABILITY REPORT

4%





Above: Mangrove planting by Mr. Philip Bryson, regional vice president, Marriott Asia Pacific; Mr. Don Cleary, chief operations officer, Marriott Asia Pacific, and Dr. Robert Mather, head of Southeast Asia Group, IUCN (from left to right).

Above: Marriott associates planting in Bang Kachao.

2013 ACCOMPLISHMENTS Continued

Restoring Mangroves in Thailand

Thailand's spectacular coastline is home to many Marriott hotels, several of which are located in areas of mangrove forests. Mangroves are critical in maintaining the health of local fishing industries and in protecting vulnerable coastlines from natural disasters. They provide spawning and nursery areas for fish, products for local livelihoods, opportunities for recreation and tourism and serve as carbon sinks, reducing levels of greenhouse gases in the atmosphere. Despite their importance, Thailand's mangroves have been dramatically reduced over the last four decades for charcoal production, intensive prawn farming and tourism development. In 2013, we began working with the International Union for Conservation of Nature (IUCN) to help restore and support Thailand's mangroves and communities, with recent accomplishments including:

- More than 300 Marriott associates from 12 different properties joined Mangroves for the Future, a regional initiative for the conservation and rehabilitation of coastal ecosystems, to plant 1,800 mangrove saplings in four different locations. Associates and guests now participate in quarterly mangrove plantings.
- Associates worked with local communities to clear land for plantings of local tree species to help generate sustainable community income.
- Hotel chefs from our properties in Thailand work closely with IUCN and local communities to source sustainable seafood such as Mai Khao Black Crab and Samut Prakan organic prawns.
- Marriott guests staying at the 12 participating properties in Thailand can donate \$1 per night to support IUCN's mangrove restoration activities.

Sharing Best Practices

Marriott joined 41 other global companies in launching the Corporate Eco Forum's Natural Capital Business Hub. The Hub is a searchable database of case studies and resources that helps companies evaluate the business case for action on natural capital. The Hub highlights our Juma project.

RELATED LINKS

Marriott's Environmental Commitment Natural Capital Business Hub—Marriott Case Study JUMA Video

Nobility of Nature Video

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.



Above: Our Thailand hotels are

Black Crab, a local favorite.

working closely with IUCN to source

sustainable seafood such as Mai Khao



2014 SUSTAINABILITY REPORT

Report Parameters

This is our third reporting cycle that follows the sustainability reporting guidelines as set forth by the Global Reporting Initiative (GRI). This year we have produced a series of "issue reports" in topic areas material to our industry and of interest to our stakeholders. These reports are accessible on Marriott.com which has 23 million unique visitors per month. Information in these reports takes the GRI G3.1 Guidelines, self-declaring Application Level C, as a base structure and adds to information from previous reports. The reports represent our company's operations, performance and insight in the aspects of our business as indicated per GRI's guidance on defining report content. Key topics in the reports are aligned with our company's strategic focus areas, which are categorized by stakeholder group and areas of engagement on pages 2– 5 of the Stakeholder Engagement and Policy Advocacy report. With changes currently taking place within the GRI reporting methodology, as well as other global reporting systems, Marriott will monitor, evaluate and determine the most relevant standard for reporting our sustainability performance in future years.

This report's disclosures and performance indicators reflect our performance for the 2013 calendar year, except where stated otherwise. Where applicable, this report also demonstrates our progress in environmental and social responsibility since our 2012 Sustainability Report Update. Unless otherwise noted, the report data reflect the 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.

We present several performance indicators in standardized metrics used in our industry such as per occupied room and per square meter. We use intensity figures to track our progress against companywide targets and encompass a data set that only includes hotels with 12 months of available and confirmed data.

GRI G3.1 Content Index

| GRI R | eference | Location | Reported |
|-------|--|---|-----------|
| PROF | ILE DISCLOSURES | | |
| 1.1 | Statement from most senior member of the organization. | To Our Stakeholders | Fully |
| 1.2 | Description of key impacts, risks, and opportunities. | To Our Stakeholders, Business Model and Sustainability Strategy | Partially |
| 2.1 | Name of the organization. | Marriott International, Inc. | Fully |
| 2.2 | Primary events, brands, products, and/or services. | Business Model & Sustainability Strategy (pp. 3–4), 2013 Annual Report (Fact Sheet) | Fully |
| 2.3 | Operational structure of the organization, including main divisions, operating companies, subsidiaries, and joint ventures. | Business Model & Sustainability Strategy (p. 3), 2013 10-K (pp. 2-3) | Fully |
| 2.4 | Location of organization's headquarters. | <u>2013 10-K</u> (Cover Page) | Fully |
| 2.5 | Number of countries where the organization operates, and names of countries with either major operations or that are specifically relevant to the sustainability issues covered in the report. | Business Model & Sustainability Strategy (p. 4, 6), 2013 10-K (p. 6) | Fully |

| 2.6 | Nature of ownership and legal form. | 2013 10-K (pp. 2-3) | Fully |
|------|---|--|-----------|
| 2.7 | Markets served (including geographic breakdown, sectors served, and types of customers/beneficiaries). | Business Model & Sustainability Strategy (p. 4), 2013 Annual Report (Global Highlights) | Fully |
| 2.8 | Scale of the reporting organization. | Business Model & Sustainability Strategy (p. 4, 6), 2013 Annual Report (Fact Sheet) | Fully |
| 2.9 | Significant changes during the reporting period regarding size, structure or ownership. | None during the reporting period. | Fully |
| 2.10 | Awards received in the reporting period. | Awards and Recognition | Fully |
| 3.1 | Reporting period for information provided. | Fiscal year 2013 | Fully |
| 3.13 | Policy and current practice with regard to seeking external assurance for the report. | This report has not been externally assured, however, content referenced in the 2013 10-K has been audited by Ernst & Young LLP, an independent auditor (p. 44). | Fully |
| 3.2 | Date of most recent previous report. | 2013 Sustainability Report Update (reporting on fiscal year 2012) | Fully |
| 3.3 | Reporting cycle. | Biennial for GRI reporting, with an interim annual update report. | Fully |
| 3.4 | Contact point for questions regarding the report or its contents. | Community.Engagement@Marriott.com | Fully |
| 3.5 | Process for defining report content. | To Our Stakeholders, Stakeholder Engagement and Policy Advocacy, GRI Report Parameters | Fully |
| 3.6 | Boundary of the report. | To Our Stakeholders, Stakeholder Engagement and Policy Advocacy, GRI Report Parameters | Fully |
| 3.7 | State any specific limitations on the scope or boundary of the report. | To Our Stakeholders, Stakeholder Engagement and Policy Advocacy, GRI Report Parameters | Fully |
| 3.8 | Basis for reporting on joint ventures, subsidiaries, leased facilities, outsourced operations, and other entities that can significantly affect comparability from period to period and/or between organizations. | To Our Stakeholders, GRI Report Parameters, 2013 Annual Report | Fully |
| 3.9 | Data measurement techniques and the bases of calculations, including assumptions and techniques underlying estimations applied to the compilation of the Indicators and other information in the report. | Environmental Performance (pp. 30–31), Workforce Development (p. 15), 2013 Annual Report Notes to Financial Statements | Partially |
| 3.10 | Explanation of the effect of any re-statements of information provided in earlier reports, and the reasons for such re-statement. | Global Diversity (p. 21) chart and Environmental Performance (pp. 30–31) | Fully |
| 3.11 | Significant changes from previous reporting periods in the scope, boundary, or measurement methods applied in the report. | Community Engagement (p. 23) | Fully |

| 3.12 | Table identifying the location of the Standard Disclosures in the report. | Marriott 2013 GRI G3.1 Content Index | Fully |
|------|--|--|-----------|
| 4.1 | Governance structure of the organization including committees under the highest governance body responsible for specific tasks, such as setting strategy or organizational oversight. | Business Model & Sustainability Strategy (p. 4), Corporate Governance Documents and Charters, 2014 Proxy Statement | Fully |
| 4.2 | Indicate whether the Chair of the highest governance body is also an executive officer. | 2014 Proxy Statement (p. 22) | Fully |
| 4.3 | For organizations that have a unitary board structure, state the number and gender of members of the highest governance body that are independent and/or non-executive members. | 2014 Proxy Statement (pp. 30–33) | Fully |
| 4.4 | Mechanisms for shareholders and associates to provide recommendations or direction to the highest governance body. | Governance Principles (Section 16), 2014 Proxy Statement | Fully |
| 4.5 | Linkage between compensation for members of the highest governance body, senior managers, and executives (including departure arrangements), and the organization's performance (including social and environmental performance). | 2014 Proxy Statement (pp. 37–42) | Fully |
| 4.6 | Processes in place for the highest governance body to ensure conflicts of interest are avoided | Governance Principles (Section 15), Business Conduct Guide (p. 32) | Fully |
| 4.7 | Process for determining the composition, qualifications, and expertise of the members of the highest governance body and its committees, including any consideration of gender and other indicators of diversity. | Governance Principles (Section 4), 2014 Proxy Statement (pp. 22–28) | Fully |
| 4.8 | Internally developed statements of mission or values, codes of conduct, and principles relevant to economic, environmental, and social performance and the status of their implementation | Business Ethics and Human Rights, Business Conduct Guide | Fully |
| 4.9 | Procedures of the highest governance body for overseeing the organization's identification and management of economic, environmental, and social performance, including relevant risks and opportunities, and adherence or compliance with internationally agreed standards, codes of conduct, and principles. | Business Model & Sustainability Strategy (p. 4), Corporate Governance Documents and Charters | Partially |
| 4.10 | Processes for evaluating the highest governance body's own performance, particularly with respect to economic, environmental, and social performance | Business Model & Sustainability Strategy (p. 4), <u>Governance Principles</u> (Section 12) | Fully |
| 4.12 | Externally developed economic, environmental, and social charters, principles, or other initiatives to which the organization subscribes or endorses. | Human Rights Policy Statement | Fully |

| advocacy organizations in which the organization has positions in governance bodies, participates in projects or committees, provides substantive funding beyond routine membership dues; or views membership as strategic | American Hotel Owners Association USA I Global Initiative Interest Eco Forum Interest Eco Interest Eco Interest Eco Interest Eco Interest Eco |
|--|--|
| 4.14 List of stakeholder groups engaged by the organization (p. 7) | ler Engagement and Policy Advocacy Fully |

| 4.15 | Basis for identification and selection of stakeholders with whom to engage | Stakeholder Engagement and Policy Advocacy (p. 7) | Fully |
|-------|---|---|-----------|
| 4.16 | Approaches to stakeholder engagement, including frequency of engagement by type and by stakeholder group | Stakeholder Engagement and Policy Advocacy | Partially |
| 4.17 | Key topics and concerns that have been raised through stakeholder engagement, and how the organization has responded to those key topics and concerns, including through its reporting. | Stakeholder Engagement and Policy Advocacy (pp. 8–11), To Our Stakeholders | Partially |
| PERFO | DRMANCE INDICATORS | | |
| EN3 | Direct energy consumption by primary energy source. | Environmental Performance (pp. 30–31) | Fully |
| EN4 | Indirect energy consumption by primary source. | Environmental Performance (pp. 27–31) | Fully |
| EN5 | Energy saved due to conservation and efficiency improvements. | Environmental Performance (pp. 28–30) | Partially |
| EN6 | Initiatives to provide energy-efficient or renewable energy based products and services, and reductions in energy requirements as a result of these initiatives. | Environmental Performance (pp. 27–30) | Partially |
| EN8 | Total water withdrawal by source. | Environmental Performance (pp. 30–31) | Fully |
| EN14 | Strategies, current actions, and future plans for managing impacts on biodiversity. | Natural Capital: Conservation Initiatives | |
| EN16 | Total direct and indirect greenhouse gas emissions by weight. | Environmental Performance (pp. 30–31) | Fully |
| EN18 | Initiatives to reduce greenhouse gas emissions and reductions achieved. | Environmental Performance (pp. 27–30) | Partially |
| EN22 | Total weight of waste by type and disposal method. | Environmental Performance (pp. 28–29) | Partially |
| EN23 | Total number and volume of significant spills. | None within the reporting period. | Fully |
| EN26 | Initiatives to mitigate environmental impacts of products and services, and extent of impact mitigation. | Environmental Performance (pp. 27–30), Natural Capital: Conservation Initiatives | Fully |
| EC1 | Direct economic value generated and distributed, including revenues, operating costs, employee compensation, donations and other community investments, retained earnings, and payments to capital providers and governments. | Community Engagement (pp. 23–24), 2013 Annual Report (Financial Statements) | Partially |
| EC2 | Financial implications and other risks and opportunities for the organization's activities due to climate change. | CDP 2014 Climate Change Information Request | Fully |

| EC4 | Significant financial assistance received from government. | During FY 2013, Marriott recognized income of \$3.4 million from U.S. federal and state government incentives to further our economic presence in the communities in which we operate. | Fully |
|------|---|--|-----------|
| EC6 | Policy, practices, and proportion of spending on locally-based suppliers at significant locations of operation. | Stakeholder Engagement and Policy Advocacy (pp. 9–11), Responsible Sourcing (p. 34), Global Diversity and Inclusion (p. 21) | Partially |
| EC7 | Procedures for local hiring and proportion of senior management hired from the local community at significant locations of operation. | Business Model & Sustainability Strategy (pp. 3, 5–6), Global Diversity and Inclusion (pp. 19–20) | Partially |
| EC8 | Development and impact of infrastructure investments and services provided primarily for public benefit through commercial, in-kind, or pro bono engagement. | Community Engagement | Fully |
| LA1 | Total workforce by employment type, employment contract, and region, broken down by gender. | Workforce Development (p. 15) | Fully |
| LA2 | Total number and rate of new employee hires and employee turnover by age group, gender, and region. | Workforce Development (p. 15) | Partially |
| LA4 | Percentage of employees covered by collective bargaining agreements. | <u>2013 10-K</u> (p. 16) | Fully |
| LA11 | Programs for skills management and lifelong learning that support the continued employability of associates and assist them in managing career endings. | Workforce Development (pp. 14–15) | Partially |
| LA12 | Percentage of employees receiving regular performance and career development reviews, by gender. | Workforce Development (p. 14) | Fully |
| LA13 | Composition of governance bodies and breakdown of employees per employee category according to gender, age group, minority group membership, and other indicators of diversity. | Workforce Development (p. 15), 2014 Proxy Statement (pp. 23–28) | Partially |
| HR3 | Total hours of employee training on policies and procedures concerning aspects of human rights that are relevant to operations, including the percentage of employees trained. | Business Ethics and Human Rights (p. 12) | Partially |
| HR6 | Operations and significant suppliers identified as having significant risk for incidents of child labor, and measures taken to contribute to the effective abolition of child labor. | Business Ethics and Human Rights, Human Rights Policy Statement | Partially |
| HR7 | Operations and significant suppliers identified as having significant risk for incidents of forced or compulsory labor, and measures to contribute to the elimination of all forms of forced or compulsory labor. | Business Ethics and Human Rights, Human Rights Policy Statement | Partially |

| HR8 | Percentage of security personnel trained in the organization's policies or procedures concerning aspects of human rights that are relevant to operations. | Business Ethics and Human Rights (p. 12) | | Fully |
|-------|---|---|----------------|-----------|
| SO3 | Percentage of employees trained in organization's anti-corruption policies and procedures. | Business Ethics and Human Rights (p. 12) | | Partially |
| SO5 | Public policy positions and participation in public policy development and lobbying. | Stakeholder Engagement and Policy Advocacy (pp. 8–9); Political Activity – Policies, Oversight and Disclosure | | Partially |
| SO6 | Total value of financial and in-kind contributions to political parties, politicians, and related institutions by country. | The figures below reflect the latest information available for MARPAC collections and disbursements made in connection with the 2014 U.S. Congressional election cycle. Information reflects activity from January 1, 2013 through December 31, 2013. | | Fully |
| | | 2014 Election Cycle Receipts | \$284,554 | |
| | | Contributions to Democratic Candidates | \$72,000 (39%) | |
| | | Contributions to Republican Candidates | \$83,000 (44%) | |
| | | Contributions to other PACs | \$32,000 (17%) | |
| | | Total Disbursements, 2014 Election Cycle | \$187,000 | |
| PR5 | Practices related to customer satisfaction, including results of surveys measuring customer satisfaction. | Stakeholder Engagement and Policy Advocacy (pp. 9–10) | | Fully |
| DISCL | OSURES ON MANAGEMENT APPROACH | | | |
| DMA | Economic | Business Model and Sustainability Strategy, Community Engagement, 2013 Annual Report | | Partially |
| DMA | Environmental | Environmental Performance, Natural Capital, Responsible Sourcing | | Partially |
| DMA | Labor Practices | Workforce Development; Global Diversity and Inclusion; Health, Safety and Well-being | | Partially |
| DMA | Human Rights | Business Ethics and Human Rights, Human Rights Policy Statement | | Partially |
| DMA | Society | Stakeholder Engagement and Policy Advocacy, Business Ethics and Human Rights, Responsible Sourcing | | Partially |
| DMA | Product Responsibility | Stakeholder Engagement and Policy Advocacy, Global Privacy Statement | | Partially |

^{*}We disclose fully at the corporate level, acknowledging that there are numerous individual activities at the local, national and regional level.

Report date: August 2014



Corporate Headquarters

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For more information about this report, please contact:

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Marriott International's 2014 Sustainability Report is developed and written by its corporate social responsibility team in collaboration with colleagues from a wide range of business disciplines who are collectively driving the company's sustainability performance. The design and graphics are the work of Marriott's creative services team and Elizabeth Hardy, Design291.com. Marriott International's Global Reporting Initiative advisor is Greenview.