



RAINFOREST PRESERVATION

Marriott is protecting endangered Brazilian rainforest in the Juma Sustainable Development Reserve in the State of Amazonas through a \$2 million grant. We invite our guests to join us, www.marriott.com/savetherainforest.



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To Our Stakeholders

As we welcome you into our hotels worldwide, Marriott International is pleased to invite you to look at the way we conduct our hospitality business around the world. Our 2008/2009 Sustainability Report reflects a most challenging two-year time for our company, given the economic and financial uncertainty created by the global recession. Revenues and income fell but we worked to maintain jobs even as business travel and meetings and conferences shrunk and travel worldwide was declining. Yet this was also a time of bold moves at Marriott, many of which will benefit both our long-term sustainability and the communities in which we operate. We made significant environmental investments to aid our global community, focused on operating more efficiently, and embarked on a global reorganization that puts leadership and executive decisions in continental regions around the world to better harness market-specific knowledge, experience and partnerships.

What remains core to Marriott's strength and competitive advantage — in good times and bad — are the values that our best-in-class team of 300,000 associates around the world who wear Marriott name badges, including those who work in our franchised hotels, embrace and practice. Their incredible dedication to both guests and community service embodies our culture and we believe leads to greater shareholder value. We've been working at this for decades and our commitment to social responsibility is part of our company's DNA. Our founders, J. Willard and Alice S. Marriott, the parents of today's chief executive Bill Marriott, led by example. J. Willard Marriott's statement, that "if you take care of your associates, your associates will take care of the customers and your customers will come back" became both a guiding principle and bedrock for Marriott's sustainability commitment. In our early years, when the company was small, Mr. Marriott, Sr. hired first a doctor and then a surgeon to provide healthcare for his employees. His wife, Alice, who was actively engaged in the company, as well as in community service, political advocacy and family life, was our company's first role model for work/life balance.

Today, as a Fortune 500 company, we are focused on five global social issues — poverty alleviation, the environment, community workforce development, the well-being of children, and global diversity and inclusion. In our communities around the world, we're focused on a healthier planet. We also help put roofs over people's heads and food on their plates, provide education and training so people can secure competitive jobs, and help youth who are vulnerable to poverty, illness, exploitation and lack of opportunity. We are embracing a global mindset, focusing on advancing our associates' cultural competence, which is a strategy required to effectively compete in a complex global marketplace. Marriott's greatest strength lies in the rich diversity of culture, talent and experiences of our guests and associates around the world. We believe our diverse fabric makes us stronger, our culture more vibrant, our business model more nimble and our work more meaningful.

We've prepared this report with an eye toward the three pillars of sustainability — economic, environment and social — to demonstrate how we do business, describe our commitments and show our progress. However, it is by no means all-inclusive of what our associates worldwide do at the local level.



Arne M. Sorenson

J.W. Marriott, Jr.

We know that people want to do business with those who share their values. This report and the work it presents tells our story to our stakeholders, who increasingly are interested in how companies like Marriott operate their businesses. With more than 3,400 hotels worldwide, how we fulfill our commitments at the individual hotel level is proof of performance. Over the last 20 years, we have established Business Councils comprised of hotel general managers who collaborate on shared issues in more than 70 of Marriott's major markets, from our hometown of Washington, D.C. to London, from Dubai to Shanghai. These dedicated leaders drive the local implementation of our community engagement and government relations initiatives and sustain our culture with associates. Across our company, our associates' bias for action at all levels is the key to Marriott's success and reputation in markets worldwide.

As we travel the world, we see how important social responsibility is to our guests, customers, associates and of course to our communities. Working with our associates, owners and franchisees, we extend our "spirit to serve," practiced in our hotels for decades, to embrace the integration of social responsibility and sustainability into our business strategies. We intend that this, our first sustainability report prepared according to the Global Reporting Initiative guidelines, reflects our record of progress in sustainability generally, and in particular during the years 2008 and 2009. We look forward to demonstrating our spirit to serve to you — in our hotels and in our communities — as we welcome you wherever your journey takes you. Safe travels.

J.W. Marriott, Jr.
Chairman and Chief Executive Officer

Arne M. Sorenson
President and Chief Operating Officer

ABOUT THIS REPORT

Report Content

As a publicly traded, global hotel management company with managed and franchised operations, we recognize a range of stakeholder groups with interest in our company, primarily our associates (employees), guests (including customers who organize and facilitate our guests' stays), owners and franchisees, shareholders, communities, supply chain, industry organizations, government and the wide range of organizations engaged in the advancement of environmental and social sustainability. These organizations are diverse, some operating globally and others at the local level, and include civil society, government and non-governmental organizations.

Within Marriott, our departments and executives interact with these stakeholders as part of their management responsibilities. As a response to the challenges our industry, our company and communities face, and in continuous dialogue with our stakeholder groups, we developed five focus areas for community engagement which we outline under the "Spirit To Serve Our Communities®" platform, expanding the environmental aspect within this reporting period with our "Spirit to Preserve®" commitment.

Stakeholder Engagement



Just as our programs have evolved through stakeholder dialogue, this report takes into consideration the specific requests and inquiries of stakeholders, and we respect their increasing desire for transparency and disclosure related to our sustainable business practices. To best demonstrate our impact, influence and approach within the context of sustainability, the report is structured into three main sections. The first section illustrates our business model and the way we do business, followed by sections depicting our relationship with society and the environment. Each section describes the issues material to our business, along with our resulting initiatives, targets and performance.



Report Parameters

While we have produced two previous Social Responsibility Reports in 2006 and 2007 and plan to disclose relevant information on a biennial reporting cycle, this is our first report that follows the sustainability reporting guidelines as set forth by the Global Reporting Initiative (GRI).

The GRI is an international nonprofit organization based in Amsterdam, the Netherlands, which maintains guidelines for companies to report on their economic, environmental and social performance. In order to ensure the highest degree of technical quality, credibility and relevance, the reporting framework is developed through a consensus-seeking process with participants drawn globally from business, civil society, labor and professional institutions. Over 900 companies around the world use or consult the GRI guidelines.

Information in this report takes the GRI G3 Application Level C Guidelines as a base structure and adds to information from previous reports. It represents our company's operations, performance and insight in the aspects of our business covered by the GRI sustainability reporting guidelines.

This report discloses our performance for the 2008 and 2009 calendar years, except where stated otherwise. Additionally, we demonstrate our progress in environmental and social responsibility since our 2007 report where applicable. This report is produced for our stakeholders, and we look forward to including it in our stakeholder engagement process for receiving feedback.

The report's profile disclosures represent information from the entire company's operation at year-end 2009. We recognize our company's impact beyond our immediate operations and in this report highlight our efforts to address them. The report data reflect our operational performance for our 1,072 managed hotel properties across all brands worldwide, for which we have operational control and data accessibility.

Several performance indicators are presented in "per-available-room" terms, a standard measure in our industry. This enables us to evaluate our performance more effectively given our increase of 8,574 and 3,100 managed hotel rooms net of properties exiting the system in 2009 and 2008, respectively. Available room count during the period is also affected by varying opening dates and rooms under renovation.

REPORT SECTION	REPORT CONTENT	SUSTAINABILITY CONSIDERATIONS	STAKEHOLDERS DIRECTLY ENGAGED THROUGH PROGRAMS	PARTNER ORGANIZATIONS (YEAR PARTNERSHIP BEGAN)
THE WAY WE DO BUSINESS	Workforce, Ethics & Human Rights, Guest Satisfaction, Diversity (see below)	Investment and Procurement Practices, Corruption, Public Policy, Child Labor, Product Responsibility	Communities, Associates, Guests, Industry Organizations, Government	Corporate Voices for Working Families (2001), Boston College Work and Family Roundtable (1990), Families and Work Institute Leadership Council (1993), WorldatWork/Alliance for Work-Life Progress (1995)
MARRIOTT AND SOCIETY	Shelter and Food	Society	Communities, Guests, Associates, Sustainability Organizations	Habitat for Humanity International (1994), Feeding America (1992), American Red Cross (1979), International Federation of Red Cross and Red Crescent Societies (1999), United Way Worldwide (1999)
	Readiness for Hotel Careers	Society, Labor Practices, Market Presence	Communities, Associates, Industry Organizations, Sustainability Organizations	Youth Career Initiative (1997), National Academy Foundation (1987), Distributive Education Clubs of America (1980), America's Promise Alliance (1999)
	Vitality of Children	Society, Human Rights	Communities, Associates, Guests, Sustainability Organizations	Children's Miracle Network (1983), SOS Children's Villages (2004)
	Global Diversity and Inclusion	Society, Diversity and Equal Opportunity, Non-Discrimination, Global Demographics	Associates, Guests, Communities, Sustainability Organizations	Marriott Foundation for People with Disabilities (1989), United Negro College Fund (2007), Hispanic College Fund (2007), National Urban League (1990)
MARRIOTT AND THE ENVIRONMENT	Energy, Water and Waste	Materials, Energy, Water, Emissions, Waste, Compliance	Owners and Franchisees, Communities, Sustainability Organizations, Government	ENERGY STAR (US, 2001) Carbon Trust (UK, 2009) International Tourism Partnership (1993)
	Supply Chain	Environment, Product Responsibility, Products and Services	Supply Chain, Guests, Associates, Communities, Industry Organizations, Sustainability Organizations	World Environment Center (2009)
	Green Buildings	Economic, Environment, Product Responsibility, Products and Services, Compliance	Owners and Franchisees, Industry Organizations, Sustainability Organizations, Government	U.S. Green Building Council (2007), ENERGY STAR (2001)
	Educating and Inspiring Associates and Guests	Society, Materials, Emissions, Waste, Biodiversity	Associates, Guests, Sustainability Organizations	National Audubon Society (2008), Amazonas Sustainable Foundation (2007)
	"Spirit To Preserve"	Biodiversity, Climate Change, Society, Public Policy	Associates, Guests, Communities, Sustainability Organizations, Industry Organizations, Government	Conservation International (2008), Amazonas Sustainable Foundation (2007), Avoided Deforestation Partners (2009), World Travel and Tourism Council (1990)



GLOBAL GROWTH

The luxurious 23-story JW Marriott® Beijing marked Marriott's 3,000th hotel worldwide. Located in the heart of China's capital city, the hotel is situated just east of Beijing's central business district and adjacent to The Ritz-Carlton®, Beijing. Marriott expects to have 60 hotels in China by year-end 2010, making it our largest market outside of North America.

THE WAY WE DO BUSINESS

Our Company

Marriott's "spirit to serve" our customers, associates, the environment and communities is an important part of our company culture and is integrated into how we do business. Our heritage can be traced to a small root beer stand opened in Washington, D.C. in 1927 by J. Willard and Alice S. Marriott. Today, our portfolio encompasses more than 3,400 managed and franchised properties across 18 brands in 70 countries and territories spanning six continents. In 2009, we employed approximately 137,000 associates and reported sales of nearly \$11 billion.

We are a hospitality company operating, developing and franchising in five business segments (as defined during the reporting period covered by this report): North American Full-Service Lodging, North American Limited-Service Lodging, International Lodging, Luxury Lodging, and Timeshare. We earn base and incentive management fees and franchise fees based upon the terms of our management and franchise agreements.

Our lodging business model involves managing and franchising hotels, rather than owning them. At year-end 2009, 46 percent of the hotel rooms in our system were operated under management agreements, 52 percent were operated under franchise agreements, and 2 percent were owned or leased by us. Our emphasis on management contracts and franchising tends to provide more stable earnings in periods of economic softness while continued unit expansion, reflecting properties added to our system, generates ongoing growth. With long-term management and franchise agreements, this strategy has allowed substantial growth while reducing financial leverage and risk in a cyclical industry. Additionally, we maintain financial flexibility by minimizing and recycling our invested capital.

Our Business Model

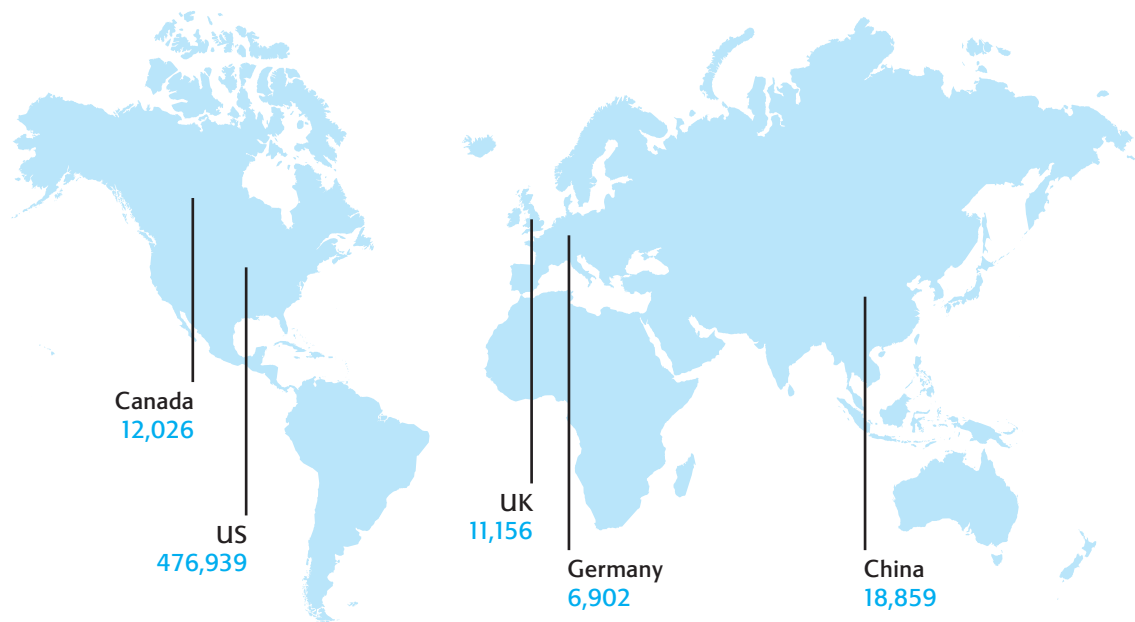
Managing hotels on behalf of owners and franchising is a business model that has been replicated in the industry, with the hotel business currently characterized by three primary stakeholder groups: hotel owners, managers and brands. Owners have financial responsibility for the physical building and its general condition, and the manager is responsible for the operation of the hotel, including guest interaction. In general in the lodging industry, hotel owners may operate their own hotels under their own brands, contract the operation of the hotel to a major brand management company such as Marriott, or acquire the right to franchise a brand, such as from Marriott, and either manage the property themselves or contract the services of a third-party manager. Major attributes of brands include guest recognition, building design, service standards and distribution. In the United States where 80 percent of our hotel rooms are located, hotel owners and managers are often distinct entities, while in the franchise model a third separate entity is frequently the franchising brand company.

We believe Marriott is poised for continued long-term success because of our longstanding competitive advantages—strong brands, customer preference, more than 80 years of experience, and a proven business model of managing and franchising hotels rather than owning them. By minimizing capital investments, we maximize financial flexibility and cash flow.

In our franchised hotels, we forego direct control of employees, building operations and maintenance. Our role in these hotels is to strive to ensure that properties meet our brand standards. Additionally, capital expenditures, such as retrofitting equipment to be more energy-efficient, are made by the owner both in hotels the company manages and those it franchises.

Global Growth

Top Markets – 2009 Year-End					
COUNTRY	TOTAL PROPERTIES	MANAGED HOTELS	FRANCHISED HOTELS	TIMESHARE	TOTAL ROOMS
US	2,969	753	2,162	54	476,939
Canada	57	11	46	0	12,026
UK	56	54	1	1	11,156
China	47	47	0	0	18,859
Germany	29	23	6	0	6,902



ROOMS (Figures at 2009 year-end)

Regional Presence – 2009 Year-End					
REGION	TOTAL PROPERTIES	MANAGED HOTELS	FRANCHISED HOTELS	TIMESHARE	TOTAL ROOMS
Americas	3,094	801	2,232	61	505,987
Europe	169	136	28	5	38,025
Asia/Pacific	122	105	14	3	41,106
Middle East and Africa	35	30	5	0	10,433

We expect a high percentage of Marriott's growth will continue to be fueled by global development. As more travelers conduct business globally and explore new destinations and cultures, Marriott wants to be there to welcome them. In Asia, where we opened our first hotel 20 years ago, our portfolio has expanded to 114 properties with another 55 in the pipeline. We expect to have 60 hotels in China across six brands by year-end 2010, making it our largest market outside of North America. In about five years, Marriott intends to double its presence in China.

Travel and tourism is one of the largest industries in the world providing a strong impetus to global economic development. According to the World Travel & Tourism Council (WTTC), in 2010, the travel and tourism economy is expected to account for 9.2 percent of global GDP and to provide over 235 million jobs, or 8.1 percent of global employment. In 2009, 880 million international tourist arrivals were recorded, contributing \$852 billion in international tourism receipts.

Travel is a unique export because the international traveler experiences the product in the exporter's country, directly interacting with the producer. The components of the product such as a hotel, its staff and its suppliers are typically derived locally, a unique blend that generates jobs, income and experiences that have lasting impact on global trends, demographics and industry growth. Governments recognize this, providing incentives and assistance for job creation and economic development. In 2009, Marriott International recognized income of \$2.93 million for U.S. federal and state government incentives, to further our economic presence in the communities in which we operate. Our advocacy

efforts are largely based on issues that will increase travel, benefit the lodging industry and our associates, and allow us to maintain our standards of service. We supported passage in the U.S. Congress of the Travel Promotion Act and expect it to increase international travel to the U.S. We will continue to advocate for the global reduction in barriers to trade and travel, including supporting improvements in U.S. visa and entry processes.

More information on our governance, business model, performance and outlook can be found in our annual report at www.marriott.com/investor.

Workforce

Running hotels is a 24 hour a day, 365 day a year operation. Travel is characterized by changing seasonal demand, which causes significant operational fluctuation. Labor is the primary cost in hotel operations, and the industry faces an immense challenge to build and retain an increasingly diverse workforce and the skill set needed to serve travelers from around the world. At the same time, our success depends on the guest experience and hospitality delivered by our associates. We recognize this impact and the opportunity we have to positively influence our associates, enabling them to grow professionally and personally.

On a societal level, a comprehensive approach to the hospitality workforce has a direct impact on the livelihood of communities. Hotels create jobs and income for communities through direct employment and a vast network of suppliers. According to the U.S. Travel Association, group business in the U.S. supports 1 million jobs, providing a powerful stimulus to economic growth.



DISASTER RELIEF AND RECOVERY

From earthquakes in China to hurricanes in the U.S. Gulf Coast, when disaster strikes, Marriott associates reach out to help one another. In September 2009, Typhoon Katsana devastated Manila, Philippines, delivering the capital's worst flooding and mudslides in more than 40 years. Associates from across the Asia-Pacific region quickly rallied to raise funds for fellow associates who lost their homes and donated \$6,000 USD to the Philippine National Red Cross (PNRC) to help other victims. The funds were used to improve facilities at a local elementary school gym, which is a designated emergency evacuation site for the Red Cross.

Pictured (front and center) with children and administrators from the school are the General Manager of the Manila Marriott, and PNRC Secretary General.

As a global employer and hospitality leader, Marriott recognizes that our most important asset is our global workforce who creates the experiences that keep our guests coming back. Our philosophy of “taking care of our associates so they can take care of our guests” is the foundation of our business. We devote a great deal of attention to hiring, engaging and retaining the right people. We offer a work environment that encourages personal and professional growth and where associates are rewarded for and have access to services that support their well-being. Furthermore, our associates form the foundation of our environmental and social partnerships.

Training and Professional Development

Marriott is committed to creating opportunities to help associates achieve their highest potential throughout their careers. Associates are encouraged to gain experience across disciplines to fully understand the hotel business, explore their career options and ultimately, become adept at handling an increasingly broad range of responsibilities and challenges. Overall, Marriott associates participate in about 10,000 training classes every year, including e-Learning and self-paced learning options.

We have long been committed to promoting from within whenever possible. More than 3,000 of our managers began their careers at Marriott in entry-level positions. Management development programs are another significant component of the learning options available. Because we have a strong record of promoting internally, we work hard to build our internal pipeline of talent, helping associates develop the knowledge and skills they need to progress within our company. Annually, we conduct career development discussions with our associates to further understand career aspirations and provide development plans to support future growth. We are committed to providing the tools, resources and opportunities to build leadership capacity and enhance leadership effectiveness.

Work/Life Effectiveness

Our society faces the increasing challenge of a demanding workplace in a competitive global environment with ongoing time pressures related both to career and family life. Marriott is honored to be recognized, for the past two decades, as a leader in investing in creative approaches that support hourly and management associates in managing work and life responsibilities. We are active in the U.S. national dialogue on work/life issues and lend our expertise to help other employers develop supportive initiatives. Marriott is a founding partner of Corporate Voices for Working Families (CVWF), a nonprofit, nonpartisan business membership organization that seeks to improve the lives of working families by developing and advancing public policies that reflect collaboration among the private sector, government and other stakeholders. We also actively participate as a member of various nonprofit think tanks including Boston College Work and Family Roundtable, Boston College Sloan Center for Aging and Work, Families and Work Institute Leadership Council, and WorldatWork/Alliance for Work-Life Progress advisory groups.

In 1996, we launched the Associate Resource Line, one of the first corporate Employee Assistance Programs (EAP) with comprehensive work/life services — and the first one designed specifically to meet the needs of the lower-wage workforce. Today the program is called myARL (My Assistance and Resources for Life) and is staffed 24 hours a day, 7 days a week, 365 days a year by counselors who provide assistance for associates and family members on a wide range of issues.

One of the best ways we can take care of our associates and help them grow and develop is to offer a flexible workplace culture with innovative workplace solutions to meet individual work/life needs such as teleworking and scheduling options. Throughout the year, we sponsor and promote numerous programs to help associates live healthy lifestyles, manage ongoing health issues and adopt good preventive health practices. We offer fitness challenges, health fairs, Weight Watchers® at Work, flu shots and health screenings, all staffed by full-time professional nurses at headquarters and some of our largest hotels.

Global Diversity and Inclusion

Globalization and immigration have had widespread and significant impacts, and presented both opportunities and challenges. According to the United States Census, one in every nine people is foreign-born. Globally, the United Nations reported the number of international migrants rose 35.8 percent from 1990 to 2005.

As Marriott has grown and expanded globally, our customer base and associates have become more diverse. As a result, we are broadening how we think about global diversity and inclusion, reaching across cultural borders to compete for customers and talent worldwide. In this competitive marketplace, we must continue to embrace the unique gifts and talents of our associates around the world — who speak more than 50 languages and work in 70 countries — to help us manage our constantly evolving business.

For many new immigrants, hotels are often the first opportunity for formal employment and deeply influence initial impressions of their new homeland. In the United States, many of our associates are foreign-born and we have long advocated for a comprehensive approach to immigration reform.

Our commitment to diversity and inclusion starts at the top with our Chairman of the Board, who strongly supports our Board Committee for Excellence, a standing Board of Directors committee that includes company executive leadership. Marriott's 11-member Board of Directors includes three minorities, two being women.

Marriott's Committee for Excellence sets objectives and measures progress in support of our diversity and inclusion efforts in five key areas:

Customers—Specific initiatives acknowledging the diversity of our guests and targeting various customer segments.

Owners—Marriott's Diversity Ownership Initiative, launched in 2005, helps bridge the gap between successful minority business owners and the hospitality industry. We set an original goal of increasing the number of minority- and women-owned hotels from 400 to 500 by 2010. By 2009 we already surpassed this goal by five percent, with 525 Marriott hotels minority- and/or woman-owned or franchised, with a solid pipeline in development.

Suppliers—We set a goal to increase our spending with minority-, women-, people with disabilities, veteran- and GLBT (gay, lesbian, bisexual & transgender)-owned suppliers to 15 percent by 2010. In 2009, 14.8 percent of the company's spend was with diverse suppliers, slightly up from 14 percent in 2008, bringing us closer to our goal of 15 percent by 2010. In addition to our efforts in the U.S., the company is also supporting supplier diversity efforts in the United Kingdom, Australia and China.

Workforce—Our global workforce mirrors the communities where we live and work. We strive to embrace the unique talents, perspectives and backgrounds of our associates. We have established Regional Diversity Councils in the U.S., comprised of associates from across the company who help ensure that our diversity and inclusion strategy is implemented in all local markets.

Media and Company Recognition—Media recognition and awards generated as a result of Marriott's owner, supplier, customer and workforce initiatives are positive indicators of the company's ongoing progress and success. They reinforce Marriott's commitment to diversity and inclusion and generate awareness among current and future stakeholders.

DIVERSITY	2008	2009	TARGET
Minority and Women-Owned Hotels	400	525	500 by 2010
Supplier Diversity Purchases	14%	14.8%	15% by 2010

Inclusion

Since 1990, the Marriott Foundation for People with Disabilities has built a highly reputed program, "Bridges...from school to work.®" More than 11,500 young people with disabilities have received job and life skills training through Bridges and been placed in mainstream employment with 3,400 employers, including Marriott. The great majority of these young people are minorities in the U.S. and many face socioeconomic challenges. In 2008 and 2009, Marriott International, its business partners and other donors contributed a total of \$1.26 million to the organization through its annual fundraiser in Washington, D.C.



Bridges was originally launched in Montgomery County, Maryland, where it continues to operate. It has since also been established in these urban centers:

- Atlanta
- Chicago
- Dallas
- Los Angeles
- Oakland
- Philadelphia
- San Francisco
- Washington, D.C.



MARRIOTT BUSINESS COUNCILS

Marriott Business Councils operate in more than 70 markets—ranging from cities, states and countries—and represent all Marriott business units in those areas. They leverage resources across business lines to achieve internal and external customer loyalty and add value to the marketplace by focusing on common objectives in the areas of community engagement, government affairs, customer events and perpetuating the Marriott culture.

Business Councils and units report their results in these areas using an intranet-based system. The efforts of Business Councils across our key markets give us a competitive advantage, helping us reinforce our operational excellence around the world while serving our communities.



GLOBAL DIVERSITY AND INCLUSION

Since its founding in 1927, Marriott has valued diversity and inclusion of all associates. Through the years, this legacy has become a fundamental operating principle and business imperative. In 2005, the J.W. Marriott, Jr. Diversity Excellence Award was created to recognize a business unit or department that demonstrates excellence in promoting diversity and building an inclusive environment. The award for outstanding performance in 2009 was presented to the Residence Inn Arlington Pentagon City in Virginia for its reputation as a hotel for travelers who are far from the comforts and customs of home. The hotel's 89 associates represent 30 different countries, and this cultural diversity has become a selling point for attracting business.

Ethics and Human Rights

Marriott's policy and commitment is to strive to the highest ethical and uncompromising legal standards. Our Business Conduct Guide provides managers and associates with detailed guidance on conducting business in compliance with ethical and legal standards. This includes advising associates of the laws and policies relating to antitrust issues, unfair competition, political contributions, abuse of purchasing power, commercial and political bribery, conflicts of interest and equal employment opportunity, among others. The Business Conduct Guide is published on the company's intranet in five languages: English, French, German, Portuguese and Spanish.

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, to determine awareness of and compliance with the company's policies and relevant laws. Globally, we established a Foreign Corrupt Practices Act training program to educate our global workforce on the negative consequences of non-compliance for both our associates and our business.

At Marriott, we support and respect the protection of human rights within the company's sphere of influence. We endeavor to conduct our business operations accordingly. This includes condemning and standing against such tragedies as human trafficking and the exploitation of children. Marriott does not recruit child labor, and supports the elimination of exploitative child labor. Marriott also supports laws duly enacted to prevent and punish the crime of sexual exploitation of children. Marriott works to raise awareness concerning such exploitation and cooperates with law enforcement authorities to address such instances of exploitation of which Marriott becomes aware. More information on our Commitment to Human Rights and our Human Rights Policy Statement can be found at www.marriott.com/socialresponsibility.

Our company has a long history of supporting programs and partnerships that help vulnerable young people and their families prepare for and find meaningful employment. As governments, law enforcement agencies and non-governmental organizations address human rights issues, we are aligned with the growing number of corporations that provide their commitment and support to these efforts.

Since 1998, all associates have been required to view Marriott's "The Way We Do Business" 15-minute video as part of the company's New Hire Orientation, which reflects our commitment to maintain an ethical workplace. The video is also included in the company's ongoing Business Ethics Awareness Program and associates are encouraged to watch it individually or as teams. All associates have access to the video through the company's online training systems, and it is available in English and Spanish, with translations into 32 languages available by the end of 2010. In 2009, this video was updated to include a segment featuring Marriott's President and Chief Operating Officer Arne Sorenson addressing the issue of human rights in which he states:

"It is imperative that we do business with integrity, with respect for the unique characteristics and contributions of others, with a strong sense of our corporate social responsibility, and with respect for the protection of human rights in every aspect of our business operations."

"As we expand our presence globally, we are mindful of the legal rights of men, women and, in particular, children to be treated with dignity and to be protected against any and all forms of unlawful treatment or exploitation in our business operations or on our premises."

Arne Sorenson
President and COO

Marriott is in the process of developing a training module on human rights, including the protection of children, for all associates worldwide and specifically for our security directors.

Guest Satisfaction

Each year, millions of travelers walk through our doors, and it is our commitment to exceptional service that brings them back as they do business globally and explore new destinations and cultures. Our guest loyalty program, Marriott Rewards®, grew to 32 million members in 2009.

Customer feedback is a critical aspect of understanding and continuously improving customer satisfaction and maintaining guest loyalty. Customer feedback is measured through formal survey programs for guests and meeting planners. In addition, a centralized customer care team is available to respond to calls, letters, email messages and online feedback.

The Guest Satisfaction Survey (GSS) program was designed and implemented in the early 1990s in the U.S. to identify the key drivers of customer satisfaction and loyalty, which provides information to help associates optimize a guest's experience. In 2009, a new milestone was reached when the program was expanded to include all regions across the globe. In addition, we have invested in and applied technology to better identify feedback patterns and trends across large volumes of data. Nearly 8 million survey invitations were sent out in 2009, covering hotels across the globe.

The GSS program is a key component of Marriott's Quality Assurance program. GSS scores are coupled with results from operations inspections that place hotels in performance zones every six months, providing a basis for hotel recognition or an action plan for improvement. The Event Satisfaction Survey (ESS) program is similarly designed, and collects feedback about group events from meeting planners.

In addition, The Ritz-Carlton Customer Engagement Survey program is designed to identify the key drivers of customer engagement for the brand, which has been shown to have a strong relationship to financial performance with luxury customers. This is an index measure of 11 questions that are specifically designed to determine when guests change their behaviors. The Meeting Planner/Catering Customer Engagement Survey program is similarly designed and collects feedback about group events from meeting planners.

GUESTS	2008	2009	% CHANGE
Marriott Reward Members	30M	32M	6.7%
GSS Response Rate*	29%	27%	-6.9%
Overall Guest Satisfaction Score**	81.6	82.5	1.1%

* Results include both Marriott-managed and franchised U.S. and Canadian hotels branded as Marriott Hotel & Resorts, JW Marriott®, Renaissance Hotels®, Courtyard®, Fairfield Inn & Suites®, Residence Inn®, SpringHill Suites® and TownePlace Suites®.

** The Ritz-Carlton Customer Engagement program is not included as it uses a different scale than the other Marriott brands which makes the scores incomparable.



SPIRIT TO SERVE OUR COMMUNITIES DAY

Marriott's global day of giving is an integral part of our annual Associate Appreciation Week. It gives associates in every region of the world the opportunity to work together to serve their local communities with their time and talents. This helps the company uphold its pledge that every

community where Marriott has a presence will be a better place to live and work because we are there. At Marriott's Headquarters, over 1,800 associates volunteered on Spirit To Serve Our Communities Day 2009 to support over 25 non-profit organizations in the greater Washington, D.C. area.

MARRIOTT AND SOCIETY

Hotels are located in city centers, at airports, near nature reserves, on pristine beaches, and at historic and cultural landmarks. As travel worldwide has grown in the past 50 years, we have opened hotels in many new destinations, each representing a new link of influence, impact and opportunity. Giving back to the places where we do business is at the heart of Marriott's "Spirit To Serve Our Communities®" social responsibility and community engagement initiative. Our pledge is that "every community will be a better place to live and work because we are there." We serve communities around the world through these signature issues:

Shelter and Food

Environment *(see page 17)*

Readiness for Hotel Careers

Vitality of Children

Embracing Global Diversity and Inclusion *(see page 8)*

Worldwide our hotels and business units help put roofs over people's heads and food on their plates, provide education so people can secure jobs, and help youth who are vulnerable to poverty, exploitation and lack of opportunity. As hoteliers, we have the additional opportunity to leverage the goodwill of our guests and associates to amplify the positive impact. In 2008 and 2009, reported associate fundraising and guest donations totaled \$12.4 million worldwide, and our associates committed 750,000 volunteer hours. This contributed to our two-year worldwide charitable contributions of \$73.9 million, consisting of 33 percent cash, 46 percent in-kind, and 21 percent volunteer time.

CONTRIBUTIONS* (\$M)	2007	2008	2009
Cash Contributions	\$6.6	\$6.3	\$5.9
In-Kind Contributions	\$19.9	\$18.5	\$15.5
Total Cash/In-Kind Contributions	\$26.5	\$24.8	\$21.4
Associate Fundraising	\$6.6	\$8.0	\$4.4
Associate Volunteerism**	\$5.7	\$8.8	\$6.5
Total Corporate and Associate Contributions	\$38.8	\$41.6	\$32.3
* Includes some franchised hotels			
** Based on Independent Sector's value of the volunteer hour for the noted year. The 2009 hour value is \$20.25.			

Given the challenging economy, charitable giving in 2009 reflects a decrease in giving except for minority-focused organizations.

These figures represent just a part of the diverse, worldwide social responsibility efforts of Marriott business units and branded hotels. While our business is global, our business units support distinct needs of their communities and the organizations working to address them. Some of our programs are global in nature and engage guests and associates worldwide through our partnerships with multinational nonprofit /non-governmental organizations.



YOUTH CAREER INITIATIVE

In 12 countries, the Youth Career Initiative (YCI) enables hotels to provide a six-month education program for young people from disadvantaged backgrounds. The program helps empower students by providing them with life and vocational skills to expand their choices in life. Since 1997, Marriott has taken on the role of champion for the implementation of YCI within the hotel industry and launched the first YCI programs in Latin America, Europe and the Middle East. In 2007, the first YCI programs in Mexico were launched at the JW Marriott Mexico City and the CasaMagna® Marriott Puerto Vallarta Resort & Spa and were expanded in September 2009 to include the JW Marriott Cancun Resort & Spa and the CasaMagna® Marriott Cancun Resort.

Pictured: YCI student receives training in the kitchen at the CasaMagna Marriott Cancun Resort.



SUCCEED THROUGH SERVICE

As part of the brand's worldwide Community Footprints program, Ritz-Carlton properties collaborate with local nonprofits and non-governmental organizations (NGO) to support hunger relief, children and environmental conservation by directing volunteer, cash and in-kind resources where the most impact will be made. One example of a brand-wide Community Footprints program is "Succeed through Service," launched in 2009 in partnership with America's Promise Alliance, to help middle-school students better prepare for college, work and life (www.SucceedThroughService.com). In 2008, The Ritz-Carlton launched Give Back Getaways®, inviting guests to join employees in authentic social and environmental volunteer experiences. The half-day programs educate guests about the needs of the local community and engage them in a unique volunteer activity that benefits the mission of the partner nonprofit or NGO. www.GiveBackGetaways.com

Additionally, our managed and franchised properties are given the tools to implement our corporate-level programs, and are encouraged to seek out partnerships and initiatives that will add value to our business model and contribute to strengthening the communities in which they operate. To stimulate this activity, Marriott promotes service opportunities through its yearly worldwide day of service, *Spirit To Serve Our Communities Day*. Marriott incorporates service projects into annual conferences for our stakeholders including owners and franchisees, major customers and general managers. We are pleased this has resulted in many business partners supporting Marriott's signature issues and nonprofit partners.

To promote these efforts, Marriott selects one business unit a year for its highest community achievement recognition, the Alice S. Marriott Award for Community Service. In addition, Marriott presents its "Spirit To Serve Our Communities" and "Spirit To Preserve" awards at Owner and Franchisee conferences, and our global Quarterly Award for Community Service program provides recognition to business units and Marriott Business Councils for outstanding community service (see sidebar on page 9 for more on Marriott Business Councils).

The following sections outline Marriott's focus on Shelter and Food, Readiness for Hotel Careers and Vitality of Children and provide updates for selected partnerships in 2008 and 2009, with the Environment and Embracing Global Diversity and Inclusion initiatives expanded separately under the *Marriott and the Environment* and *The Way We Do Business* sections, respectively.

Shelter and Food ... addressing housing and hunger needs, including in times of disaster

Every day around the world, guests check in to our hotels as their home away from home. That's why it is very fitting for us to help provide housing and food for those in need, including during times of disaster.

In 2009, we celebrated our 15-year partnership working with Habitat for Humanity International, first established by our Fairfield Inn brand in conjunction with its 200th hotel opening. Since then, our associates and customers have helped fund and build thousands of homes in 15 countries. After Hurricane Katrina, our New Orleans hotels have supported the rebuilding efforts through cash and volunteer contributions, including offering guests "voluntourism" experiences.

Since we began working with Feeding America (formerly known as America's Second Harvest) in 1992, Marriott has linked its business operations to thousands of locations in North America that operate feeding programs or have the ability to provide nonperishable food and volunteer resources. Marriott ExecuStay announced in April 2008 that it will engage its guests and associates in providing a wide range of assistance including food donations, volunteer labor and contributions of its "retired" housewares.

Given our global reach, many of our properties and associates have faced natural disasters and other crises. As a result, we are actively involved with the American Red Cross and the International Federation of Red Cross and Red Crescent Societies (IFRC) in more than 23 countries. We contribute to the American Red Cross Disaster Giving Program and International Response Fund. In addition, Marriott Rewards members have donated more than 6.8 million points to the American Red Cross and the IFRC in the last two years. The points are converted to Marriott Cheques (certificates used as a method of payment at Marriott properties) or cash contributions to benefit disaster victims around the world. In 2008, Marriott Reward members donated more than 3.2 million points and, in 2009, 3.6 million points to these two programs.

In 2008 and 2009, we facilitated donations from associates, business partners and guests to disaster relief at the following locations:

- **China.** *In May 2008, Marriott hotel owners in China supported the victims of the Sichuan earthquake by raising nearly 3 million U.S. Dollars for the Red Cross Society of China (RCSC). Additionally, Marriott associates raised funds for fellow associates impacted by the earthquake.*
- **Pakistan.** *Following a September 2008 bombing outside the Islamabad Marriott, The J. Willard and Alice S. Marriott Foundation, Marriott International and its business partners and associates made contributions to the Islamabad Marriott Assistance Fund, established through United Way Worldwide.*
- **Indonesia.** *After a bombing at the JW Marriott and Ritz-Carlton hotels in Jakarta in July 2009, the Jakarta Assistance Fund was established to provide support to affected associates and their families from Marriott International, The J. Willard and Alice S. Marriott Foundation and associate fundraising in the Asia-Pacific region.*

Readiness for Hotel Careers ... educating and training the next generation

As Marriott develops hotels around the world, we create many opportunities for individuals to enter the workforce, especially to gain professional experience in entry-level positions. We focus on programs serving young people from challenging backgrounds, where our assistance often provides life-changing alternatives.

In 2007, in partnership with the Hispanic College Fund and United Negro College Fund, The J. Willard and Alice S. Marriott Foundation launched the Marriott Scholars program, which awards grants totaling up to \$500,000 annually to students pursuing degrees in the areas of hospitality management, hotel management, culinary and food and beverage. Eligible students

can apply for renewable scholarships of up to \$9,000 annually in tuition support for up to four years. As a part of the program, Marriott International managers and executives from the hotels and corporate offices provide career guidance, mentoring, development and internship opportunities to scholarship recipients.

The National Academy Foundation (NAF) engages youth in 600 urban and inner-city high schools by encouraging academic excellence, college pursuits and work experiences. We support the hospitality, finance and information technology Academy programs nationally by contributing more than \$545,000 over the past 11 years and Marriott representatives serving on at least 42 advisory boards. Next year we will celebrate 30 years in our partnership with the Distributive Education Clubs of America (DECA) providing high school students with hospitality, business and marketing skills through various career development programs. Marriott also sponsors over 26 awards and scholarships each year. DECA operates in all 50 U.S. states with chapters in more than 5,000 schools.

Vitality of Children ... aiding sick and impoverished children

In many communities where we operate, children are vulnerable to the effects of poverty, including crime, neglect and exploitation. Answering the needs of sick and impoverished children, Marriott associates dedicate their time and talents to improving the lives of youth. Since 1983, we have raised more than \$71 million for Children's Miracle Network (see below).

In 2004, we began a partnership with SOS Children's Villages in Austria, which provides family-based care for neglected and orphaned children. By the end of 2009, our relationship with SOS Children's Villages spanned 10 countries.

At Ritz-Carlton properties around the world, employees are mentoring young students in necessary life skills and engaging them in service-learning and career exploration (see sidebar on page 14 for information on Ritz-Carlton's "Succeed through Service" program).



CHILDREN'S MIRACLE NETWORK

Families have always come first at Marriott. One of the ways we demonstrate this priority is by supporting Children's Miracle Network (CMN), a non-profit organization dedicated to raising funds and awareness for more than 170 children's hospitals in the United States and Canada. These hospitals help 17 million children each year battle diseases and injuries of every kind. In 1983, Marriott helped elevate awareness of CMN when it became the organization's first corporate sponsor. In collaboration with guests, business partners and associates, we've raised more than \$71 million to help children needing hospitalization in our communities.



GREEN BUILDINGS

After a three-year effort to become more sustainable and environmentally-friendly, Marriott's 30-year-old headquarters building in Bethesda, Md., secured LEED® (Leadership in Energy and Environmental Design) Existing Building Gold status. Practices implemented at headquarters include: maintaining an ENERGY STAR® rating of 77 out of 100; increasing the recycling rate to 69 percent and diverting all waste from a landfill to a waste-to-energy plant; eliminating

disposable cafeteria products and converting to permanent dishes and flatware; installing motion sensors in all restrooms, telephone and electrical closets; switching from evening to daytime office cleaning; offering premium parking for hybrid vehicles and providing car-sharing for employees through a partnership with Connect by Hertz. Additionally, the company's efforts to preserve the Amazon Rainforest earned LEED credits for both innovation and off-site protection of open space.

MARRIOTT AND THE ENVIRONMENT

With an increase in global travel comes responsibility for mitigating our business impact on the natural environment, as well as responding to forces of nature, such as hurricanes, earthquakes, floods and droughts. The beauty of many of our properties' surroundings in a resource-challenged world cannot be taken for granted. Corporate responsibility has evolved to address the direct and indirect environmental impacts of business operations. Our compelling need to operate our hotels efficiently derives not only from optimizing financial performance, but also from our commitment to work with our stakeholders to understand and act on our environmental impact and sustainability.

Our environmental vision is to be the global hospitality leader that demonstrates how responsible management of hotels can be a positive force for the environment and create economic opportunities around the world, and by example, inspire personal action in the communities where we live and work. Building on our nearly three-decade commitment to environmental conservation, we are focused on integrating greater environmental sustainability throughout our business, including architecture and construction, engineering and procurement.

In 2007, we formed a Global Green Council, a cross-functional team of senior executives, that collaborated with Conservation International, a global environmental organization, to evaluate our practices, set long-term goals, develop an environmental strategic plan and catalyze our progress. Our commitment to sustainability starts at the top; Arne Sorenson, president and chief operating officer, is a co-chair of the Global Green Council.

Marriott's Spirit to Preserve® Goals:

- *Further reduce energy and water consumption by 25 percent per available room by 2017*
- *Expand our green hotel development tenfold in five years*
- *Green our \$10 billion supply chain*
- *Educate and inspire associates and guests to support the environment*
- *Address environmental challenges through innovative conservation initiatives including rainforest protection and water conservation*

Energy, Water & Waste

The main environmental impact of hotel operations is energy consumption and the generation of waste, which both contribute to greenhouse gas (GHG) emissions. Increasing the energy efficiency of our hotels decreases our environmental impact while reducing our costs. Marriott's carbon footprint is calculated by measuring electricity and gas consumption in guest rooms and public spaces at managed properties around the world. In 2007,

Marriott set a goal to further reduce energy and water consumption by 25 percent per available room from 2007 levels by 2017.

Energy

During the past year, we implemented a strategy and programs to achieve our energy reduction goal. For 2009, we achieved our goal in the Americas of conserving 5 percent of energy consumption per available room on a year-over-year basis after weather normalization. A new Energy Conservation Action Plan was introduced, with metrics incorporated into performance evaluations for engineering and business leadership.

Marriott's Retro-Commissioning (MRC_x) program, a comprehensive evaluation and planning process that helps properties become as energy efficient as possible, was conducted at more than 30 of our largest properties. Through the program, our Engineering Department, in cooperation with top caliber energy and engineering consultants, conducted a comprehensive, systemic evaluation of all operating systems at individual hotels. These evaluations of our lighting, hot water and HVAC (heating, ventilation and air conditioning systems) determined strategic plans for bringing a property to peak operational performance.

The energy savings expected through MRC_x can be substantial. Through projects completed over the last few years and those currently under way, we anticipate saving 12 million kilowatts of power. In general, properties find that after they implement all the recommendations that evolved from an MRC_x assessment, their energy costs decrease 5 to 25 percent and they are achieving, on average, a payback on their investment in just 1.4 years. We anticipate that this program will demonstrate formidable energy reductions per available room by our next report.

We report regularly to our owners and franchisees our latest achievements in energy conservation and recent developments in energy management. We work with them closely on the purchase of new equipment, helping to ensure that they are buying the most energy-efficient equipment available. For example, substantial energy savings are achieved through our Ozone Activated Air Laundry and Formula One systems. To date, more than 200 Ozone Air Laundry systems have been installed at Marriott properties throughout the U.S., helping those properties reduce energy consumption through the injection of ozone into the laundry water. The Formula One system, installed at 350 properties, decreases laundry energy consumption 25 percent by reducing the number of cycles and the amount of hot water required to get laundry clean.

Marriott has been an ENERGY STAR Partner of the Year annually since 2004 and recognized for Sustained Excellence since 2007. As of 2009, 275 Marriott hotels have earned the ENERGY STAR label, the most in the industry.



© Conservation International / Photo by Will Turner

NOBILITY OF NATURE – CHINA

Marriott is helping to address one of the world's greatest environmental concerns — safeguarding fresh water. Marriott will invest \$500,000 over two years to support a vital water conservation program that helps protect the largest source of fresh water on the planet, located in the mountains of Southwest China. The Asia water tower is the source for Asia's major waterways, including the Yellow, Yangtze and Ganges Rivers.

The program, called "Nobility of Nature," is designed to assist rural communities find alternative livelihoods with less impact to the environment so that, ultimately, the water quality and well-being of those dependent on it improves. Working with Conservation International and the Chinese government, this program is expected to become self-sustaining in two years and will incorporate water, forest preservation and support for the local communities. Coupled with water conservation targets at Marriott's hotels worldwide, this initiative respects and protects water, the source of life.

Water

Our overall water consumption rose by 2.6 percent from 2007 to 2009 due to net room growth. However, we were able to reduce our water consumption per available room by 8.2 percent during this period. In the Americas, we achieved a 2.2 percent reduction per available room, and in the Asia/Pacific division we achieved a 31.3 percent overall water consumption reduction, equating to a 21.9 percent reduction in water consumption per available room.

In late 2009, through a partnership with a U.S.-based landscaping company, Marriott adopted a climate-specific approach to landscaping, using native plants and restricted color palettes to reduce irrigation demands and cut the amount of fertilizer required to keep plants healthy. Rain sensors were installed on the irrigation systems of 194 properties in the U.S. This and other actions in development will help us move closer to our goal.

Waste

Monitoring waste generation in hotels is more complex than tracking energy and water, given the vast differences in community infrastructure and disposal methods within municipalities. In several destinations worldwide, we face the challenge of inadequate or nonexistent infrastructure for waste recycling.

After setting our energy and water targets in 2007, we began working to further analyze our waste stream, develop programs and set targets for reduction. In 2008, we rolled out our data collection program for monitoring waste at each managed hotel in the U.S. across all brands. We will launch this program internationally over the next two years, aiming to collect a full year's waste data for all internationally managed properties by 2012.

In 2009, Marriott's landfill waste in the U.S. totaled 726,993 tons. This figure reflects a 17 percent reduction from 2007, given our focus on recycling in our largest market, North America. Looking forward, we will work to expand existing "reduce, reuse, recycle" programs already in place at hotels to more consistently include guest and meeting rooms.

Green Buildings

Governments are increasingly setting green building regulations and emissions standards that may apply to our properties. These can be capital intensive and ultimately require collaborative efforts with our owners and franchisees. In addressing this issue, we have pursued a business opportunity for greening our buildings by working collaboratively with our business partners to expand LEED®-certified hotels across the entire Marriott portfolio. LEED (Leadership in Energy and Environmental Design) is an internationally recognized certification system developed by the U.S. Green Building Council (USGBC) to provide independent, third-party verification that a building project meets the highest green construction and operations performance measures. Among their many benefits, LEED-certified buildings reduce waste sent to landfills and conserve energy and water.

Since 2005, Marriott has managed the first hotel & conference center to achieve LEED certification in North America — The Marriott Inn & Conference Center University of Maryland University College. By the end of 2009, we had 67 properties either LEED-certified or registered, including our headquarters building in Bethesda, Maryland. Marriott employs 32 LEED-accredited designers and engineers. Moving forward, we have set a target of increasing the number of LEED-certified or registered new build and operating hotels to 300 by 2015.

To achieve this goal, we developed and launched a green hotel prototype, referred to by the USGBC as "volume build pre-certification," for the Courtyard by Marriott brand in November 2009. Marriott is the first in the hospitality industry to launch a green hotel prototype, pre-certified by the USGBC. The prototype was awarded LEED Silver status and, based on national averages, will save owners approximately \$100,000 and six months in design time, and reduce a hotel's energy and water consumption by up to 25 percent. These savings, combined with incentives offered in many jurisdictions, could provide a payback for the LEED building investment in about two years.

The Courtyard Pittsburgh Settlers Ridge/Robinson Township, a Concord Hospitality hotel in Pennsylvania scheduled to open in the fall of 2010, was the basis for the new green hotel prototype concept. The Courtyard Charleston/Summerville in South Carolina will be the first hotel built using the prototype. Courtyard currently has a development pipeline of nearly 160 hotels worldwide. Marriott's prototype launch incorporates products by Kohler Co. and Philips which enhance water and energy efficiencies. Within the next two years, we expect to introduce similar green hotel prototypes for the Fairfield Inn & Suites, Residence Inn, SpringHill Suites and TownePlace Suites brands, which currently represent more than 290 hotels in the development pipeline worldwide. We expect a growing number of our pipeline hotels to utilize these green prototypes in the next few years.

Supply Chain

We are engaging our top vendors, across our \$10 billion supply chain, to supply price-neutral products that reduce energy and resource consumption, reduce waste, increase waste diversion, or use greener, nontoxic materials. This initiative reduces our direct environmental impact and offers our guests and associates a more eco-sensitive experience. Products rolled out in 2008 and 2009 include:

Greener key cards. In the U.S., we purchased 24 million key cards made of 50 percent recycled material, diverting 66 tons of

plastic from landfills. In Europe, most hotels use key cards that are fully recyclable or made from recycled content.

"Room-ready" towels. We purchase over 1 million "room-ready" towels for our hotels throughout the United States each year. By eliminating the initial wash cycle within the entire supply chain, an estimated 7.5 million gallons of water is saved annually.

Recycled pens. The 29 million pens purchased for guest and meeting rooms are made of 74 percent recycled material, designed initially for us by BIC Ecolutions™

Low VOC paint. Our annual purchases of nearly 1 million gallons of paint are low in Volatile Organic Compounds (VOCs).

Biodegradable laundry bags. Most hotels worldwide purchase biodegradable plastic laundry bags, over 6 million units, which disintegrate within two to five years, if not recycled or reused first.

Laundry detergent. At our hotels in Asia, we use a laundry detergent that cuts the amount of phosphates released into waste water by approximately 220,000 pounds per year.

Low energy light bulbs. Found at most hotels worldwide, these bulbs use 80 percent less energy than incandescent light bulbs.



GREEN SUPPLY CHAIN – COSTA RICAN BAKERY

In Latin America, Marriott and the World Environment Center (WEC) recently launched an innovative partnership to further strengthen the environmental commitment of Marriott's Costa Rican suppliers by reducing energy and water consumption, minimizing waste and raw material usage and lowering operating costs. This initiative is part of a program called "Cleaner Production Private Sector Partnerships," supported by the U.S. Department of State. Through the WEC partnership, a group of Marriott's small- and medium-sized local suppliers in Costa Rica will be trained by WEC to improve their manufacturing operations and maximize efficiencies in their facilities. This training will allow Marriott suppliers to minimize environmental effects while improving their productivity and competitiveness.

Pictured: Employees of Repostería Becker bakery and cake facility review a production process with representatives from the Costa Rica Marriott Hotel San Jose and the National Cleaner Production Center of Costa Rica.

Low environmental impact carpet. At our Courtyard hotels in the U.S., it is a brand standard to use carpet made from recycled material and is 100% recyclable including the backing of the carpet.

Water-efficient toilets. Found at most hotels outside of North America, these toilets offer a light and a heavy-duty flush reducing the amount of water used by conventional flushes by up to 50 percent.

Water-efficient shower heads. Found at most hotels worldwide, they provide a high quality shower experience while using only 2.5 gallons per minute.

EcoSmart pillows. Synthetic pillows filled with a polyester fiber that is made from ground up recycled bottles were introduced in 2008 and are now available to all Marriott Hotels & Resorts, Renaissance Hotels, JW Marriott hotels and Courtyard, Fairfield Inn & Suites, Residence Inn, SpringHill Suites, and TownePlace Suites hotels in North America.

Looking ahead, we will continue focusing on our supply chain to evaluate additional opportunities such as improving the packaging of soaps and shampoos. In addition, Marriott Hotels & Resorts, Renaissance Hotels, JW Marriott and Residence Inn hotels in North America are now required to use facial tissue which is made from 20 percent recycled fiber and feels the same as regular tissue.

We supply many of our hotels collectively through our top vendors as a strategy for ensuring quality and economies of scale, but eco-products are often not in global distribution. We expect and hope that the availability of similar products will continually

improve as the economy strengthens and demand for such products increases.

We complement our global purchasing with products and services sourced locally at our hotels around the world. In 2009, we began to explore an opportunity to engage our local supply chains through a partnership with the World Environment Center, working with a select group of suppliers in Costa Rica (see sidebar on page 19 for more on the WEC partnership).

Educating and Inspiring Associates and Guests

Increasingly, our customers have demonstrated a trend in requesting sustainable meetings as part of their own growing commitments to sustainability. Our meetings and events include turnkey products, practices and services that reduce overall environmental impact and support local communities. Green Meetings and Events by Marriott include recycle bins in meeting rooms, water pitchers, linen-less tables, pens and notepads made from recycled material, organic flowers, reusable name tags and safe-to-donate food. Event planning and event operations supervisors, managers and sales managers are required to complete an internal certification on green meetings.

Through our "Spirit to Preserve the Rainforest" program, Marriott donates five percent of the total cost of guest rooms booked for a group meeting at participating hotels to help preserve the Amazon rainforest (details in "Spirit To Preserve" section). Eligible groups are those that book 10 or more sleeping rooms during select dates for meetings taking place before December 31, 2012. Additionally, guests can voluntarily make a contribution to help preserve the rainforest when they make their reservation on www.Marriott.com. Ten dollars offsets the carbon for 10 room nights at Marriott hotels.



AUDUBON INTERNATIONAL COOPERATIVE SANCTUARY CERTIFICATION

Since January 2009, all Marriott North American golf properties have earned Audubon International Cooperative Sanctuary certification, which is recognized as the gold standard in the golf industry for environmental stewardship. To achieve certification, golf courses must meet and achieve the criteria set by Audubon International in relation to water quality management, education, wildlife and habitat management, chemical use reduction and safety, water conservation and environmental planning. In April 2010, Marriott International's 10 golf courses in the United Kingdom also became certified by Audubon International, bringing the number of Marriott managed certified courses to 36 worldwide.

Pictured: The Kaua'i Lagoons Golf Club on Lihue, Hawaii, located on the properties of both the Kaua'i Marriott Resort and Marriott's Kaua'i Beach Club, a Marriott Vacation Club® resort, earned Audubon certification in 2009.



© Photo by Luciana de Francesco

AMAZON RAINFOREST

As part of a strategy to reduce greenhouse gas emissions through avoided deforestation, in April 2008, Marriott signed an agreement to partner with the state government of Amazonas in Brazil and the Amazonas Sustainable Foundation (FAS) to protect and preserve 1.4 million acres of endangered rainforest in the Amazon. This area is called the Juma Sustainable Development Reserve. The project provides education, medical care, employment and a “Bolsa Floresta” monthly family stipend for more than 3,500 Juma residents.

As most deforestation starts alongside roadways, the Juma Reserve, located near two highways, is vulnerable to agriculture, ranching, mining and logging interests. Residents receive training and compensation to protect and serve as “guardians of the rainforest.” Along with FAS staff, they implement an Environmental Management Program by monitoring critical transportation routes using boats and vehicles, remote sensing devices, four telecommunications bases and regular patrols on foot. Satellite monitoring is managed by the Brazilian National Institute for Space Research (INPE).

Ritz-Carlton’s Give Back Getaways® volunteer vacation program (www.GiveBackGetaways.com) offers individual guests an opportunity to combine social and environmentally-focused volunteer work with travel. Ritz-Carlton’s VolunTeaming program (www.VolunTeaming.com) offers groups both on- and off-site social and environmental projects as teambuilding activities that help local communities.

Each April, Marriott associates participate in Environmental Awareness Month throughout the entire month, as a way to focus on the importance of maintaining responsible environmental habits while at work, at home and on travel. Often, this includes local community, beach or city park clean-up projects and observance of “Earth Hour,” an initiative promoted by the World Wildlife Fund, that encourages businesses and individuals to turn off their nonessential lights for one hour on a set date and time.

“Spirit To Preserve”

According to the Intergovernmental Panel on Climate Change and other environmental experts, the destruction of tropical rainforests produces nearly 20 percent of the world’s greenhouse gas emissions and fuels climate change. Often described as the “lungs of the planet,” the Amazon rainforest and other forests absorb vast quantities of carbon dioxide and, through

photosynthesis, convert it into clean, breathable air. When rainforests are logged or burned, carbon is released into the atmosphere, accelerating the rate of climate change. Rainforests also play a key role in water purification and climate patterns.

Marriott has begun investing in a portfolio of innovative conservation initiatives (see sidebars on Marriott’s rainforest project in the State of Amazonas and water conservation project in Southwest China). In 2008, Marriott pledged \$2 million U.S. Dollars in corporate funding to help protect 1.4 million acres of rainforest in the Juma Reserve in the State of Amazonas, Brazil. This project represents a groundbreaking public-private partnership between Marriott, the State of Amazonas and the Amazonas Sustainable Foundation (FAS), which designed and administers the program. The Juma Reserve is the first Reduced Emissions from Deforestation and Degradation (REDD) initiative validated under the standards of the Climate, Community, and Biodiversity Alliance (CCBA) that secured Gold Status, the highest level of certification. For land-based carbon mitigation projects, the CCBA Standards also incorporate measures to protect biodiversity and support and empower the local community. Juma is currently pursuing the even more stringent Voluntary Carbon Standard (VCS) certification for carbon offsets. VCS certification is expected by year-end 2010.

Over the past two years, Marriott has raised an additional \$170,000 for the Juma Reserve through partners such as the Tauck-Romano Foundation, the Marriott "Spirit To Preserve the Rainforest" meetings promotion and generous donations from our guests and employees. We had anticipated more robust results from our partnership and guest engagement programs, which were in development and largely introduced before the downturn in the global economy. We are continuing our efforts to increase awareness of the importance of reducing deforestation to combat climate change, and are hopeful that this will lead to an even higher level of financial participation from our partners and guests.

For more information on the program, please visit www.marriott.com/savetherainforest.

Marriott has also advocated for government support of rainforest preservation projects. Marriott was a founding signatory to the Tropical Forest Climate Unity Agreement submitted to the U.S. Congress by Avoided Deforestation Partners in May 2009. And,



at the December 2009 United Nations Climate Conference in Copenhagen, Marriott joined with the Amazonas Sustainable Foundation and the State of Amazonas, Brazil to present the Juma Reserve REDD project as an effective model for mitigating climate change.

In 2009, Marriott was an active member of the World Travel & Tourism Council's (WTTC) Environmental Working Group, which issued a groundbreaking report "Leading the Challenge of Climate Change," in which WTTC members and other stakeholders from the lodging industry, public sector and academia made significant commitments to reduce greenhouse gas emissions. This report was presented during the Copenhagen climate change negotiations in 2009.

ENVIRONMENTAL PERFORMANCE INDICATORS	2007	2008	2009	CHANGE FROM 2007
Total Water Consumption (Mm ³)	51.5	49.0	52.9	2.6%
Intensity ^a	0.69	0.64	0.63	-8.2%
Total Energy (MWh)	5,951,566	6,038,260	5,889,166	-1.0%
Intensity ^a	79.2	78.2	70.4	-11.0%
Direct Energy	3,624,330	3,665,532	3,607,319	-0.5%
Indirect Energy	2,327,236	2,372,728	2,281,847	-1.95%
GHG Emissions (Million tCO ₂ e) ^b	2.47	2.52	2.45	-0.6%
Intensity (Lbs.) ^a	72.32	72.14	64.62	-10.7%

a - Per Available Room
b - Scope 1 and 2

LEED BUILDINGS*	2007	2008	2009
Registered [includes Certified]	18	44	67
Certified	1	1	3

**Cumulative total. Includes franchised properties*

RENEWABLE ENERGY SOURCE HOTELS*	2007	2008	2009
.....	1	1	3

**Portion of energy directly generated on-site*

AWARDS & RECOGNITION

ENVIRONMENT

- "2009 100 Greenest Big Companies" — ranked #42 and best in the hospitality industry
Newsweek
- "2009 Tourism for Tomorrow Award for Sustainability"
World Travel & Tourism Council
- ENERGY STAR® Partner of the Year
U.S. Environmental Protection Agency 2004–2009
- "2009 Best Green Companies in the U.K."
The Sunday Times
- Climate Counts — Marriott ranked #1 in the industry by consumers 2008 & 2009
- "Top 12 Green IT Companies"
Computerworld 2008 & 2009
- Tops in Travel & Leisure
Ceres Investor Coalition 2008
- "2008 Global Vision Award" for environmental strategy
Travel + Leisure magazine

DIVERSITY

- "America's Top 20 Corporations for Women's Business Enterprises"
Women's Business Enterprise National Council–2010
- "Top 100 Employers for the Class of 2010"
Black Collegian magazine
- Inaugural "Best Companies for Hourly Workers"
Working Mother magazine 2010
- "Top 50 Companies for Diversity"
Diversity Inc. magazine 2001, 2003–2010
- "100 Best Companies for Working Mothers" Hall of Fame
Working Mother magazine 2005–2009
- "40 Best Companies for Diversity"
Black Enterprise magazine 2005–2010
- "Top 60 Diversity Elite"
Hispanic Business magazine 2006–2010
- "50 Best Companies for Latinas to Work For"
Latina Style magazine 1998–2010
- "Company of the Year"
Latina Style magazine 2010
- "Top 25 Corporations for Supplier Diversity"
Hispanic Business magazine 2010
- "Top Corporation for Supplier Diversity"
Women's Business Enterprise National Council 2009
- "Top Companies for Executive Women"
National Association for Female Executives 2006–2010

SOCIAL RESPONSIBILITY

- "2009 Corporate Social Responsibility Award"
Association of Corporate Travel Executives
- "2009 World Savers Award" for The Ritz-Carlton Company for "Doing it All" and "Education"
Condé Nast Traveler
- "2010 Corporate Social Responsibility Award"
National Business Travel Association

BUSINESS ETHICS

- "World's Most Ethical Companies"
Ethisphere Institute 2009

HUMAN RIGHTS

- FTSE4 Good Index
Member Council 2008–2010
- 100 percent score on the Human Rights Campaign Foundation's Corporate Equality Index report 2008–2010

WORKFORCE

- Inaugural "Icon of the Industry" Award presented in 2009 to J.W. Marriott, Jr.
Cornell University School of Hotel Administration
- "100 Best Companies to Work For"
FORTUNE magazine 1998–2010
- "Hottest Employers of 2010"
Business Week
- "Best Places to Launch a Career"
Business Week magazine 2007–2009
- "Health & Wellness Trailblazer Award"
Alliance for Workplace Excellence 2008–2010
- "Workplace Excellence Seal of Approval"
Alliance for Workplace Excellence 2005–2010
- "India's Best Companies to Work For"
Great Place to Work Institute, India 2009–2010
- "Best Employers in Singapore"
Hewitt Associates 2009
- "Best Employers in India"
Hewitt Associates 2009
- "2009 Most Admired For HR" — Marriott ranked #3
Human Resource Executive magazine

Examples of Property-level Awards and Recognition

- "2010 Asian Green Hotel Award" — Renaissance Kuala Lumpur Hotel
- "100 Best Places to Work in Mexico" — JW Marriott Mexico City, CasaMagna Marriott Cancun Resort, JW Marriott Cancun Resort & Spa, CasaMagna Marriott Puerto Vallarta Resort & Spa
Great Place to Work Institute 2008 & 2010
- "2009 Best Practice of Converting Garden Waste into Vermicompost" — Renaissance Mumbai Convention Centre Hotel
Municipal of Greater Mumbai and Tree Authority
- "Excellence Award in Staff Relations & Benefits / Welfare" — Renaissance Koh Samui Resort & Spa
Thailand Department of Labor 2009
- "Best Employers Hong Kong" — JW Marriott Hotel Hong Kong ranked #2 and Renaissance Harbour View Hotel Hong Kong ranked #3
Hewitt 2008–2009
- "Best Employer in Asia 2009 (Hotel Category)" — The Ritz-Carlton Millenia Singapore
Hewitt Associates / *The Wall Street Journal Asia*
- "2008 Outstanding Community Service" — Sydney Marriott Hotel
Australian Hotel Association
- "Best Place to Work in Portugal 2008 (mid-sized company)" — Penha Longa Hotel Spa & Golf Resort
Exame magazine

GRI CONTENT INDEX

Disclosure	Description	Location	Extent
1.1	Statement from the most senior decision-maker of the organization.	SR 1	Full
2.1	Name of the organization.	SR BIC	Full
2.2	Primary brands, products, and/or services.	SR 5-7, BOC	Full
2.3	Operational structure of the organization, including main divisions, operating companies, subsidiaries and joint ventures.	SR 5-6, AR 6-10	Full
2.4	Location of organization's headquarters.	SR BIC	Full
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.	SR 7	Full
2.6	Nature of ownership and legal form.	AR 109	Full
2.7	Markets served.	SR 6	Full
2.8	Scale of the reporting organization.	SR 5	Full
2.9	Significant changes during the reporting period regarding size, structure or ownership.	AR 20, SR 2, 5	Full
2.10	Awards received in the reporting period.	SR 23	Full
3.1	Reporting period for information provided.	SR 2	Full
3.2	Date of most recent previous report.	SR 2	Full
3.3	Reporting cycle.	SR 2	Full
3.4	Contact point for questions regarding the report or its contents.	SR BIC	Full
3.5	Process for defining report content.	SR 2	Full
3.6	Boundary of the report.	SR 2	Full
3.7	State any specific limitations on the scope or boundary of the report.	SR 2	Full
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.	SR 2	Full
3.10	Explanation of the effect of any re-statements of information provided in earlier reports, and the reasons for such re-statement.	N/A	N/A
M3.11	Significant changes from previous reporting periods in the scope, boundary or measurement methods applied in the report.	N/A	N/A
3.12	Table identifying the location of the Standard Disclosures in the report.	SR 24	Full
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.	PS 15-18	Full
4.2	Indicate whether the Chair of the highest governance body is also an executive officer.	PS 7	Full
4.3	For organizations that have a unitary board structure, state the number of members of the highest governance body that are independent and/or non-executive members.	PS 7	Full
4.4	Mechanisms for shareholders and employees to provide recommendations or direction to the highest governance body.	PS 19	Full
4.5	Linkage between compensation for members of the highest governance body, senior managers and executives, and the organization's performance.	PS 22-47	Full
4.6	Processes in place for the highest governance body to ensure conflicts of interest are avoided.	PS 17	Full
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.	SR 13, 17	Full
4.10	Processes for evaluating the highest governance body's own performance, particularly with respect to economic, environmental and social performance.	PS 22-47	Full
4.14	List of stakeholder groups engaged by the organization.	SR 2-3	Full
4.15	Basis for identification and selection of stakeholders with whom to engage.	SR 2-3	Full

Performance Indicator	Description	Location	Extent
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.	SR 13	Partial
EC2	Financial implications and other risks and opportunities for the organization's activities due to climate change.	SR 17-19, AR 2	Full
EC4	Significant financial assistance received from government.	SR 7	Full
EC8	Development and impact of infrastructure investments and services provided primarily for public benefit through commercial, in-kind or pro bono engagement.	SR 13-15	Full
EN3	Direct energy consumption by primary energy source.	SR 22	Full
EN4	Indirect energy consumption by primary source.	SR 22	Full
EN5	Energy saved due to conservation and efficiency improvements.	SR 17-19, 22	Partial
EN6	Initiatives to provide energy-efficient or renewable energy-based products and services, and reductions in energy requirements as a result of these initiatives.	SR 17-19, 22	Partial
EN8	Total water withdrawal by source.	SR 22	Full
EN16	Total direct and indirect greenhouse gas emissions by weight.	SR 22	Full
EN18	Initiatives to reduce greenhouse gas emissions and reductions achieved.	SR 17	Full
EN22	Total weight of waste by type and disposal method.	SR 18	Partial
EN23	Total number and volume of significant spills.	a	Full
EN26	Initiatives to mitigate environmental impacts of products and services, and extent of impact mitigation.	SR 20-22	Full
LA11	Programs for skills management and lifelong learning that support the continued employability of employees and assist them in managing career endings.	SR 8	Full
LA13	Composition of governance bodies and breakdown of employees per category according to gender, age group, minority group membership and other indicators of diversity.	SR 8, PS	Partial
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.	SR 11	Partial
HR6	Operations identified as having significant risk for incidents of child labor, and measures taken to contribute to the elimination of child labor.	SR 10-11, 13, HRP	Full
HR7	Operations identified as having significant risk for incidents of forced or compulsory labor, and measures to contribute to the elimination of forced or compulsory labor.	SR 10, HRP	Full
SO3	Percentage of employees trained in organization's anti-corruption policies and procedures.	SR 11	Partial
SO5	Public policy positions and participation in public policy development and lobbying.	SR 7-8, 22	Partial
PR5	Practices related to customer satisfaction, including results of surveys measuring customer satisfaction.	SR 11	Full

SR = Sustainability Report AR = Annual Report PS = Proxy Statement HRP = Human Rights Policy BIC = Back Inside Cover BOC = Back Outside Cover
a - we did not have any significant spills during the period

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Your feedback on Marriott's progress is appreciated.
Please email your comments to:

CommunityEngagement@Marriott.com



On The Cover:

1. JW Marriott San Antonio Hill Country Resort & Spa is pursuing LEED certification by the USGBC.
2. Participants at a Marriott owners and franchisee conference build house for Habitat for Humanity.
3. Bangkok associates plant mangrove tree saplings on *Spirit To Serve Our Communities Day*.

With 18 brands, Marriott International offers the broadest and most diverse portfolio in the lodging industry. Each brand has been designed to deliver a unique type of travel experience across a range of customer segments. We are always reinventing and refreshing our classic brands for our loyal customers, while introducing new brands to attract additional guests.

LUXURY



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VACATION CLUBS

