

2017 MARRIOTT SUSTAINABILITY AND SOCIAL IMPACT REPORT



GENERAL DISCLOSURES

MANAGEMENT APPROACH DISCLOSURES

INDICATORS



ABOUT THIS REPORT

Marriott International (MI)'s Sustainability and Social Impact Report is intended to help our stakeholders learn more about our company, how we approach sustainability and social impact efforts and how we measure and manage our performance. This report also directs readers to other publicly available resources for further information.

In 2017, MI utilized the new Global Reporting Initiative (GRI) Standards, which represent the current global best practice for reporting on a range of economic, environmental and social impacts. For additional information on the GRI, please visit www.globalreporting.org.

We have incorporated data and information from our full portfolio of hotels—Marriott Rewards®, The Ritz-Carlton Rewards® and Starwood Preferred Guest® (SPG®) hotels—in our reporting, unless otherwise indicated. Please note that information contained herein may not constitute any guarantees or promises with regard to business activities, performance or future results.

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A MESSAGE FROM OUR PRESIDENT AND CEO



This year, we're proud to celebrate our company's 90th anniversary—a milestone that could not have been achieved without our hundreds of thousands of associates who are working to create unforgettable experiences for our guests and positively impact our communities wherever we are open for business. While much has changed since our early days, much has stayed constant, including our core value to *Serve Our World*.

In 2016, we acquired Starwood Hotels & Resorts, and together, we are truly better. Starwood's work to support its local communities and the environment is well-known, and we are collaborating to make sure that wherever possible those best practices on a number of fronts are considered and integrated into Marriott International's efforts going forward.

We have spent 2016 and much of 2017 engaging across continents and with key stakeholders to create our next-generation 2025 Sustainability and Social Impact Goals. The Goals build upon those we set in 2008 to better protect our planet and its resources, and include both social and environmental efforts that we will strive to achieve across our portfolio. They also support our newly developed Sustainability and Social Impact Platform: "Serve 360: Doing Good in Every Direction." This Platform is guided by four priority areas, or "coordinates": **N**urture Our World, **S**ustain Responsible Operations, **E**mpower Through Opportunity and **W**elcome All and Advance Human Rights.

Recent events, such as the annual United Nations (UN) Climate Change Conference and ongoing work to support the UN Sustainable Development Goals, demonstrate a continued global interest in working collaboratively to address a range of critical needs across our planet. Our industry has joined forces to examine how we can collectively measure and address some of the topics most relevant to our business, including water risk, carbon emissions, youth unemployment and human rights.

We appreciate the opportunity to make sure that the way we do business helps address some of these most pressing challenges, and look forward to sharing this journey with you.

A handwritten signature in black ink, appearing to read "Arne Sorenson".

Arne Sorenson
President and CEO, Marriott International

2025 SUSTAINABILITY AND SOCIAL IMPACT GOALS

In our 2017 Sustainability and Social Impact Report, we reflect on our progress in 2016 and recognize the substantial efforts achieved across Marriott Rewards, The Ritz-Carlton Rewards and SPG hotels since they began setting first-generation Goals nearly a decade ago. We also introduce our new 2025 Sustainability and Social Impact Goals, for which we will be reporting on our progress in 2018 and beyond. These 2025 Goals support MI's overall Sustainability and Social Impact Platform "Serve 360: Doing Good in Every Direction." This Platform is guided by our four priority areas, or "coordinates," listed below.

Our 2025 Goals represent the next frontier of sustainability and social impact at MI and are also designed to support meaningful progress toward the 17 UN Sustainable Development Goals (SDGs), which seek to address some of the most critical challenges currently faced by our planet and its communities.



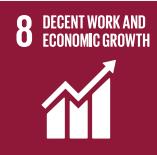


NURTURE

OUR WORLD

- Support the vitality of children
- Deliver aid and support to communities, especially in times of need
- Advance the sustainability of our communities by investing in their natural resources

UN SDGs relevant to our Nurture Goals include:



2025 SUSTAINABILITY AND SOCIAL IMPACT GOALS

GOAL By 2025, contribute 15M hours of volunteer service to support our company priorities and community engagement strategy

- Youth Engagement: 50% of volunteer hours will serve youth, including those at risk and disadvantaged, by developing their skills, employability and supporting their vitality

GOAL By 2022, 80% of managed hotels will participate in community service activities annually

- By 2025, 50% of franchised hotels will participate in community service activities annually

GOAL By 2022, 25% of all reported volunteer hours will be skills-based

Additional information on our 2025 Sustainability and Social Impact Goals can be found in the Management Approach Disclosures for corresponding material GRI topics in this Index.



Marriott International Corporate Headquarters associates volunteer during Marriott's annual "Spirit to Serve Our Communities Day" in 2017.



SUSTAIN

RESPONSIBLE OPERATIONS

- Reduce environmental impacts
- Build and operate sustainable hotels
- Source responsibly
- Mitigate climate-related risk

UN SDGs relevant to our Sustain Goals include:



2025 SUSTAINABILITY AND SOCIAL IMPACT GOALS

GOAL Reduce environmental footprint by 15% | 30% | 45% across the portfolio by 2025 (from a 2016 baseline; for water/carbon/waste on an intensity basis)

- | | |
|-------------------------|---|
| Water | ■ Reduce water intensity by 15% |
| Carbon | ■ Reduce carbon intensity by 30%
■ Commit to analyze the opportunity to set a science-based target by 2018 |
| Waste | ■ Reduce waste to landfill by 45%
■ Reduce food waste by 50% |
| Renewable Energy | ■ Achieve a minimum of 30% renewable energy use |

GOAL By 2020, all properties will have a Serve 360 section on the Marriott.com website with hotel impact metrics

GOAL 100% of MI hotels will have a sustainability certification, and 650 hotels will pursue Leadership in Energy and Environmental Design (LEED)® certification or equivalent by 2025

Sustainability Certifications

- By 2025, 100% of hotels will be certified to a recognized sustainability standard
- By 2025, 650 open or pipeline hotels will pursue LEED certification or equivalent

Sustainable Building Standards

- By 2020, LEED certification or equivalent will be incorporated into building design and renovation standards, including select service prototype solutions for high-growth markets
- By 2020, 100% of all prototypes will be designed for LEED certification
- By 2025, partner with owners to develop 100 adaptive reuse projects

MI's new global HQ will achieve LEED Platinum certification

GOAL Sustainably source 95% in our Top 10 priority categories by 2025

Supplier Requirements/Reviews

- By 2020, require all contracted suppliers in the Top 10 categories to provide information on product sustainability, inclusive of social and human rights impacts
- By 2025, require all contracted suppliers to provide this information

Sustainable Sourcing

- By 2025, sustainably source 95%, by spend, of its Top 10 categories
- Local Sourcing: By 2025, locally source 50% of all produce, in aggregate (measured by total spend)

Furniture, Fixtures & Equipment (FF&E)

- By 2025, ensure that the Top 10 FF&E product categories sourced are in the top tier of the Marriott Sustainability Assessment Program (MSAP)



EMPOWER THROUGH OPPORTUNITY

- Partner to ensure workplace readiness and access to opportunity throughout our business, including our supply chain
- Focus on youth, diverse populations, women, people with disabilities, veterans and refugees

UN SDGs relevant to our Empower Goals include:



2025 SUSTAINABILITY AND SOCIAL IMPACT GOALS

GOAL By 2025, invest at least \$5M to increase and deepen programs and partnerships that develop hospitality skills and opportunity among youth, diverse populations, women, people with disabilities, veterans and refugees

GOAL By 2019, develop and establish a global gender parity goal for company leadership



Associates from the Marriott Port-au-Prince Hotel in Haiti.

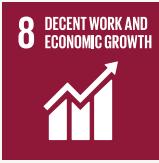


WELCOME

ALL AND ADVANCE HUMAN RIGHTS

- Promote peace, cultural understanding and the freedom to travel
- Foster an inclusive environment for all
- Work to end human trafficking
- Hold our business partners accountable

UN SDGs relevant to our Welcome Goals include:



2025 SUSTAINABILITY AND SOCIAL IMPACT GOALS

GOAL

By 2025, 100% of associates will have completed our human rights training, including on human trafficking awareness, responsible sourcing and recruitment policies and practices

- By end of 2018, implement the new human trafficking training brand standard to reach 80% of associates, as well as scale the training developed by MI and its community partners to the broader industry and academia

GOAL

By 2025, enhance or embed human rights criteria in our recruitment and sourcing policies and work with our industry to address human rights risks in the construction phase

GOAL

By 2025, promote a peaceful world through travel by investing at least \$500,000 in partnerships that drive, evaluate and elevate travel and tourism's role in cultural understanding



Marriott associates support the Pride in London parade.

GENERAL DISCLOSURES

GENERAL DISCLOSURES

Our General Disclosures aim to provide stakeholders with information on our operations, strategy and governance, as well as our approach to stakeholder engagement and reporting on environmental, social and governance topics.

ORGANIZATIONAL PROFILE

NUMBER	DESCRIPTION	RESPONSE	REFERENCES
	Note on Forward Looking Statements	This report includes "forward-looking statements" within the meaning of U.S. federal securities laws, including our goals for 2020, 2025 and other periods; and similar statements concerning anticipated future events and expectations that are not historical facts. We caution you that these statements are not guarantees of future performance and are subject to numerous risks and uncertainties, including the "Risk Factors" we describe from time to time in our periodic filings with the U.S. Securities and Exchange Commission. We therefore caution you not to rely unduly on any forward-looking statement. The forward-looking statements in this report speak only as of the date of this report, and we undertake no obligation to update or revise any forward-looking statement, whether as a result of new information, future developments, or otherwise.	2016 10-K Filing ("Risk Factors", pages 11-18)
102-1	Name of the organization	Marriott International, Inc. ("Marriott," "MI," "we" or "us.")	2016 10-K Filing ("Introduction", page 2) 2016 Annual Report
102-2	Activities, brands, products and services	<p>Marriott is a worldwide operator, franchisor and licensor of hotels and timeshare properties under numerous brand names at different price and service points.</p> <p>Consistent with our focus on management, franchising and licensing, we own very few of our lodging properties. We also operate, market and develop residential properties and provide services to home/condominium owner associations.</p> <p>We offer two overall styles of hotels—Classic and Distinctive—each of which we group into three quality tiers: Luxury, Premium and Select.</p> <ul style="list-style-type: none"> • Luxury: Brands include: JW Marriott®, The Ritz-Carlton®, W® Hotels, The Luxury Collection®, St. Regis®, EDITION® and Bulgari®. • Premium: Brands include: Marriott Hotels®, Sheraton®, Westin®, Renaissance® Hotels, Le Méridien®, Autograph Collection®, Delta Hotels®, Gaylord Hotels®, Marriott Executive Apartments®, Marriott Vacation Club®, Tribute Portfolio™ and Design Hotels™. • Select: Brands include: Courtyard®, Residence Inn®, Fairfield Inn & Suites®, SpringHill Suites®, Four Points®, TownePlace Suites®, Aloft® Hotels, AC Hotels by Marriott®, Protea Hotels®, Element® Hotels and Moxy® Hotels. 	2016 10-K Filing ("Corporate Structure and Business", page 2, "Brand Portfolio", pages 4-6) 2016 Annual Report
102-3	Location of headquarters	Our Corporate Headquarters is located in Bethesda, Maryland in the United States.	Corporate Overview

ORGANIZATIONAL PROFILE *continued*

NUMBER	DESCRIPTION	RESPONSE	REFERENCES
102-4	Location of operations	At year-end 2016, Marriott operated or franchised hotels and resorts in more than 120 countries and territories.	2016 10-K Filing ("Business and Overview", page 24)
102-5	Ownership and legal form	Marriott is a publicly traded corporation. The company was founded in 1927 by J. Willard and Alice Marriott and has been guided by Marriott family leadership for nearly 90 years. We were organized as a corporation in Delaware in 1997 and became a public company in 1998.	2016 10-K Filing ("Corporate Structure and Business", page 2) Corporate Overview
102-6	Markets served	We serve global consumers in the luxury, premium and select hotel markets across the world. We group our operations into three business segments: North American Full-Service, North American Limited-Service and International. The United States is our largest market. With the acquisition of SPG hotels, the hotels we operate or franchise outside of the United States represented more than 36 percent of the rooms in our system at year-end 2016.	2016 10-K Filing ("Business and Overview", pages 4, 12 and 24) 2017 Sustainability and Social Impact Highlights Corporate Overview
102-7	Scale of the organization	As of year-end 2016, Marriott operates, franchises or licenses 6,080 properties worldwide with 1,190,604 rooms. Over 675,000 associates work at Marriott's managed and franchise properties worldwide. At our headquarters, corporate offices and managed properties, we and our hotel owners employ over 400,000* associates (excluding our SPG hotel associates, nearly 225,000 associates in 2016). We earned \$17.1B in revenue in 2016.	2016 10-K Filing ("Corporate Structure and Business", pages 2, 10 and 50) 2016 Annual Report Investor Fact Book
102-8	Information on employees and other workers	In our 2017 Sustainability and Social Impact Highlights, we provide an infographic with a breakdown of our global workforce in HQ, corporate offices and managed properties.	2017 Sustainability and Social Impact Highlights
102-9	Supply chain	Globally, our hotels procure from thousands of suppliers. Some are centrally contracted by our supply chain organizations, most are locally used directly by the hotels. Key procurement categories include furniture, fixtures and equipment; operating supplies and equipment; food and beverage; hotel amenities; and corporate services. In 2016, our contracted supply chain and hotel spend was approximately \$10B.	Supplier Conduct Principles

*Figure does not match the 226,500 global employee figure reported in our 2016 10-K, which reports those associates who are contractually employees of MI.

ORGANIZATIONAL PROFILE *continued*

NUMBER	DESCRIPTION	RESPONSE	REFERENCES
102-10	Significant changes to the organization and its supply chain	<p>In 2015, Marriott announced its plan to acquire Starwood. In April 2016, stockholders of both Marriott and Starwood approved the acquisition. On September 23, 2016, the acquisition closed prior to market opening.</p> <p>The merger of Marriott and Starwood increased the size of our supply chain but not its primary components.</p>	2016 10-K Filing Starwood Acquisition & Historical Information
102-11	Precautionary principle or approach	<p>Marriott has set 2025 Sustainability and Social Impact Goals to reduce its water, carbon and waste intensity by 15%, 30% and 45%, respectively, from a 2016 baseline including Marriott Rewards, The Ritz-Carlton Rewards and SPG hotels.</p> <p>You can find additional information on how Marriott applies a precautionary approach to reduce environmental impacts on our corporate website, as well as our CDP Climate Change and Water responses. You can also find management approach disclosures for environmental topics on pages 26-35 of this report.</p>	2017 Sustainability and Social Impact Report (Management Approach Disclosures: Environmental, pages 26-35) CDP Climate Change Response (Question CC2.2a, sections V and VI) CDP Water Response (Questions W3, 4 and 6) Environment
102-12	External initiatives	<p>Marriott acknowledges and respects the principles contained in the Universal Declaration of Human Rights. Marriott also participates in leading industry initiatives, including our affiliations with the International Tourism Partnership and World Travel and Tourism Council, to advance sustainability within the travel and tourism industry. Additionally, Marriott has helped to launch the Hotel Owners for Tomorrow Coalition, which sets forth commitments and five actions to promote sustainability.</p> <p>Marriott also supports the UN Sustainable Development Goals, and has listed relevant Goals alongside our sustainability and social impact focus areas on our website and in this report.</p>	Human Rights Policy Statement
102-13	Membership of associations	<p>Our company and our executives continually engage with allied trade associations and nongovernmental organizations (NGOs) through leadership roles on boards and executive committees. Marriott executives hold outside leadership roles at the World Economic Forum, World Travel & Tourism Council (WTTC), International Tourism Partnership, U.S. Travel Association, U.S. Travel and Tourism Advisory Board, Brand USA and the American Hotel & Lodging Association (AHLA), including its state-level affiliates. Marriott also holds membership in numerous organizations to promote diversity and inclusion.</p>	CDP Climate Change Response (Question CC2.3c) Partners in Diversity & Inclusion

STRATEGY

NUMBER	DESCRIPTION	RESPONSE	REFERENCES
102-14	Statement from senior decision maker	<p>Our president and now CEO, Arne M. Sorenson, co-founded Marriott's Global Green Council in 2007 and recently launched the next-generation of this Council, known as the Serve 360 Council. This Council helps to manage, measure and drive Marriott's 2025 Sustainability and Social Impact Goals. In 2008, he launched Marriott's rainforest preservation partnership with the Amazonas Sustainable Foundation and Amazonas Government, based in Brazil.</p> <p>Our 2017 Sustainability and Social Impact Report begins with a letter from Mr. Sorenson, which you can find on page 3 of this document. Mr. Sorenson also provides statements on the relevance of economic, social and environmental topics on an ongoing basis through his "Overheard @ Marriott" LinkedIn blog. Additionally, Mr. Sorenson provides a statement each year in our Annual Report.</p>	2016 Annual Report 2017 Sustainability and Social Impact Report (Letter from our President and CEO, page 3) Voice of Marriott: Arne Sorenson's Blog
102-15	Key impacts, risks and opportunities	<p>Marriott actively manages and measures key impacts from our programs to address: business ethics; human rights; global diversity and inclusion; health, safety and wellbeing; responsible sourcing; women's empowerment; workforce development; energy; climate change; water; waste; natural capital; community engagement and workforce readiness, especially for disadvantaged youth.</p> <p>We provide details on specific economic, environmental and social risks in our annual 10-K filings, CDP Climate Change and CDP Water responses.</p> <p>To further act upon our key sustainability and social impact risks and opportunities, Marriott has developed its new 2025 Sustainability and Social Impact Goals, which support our newly developed Sustainability and Social Impact Platform: "Serve 360: Doing Good in Every Direction." This Platform is guided by four priority areas, or "coordinates": Nurture Our World, Sustain Responsible Operations, Empower Through Opportunity and Welcome All and Advance Human Rights.</p>	2016 10-K Filing ("Risk Factors", pages 11-18) 2016 Annual Report 2017 Sustainability and Social Impact Highlights CDP Climate Change Response (Question CC2.2a, sections V and VI) CDP Water Response Marriott.com/serve360



A solar panel installation in action at the Xiangshui Bay Marriott Resort & Spa, Sanya, China.

ETHICS AND INTEGRITY

NUMBER	DESCRIPTION	RESPONSE	REFERENCES
102-16	Values, principles, standards, and norms of behavior	<p>Our core values make what we do more meaningful. These values power our purpose and provide the foundation for our success:</p> <ul style="list-style-type: none"> • Put People First We provide opportunity to and take care of our associates, even in the most challenging times. • Pursue Excellence We have an unwavering passion for providing outstanding service and customer experiences. • Embrace Change We are committed to innovate and remain relevant to meet the evolving needs of our customers and our business. • Act With Integrity We are proud of our reputation for honesty and fairness. • Serve Our World Our purpose and global reach give us real opportunities to make a difference in communities around the world. <p>At Marriott, our compliance program's theme is "<i>How We Do Business Is as Important as the Business We Do.</i>" This motto embodies our company's commitment to acting with integrity in all business dealings.</p> <p>We also define our principles, standards and norms of behavior in our Business Conduct Guide and Principles of Responsible Business for managed properties. 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.</p> <p>We distribute the company's Business Conduct Guide, in 15 languages at managed properties, to all managers worldwide and an abridged pocket companion to the Guide is distributed in 30 languages at managed properties, to all nonmanagerial associates. An updated version of the guide is being distributed to managers in 2018. All associates are required to adhere to the standards set forth in the Business Conduct Guide.</p> <p>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 at managed properties. Marriott's General Counsel and Global Compliance Counsel provide oversight and executive responsibility for our Business Conduct Guide.</p>	Core Values & Heritage Business Conduct Guide Principles of Responsible Business
102-17	Mechanisms for advice and concerns about ethics	<p>We provide associates with a variety of means, some anonymous, to seek advice and report unethical behavior, including Marriott's Business Integrity Line.</p> <p>Marriott respects the confidentiality of associates who report potential Business Conduct Guide violations and has a No Retaliation policy for associates who raise a concern honestly and in good faith.</p>	Business Conduct Guide Business Ethics Reporting Page

GOVERNANCE

NUMBER	DESCRIPTION	RESPONSE	REFERENCES
102-18	Governance structure	<p>Structure and Committees: Marriott's board of directors is our highest governance body, and includes the following committees: Audit Committee, Compensation Policy Committee, Executive Committee, Finance Committee, Nominating and Corporate Governance Committee and the Committee for Excellence.</p> <p>Economic, Social and Environmental Oversight: 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 where appropriate) guides us in making everyday decisions that affect our work environment, our sustainability practices and our business strategy. Councils include:</p> <ul style="list-style-type: none"> • Committee for Excellence: 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. • Serve 360 Council: This executive-level Council evaluates our social and environmental practices, sets major sustainability and social impact business objectives by discipline and measures our progress. The Council reports annually through the CEO to the board of directors. • Human Rights Council: This executive-level Council advances Marriott's human rights policies and programs, including driving accountability and leading successful execution of the company's broad human rights strategy. • Business Councils: Comprised of general managers and other hotel leaders 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 impact initiatives. 	Board of Directors Committee Membership Committee Charters CDP Climate Change Response (Question CC1)
102-23	Chair of the highest governance body	J.W. Marriott, Jr. is Executive Chairman and Chairman of the Board. Mr. Marriott is an executive officer. Mr. Marriott was elected Executive Chairman in 2012, having relinquished his position as Chief Executive Officer.	Board of Directors
102-24	Nominating and selecting the highest governance body	<p>In addition to identifying individuals who have the highest personal and professional integrity and demonstrated exceptional ability and judgment, criteria for personal qualifications for board membership such as background experience, technical skills, affiliations and personal characteristics are considered.</p> <p>Our Governance Principles also require that at least two-thirds of the directors be independent, and the board has established guidelines to assist in determining director independence.</p>	Governance Principles Nominating and Corporate Governance Committee Charter

GOVERNANCE *continued*

NUMBER	DESCRIPTION	RESPONSE	REFERENCES
102-28	Evaluating the highest governance body's performance	The board and each of its committees perform an annual self-evaluation. Each November, the directors are asked to provide their assessments of the effectiveness of the board and the committees on which they serve. This annual self-evaluation will be used by the Nominating and Corporate Governance Committee to assess whether to recommend changes to the board practices or composition.	Governance Principles
102-36	Process for determining remuneration	Each year, we describe our process for determining executive and director compensation in our annual Proxy Statements.	2017 Annual Proxy Statement , [pages 29-60] Executive and Director Compensation

STAKEHOLDER ENGAGEMENT

NUMBER	DESCRIPTION	RESPONSE	REFERENCES
102-40	List of stakeholder groups	As a global travel company with managed and franchised lodging operations, Marriott 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.	
102-41	Collective bargaining agreements	At year-end 2016, around 23,000 (or 10%) of our employees were represented by labor unions.	2016 10-K Filing (page 10) Principles of Responsible Business
102-42	Identifying and selecting stakeholders	We identify stakeholders in consideration of our business impacts and activities. Our stakeholders are diverse—some operating globally and others operating at the regional and local levels.	

STAKEHOLDER ENGAGEMENT *continued*

NUMBER	DESCRIPTION	RESPONSE	REFERENCES
102-43	Approach to stakeholder engagement (including guest satisfaction)	<p>We inform stakeholders about our priorities and actions, understand evolving expectations and viewpoints and create opportunities to address substantive issues through partnerships and collaboration.</p> <p>As such, Marriott actively:</p> <ul style="list-style-type: none"> Engages with customers and associates at managed locations through management processes, such as Marriott Verified Reviews and our annual Associate Engagement Survey, to help drive continuous improvement Collaborates with stakeholders and ascertains their priorities through global forums and industry associations in order to develop policies that address some of their most critical social and environmental concerns Educes and communicates with key influencers to ensure they understand our business and create an environment conducive to travel growth <p>Our executives also continually engage with allied trade associations and nongovernmental organizations (NGOs) through leadership roles on boards and executive committees.</p>	2017 Sustainability and Social Impact Highlights
102-44	Key topics and concerns raised	<p>Understanding the needs, key issues and priorities of our stakeholders helps inform the development of our business strategy, products and services as well as our sustainability and social impact programs and reporting.</p> <p>To develop our 2025 Sustainability and Social Impact Goals, we interviewed executives and hosted workshops with global associates to brainstorm specific Goals. We then presented our Goals to key stakeholders for review. We also conducted a materiality assessment to inform our GRI disclosures as well as how we plan to execute on our 2025 Sustainability and Social Impact Goals.</p>	

REPORTING PRACTICES AND MATERIALITY

NUMBER	DESCRIPTION	RESPONSE	REFERENCES
102-45	Entities included in the consolidated financial statements	We provide a list of subsidiaries in our annual 10-K filing.	2016 10-K Filing ("Notes to Financial Statements", Exhibit 21)

REPORTING PRACTICES AND MATERIALITY *continued*

NUMBER	DESCRIPTION	RESPONSE	REFERENCES
102-46	Defining report content and topic boundaries	<p>Our 2017 Sustainability and Social Impact Report was informed by a sustainability and social impact materiality assessment, which included interviews representing owners, customers, industry associations and nongovernmental organizations. We also considered topics and information prioritized by Environmental, Social and Governance research firms, which represent the investment community.</p> <p>We selected a broad range of nongovernmental organizations to obtain perspectives on issues, including labor, climate change, water, waste, biodiversity, sustainable aquaculture, health and wellness, human rights, women's empowerment and workforce readiness, especially for disadvantaged youth.</p> <p>Our goal for the assessment was not only to ensure that Marriott is addressing the right sustainability and social impact topics but also to identify how we can continue to improve our sustainability and social impact strategies, programs and reporting.</p> <p>The topic-specific disclosures in this report reflect the outcomes from our sustainability and social impact materiality assessment.</p>	2017 Sustainability and Social Impact Report (Management Approach Disclosures and Indicators), pages 21-55
102-47	List of material topics	<p>In our 2017 Sustainability and Social Impact Report, we provide specific disclosures for the following topics:</p> <ul style="list-style-type: none"> • Economic: Economic Performance, Indirect Economic Impacts and Anti-Corruption • Environmental: Energy & Emissions, Water, Biodiversity, Effluents & Waste and Supply Chain Environment Assessment • Social: Employment, Occupational Health & Safety, Training & Education, Diversity & Equal Opportunity, Human Rights Assessment, Local Communities, Supplier Social Assessment, Customer Health & Safety and Customer Privacy <p>The development of our 2025 Sustainability and Social Impact Goals supports our newly developed Sustainability and Social Impact Platform: "Serve 360: Doing Good in Every Direction." This Platform is guided by four priority areas, or "coordinates": Nurture Our World, Sustain Responsible Operations, Empower Through Opportunity and Welcome All and Advance Human Rights.</p>	2017 Sustainability and Social Impact Report (Management Approach Disclosures and Indicators), pages 21-55
102-48	Restatements of information	Unless otherwise noted, there are no known, significant restatements of information on 2016 performance.	2017 Sustainability and Social Impact Highlights
102-49	Changes in reporting	Our reporting boundary has expanded to reflect our acquisition of Starwood.	2017 Sustainability and Social Impact Highlights

REPORTING PRACTICES AND MATERIALITY *continued*

NUMBER	DESCRIPTION	RESPONSE	REFERENCES
102-50	Reporting period	Unless otherwise noted, our reporting period is calendar year 2016.	2017 Sustainability and Social Impact Highlights
102-51	Date of most recent report	In 2016, we published our most recent Performance Highlights Report.	2016 Sustainability Highlights
102-52	Reporting cycle	We provide economic, environmental and social performance data on an annual basis. Please note that we typically publish reports using the GRI framework every other year.	
102-53	Contact point for questions regarding the report	For more information, contact us at social.impact@marriott.com	
102-56	External assurance	We received third-party assurance for our Scope 1 and 2 greenhouse gas emissions during the reporting period.	CDP Climate Change Response (Question CC8) Statement of Assurance

MANAGEMENT APPROACH DISCLOSURES

MANAGEMENT APPROACH DISCLOSURES

Management approach disclosures provides the reader with information on objectives, policies, procedures and actions across a range of economic, environmental and social topics that we have identified as material during the reporting period.



We opened our first Marriott hotel in Rwanda, the Marriott Kigali Hotel, in 2016.

ECONOMIC

As a hospitality company with a significant global footprint, it is important that we work to support inclusive growth, manage our social and environmental impacts and provide value to our stakeholders.

In this section, we provide management approach disclosures for the following GRI topics: Economic Performance, Indirect Economic Impacts and Anti-Corruption.

ECONOMIC PERFORMANCE

Economic performance is material because our company impacts people in local economies around the world. The boundary for this topic is global—covering the entire enterprise and more than 120 countries where owned, managed, licensed or franchised hotels are located.

Strategy and Approach: We remain focused on doing the things that we do well; that is, selling rooms, providing food and beverage, taking care of our guests and making sure we control costs both at properties and at the corporate level (“above-property”). Our brands remain strong as a result of skilled management teams, dedicated associates, superior customer service with an emphasis on guest and associate satisfaction, significant distribution, our Loyalty Programs, a multichannel reservations system and desirable property amenities. We strive to effectively leverage our size and broad distribution. We, along with our owners and franchisees, continue to invest in our brands by means of new, refreshed and reinvented properties, new room and public space designs, and enhanced amenities and technology offerings.

Business Model: We earn base management fees and, in many cases, incentive management fees from the properties that we manage, and we earn franchise fees from the properties that others operate under franchise agreements with Marriott. Our emphasis on long-term management contracts and franchising tends to provide more stable earnings in periods of economic softness. Adding new hotels to our system generates growth, typically with little or no investment by the company. This strategy has driven substantial growth while minimizing financial leverage and risk in a cyclical industry. In addition, we believe minimizing our capital investments and adopting a strategy of recycling our investments maximizes and maintains our financial flexibility.

Productivity: Our profitability, as well as that of owners and franchisees, has benefited from our approach to property-level and above-property productivity. Properties in our system continue to maintain very tight cost controls.

We also control above-property costs, some of which we allocate to hotels, by remaining focused on systems, processing and support areas.

Sustainability and Social Impact Strategy: Our strategy supports business growth while reducing impacts and protecting our planet. Our sustainability and social impact strategy is driven by a wide range of initiatives that have been fostered throughout our history of putting people first, giving back to communities and operating more sustainably. This includes efforts such as creating resource-efficient hotels, providing job readiness training to underserved youth, empowering diverse business owners through our supply chain, advocating for policies that facilitate travel, purchasing sustainable products, training our associates on human rights and the protection of children, and supporting innovative environmental initiatives.

Our recently announced 2025 Sustainability and Social Impact Goals will build upon these efforts and target environmental and social impact based on our business model and greatest opportunities. The Goals also support our newly developed Sustainability and Social Impact Platform: “Serve 360: Doing Good in Every Direction.” This Platform is guided by four priority areas, or “coordinates”: **Nurture Our World, Sustain Responsible Operations, Empower Through Opportunity and Welcome All and Advance Human Rights.**

These are next-generation goals that build upon our many years of progress achieved across Marriott Rewards, The Ritz-Carlton Rewards and SPG hotels to improve environmental and social performance and develop targeted sustainability and social impact programs.

Engagement on Environmental and Social Impact Issues:

To support our social and environmental sustainability strategy, we actively engage with industry associations—including the World Travel and Tourism Council, International Tourism Partnership, American Hotel and Lodging Association, U.S. Chamber of Commerce, U.S. Council for International Business and Global Business Travel Association—and participate in their industry working groups to more robustly address and measure issues critical to our planet and industry including carbon emissions, water risk, human rights and youth employment.

ADDITIONAL RESOURCES

[2016 Annual Report](#)

[2016 10-K Filing](#)

(“Business and Overview”, page 24)

[Business Model and Sustainability Strategy](#)

[CDP Climate Change Response](#)

(Question CC2.2a, sections V and VI)

EVALUATION OF MANAGEMENT APPROACH

A strong board and management approach supports continuous improvement to advance our economic performance. Marriott’s board of directors and each of its committees also perform an annual self-evaluation. Marriott’s sustainability and social impact strategy is governed by Marriott’s Serve 360 Council. Since 2007, the Council (previously known as the Global Green Council) has been guiding our strategy by evaluating our practices, setting long-term Goals, developing a strategic plan and catalyzing our progress.

INDIRECT ECONOMIC IMPACTS

On a global scale, the travel and tourism industry—estimated at 10.2% of global GDP—is forecasted to grow at a faster rate than other major industries, and currently supports 292 million people in employment or one in 10 jobs worldwide.¹

Marriott seeks to meaningfully support inclusive economic growth through our sustainability and social impact initiatives. We also aim to support the UN Sustainable Development Goals as well as the recently launched International Tourism Partnership industry Goals, addressing topics such as youth unemployment, human rights and sustainable tourism.

Strategy and Objectives: We are focused on creating programs and opportunities that not only benefit our communities, but also help strengthen our business and demonstrate how responsible hotel management can create economic opportunity and be a positive force for communities. By 2025, we have set a goal to invest at least \$5M to increase and deepen programs and partnerships that develop hospitality skills and opportunity among youth, diverse populations, women, people with disabilities, veterans and refugees.

Key Programs: To promote inclusive business growth, our key programs have historically supported women and workforce readiness for historically disadvantaged groups, including youth. We are also working to foster local hiring, employ refugees and procure goods and services locally to support local economies.

World of Opportunity Youth: In the growing travel and tourism industry, with a predicted industry growth rate of 4 percent annually², the demand for talent is expected to continue to outpace talent supply. With one in 10 jobs around the world tied to the travel industry, a global youth unemployment rate of 13 percent³ and robust hotel growth globally, there is much opportunity to continue to get youth ready and placed in hospitality careers.

Marriott recognizes the importance of our role in helping prepare young people for college and careers in our industry. Because of the diversity of our operations and number of jobs available in our hotels, our business is uniquely able to provide educational and work-study opportunities, such as training, mentoring, job shadowing, internships and more. By doing so, we can change young peoples' lives and help propel economies. Marriott has a long history of investing in these programs that help young people—especially those from challenging backgrounds, underserved populations or developing countries—gain marketable skills leading to meaningful work.

Through our youth opportunity programs, we are actively working to:

- Attract young people to our global workforce by offering a range of career opportunities, apprenticeships, training and development
- Help young people from disadvantaged backgrounds prepare for and find meaningful employment through the assistance of a network of nonprofit organizations
- Advance Marriott's numerous partnerships and hotel-level engagement to help support preparing youth for jobs in our industry and across the globe

Global Execution to Support Youth Employment:

Globally, we support the Youth Career Initiative (YCI), a three-six month hospitality training program of the International Tourism Partnership (ITP) focusing on preparing disadvantaged youth for jobs in our industry. Currently, our highest number of YCI programs is in our Caribbean and Latin America region. Mexico, specifically, had nine hotel sites at year-end 2016. Marriott has supported YCI for nearly 20 years. The former Starwood Hotels and Resorts Worldwide Foundation also supported the Global Travel and Tourism Partnership, which introduces thousands of youth annually to the world of hospitality industry careers.

We have also established numerous regional partnerships in our markets, including:

Americas: In the Americas we are continuing our decades-long efforts to support workforce readiness programs for youth and adults, including programs for disadvantaged youth such as the Marriott Foundation for People with Disabilities' Bridges from School to Work® program, NAF, DECA, Children International and The Ritz-Carlton's [Succeed Through Service](#) program. DECA is our oldest partnership, at more than 35 years. In 2016, in the United States, our largest market, Marriott was engaged in hundreds of local efforts connecting with schools and youth-based organizations to provide career mentoring, career exploration, job shadowing and high school work study opportunities so students can better understand what it means to work for a company like Marriott as well as explore future job opportunities with our company.

continued

¹ World Travel and Tourism Council – Global Economic Issues and Impact 2017 Report - <https://www.wttc.org/-/media/files/reports/economic-impact-research/2017-documents/global-economic-impact-and-issues-2017.pdf>

² <https://www.wttc.org/research/economic-research/economic-impact-analysis>

³ http://www.ilo.org/wcmsp5/groups/public/---dgreports/---dcomm/---publ/documents/publication/wcms_337069.pdf

INDIRECT ECONOMIC IMPACTS *continued*

Asia Pacific: In Asia, we are collaborating with universities and other institutions to develop an even better understanding of the hospitality industry and more robust curricula and opportunities, through organizations such as the China Hospitality Education Initiative (CHEI). We also support a number of programs that prepare disadvantaged youth for jobs in our industry such as Mahindra Pride in India and EGBOK in Cambodia. More recently, the region has announced plans to support the Asian Women's University in Bangladesh through mentoring, internships and scholarships, with over 50 of the region's women leaders mentoring these students.

Europe: In Europe, we have achieved 53 percent of our goal to create 20,000 career opportunities for young people aged 15-24 by the year 2020 through work with organizations such as YCI, SOS Children's Villages and The Prince's Trust. The programs help young people from challenging backgrounds reach their full potential by providing employment skills and vocational opportunities. Marriott hotels across the continent also supported the initiative through over \$730K in fundraising and in-kind donations plus nearly 20,000 volunteer hours in 2016 alone.

Middle East & Africa: We have partnered with a number of organizations in the region including Harambee in South Africa, the Akilah Institute for Women in Rwanda, Plan International in Egypt and INJAZ Al-Arab across the Middle East and North Africa to introduce thousands of students to the hospitality business and offer internships or entry-level positions. Marriott International also launched Tahseen, a 12-18 month leadership development program scheduled to commence in September 2017 in Saudi Arabia. Tahseen will expose Arab youth to careers in the hospitality industry and prepare them for leadership roles at Marriott.

Women's Empowerment: Through our emphasis on women's empowerment, we are working to:

- Increase the presence of women in the highest levels of management and other key decision-making positions
- Increase spending with women-owned businesses toward a 2020 goal of \$500M
- Increase our number of women-owned hotels
- Excel at serving and marketing to female consumers

Key partnerships with organizations, including WEConnect International and Women Business Enterprise National Council (WBENC), guide our women's empowerment programs. In 2016, Marriott was named WBENC's Top Corporation for Women Business Enterprises (Gold Level).

You can find additional information on our programs to empower women on our [website](#), and in the "Diversity and Equal Opportunity" and "Supplier Social Assessment" management approach disclosures in the GRI report.

Refugee Hiring and Support: Marriott is a significant employer of International Rescue Committee (IRC) clients. IRC works worldwide to settle refugees, providing aid including economic support, education and skills training that help refugees to recover and thrive. In 2016 the Starwood Foundation began a pilot project with IRC in Dallas and San Diego—the "Hospitality Link Program"—to introduce more than 100 refugees to careers in the hospitality industry, as well as life skills and English language classes. Marriott works with IRC in 19 cities across the United States.

Internationally, hotels such as the Vienna Marriott have also worked to prepare and hire refugees for jobs. The Vienna Marriott has led the local Hoteliers Association to collaborate with the Vienna City Council resulting in 35 apprenticeships offered to young refugees, eight of whom were placed at a Marriott property. One refugee who recently completed his apprenticeship at the Vienna Marriott has recently been offered full-time employment as a chef.

ADDITIONAL RESOURCES

[2017 Sustainability and Social Impact Highlights](#)

[Creating an Inclusive Environment](#)

[Global Diversity and Inclusion](#)

[marriott.com/serve360](#)



EVALUATION OF MANAGEMENT APPROACH

As we expand our footprint, we are working to determine how we can even more efficiently and effectively align our partners to ensure a pipeline of talent ready to support our growth in each of these regions. In certain regions around the world, where the hospitality industry careers may not be one of the first to be considered by its youth and families, we are focused on educating potential associates about the many advantages and the highly rewarding experiences that come with delivering service to our customers and hotels.

ANTI-CORRUPTION

It is critical that Marriott engage in responsible business practices and comply with laws and regulations that address bribery and corruption. Unless otherwise noted, the boundary of this topic applies to all brands and business activities across our global operations in more than 120 countries and aligns with our company's core value to Act With Integrity.

Policies and Procedures: We aim to observe our fundamental values and ethical standards in everything we do in order to provide our associates with an honest and ethical work environment. We distribute the company's Business Conduct Guide, in multiple languages, to all managers, at managed locations, worldwide. We train our associates on the company's relevant policies, including ethics, supplier conduct and anti-corruption laws. We also perform due diligence on key business partners in order to maintain our integrity worldwide, including in regions where corruption is perceived to be pervasive.

Training: We deliver annual online anti-corruption training globally to all managers at managed hotels (outside of the United States) as well as an in-person, instructor-led training program, which is delivered to key managers at managed locations, periodically. These training programs help to ensure that all Marriott managers in key positions such as General Managers, Directors of Finance and Sales & Marketing leaders worldwide, are furnished with in-person training, in small group sessions of 25-30 managers, that are conducive to discussion and clear comprehension.

2016 Highlights: In 2016, we created a video integrity message featuring our CEO and posted to our shared Marriott Rewards, The Ritz-Carlton Rewards and SPG hotels intranet site known as "The Platform," as well as our global newsletter, *Headline News*. The video guided associates to Marriott's Business Conduct Guide. We also posted our global anti-corruption policy to The Platform and distributed it via *Headline News*. These efforts served as an introduction to Marriott's ethical standards and anti-corruption policies for our SPG hotels' associates and as a reminder to all Marriott associates. We also enhanced our hotel owner due diligence screening process and guidelines and introduced our new due diligence process through face-to-face training sessions across the globe.

ADDITIONAL RESOURCES

[Business Conduct Guide](#)

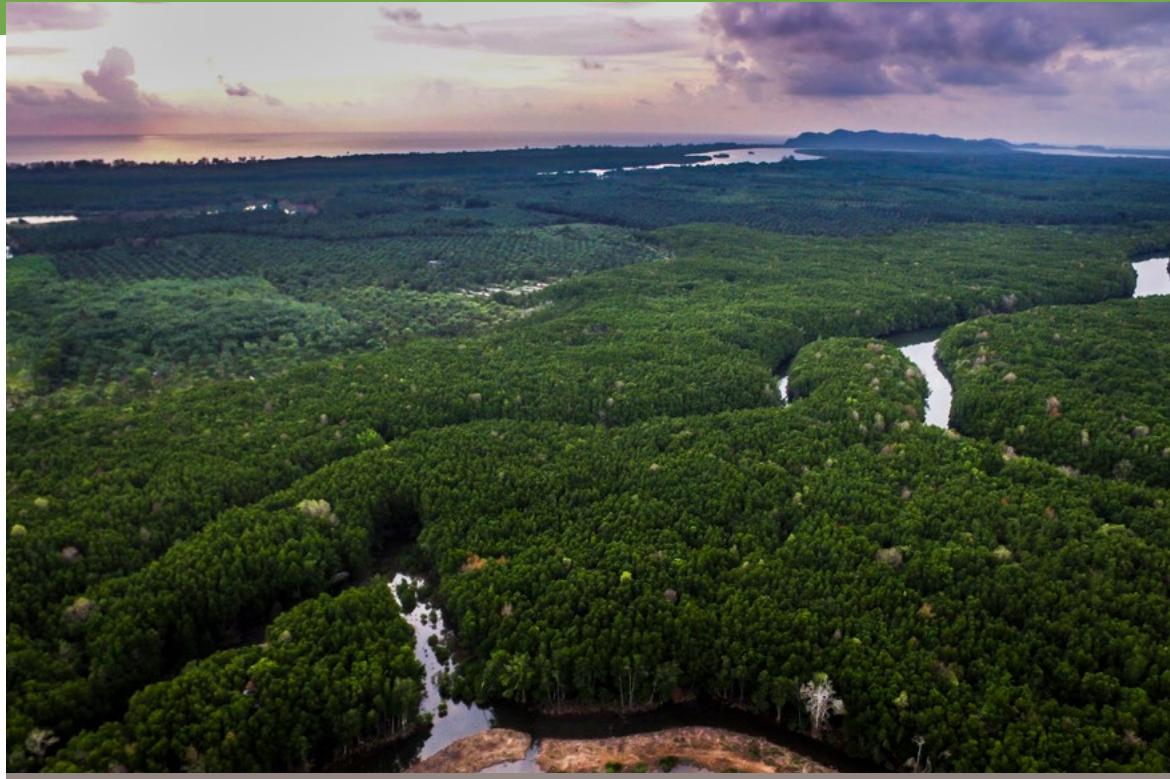


EVALUATION OF MANAGEMENT APPROACH

We utilize awards and benchmarks as well as evolving laws, regulations and best practices to support continued improvement. At Marriott, we believe that our commitment to ethics and integrity can be observed in more than our words and many awards; it is evident in our associates' deeds and in the tireless actions of our corporate leadership who continuously drive the company to meet high standards of integrity, honesty, respect, trust, and fairness that every Marriott associate can follow and in which all can take pride.

MANAGEMENT APPROACH DISCLOSURES

In this section, we provide management approach disclosures for the following GRI topics: Energy and Emissions, Water, Biodiversity, Effluents & Waste and Supplier Environmental Assessment.



Marriott associates support a number of tree planting initiatives around the world, including mangrove restoration in Thailand.

ENVIRONMENTAL

We remain committed to reducing our environmental impacts, building and operating more sustainable hotels and sourcing responsibly. We also actively support natural capital initiatives across the globe.

Marriott Rewards and The Ritz-Carlton Rewards hotels, as well as SPG hotels, first set environmental Goals nearly a decade ago, and we are building upon these efforts with our new 2025 Sustainability and Social Impact Goals. We will begin to report progress against our next-generation 2025 Sustainability and Social Impact Goals in 2018.

MARRIOTT'S FIRST-GENERATION ENVIRONMENTAL GOALS

- Further reduce energy and water consumption 20% by 2020 (energy intensity per kWh/conditioned m²; water intensity per occupied room; from 2007 baseline)
- 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

SPG HOTELS FIRST-GENERATION ENVIRONMENTAL GOALS

In 2016, our SPG hotels continued to work toward their 30/20 by 20 environmental goals, initially launched in 2009, which aim to reduce energy consumption by 30% and water consumption by 20% by 2020, using a 2008 baseline year. In 2013, a carbon emissions reduction goal of 30% for the same time frame was added.

Additional critical areas of focus for SPG hotels included energy efficiency and renewable energy, water efficiency and risk, waste reduction and diversion, indoor environmental quality, climate change and GHG emissions as well as biodiversity and ecosystem health, sustainable food & beverage, sustainable community development, and responsible supply chain operations.

ENERGY AND EMISSIONS

We are committed to reducing our energy consumption and greenhouse gas (GHG) emissions to reflect our values, increase operational efficiency and do our part to mitigate climate change risks.

The boundary of our impacts covers all owned, licensed and franchised hotels. We support and encourage our third-party franchisees to follow our energy efficiency goals through reporting, recognition programs and our efforts to increase the number of LEED-certified properties.

2025 Sustainability and Social Impact Goals: Our recently announced 2025 Sustainability and Social Impact Goals build upon the environmental Goals Marriott set in 2008. Through our ongoing efforts, we are working to aggressively reduce carbon emissions and reduce consumption of nonrenewable energy:

- Marriott has set a goal to reduce greenhouse gas emissions per square meter by 30 percent from 2016-2025. (This is our next-generation goal, and builds upon the efficiencies gained from our initial 2007 and 2008 baselines for Marriott Rewards/The Ritz-Carlton Rewards hotels and SPG hotels, respectively.) We also have committed to analyzing the opportunity to set a science-based target by 2018.

Actions to Support Our Ongoing Efforts: We execute globally with targeted strategies for all hotels:

- **Energy and Environmental Action Plans:** Our Energy and Environmental Action Plans evaluate return on investment projects and help prioritize owner investments.
- **Signature Projects:** Using Energy and Environmental Action Plans as a roadmap, full-service properties in the Americas, Europe, Asia Pacific and Middle East/Africa select "signature projects" focusing on energy efficiency projects such as lighting upgrades, installation of variable frequency drive pumps, fans and air handling units and chiller upgrades.
- **Retro-Commissioning:** Marriott retro-commissioning (MRCx) efforts drive third-party studies of our more complex facilities in order to identify the efficiency opportunities, including those related to heating, ventilation and air conditioning (HVAC), chiller and boiler systems.
- **Lighting Retrofits:** Lighting retrofits continue to provide energy efficiency opportunities as newer technology lowers replacement costs, and systems are upgraded at our properties around the world. Large-scale lighting retrofits are often tied to other renovation projects, as well as to advances in lighting technology.
- **Building Automation Systems:** Marriott continues to incorporate and integrate building automation systems and other automated controls to increase the efficiency of the buildings we manage. We also install smart, integrated occupancy thermostat systems that interlock with entry doors and the property management systems to deliver agile temperature setback efficiency without impacting guest comfort and preference.
- **Chilled Water Efficiency:** We have developed a Chilled Water Diagnostic Tool for managed properties in the Americas, which helps each full-service hotel to identify water and cost savings opportunities in their chilled water production.
- **Demand Response:** We partner with utilities' on-demand response programs, which provide incentives to companies to better manage and reduce their grid-supplied electricity during times of peak demand.

continued

ENERGY AND EMISSIONS *continued*

- **Renewable Energy:** We continue to evaluate renewable energy opportunities, including on-site generation, across our global regions and identify best practices. An increasing number of our properties have installed low-carbon or renewable energy systems, such as geothermal, wind and solar. For example, 21 Marriott properties in India harness 37 percent of their electricity needs from local wind and solar sources. In 2016, a 536 kilowatt solar photovoltaic system was installed on the rooftop of the Anaheim Marriott in California. Additionally, our Element brand requires its hotels to purchase and hold a minimum of 70 percent of renewable energy credits.

- **Sustainability Certifications:** We prioritize and monitor our performance with regards toward sustainability certifications. Currently, Marriott has the largest number of TripAdvisor GreenLeaders certifications with 2,238 hotels receiving the GreenLeaders' badge. GreenLeaders helps TripAdvisor's community of 390 million travelers plan more responsible trips by highlighting accommodations engaging in sustainable practices. Also, 111 of our hotels were LEED certified and an additional 190 were registered as of year-end 2016.

Associate and Guest Engagement: We actively engage with and strive to inspire our guests, owners and associates:

- **Data Sharing:** We share property-level environmental sustainability data with our guests, meeting planners and customers on our brand channels, via RFPs, and in our centralized database, which feeds over 40 booking systems. Through the [Green Hotels Global™ dashboard](#), we offer environmental metrics to business travel buyers and meeting planners and customizable carbon and water footprint data to our group customers, many of whom have included

our hotels in their preferred programs because they were able to provide this level of data. Additionally, corporate customers can access over 100 operational and management practices.

- **Business Travel and Group Customers:** We developed a sales training guide and self-guided reporting template on how to utilize the hotel data to effectively communicate sustainability to our business travel and group customers. Customers hosting meetings at SPG hotels can also offset the carbon footprint of their event.
- **Partnership with the USGBC, Owners and Developers:** Our LEED Volume Build program with the United States Green Building Council (USGBC) provides a streamlined way for owners and developers to build sustainable hotels under Marriott's select-service and extended-stay brands.
- **Property Committees and Champions:** We encourage energy and environment committees to engage one associate from each department to provide a cross-disciplinary team for the site's sustainability efforts. For example, SPG Hotels have Sustainability Champions & Councils, while The Ritz-Carlton has established an Environmental Action Conservation Team (REACT) at each property to implement best practices designed to minimize our environmental footprint. Our full-service properties in the Americas and Europe use an engineering gamification tool to encourage energy efficiency and identify new projects.
- **Corporate Headquarters:** We have engaged the Global Operations (GO) group at Marriott Headquarters in an ongoing, successful GO Sustainability campaign. By engaging corporate leaders in their own work environment at Marriott Headquarters in specific site-wide Goals and behavior change, we encourage a sustainability mindset that will potentially influence program and product development.
- **Measuring Engagement:** In our 2016 Associate Engagement Survey, 85 percent of associates expressed pride in the steps their hotel or office takes to protect the environment.

ADDITIONAL RESOURCES



- [2017 Sustainability and Social Impact Highlights](#)
- [CDP Climate Change Response](#)
- [Environmental Principles](#)
- [marriott.com/serve360](#)

EVALUATION OF MANAGEMENT APPROACH

To measure progress, we track our performance against our Goals, which are tied to compensation for those responsible for execution. We also utilize the oversight provided by our executive-level Serve 360 Council and Engineering Business Leadership Councils to support continuous improvement, and continue to monitor emerging best practices. Marriott also worked with Cornell University's Center for Hospitality Research and industry peers to develop the Hotel Sustainability Benchmarking Index. The index is updated annually and features benchmark figures for hotels to assess their energy consumption, water consumption and greenhouse gas emissions. These are further categorized into different segments and geographic locations.

WATER

Water is essential to our operations and the health and prosperity of the communities where we operate. The boundary of our impacts associated with water consumption applies globally across our operations.

2025 Sustainability and Social Impact Goal: Marriott recently set a goal to reduce water intensity per occupied room by 15 percent from 2016-2025. [This is our next-generation goal, and builds upon the water efficiencies gained from our initial 2007 and 2008 baselines for Marriott Rewards/The Ritz-Carlton Rewards hotels and SPG hotels, respectively.]

Actions to Conserve Water: We execute globally with targeted strategies for our hotels:

- **Targeted Approach:** Marriott's water conservation initiatives target specific aspects of hotel operations, including: laundry and linen/terry reuse programs; dishwashing and water service at restaurants and events; central plant operations; landscaping/irrigation; and golf course maintenance/operation. We also invest in low-flow fixtures across our global portfolio of properties.
- **Anomaly Management:** Americas managed properties benefit from an outlier analysis program based on billing data. As bills are received, unusual water usage is flagged and properties are notified that they may have a leak or another issue that needs to be addressed. If properties are not able to mitigate the high usage pattern, a water performance call is conducted to help the property troubleshoot the issue.
- **Action Plans:** Marriott properties use an audit tool, the Energy and Environmental Action Plan (EEAP), to identify opportunities to increase operational efficiency. The EEAP covers a range of water conservation items from corporate linen/terry reuse policies to simple best practice behaviors for food service, housekeeping, landscaping irrigation, HVAC, and central plant conservation and efficiency.

• **Signature Projects:** Using Energy and Environmental Action Plans as a roadmap, full-service properties in the Americas can elect to use a water conservation action item for their annual signature project such as the installation of low-flow toilets and showerheads, smart irrigation controllers, laundry water reuse systems and high-efficiency irrigation spray nozzles.

• **Integration with Energy Efficiency Measures:** Many of our projects designed to improve energy efficiency also conserve water. For example, cooling tower upgrades reduce both water and energy use by central plants. Similarly, water treatment equipment upgrades also improve the energy efficiency and water savings of this activity.

• **Water Recycling:** Many of our hotels use recycled water for landscaping, cooling tower makeup water and flushing. Systems to capture greywater and rainwater for appropriate uses are also implemented at numerous properties.

• **Submetering:** Marriott recently established a standard for water submetering for cooling towers and irrigation at its managed, full-service properties in the Americas. Where installed, these meters give a more detailed view of water consumption and aid in the early detection of leaks.

Water Risk Management: Water risks are managed from across the lifecycle of properties, from site development to construction and operations:

• **Business Leadership Councils:** Marriott's Engineering Business Leadership Councils and teams, composed of Directors of Engineering and Cluster Engineering Managers for specific geographic markets, are global and typically meet on a quarterly basis and discuss regionally relevant topics, including water risks and

issues. Quarterly council meetings offer a venue for market-specific discussions around water utilities and related topics.

- **Site Development:** For hotels under development, Marriott assesses environmental resources, including feasibility studies during site development and the choice of construction materials during design. Once open, each hotel will have a water conservation action plan to manage and reduce water usage.
- **Water Supply:** When municipal water supply is not available or sufficient, our hotel partners install water systems, including bore, desalination, reverse osmosis and filtration. For example, the Marriott Port-au-Prince Hotel was designed sustainably and constructed to include an on-site water storage and treatment system to provide for a five-day water supply and a 60,000-gallon waste water treatment plant.
- **Drought Risks:** Drought risks are proactively addressed. To address the recent droughts in California, Marriott International held an internal webinar for all General Managers and Directors of Engineering of Marriott-managed properties in California. Each full-service property developed a site-specific water conservation plan and also completed irrigation efficiency audits on their landscaped acreage, identifying further opportunities. Water conservation measures were implemented immediately by our properties, including cutbacks of landscape irrigation. Associates and guests were notified of the water situation to promote further conservation. Our SPG hotels also partnered with Ecolab to assess water risk across the total portfolio using its Water Risk Monetizer tool. Marriott piloted the tool in India and China prior to 2016, and will be using the latest version of this Ecolab tool to develop a full assessment in 2017.

continued

WATER *continued*

- **Flooding Risks:** To address flooding risks, we have enterprise-wide business continuity plans, task forces, the [Marriott Disaster Relief Fund*](#), and long-standing relationships with the International Federation of Red Cross and Red Crescent Societies, the American Red Cross and other organizations that offer assistance to communities in times of disaster. These relationships and programs help us to coordinate relief efforts in regions where we operate hotels.

Partnerships and Stakeholder Engagement: Activities to support water stewardship include:

- **Hotel Developers:** As a worldwide operator and franchisor of hotels, Marriott works with hotel developers and owners to add hotels to our pipeline of future rooms. Hotels are most often built in locations with adequate water supply. In locations where this might not be the case, such as island destinations or in developing markets, our hotel partners work to establish the infrastructure and facilities needed for hotel operations.

- **Local Governments, Communities and Nongovernmental Organizations (NGOs):** We have formed partnerships with local governments, communities and NGOs for our signature conservation initiatives. One historic initiative, Nobility of Nature, supported Southeast Asia's freshwater conservation (particularly the Yangtze River and its tributaries located in Southwest China's Sichuan Province), by assisting rural communities with building sustainable livelihoods. This project is now self-sustaining.

- **Industry Collaboration:** Marriott has been working to address lodging industry water security and conservation by participating in the water working group of the International Tourism Partnership (ITP). Based upon the successful adoption of the Hotel Carbon Measurement Initiative (HCFI), the ITP launched the Hotel Water Measurement Initiative (HWMI). Marriott and other industry leaders collaborated to develop a methodology to enable hotel companies and individual properties to consistently measure and report on water consumption.

- **Associates and Guests:** We constantly develop new ways of engaging our associates, which includes gamification of engineering operational practices and cross-discipline Talent Network Teams. In 2016, one of our Corporate Headquarters' Talent Network Teams collaborated to determine the root cause of breakdown in the towel reuse process at some of our properties. Based on this research, we developed a new approach in 2016, which is being piloted in 2017. Marriott Headquarters' Global Operations (GO) Sustainability program also enlists our GO team in identifying solutions and taking tangible actions to meet short-term Goals. We communicate regularly through a variety of social media channels, bring in outside experts and thought leaders through the SERVE Our World speaker series and Innovation Week at Headquarters and company-wide Environmental Awareness Month activities. Guest engagement methods include communications through channels such as social media and our website, specific initiatives at individual properties and guest-facing programming such as Make a Green Choice (MAGC) where guests can choose to help reduce our environmental footprint. Any guest at a participating SPG hotel can Make a Green Choice by forgoing full housekeeping for up to three days in a row (excluding their check-out day). For each night a guest opts into MAGC, they receive 250-500 Starpoints or a \$5/5€ Food & Beverage voucher, while helping to reduce the use of water, energy and chemicals.

*The Marriott Disaster Relief Fund was established to support the company's efforts to assist families and communities during times of disaster, especially Marriott's affected associates at both managed and franchised hotels. The Greater Washington Community Foundation manages the Marriott Disaster Relief Fund to allow for the most efficient use and activation of charitable funds.

ADDITIONAL RESOURCES

[2017 Sustainability and Social Impact Highlights](#)

[CDP Water Response](#)

[Environmental Principles](#)



EVALUATION OF MANAGEMENT APPROACH

To measure progress, we will track our performance against our 2025 Goals, which are tied to compensation for those responsible for execution. We also utilize the oversight provided by our executive-level Serve 360 Council and Engineering Business Leadership Councils to advance our efforts. Additionally, we continue to monitor and support emerging best practices.

BIODIVERSITY

Biodiversity is critical to ensuring healthy ecosystems and a viable planet. We rely on these ecosystems, or natural capital, for basic necessities, security and health. Key benefits for valuing and protecting natural capital—which pertains to elements ranging from clean air and water to all living organisms—include reducing risk, lowering costs, enhancing brand and company reputation, and generating revenue. As such, we expect to continue supporting investments in natural capital, as well as participating in and supporting gatherings to help shine the spotlight on valuing natural capital.

Strategies and Objectives: While many companies focus their sustainability strategies solely on internal operations, we expanded the scope of our sustainability strategy to protect and enhance the ecosystems that make our properties vibrant tourist destinations, as well as those that support the global community. Examples range from beehives on hotels' rooftops to wildflower habitat management on golf courses to far beyond our hotel doors by investing in the preservation of the Amazon Rainforest.

Through Marriott natural capital and conservation initiatives, we aim to:

- 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
- Invest in natural capital resource projects that are expected 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

Our global presence and environmental strategy drives economic opportunity for many and inspires us to consciously build more sustainable hotels.

Partnership and Stakeholder Engagement: We work collaboratively with local 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. Marriott has developed key partnerships with local governments, communities and NGOs for our signature conservation initiatives, including the Juma REDD+ (reduced emissions from deforestation and forest degradation) project in Brazil's Amazon rainforest, mangrove restoration in Thailand and tree planting in Alberta, Canada.

Key Initiatives: Marriott has engaged in the following key initiatives:

- **Amazon Rainforest Preservation:** The Government of Amazonas and the Amazonas Sustainable Foundation (FAS) delivered Brazil's first-ever certificate of carbon emissions reduction to Marriott International in 2016. The certificate states the reduction of 400,000 tons of carbon dioxide (tCO_2) by activities at the Juma Sustainable Development Reserve (RDS) in Amazonas, Brazil between 2006 and 2013, through the partnership and support of Marriott International, FAS and the Government of Amazonas. The Juma REDD+ project aims to curb deforestation and associated greenhouse gas emissions in a 2,770-square-mile area with significant land-use pressure in Brazil's northwestern Amazon rainforest.

- **Mangrove Habitat Restoration in Thailand:** Marriott has a partnership with the International Union for Conservation of Nature (IUCN) and Mangroves for the Future to support coastal communities and mangrove restoration efforts in Thailand. Mangrove trees have been planted across Thailand, and each hotel property in Thailand has been raising funds from their guests, which have supported mangrove replanting at degraded coastal sites around Thailand.

- **Delta GreenSTAY™ Program:** Delta Hotels & Resorts' guests in Canada can reduce the carbon and water footprint of their hotel stay and help reforestation efforts through a partnership between the hotels and WEarth. The program gives guests the option to virtually plant one tree for each night they have opted out of housekeeping. WEarth plants the actual trees on behalf of every applicable GreenSTAY guest night.

Impact Metrics: In 2016, impact metrics from our biodiversity programs included:

- **Juma Forest Restoration in the Amazon:** To date, 99 percent of the Juma reserve—home to nearly 2,000 residents in 38 communities—remains covered by rainforest. Our Brazil associates also raised nearly \$8,000 in 2016 to help support the project.
- **Mangrove Habitat Restoration in Thailand:** From 2013-2016, 55,540 trees were planted covering 13 hectares. Our Thailand associates also raised over \$100,000 to support IUCN's ongoing mangrove restoration efforts.
- **Delta GreenSTAY Program:** In 2016, more than 40,000 trees were planted, exceeding the program's annual goal.

continued

BIODIVERSITY *continued*

Integration with Starwood: SPG hotels also have a strong history of recognizing the intrinsic value of properties in protected areas and areas of high biodiversity value, and are working closely with owners and local stakeholders to minimize impact and conserve biodiversity. SPG hotels that are in United Nations Education, Scientific and Cultural Organization (UNESCO) World Heritage sites or adjacent to sensitive ecosystems coordinate locally to ensure proper awareness, compliance and conservation of land and water ecosystems. Key initiatives, with support from the independent and now retired Starwood Hotels and Resorts Foundation, included the following in 2016:

- **Projects and Grants:** The Starwood Foundation supported Conservation International's WASH (short for "Water, Sanitation and Hygiene") and Watershed Conservation in South Africa project, a three-year program in the Mzimvubu catchment aiming to restore and protect healthy river systems, intact springs and wetlands, and resilient water catchment systems. The success and increase in water security led the project to be included in a case study report published by The Coca-Cola Company in 2016. The Starwood Foundation also provided grants to The Nature Conservancy: one grant was to support restoration activities near São Paulo, Brazil, in order to implement a green infrastructure agenda while the other grant focused on coastal protection services restoration in Punta Allen in the Sian Ka'an Biosphere Reserve of Mexico. The Starwood Foundation also supported certain Grupo Puntacana Foundation Caribbean-area programs including one to halt damaging fishing practices and reduce fishing pressures by retraining fishermen to assist in coral restoration efforts and to produce sustainable crafts made from invasive lionfish, as well as another program to lab test advances for a newly emerging coral propagation protocol to increase coral reef diversity.

- **Guest Engagement:** SPG hotels, the Starwood Foundation and ForestNation collaborated on a campaign that empowered SPG hotels to purchase Starwood-branded tree kits, and for each tree kit purchased, one tree was planted in Haiti. As a result of the Starwood-branded tree kits program, in 2016 nearly 3,000 trees were planted. Additionally, nearly 600 Starwood tree kits were donated to the New York Restoration Project, New York City's only citywide conservancy. Many local SPG hotels conduct their own efforts, such as The Andaman, a Luxury Collection Resort, Langkawi, which supports efforts to preserve the ancient coral reef located in the bay adjacent to the hotel. The hotel engages guests and associates to assist in the protection of the reef through regular clean ups, and has also established a [Marine Laboratory](#) and marine biologist program for young guests to encourage and promote ongoing coral reef conservation efforts and appreciation. A new coral garden also sits within the bay and was established by hotel guests and associates.

ADDITIONAL RESOURCES

[2017 Sustainability and Social Impact Highlights](#)

EVALUATION OF MANAGEMENT APPROACH

Natural capital projects can be challenging, and we continue to incorporate lessons learned. Outcomes can sometimes be difficult to measure. Also, such conservation projects are typically in remote locations that are challenging to manage. We have learned that the greatest engagement in such projects comes from associates and guests located close to the projects.

Moving forward, we aim to advance key programs, expand our reach, share best practices across regions and further integrate with properties' design, construction, operations and community engagement activities.

EFFLUENTS AND WASTE

Given the nature of our business, hotels generate a significant amount of waste, including food or wet waste. Effluents, however, are not significant, based on the nature of operations, and thus, our management approach is focused on waste.

2025 Sustainability and Social Impact Goal: Marriott has recently set a goal to reduce total waste-to-landfill by 45 percent and food waste per occupied room by 50 percent.

Key Programs and Strategies: To reduce waste-to-landfill, programs and strategies include:

- **Business Leadership Councils:** Marriott's Engineering Business Leadership Councils, composed of Directors of Engineering and Cluster Engineering Managers for specific geographic markets, provide leadership to guide our waste programs.
- **Action Plans:** Marriott properties use an audit tool, the Energy and Environmental Action Plan (EEAP), to identify opportunities to increase operational efficiency. These plans incorporate best practice guidelines for recycling and reducing waste.

Food Waste: Food waste has been prioritized within Marriott's 2025 Sustainability and Social Impact Goals. We utilized our POC (Proof of Concept) approach by having 13 hotels engage in three different approaches to reduce food waste—using technology to measure the waste and adjust practices weekly based on data, using separation and manual measurement to gather data, and setting up food donation processes to send prepared, unused food to local organizations for consumption. Additionally, Marriott has collaborated with the American Hotels & Lodging Association, World Wildlife Fund (WWF), other hospitality companies and The Rockefeller Foundation to advance best practices in managing food waste. Outcomes from these varying tests will be used to develop a clear path for hotels to focus on food waste prevention, donation and management through compost and animal feed processes.

- **E-Waste 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.

- **Clean the World Partnership:** 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.

Impact Metrics: In 2016, impact metrics from our waste initiatives included:

- 1.6 percent decrease in waste-to-landfill* per occupied room for managed North American hotels (5.52 pounds per occupied room to 5.44 pounds per occupied room)
- 60,800 million tons diverted from landfill for managed North American hotels (based on recycling/organics only)
- 1,063,187 bars of soap and 782,048 pounds of amenities donated to Clean the World from owned, managed and franchised hotels

* Landfilled waste data does not include disposal to waste-to-energy (WTE) at U.S. sites where separate hauling data to WTE was available.

ADDITIONAL RESOURCES



[2017 Sustainability and Social Impact Highlights](#)

[Environmental Principles](#)

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EVALUATION OF MANAGEMENT APPROACH

As part of our 2025 Sustainability and Social Impact Goals, we have established a Goal to reduce waste intensity by 45 percent. With oversight from our Serve 360 Council, we will continue to track our performance and enhance our programs to support our waste-to-landfill reduction Goal.

SUPPLIER ENVIRONMENTAL ASSESSMENT

Marriott maintains a large global supply chain comprised of numerous procurement categories, which includes: furniture, fixtures and equipment; operating supplies and equipment; food and beverage; hotel amenities; and corporate services. Through responsible sourcing, we have the opportunity to reduce our environmental impacts and support positive change in our supply chain.

The boundary of our programs cover our global supply chain, as well as our third-party franchised properties that purchase through our Americas procurement partner, Avendra.

Strategy and Initiatives: Marriott 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, reduce packaging waste and incorporate more sustainable materials.

We have set a Goal to sustainably source 95 percent in our Top 10 priority categories by 2025. As we begin our work toward this Goal, specific initiatives include:

- **Brand Standards:** Developing brand standards that support our Goals, including Forest Stewardship Council (FSC) certification of tissue products. We are striving to eliminate the tubes on bath tissue, which will eliminate 240,000 pounds of waste annually in North America
- **Supplier Sustainability Policies:** Continually pushing and encouraging suppliers to have and follow sustainability policies
- **Supplier Engagement:** Working with key strategic suppliers to improve the sustainability practices of their companies, as well as the sustainability of products that they provide to Marriott
- **Furniture, Fixtures and Equipment:** Continuing to work with our furniture, fixtures and equipment suppliers to measure and encourage more sustainable practices and products

- **Injected Mold Foam Products:** Removing injected molded foam products, beginning with cups, bowls, plates and to-go containers from our hotels. (In 2016, brand standards were finalized and deployed to support these efforts)
- **Sustainable Seafood:** Continuing to increase the sourcing of more sustainable seafood for our restaurants and banquets worldwide including development of a new program for our hotels with two NGOs
- **Animal Welfare:** Working with our suppliers to improve their animal welfare efforts
- **Cage-Free Eggs:** Continuing to direct our suppliers to supply only cage-free eggs and liquid egg products for any Marriott egg specifications
- **Gestation Confinement Crates:** Discontinuing the use of gestation confinement crates in their production processes for any Marriott pork specifications by 2018. (In 2016, pilot project launched to source group sow-housed bacon at Noble Star Ranch)
- **Down and Feather Products:** Sourcing down and feather products from suppliers that verify that products come from humane sources and are third-party certified
- **Local Sourcing:** Identifying local suppliers for produce and other applicable procurement categories

Supplier Screening: Our supplier code of conduct provides environmental and social guidelines that our vendors should abide by in order to do business with Marriott. We work with MindClick SGM™ to assess sustainability in our furniture, fixtures and equipment suppliers. We also work through our North & Central America procurement services provider, Avendra, to identify sustainable solutions that align with both our environmental strategy and our product standards. As part of a five-year plan with Avendra, an environmental nonprofit was engaged to conduct a risk and opportunity assessment, which included environmental and social risks. As a result of the assessment, more than 20 commodities were identified as potential focus areas. This effort will help to support our 2025 Goals for responsible sourcing.

Hospitality Sustainable Purchasing Index: Marriott was the first hospitality brand to participate in a new consortium working to develop the Hospitality Sustainable Purchasing Index (HSPI) established in 2011. Facilitated by MindClick SGM, the consortium of hotel suppliers, architecture firms, sustainability experts, the U.S. Green Building Council and Marriott have been working collaboratively to provide our industry with a unified rating methodology and metrics for both vendors and customers to gauge sustainability levels for furniture, fixtures and equipment products.

continued

SUPPLIER ENVIRONMENTAL ASSESSMENT

continued

Sustainable Seafood: We work with seafood suppliers and fisheries across the globe through our Future Fish program, which helps us source, prepare and serve sustainable seafood at our properties. In France, we have partnered with the World Wildlife Fund (WWF) chapter to help inform sustainable sourcing and increase awareness among guests. The goal is to reach 50 percent sustainably sourced aquaculture consumption in two years. In 2017 and 2018, we will work with WWF and the Anderson Cabot Center for Ocean Life at the New England Aquarium to develop a new program for our hotels, merging the Future Fish and SPG hotels' Sustainable Seafood programs into one new global program.

In addition to the SPG hotels own sustainable seafood programs and policies, the now retired Starwood Foundation provided funding to the Sinaloa Artisanal Shrimp Fishery Improvement Project, in Mexico's Gulf of California region, via the Sustainable Fisheries Partnership. The funding helped support the purchase of full traceability and documentation systems to increase monitoring of the cooperative's fishing activities to 25 percent of the fleet in support of their Fair Trade USA certification, which the cooperative received in 2016. The funding also helped to improve the cooperative's remaining Marine Stewardship Council indicators.

Impact Metrics: In 2016, impact metrics from our responsible sourcing initiatives included:

- 99 percent of our North American suppliers have a sustainability policy in place
- 95 percent of our North American personal paper and bath tissue product spend is Forest Stewardship Council certified
- 79 percent of personal paper and bath tissue products meet or exceed the EPA guidelines for post-consumer waste content

- 71 percent of our North American furniture, fixture and equipment spend is through vendors committed to reducing, reusing and recycling packaging
- 61 percent of our North American furniture, fixture and equipment spend is through vendors committed to environmental conservation
- 57 percent increase in our annual cage-free liquid egg purchase volume for managed and franchised North American properties (with over 7 million pounds purchased)
- 45 percent of our North American furniture, fixture and equipment spend is through vendors committed to chemical reduction
- More than 300 oceangoing container shipments eliminated annually by switching to "Made in the USA" towels and bath mats in most of our U.S. hotels, with further U.S. rollout planned

ADDITIONAL RESOURCES



[2017 Sustainability and Social Impact Highlights](#)

[CDP Climate Change Response](#)

(Question CC14)

[Environmental Principles](#)

[Marriott Sustainability Assessment Program](#)

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EVALUATION OF MANAGEMENT APPROACH

Looking forward, our new 2025 Sustainability and Social Impact Goals to sustainably source 95 percent in our Top 10 priority categories (including seafood) and locally source 50 percent of all produce will further enable monitoring of our progress and work to address challenges associated with responsible sourcing, most notably traceability.

While we seek transparency, traceability and measurements 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 of any given product often involves multiple organizations with different systems and requirements working across international borders, making traceability difficult. In addition to suppliers and purchasing partners, we also work with others, such as our hotel owners, franchisees and NGOs, on "red flag" supply chain issues, such as sustainable seafood and a ban on shark fin.

MANAGEMENT APPROACH DISCLOSURES

In this section, we provide management approach disclosures for the following GRI topics: Employment; Occupational Health & Safety; Training & Education; Diversity & Equal Opportunity; Human Rights Assessment; Local Communities; Supplier Social Assessment; Public Policy; Customer Health & Safety and Customer Privacy.



Associates in Bangkok, Thailand volunteer during a "Spirit To Serve" community service activity.

SOCIAL

Our 2025 Sustainability and Social Impact Goals are driving our efforts to inspire our guests and associates, invest in communities and support the United Nations Sustainable Development Goals.

EMPLOYMENT

As a service-based business and employer of more than 220,000 people, our employment practices, engagement level and cultural strength are critical to enhancing productivity, enabling guest satisfaction and reducing employee turnover.

Strategy and Objectives: At Marriott, we are focused on being an employer of choice and providing a world of opportunity to our associates. We aim to continue to enhance our associates' 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.

Policies and Procedures: Strict policies and procedures, including our Global Employment Principles, are in place to protect our associates' rights, promote safe and respectful working conditions, and positive relationships between labor and management.

TakeCare Program: We engage and support associates through our TakeCare program. Marriott's TakeCare program is designed to help ensure that our people-first culture is vibrant, personal and relevant. It improves both associates' wellbeing and business performance. TakeCare sponsors associate signature programs that correspond to three pillars of associate wellbeing and happiness:

- Taking care of individual body, mind and spirit. Embracing opportunity to build a healthy and secure future
- Helping co-workers feel valued as part of Marriott's family of associates
- Feeling proud of and supporting Marriott's sustainability and social impact efforts

Starwood Associate Relief Fund: Since 2006, the Starwood Associate Relief Fund (SARF), a registered independent nonprofit entity with U.S. 501(c)(3) status, has provided need-based financial grants to Starwood associates who have suffered significantly as a result of natural disasters or other emergencies. In 2016, 264 SPG hotel associates received grants, totaling over \$500,000. SARF is funded by associate donations, friends and family donations, and

corporate or foundation grants. Since its inception, over \$7M has been contributed to further the SARF mission, more than \$5M of these contributions have been distributed to 3,702 associates. As part of the Marriott International integration, SARF will transition to a new fund, the TakeCare Relief Fund, in 2017.

Engagement Surveys: Associates globally in all corporate offices, contact centers and managed hotels participated in the 2016 Associate Engagement Survey to have their voices heard. Survey results are used to measure satisfaction and engagement and to plan for new opportunities in the upcoming year. We also use engagement surveys to monitor our sustainability programs. For the past two years, 85 percent of our associates have indicated awareness of and support for our company's sustainability commitments through our Associate Engagement Survey.

Awards and Recognitions: Externally, Marriott continues to be recognized globally as a leading employer by prestigious organizations: for example, achieving Aon Hewitt's Best Employer certification in more than 50 countries in 2016 as well as being the only company to date to achieve their Global Best Employer certification consecutively for the past three years. 2016 also marked Marriott's 19th consecutive appearance in the Fortune "100 Best Companies to Work For" since the list started in 1998.

Internally, the Marriott Awards of Excellence have been established to recognize the "best of the best" at Marriott International. Each year, we honor a group of associates and properties for outstanding customer service, corporate citizenship, wellness and diversity and inclusion efforts. Flown in from around the globe, the honorees and their families are treated to an evening of celebration and praise featuring Marriott senior leadership and hundreds of fellow associates. We have also established several awards to recognize our owners for their environmental impact efforts.

ADDITIONAL RESOURCES



[2017 Sustainability and Social Impact Highlights](#)

[Awards of Excellence](#)

[Awards and Recognitions](#)

[Global Employment Principles](#)

[Heart of the House](#)

[Life at Marriott](#)

[Marriott Careers](#)

[Marriott Disaster Relief Fund](#)

[TakeCare Relief Fund](#)

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EVALUATION OF MANAGEMENT APPROACH

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 talent, and to complement traditional recruiting which includes partnering with universities and key nonprofit partners, such as Youth Career Initiative and NAF.

We also continue to utilize associate engagement surveys to advance our employment practices and culture of service.

OCCUPATIONAL HEALTH AND SAFETY

In addition to providing a safe environment, we believe 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.

Associate Health and Safety Protection: Our Global Safety and Security team provides training, policy enforcement and technical expertise in safety and security management to help minimize harm and losses to our associates at managed properties. Our staff is trained to assess and respond appropriately to potential threatening situations and our hotels work closely with local, state, federal and international authorities.

Training and Awareness: Web-based safety training topics are available to all associates globally on an ongoing basis. During Global Safety and Security Awareness Month, hotel leaders choose safety topics for which to raise awareness and provide training to our associates globally at managed properties. In the United States, Marriott's new Be Safe program aims to increase accountability at the leadership level for implementing and supporting safety initiatives. The Be Safe program will also offer safety training for all associates, as well as observation/reporting and recognition programs. Internationally, 2017 training calendars include training safety and security topics for properties to utilize during their daily stand-up meetings.

Our Wellbeing Program: In 2010, we created the TakeCare Wellbeing program for associates as a primary focus of Marriott's healthcare 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.

The Role of Our Wellness Champions: Wellness champions are located in nearly all of our managed hotels in the U.S.; Marriott associates learn how to choose health every day.

TakeCare's reach is also magnified by the grassroots efforts of TakeCare Champions at our hotels and other locations around the world. TakeCare Champions are associate volunteers who lead by example and play a key role in supporting local TakeCare efforts and creating a culture of health and wellbeing. Champions work with their property leaders to plan and implement wellbeing activities such as: challenges and other local events; motivate co-workers to participate in TakeCare programs; share information about TakeCare via wellbeing flyers and other communications; adapt TakeCare programming to best fit the needs of the local culture; and participate in training webinars to learn more about TakeCare. The scope of our efforts is to engage and inspire TakeCare Champions to continue driving forward the TakeCare movement and reinforce the company's commitment to Put People First.

Healthy Hotel Certification Program: TakeCare Healthy Hotel Certification is an annual site-level designation awarded to hotels for creating an environment that supports wellbeing and happiness. In 2016, our Healthy Hotel Certification was expanded globally to all managed hotels across all Marriott International brands and above-property locations. Over 920 locations applied for certification representing 78 percent of managed hotels, excluding SPG hotels. Of those applying, 726 hotels achieved Healthy Hotel Certification at the silver, gold or platinum level representing 61 percent of all managed hotels, excluding SPG hotels.

2016 Milestones: In 2016, wellness milestones included:

- Ran a global campaign for associates to "Share Your Happy" with 26,379 photos from 615 locations shared
- Expanded champion recruitment globally, building a network of over 2,100 TakeCare Champions
- Led a financial wellness challenge with 722 participants tracking positive actions toward their financial wellbeing

- Launched myTakeCare, an online health hub with interactive tools & resources for enhanced wellbeing to eligible associates across the U.S. & Canada
- Hosted TakeCare Wellbeing Day with wellness activities like massage, yoga, a farmers market and giveaways at Corporate Headquarters
- Launched the inaugural Debbie Marriott Harrison TakeCare Award of Excellence and received over 100 property submissions
- Conducted TakeCare GO! global wellbeing challenge with over 10,000 associates tracking healthy habits over a four-week span
- Received awards from the American Heart Association and the National Business Group on Health for promoting healthy lifestyles
- Expanded TakeCare at Corporate Headquarters by adding energy pods, 12 treadmill desks, eight private stations in a newly renovated lactation room called the Mothers' Nook and hosting four farmers markets

ADDITIONAL RESOURCES

[2017 Sustainability and Social Impact Highlights](#)

EVALUATION OF MANAGEMENT APPROACH

With oversight from our Global Safety and Security Team and through our TakeCare Wellbeing program, we are able to identify new opportunities to enhance our management approach each year.

TRAINING AND EDUCATION

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.

Strategies and Programs: 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.

Performance Reviews: Performance development is accomplished through ongoing conversations between associates and their managers and formal reviews conducted with all associates periodically. Each year we also 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.

Training and Development: Marriott associates participate in approximately 12,000 training classes every year, 5,400 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.

Functional-Based Training: We provide functional-based training to our associates, including:

- **Culinary:** Culinary associates worldwide have exclusive access to Rouxbe, an online culinary university offering more than 1,500 culinary training modules, 2,000 quizzes, live instructor-graded assessments, practice exercises and professional education credit granted by the American Culinary Foundation. More than 6,200 associates are enrolled in the program and 1,600 have completed the equivalent of seven months of professional culinary education.
- **Food and Beverage:** Food and Beverage (F&B) associates worldwide have access to Lobster Ink, an online training catalog of professional development and training resources. More than 4,000 associates globally are taking advantage of more than 75 hours of professional training across the F&B discipline.
- **Facilities Management:** Selected Engineering leaders are enrolled in an eight-month cohort Advanced Engineering Program (AEP) that covers extensive mechanical engineering concepts and building commissioning exercises with real-life hotels used as training centers. Team-based and individual projects center around energy and water reduction, increasing mechanical equipment efficiency and all-around building "health." All projects are tied to financial metrics for positive ROI and various energy metrics are tracked centrally.

Execution Across Regions: In addition to global programs, we identify targeted programs across our regions. For example, Marriott is demonstrating its commitment to helping young professionals in Saudi Arabia fulfill their career aspirations with the launch of a new leadership development program called Tahseen. The 12-18 month program will introduce recent graduates to careers in the hospitality industry and provide them with a comprehensive overview of hotel operations as well as the leadership training needed to prepare them for future supervisory roles with the company. To help us accomplish this, we are partnering with the best-in-class Cornell University and Education for Employment (EFE) on key components of the program curriculum. The program is scheduled to launch in September 2017 in Saudi Arabia with 200 graduates expected.

ADDITIONAL RESOURCES

[Marriott Careers](#)

EVALUATION OF MANAGEMENT APPROACH

We continue to prioritize human capital and advance our training programs, incorporating feedback from associates as well as aligning with the growth objectives of the company.

DIVERSITY AND EQUAL OPPORTUNITY

Critical to Marriott's success is valuing differences across the globe and offering a world of opportunity to everyone, including our associates. We work diligently to see the world through their eyes and remove barriers to work and travel while promoting an environment where everyone can feel welcome, safe, respected and valued when they enter one of our properties or other locations. Our long-standing culture of inclusion enables us to embrace the uniqueness of each individual as the foundation for offering caring service and driving innovation.

Goals and Objectives: Marriott's success begins with our commitment to provide opportunity to everyone and is powered by our core values, the most important of which is Putting People First. As a result, global diversity and inclusion is integral to how we do business every day. This commitment starts with our senior leaders who establish priorities and strategies that drive accountability throughout the organization.

Through our Global Diversity & Inclusion program, our workforce objectives include:

- To mirror the diversity of the communities in which we operate and serve across the globe
- To establish a supportive and inclusive work environment where associates are empowered to experience success every day
- To increase the presence of women in the highest level of management and other key decision-making positions

Indicators of diversity addressed in our management approach include gender, race, ethnicity, sexual orientation, disability and veteran status. By 2019, Marriott plans to develop and establish a global gender parity goal for company leadership.

Governance and Oversight: In 1989, Marriott was the first company in the travel industry to establish a formal diversity and inclusion (D&I) program, and the first to introduce a formal supplier diversity program in 1997. Today, long-standing global programs and councils support a high level of governance and accountability:

- Our board-level **Committee for Excellence** drives global diversity and inclusion efforts. The Committee establishes specific multiyear goals for each facet

of diversity and monitors progress with a Diversity Excellence Scorecard. The Committee's focus on women and minorities is clearly defined in its responsibilities.

- The **Global Diversity and Inclusion Council** is led by President and CEO Arne Sorenson and comprised of all continent presidents and other Marriott global officers who also sit on the Committee for Excellence. The Council's purpose is to advance Marriott's commitment to inclusion around the world and ensure the integration of our diversity and inclusion initiatives across all aspects of our global business strategy.

Executive Accountability: The company also holds its leadership accountable for our D&I Goals. Mr. Sorenson and his senior leadership team have established comprehensive diversity performance metrics. These metrics are regularly reviewed and discussed at the highest levels—CEO staff meetings, board of directors meetings and senior-level regional meetings. 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. The globalization of Marriott TakeCare is an important part of our CEO's Globally-Shared People MBO, a goal Marriott's senior leadership team will be measured against. And it is reflected in Marriott's 2020 Global Diversity & Inclusion Plan for the Marriott Board of Directors' Committee for Excellence.

Partnerships: We are an active and engaged corporate member of several national and multinational NGOs across many different diverse segments that support the development of our key stakeholders including diverse and historically underrepresented suppliers, current and

potential associates, hotel owners and customers. Marriott partners with groups such as WBENC and WEConnect to support and engage with women-owned businesses. Marriott also partners with groups such as the National Urban League, National Council of La Raza and the Human Rights Campaign to support and engage with multicultural communities. We have also set a 2025 Goal to promote a peaceful world through travel by investing at least \$500,000 in partnerships that drive, evaluate and elevate travel and tourism's role in cultural understanding.

Women's Empowerment: We are focused on advancing women in our company's management and executive ranks, gaining their loyalty as customers, creating economic opportunity as hotel owners and including women-owned businesses in our supply chain. Over the years, we have seen consistent growth in the numbers of women in all leadership categories. Today in the U.S., women comprise 55 percent of our workforce at managed locations.

In its 17th year, Marriott's Women's Leadership Development Initiative is comprised of three pillars: leadership development; networking and mentoring; and work/life effectiveness. It aims to increase the presence of women in management or decision-making positions by engaging senior leaders to ensure career development, as well as encouraging current women leaders to drive organizational success. Marriott's Emerging Leader Program (ELP) is a key pillar of our Americas Diversity and Inclusion strategy to increase the numbers of women and minorities in leading roles. Marriott also hosts an annual Asia Pacific Women in Leadership Conference. In 2016, 150 high achievers with the company participated and the conference's theme was a powerful call to action: *Dare, Define, Do.*

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DIVERSITY AND EQUAL OPPORTUNITY

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Cultural Competence Program: Marriott's Cultural Competence program continues to grow every year. In 2016, the program reached approximately 18,000 associates and customers, delivering 33 culture sessions. The culture sessions and webinars provide associates with cultural overviews, best practices and field trips to "taste, smell, see, hear and feel" various cultures. In 2016, we offered the first such program for customers. "Strengthen Your Cultural Competence!" was an exclusive, one-day VIP culture day in Kansas City. Approximately 30 customers and sales associates participated in networking and learning with other local business professionals.

Military Veterans: We actively work to recruit U.S. military veterans, and see our company culture and values as well-suited and aligned for those who have served. In 2016 alone, Marriott hired over 1,000 veterans. We also work with organizations like VetFran to promote working with veteran-owned businesses to source products for our hotels and engage veterans in hotel ownership opportunities.

2016 Awards and Recognitions:

- Asia Society Best Practice Awards
- Best Company for LGBT Community – Colombia
- Best of the Best Corporation for Inclusion – NGLCC, WBENC, USHCC, USPAAC, NBJC, USBLN, WEConnect
- Best Workplaces for Women (Great Place to Work)
- Black Enterprise 40 Best Companies for Diversity
- DiversityInc Top 50 Companies for Diversity
- Friendliest Hotel Chain to LGBT Community – Argentina Gay & Lesbian Chamber of Commerce (CCGLAR)
- Human Rights Campaign's Corporate Equality Index for LBGT practices (100% score)
- Just Capital's Most Just Company in Consumer Services
- LATINAStyle Company of the Year
- Million Dollar Club – U.S. Hispanic Chamber of Commerce
- Top Company for Supplier Diversity – DiversityInc
- Top Corporation for Women Business Enterprises (GOLD) – Women's Business Enterprise National Council (WBENC)
- Top Ten Companies for Executive Women (National Association of Female Executives)
- Working Mother 100 Best Companies Hall of Fame
- 50 Best Workplaces for Diversity (Great Place to Work)

ADDITIONAL RESOURCES



[2017 Sustainability and Social Impact Highlights](#)

[Awards and Recognition](#)

[Creating an Inclusive Environment](#)

[Global Diversity and Inclusion](#)

EVALUATION OF MANAGEMENT APPROACH

With oversight from our board-level Committee for Excellence and Global Diversity and Inclusion Council and accountability through management business objectives, we are able to monitor our progress. Moving forward, we are focused on continuing to grow our relationships and expand programs to support diverse populations as well as women, veterans and people with disabilities.

HUMAN RIGHTS ASSESSMENT

As the world's largest hotel company with a large, global workforce, it is important that we respect, protect and remedy human rights issues.

This includes Marriott's efforts to address human trafficking in the travel and tourism industry, and to ensure that employee rights are upheld including rights to freedom of association, nondiscrimination, working conditions and wages.

Objectives: Marriott actively aims to protect human rights within the company's sphere of influence and to conduct our business in a manner consistent with the principles contained within the Universal Declaration of Human Rights. One of our four priorities is to Welcome All and Advance Human Rights. By 2025, we have set a goal that 100 percent of associates will have completed our human rights training, including on human trafficking awareness, responsible sourcing and recruitment policies and practices. We have also set a 2025 Goal to enhance or embed human rights criteria in our recruitment and sourcing policies and work with our industry to address human rights risks in the hotel construction phase.

Oversight: Marriott's executive-level Human Rights Council advances Marriott's human rights policies and programs including driving accountability and leading successful execution of the company's broad human rights strategy.

Policies, Standards and Procedures: In addition to having a human rights policy that extends to our overall business, Marriott includes human rights criteria and information within our Business Conduct Guide, Supplier Code of Conduct, Supplier Sustainability Assessment, Quality Audit Property Certification Survey and ongoing risk management processes.

Training: We train our associates on the company's policies, including human rights and laws to protect children. In 2016, we worked with external human trafficking experts ECPAT-USA and Polaris to develop and complete enhanced human trafficking training for hotel employees; translated the training into 15 languages; and donated the training to the American Hotel & Lodging Association for broader distribution within the hotel sector. We leveraged Marriott's resources and influence to raise awareness of human trafficking internally with associates and externally with guests, consumers and local communities.

Incident Reporting: Marriott has also implemented the Marriott Incident Reporting Application (MIRA), which is an online system for gathering and reporting security-related incidents, including suspected human trafficking for properties managed by Marriott. Our global managed properties are required to enter incidents into MIRA within 24 hours after the incident occurred or was reported. Critical incidents, such as human trafficking, are flagged by the system for immediate follow-up with law enforcement.

Additional information on policies, programs and activities can be found in Marriott's [UK Human Trafficking Transparency Statement](#).

ADDITIONAL RESOURCES



[2017 Sustainability and Social Impact Highlights](#)

[Human Rights Policy Statement](#)

[Our Commitment to Human Rights](#)

[Supplier Conduct Principles](#)

[UK Human Trafficking Transparency Statement](#)

[marriott.com/serve360](#)

EVALUATION OF MANAGEMENT APPROACH

Our executive-level Human Risks Council advances Marriott's human rights policies and programs including driving accountability and leading successful execution of the company's broad human rights strategy.

LOCAL COMMUNITIES

Through our global workforce, we touch thousands of communities every day and support community needs. Being a part of a community means we offer jobs to local people, provide opportunities to the disadvantaged and do our part to make communities more prosperous. The boundary of the topic is global, and touches each community where our hotels are located.

Strategy and Focus Areas: Our community engagement efforts focus on issues that align with our core business, available resources and individual talents of our associates. They also support our newly developed Sustainability and Social Impact Platform: "Serve 360: Doing Good in Every Direction."

This platform is guided by four priority areas, or "coordinates": **N**urture Our World, **S**ustain Responsible Operations, **E**mpower Through Opportunity and **W**elcome All and Advance Human Rights.

The Nurture Our World coordinate strives to:

- Support the vitality of children
- Deliver aide and support to communities, especially in times of need
- Advance the sustainability of our communities by investing in their natural resources

Alignment with United Nations Sustainable

Development Goals (SDGs): As we work to advance our coordinates, we aim to increasingly align with and support targets and global indicators for relevant United Nations SDGs. Our [Marriott.com Sustainability and Social Impact site](#) also maps SDGs that we are working to address worldwide.

Role of Marriott Business Councils: Across the globe, we have established a network of 97 Marriott Business Councils comprised of hotel leaders working together in cities and countries around the world to drive macro business initiatives, including sustainability and social impact, industry advocacy and corporate culture.

2025 Sustainability and Social Impact Goals: Marriott has recently set a Goal that our associates will serve the world through 15M hours of volunteer service to support our

company priorities and community engagement strategy. 50 percent of volunteer hours will serve youth, including those at risk and disadvantaged, by developing their skills, employability and supporting their vitality. By 2022, 80 percent of our managed hotels will participate in community service activities annually. By 2025, 50 percent of franchised hotels will participate in community service activities annually. By 2022, 25 percent of all reported volunteer hours will be skills-based.

Associate and Guest Engagement: Annually, our associates, hotels and Business Councils around the world take part in a global day of giving. *Spirit To Serve Our Communities*® Day gives associates the opportunity to share their time and skills-based talents with local communities. We post associate stories and photos on a public online forum, [Heart of the House](#), to recognize them for all that they do, both at our hotels and in the communities they serve. As work toward our 2025 Sustainability and Social Impact Goals, we aim to further increase associate engagement. We also engage guests by enabling them to support women and diverse travelers, with programs like our #LoveTravels campaign.

Starwood Hotels and Resorts Worldwide Foundation, Inc.: The Starwood Hotels and Resorts Worldwide Foundation, Inc., originally established by ITT Sheraton in 1948 and revamped in 2011, acted as a catalyst for global societal growth and development. By leveraging strategic partnerships and expertise, the Starwood Foundation advanced economic, social and cultural progress through a focus on workplace readiness, community vitality and human rights. The Starwood Foundation was dissolved at the end of 2016 and contributed a total of over \$1.9M in giving for the year.

Fundraising: Marriott has partnered with Children's Miracle Network Hospitals for over 30 years—raising funds for over 170 children's hospitals, including nearly

\$4.2M in 2016. SPG hotels also fundraised for numerous organizations in 2016, including their 20-plus year partnership with UNICEF, to raise \$2.6M.

Impact Metrics: In 2016, impact metrics from our community engagement activities included:

- Nearly \$29M in cash and in-kind contributions to support communities
- More than 755,000 volunteer hours to support nonprofit organization efforts
- More than 63 million points donated by members of the Marriott Rewards, The Ritz-Carlton Rewards and SPG loyalty programs to support featured Marriott charitable causes
- \$6.8M raised by our associates and guests to support key longtime partners including Children's Miracle Network and UNICEF to support children in need
- Supported a 56 percent reduction in hygiene-related illnesses and 45 percent increase in school attendance among approximately 4,000 children in rural Kenya through a Starwood Foundation grant to the Clean the World Foundation

ADDITIONAL RESOURCES



[2017 Sustainability and Social Impact Highlights](#)

[The Ritz Carlton Community Footprints](#)

marriott.com/serve360

EVALUATION OF MANAGEMENT APPROACH

We believe that the confluence of the UN Sustainable Development Goals, industry efforts to advance sustainable tourism and Marriott's own 2025 Sustainability and Social Impact Goals will propel us to advance our community engagement management approach and deliver measurable impact through 2025.

SUPPLIER SOCIAL ASSESSMENT

Marriott maintains a large global supply chain comprised of numerous procurement categories, which includes furniture, fixtures and equipment (FF&E); operating supplies and equipment; food and beverage; hotel amenities; and corporate services.

In alignment with our values and commitment to human rights, we must engage with our suppliers on their human rights and labor practices. Additionally, we are able to support inclusive economic growth through our supplier diversity initiatives, which cover our global supply chain, as well as our third-party franchised properties; however, our primary focus is on our managed properties.

Policies and Standards: Marriott's Global Employment and Human Rights principles are guided by those contained in United Nations Universal Declaration of Human Rights and related international covenants. As such, Marriott's Supplier Conduct Principles sets forth our expectations that our suppliers uphold the following:

- **Working Conditions:** Provide a safe and secure work environment
- **Non-Discrimination:** Promote an inclusive environment that fosters mutual respect, diversity and equal opportunity with employees and other stakeholders, including customers and suppliers
- **Forced Labor and Human Trafficking:** Support the elimination of all forms of forced, bonded or compulsory labor, and all forms of human trafficking including the exploitation of children
- **Child Labor:** Adhere to minimum age provisions of applicable laws and regulations

Supplier Screening on Human Rights and Labor Practices: Our supplier code of conduct provides environmental and social guidelines that our vendors should abide by in order to do business with Marriott. Based on the Sustainability Index developed by the Hospitality Sustainable Purchasing Consortium (which Marriott helped to develop), the Marriott Sustainability Assessment Program (MSAP) is a required is a required annual assessment of approved Marriott FF&E suppliers and their products. Fair labor and human rights practices are part of the assessment. Suppliers complete

surveys assessing the social and environmental practices and sustainability attributes associated with the products sold to Marriott, based on the framework established by the Hospitality Sustainable Purchasing Consortium. Reports by product are provided to both the reporting supplier and to Marriott. Supplier reports are consolidated for overall supply chain analysis for Marriott's use in tracking and selection criteria.

We also work through our procurement services provider, Avendra, on supplier screening. As part of a five-year plan with Avendra, a nonprofit environmental group has conducted a risk and opportunity assessment, which includes potential child and forced labor risks. As a result of the assessment, more than 20 potential products have been identified as opportunities to support our 2025 Goals for responsible sourcing.

We have set a goal that by 2020 we will require all contracted suppliers in the Top 10 categories to provide information on product sustainability, inclusive of social and human rights impacts.

Supplier Diversity: Supplier diversity is a central part of Marriott's Global Diversity & Inclusion (D&I) program:

- **Oversight and Management:** To support our supplier diversity objectives, 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 focus on customers, associates, hotel owners and suppliers, specifically women- and diverse-owned businesses selling goods and services to Marriott.

- **Partnerships:** Our continental procurement teams also work with organizations like WEConnect International and Avendra—the largest professional procurement company serving the hospitality industry in North America—to support and identify diverse suppliers globally, including women-owned businesses.

- **Performance:** Our commitment also aims to further develop and incorporate women-owned businesses into Marriott's global supply chain, where these businesses account for the majority of diverse-owned businesses. By 2020, we aim to reach \$1B in inclusive purchasing, including \$500M in purchasing with women-owned businesses. In 2016, Marriott Rewards and The Ritz-Carlton Rewards hotels spent \$540M in inclusive purchasing, of which \$281M supported women-owned businesses. SPG hotels spent \$115M in inclusive purchasing, of which \$59M supported women-owned businesses.*

- **Recognition:** In 2016, Marriott was named Women's Business Enterprise National Council's Top Corporation for Women Business Enterprises (Gold Level).

* Due to the acquisition of SPG hotels by Marriott, SPG hotels' diverse supplier spend may decrease year over year. In 2017, both Marriott and SPG hotel diversity platforms will be integrated, at which point new diverse spend baselines, as well as future annual targets will be established.

ADDITIONAL RESOURCES

[Marriott Sustainability Assessment Program](#)

[Supplier Conduct Principles](#)

EVALUATION OF MANAGEMENT APPROACH

With oversight from Marriott's Human Rights Council and Global Diversity & Inclusion Council, we are able to advance our practices to source in alignment with our values and commitments to human rights, diversity and inclusion. We also continue to track our progress to support our 2020 inclusive purchasing Goals and 2025 sustainable sourcing Goals.

PUBLIC POLICY

As a large global company, we engage in public policy advocacy, both directly and indirectly. We aim to be transparent in our practices.

The boundary for this topic covers corporate public policy advocacy undertaken by Marriott's public affairs department and the company's political action committee.

Approach and Objectives: 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.

Public Policy Priorities: Our objective is to maintain a robust public policy agenda, engaging leaders on a wide range of issues, including:

- Visa and entry policies that facilitate travel
- Immigration reform
- Civil rights and nondiscrimination policies
- Consumer protections
- Transportation
- Infrastructure

Public Policy Activities: Our public policy activities include:

- **Political Action Committee:** Marriott International, Inc. Political Action Committee (MARPACE) is a nonpartisan federal PAC (funded by voluntary donations by associates.) We strive for a 50/50 split between Democratic and Republican candidates.
- **Executive Participation in Public Policy:** In 2016, our Chief Executive Officer served as Vice Chair of the President's Export Council and our Chief Global Communications & Public Affairs Officer served as a member of the U.S. Travel and Tourism Advisory Board. 50 Marriott executives visited Washington, D.C. for meetings with congressional offices.
- **Industry Engagement:** Marriott is a member of industry associations including the U.S. Chamber of Commerce, World Travel and Tourism Council, International Tourism Partnership, American Hotel and Lodging Association and the U.S. Travel Association. In 2016, Marriott hosted a World Economic Forum-led work stream on the Future of Travel.

ADDITIONAL RESOURCES



[Political Activity — Policies, Oversight, and Disclosure](#)

EVALUATION OF MANAGEMENT APPROACH

Through the work of our public affairs team, the structure set forth in our policies governing corporate political activities, and our efforts to be transparent about activities, we are able to monitor the impacts from public policy engagement. Additionally, monitoring policy and regulatory trends helps us to evaluate and adapt our management approach. Moving forward, we are focused on continuing to advance legislative goals that demonstrate our public policy priorities and growing our relationships with key stakeholders.

CUSTOMER HEALTH AND SAFETY

In addition to protecting the safety and security of guests, we also aim to enable guests to promote their health and wellbeing during their stay with us.

Global Safety & Security: Marriott's Global Safety & Security team provides training, policy enforcement and technical expertise in safety and security management to help minimize harm and losses to our customers, associates, stakeholders and business. The team is trained to assess and respond appropriately to potential threatening situations and our hotels work closely with local, state, federal and international authorities. In the United States, Marriott's new Be Safe program also aims to increase accountability at the leadership level for implementing and supporting safety initiatives.

Stakeholder Engagement and Key Issues: We also work with local security authorities, including 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.

Healthy Hotel Certification Program: TakeCare Healthy Hotel Certification is an annual site-level designation awarded to hotels for creating an environment that supports wellbeing and happiness and ultimately enhances the guest experience. In 2016, our Healthy Hotel Certification was expanded globally to all managed hotels across all Marriott International brands and above-property locations.

ADDITIONAL RESOURCES

[Marriott Safety and Security](#)



EVALUATION OF MANAGEMENT APPROACH

With oversight from Marriott's Global Safety & Security team, we continue to monitor and evolve based on emerging trends and best practices. Our new TakeCare Healthy Hotel Certification and Be Safe programs will enable us to continue to accelerate our efforts.

CUSTOMER PRIVACY

Data privacy is a topic of growing importance across our global operations amid increased prevalence of cyber security risks.

Goals and Objectives: Marriott takes data privacy and security very seriously, and maintains a comprehensive privacy and security program in order to protect the personal information of our guests and associates.

Policies and Procedures: Marriott has a global privacy notice on our company websites, and has standard operating procedures and work guidelines for company activities that involve the collection, use, disclosure, sharing, retention and security of personal information.

Marriott employs technologies and processes to control and protect access to the company network, applications and information, and we employ other security capabilities such as monitoring, alerting and incident response.

Training and Awareness: Marriott is committed to spreading awareness about the importance of data privacy and security across the company. We maintain a mandatory privacy and security training program, and require third parties who may have access to personal information of our guests or associates to protect such information.

Compliance and Monitoring: Marriott is also compliant with Payment Card Industry (PCI) Data Security Standards (DSS), and conducts internal security compliance monitoring and has annual Statement on Standards for Attestation Engagements (SSAE) Number 16 reports from its major service providers.

ADDITIONAL RESOURCES



[2016 10-K Filing](#)

(Technology, Information Protection and Privacy Risks, pages 17-18)

[Global Privacy Statement](#)

EVALUATION OF MANAGEMENT APPROACH

We are committed to ongoing improvement in order to address the evolving cyber security risk landscape. Data privacy and security will continue to be a high priority for Marriott.

INDICATORS

Indicators

Marriott reports on GRI indicators to provide our stakeholders with comparable information on our economic, environmental and social performance. Additional data points that we use to measure our corporate performance and impacts can be found in our 2017 Sustainability and Social Impact Highlights and on our [corporate website](#).

ECONOMIC

NUMBER	TOPICS	DESCRIPTION	RESPONSE	REFERENCES
201-1	Economic Performance	Direct economic value generated and distributed	In 2016, \$17.1B of revenue was generated. Revenue is distributed to our shareholder through dividends, employees through wages and benefits, suppliers through procurement activities and communities through charitable contributions. 2016 cash and in-kind contributions are estimated at nearly \$29M. Additionally, our hotels raised \$6.8M for some of our key partners including Children's Miracle Network and UNICEF, and our associates contributed more than 755,000 volunteer hours.	2016 Annual Report 2017 Sustainability and Social Impact Highlights
201-2	Economic Performance	Financial implications and other risks and opportunities due to climate change	In our CDP Climate Change disclosures, we provide details on the potential financial implications of physical, regulatory and other risks and opportunities associated with climate change.	CDP Climate Change Response (Questions CC 5 and 6)
203-1	Indirect Economic Impacts	Infrastructure investments and services supported	Through our first-generation "Spirit to Serve Our Communities" or "SERVE" focus areas, which were set nearly a decade ago, our properties collectively focused on five areas of sustainability and social impact: (1) Shelter and Food, (2) Environment, (3) Readiness for Careers, (4) Vitality of Children and (5) Empowering Global Diversity & Inclusion. Our next generation priority areas build upon the "SERVE" goals and support our newly developed sustainability and social impact platform: "Serve 360: Doing Good in Every Direction." This platform is guided by four priority areas, or "coordinates": Nurture Our World, Sustain Responsible Operations, Empower Through Opportunity and Welcome All and Advance Human Rights. Our worldwide network of 97 Marriott Business Councils empowers hotel leaders to work together to drive large-scale business initiatives, including sustainability and social impact. For example, hotel and Business Council 2016 contributions to job readiness, including for youth, were \$1.3M in cash and in-kind contributions. Nearly 160,000 volunteer hours were also provided to support this commitment across the globe. This is a joint effort among managed and franchised hotels. Also in 2016, more than 63M points were donated by Marriott Rewards, The Ritz-Carlton Rewards and SPG members to support communities.	2017 Sustainability and Social Impact Highlights Marriott Rewards Featured Causes

ECONOMIC *continued*

NUMBER	TOPICS	DESCRIPTION	RESPONSE	REFERENCES
205-2	Anti-Corruption	Communication and training about anti-corruption policies and procedures	As of year-end 2016, more than 21,000 of our managers in the Americas, Asia Pacific, Europe, Middle East and Africa have received our Global Anti-Corruption training.	Business Conduct Guide

ENVIRONMENTAL

NUMBER	TOPICS	DESCRIPTION	RESPONSE	REFERENCES
302-1	Energy	Energy consumption within the organization  BY THIRD-PARTY VERIFIER	In 2016, our energy consumption was 16.82 million megawatt hours. (6.13 million megawatt hours were direct energy. 10.69 million megawatt hours were indirect or purchased energy.) A breakdown of energy consumption from low carbon sources and from electricity, heating, cooling and steam can be found in our CDP Climate Change response.	2017 Sustainability and Social Impact Highlights CDP Climate Change Response (Question CC11) Statement of Assurance
302-3	Energy	Energy intensity  BY THIRD-PARTY VERIFIER	In 2016, our global energy intensity, excluding SPG hotels, was 348.9 kilowatt hours per square meter of conditioned space. Regional energy intensity figures are provided in our 2017 Sustainability and Social Impact Highlights Report.	2017 Sustainability and Social Impact Highlights Statement of Assurance
302-4	Energy	Reduction of energy consumption  BY THIRD-PARTY VERIFIER	We actively track the percentage of hotels that report participation in energy reduction practices, including the use of high-efficient lighting. We also report on annual energy reduction projects in our CDP Climate Change response.	2017 Sustainability and Social Impact Highlights CDP Climate Change Response (Question CC3.3) Statement of Assurance

ENVIRONMENTAL *continued*

NUMBER	TOPICS	DESCRIPTION	RESPONSE	REFERENCES
302-5	Energy	Reductions in energy requirements of products and services	In 2016, our global energy intensity per square meter of conditioned space, excluding SPG hotels, decreased by 2.4%.	2017 Sustainability and Social Impact Highlights CDP Climate Change Response (Question CC12.3)
303-1	Water	Water withdrawal by source  BY THIRD-PARTY VERIFIER	In 2016, total water consumption was 125.6 million cubic meters. Data is based on municipal consumption at owned, leased and managed hotels. Some of our properties source water outside municipal water withdrawal, such as from wells and desalination plants, as well as rainwater and condensate capture for irrigation and/or cooling towers.	2017 Sustainability and Social Impact Highlights Statement of Assurance
304-3	Biodiversity	Habitats protected or restored	Impact metrics for key biodiversity programs, including the Juma Sustainable Development Reserve in the Amazon rainforest and our Thailand mangrove habitat restoration efforts can be found in 2017 Sustainability and Social Impact Highlights and this Report's Biodiversity Management Approach Disclosure.	2017 Sustainability and Social Impact Highlights
305-1	Emissions	Direct (Scope 1) GHG emissions  BY THIRD-PARTY VERIFIER	In 2016, Marriott's Scope 1 emissions were 1.28 million metric tons.	2017 Sustainability and Social Impact Highlights CDP Climate Change Response (Question CC9) Statement of Assurance

ENVIRONMENTAL *continued*

NUMBER	TOPICS	DESCRIPTION	RESPONSE	REFERENCES
305-2	Emissions	Energy indirect (Scope 2) GHG emissions  BY THIRD-PARTY VERIFIER	In 2016, Marriott's Scope 2 emissions were 5.55 million metric tons.	2017 Sustainability and Social Impact Highlights CDP Climate Change Response (Question CC10) Statement of Assurance
305-3	Emissions	Other indirect (Scope 3) GHG emissions  BY THIRD-PARTY VERIFIER	Marriott measures its Scope 3 emissions from franchised properties and business travel, which were estimated at 4.98 million metric tons in 2016.	2017 Sustainability and Social Impact Highlights CDP Climate Change Response (Question CC14) Statement of Assurance
305-4	Emissions	GHG emissions intensity  BY THIRD-PARTY VERIFIER	In 2016, Marriott's Scope 1 and 2 emissions intensity, excluding SPG hotels, was 138 kilograms per square meter. In 2016, Scope 1 and 2 emissions intensity at SPG hotels was 14.09 metric tons per guest room.	2017 Sustainability and Social Impact Highlights CDP Climate Change Response (Question CC12.2 and CC12.3) Statement of Assurance
305-5	Emissions	Reduction of GHG emissions	In 2016, Marriott estimates completed emissions reduction projects to have resulted in 80,706 avoided metric tons of greenhouse gas emissions. Investments include those in LED lighting retrofits, HVAC and chiller upgrades, building automation systems, smart technologies, variable frequency drive pumps, fans, air handling units and other energy efficiency projects.	CDP Climate Change Response (Question CC3.3)

ENVIRONMENTAL *continued*

NUMBER	TOPICS	DESCRIPTION	RESPONSE	REFERENCES
306-2	Effluents and Waste	Waste by type and disposal method	<p>In 2016, 60,800 million tons were diverted from landfills for managed North American hotels (based on recycling/organics only). This diversion helped Marriott realize a 1.6% decrease in waste-to-landfill* per occupied room for managed North American hotels (5.52 pounds per occupied room to 5.44 pounds per occupied room).</p> <p>*Landfilled waste data does not include disposal to waste-to-energy (WTE) at U.S. sites where separate hauling data to WTE was available.</p>	
308-1	Supplier Environmental Assessment	New suppliers that were screened using environmental criteria	<p>On an annual basis, we review our approved Marriott furniture, fixture and equipment vendors' environmentally responsible manufacturing efforts and product sustainability practices utilizing the Marriott Sustainability Assessment Program for metrics and reporting. Additionally, our supplier code of conduct provides environmental and social guidelines that our vendors should abide by in order to do business with Marriott.</p>	Marriott Sustainability Assessment Program Environmental Principles CDP Climate Change Response (Question CC14)

SOCIAL

NUMBER	TOPICS	DESCRIPTION	RESPONSE	REFERENCES
401-1	Employment	New associate hires and associate turnover	<p>In 2016, 63,140 new hires were made and global voluntary turnover (including retirements) was 17% at managed locations. (Please note that associates from SPG hotels were not included in reporting year 2016 data.)</p>	2017 Sustainability and Social Impact Highlights
403-1	Occupational Health and Safety	Workers' representation in formal joint management-worker health and safety committees	<p>When safety committees are formed at managed locations, it is common practice that associates from various departments participate in the committees.</p>	
404-1	Training and Education	Average hours of training per year per associate	<p>We aim to allocate 40 hours per year per associate on average. However, training hours vary across disciplines.</p>	
404-2	Training and Education	Programs for upgrading associate skills and transition assistance programs	<p>Marriott associates participate in approximately 12,000 training classes every year, 5,400 of which are formal learning programs. We also provide functional and regional training programs.</p> <p>For additional detail, please refer to the Management Approach Disclosure on "Training and Education," located on page 39 of this document.</p>	

SOCIAL *continued*

NUMBER	TOPICS	DESCRIPTION	RESPONSE	REFERENCES
404-3	Training and Education	Percentage of employees receiving regular performance and career development reviews	Performance development is accomplished through ongoing conversations between associates and their managers and formal reviews conducted with all associates periodically.	
405-1	Diversity and Equal Opportunity	Diversity of governance bodies and employees	In 2016, 47% of our global workforce were men and 53% were women. Our board of directors is comprised of 14 members: 10 are men, four are women.	2017 Sustainability and Social Impact Highlights Board of Directors
412-1	Human Rights Assessment	Associate training on human rights policies or procedures	In 2016, we trained 9,290 hotel associates globally on human rights. Associates with procurement and purchasing responsibilities are required to complete our Procurement 101 online training, which includes information on our human rights policies. In 2016, over 5,000 associates globally completed the training.	UK Human Trafficking Transparency Statement
413-2	Local Communities	Operations with local community engagement, impact assessments, and development programs	Community engagement activities occur across our location of operations. We have also established a network of 97 Marriott Business Councils comprised of hotel leaders working together in cities and countries around the world to drive macro business initiatives, including sustainability and social impact.	2017 Sustainability and Social Impact Highlights
414-1	Supplier Social Assessment	New suppliers that were screened using social criteria	Based on the Sustainability Index developed by the Hospitality Sustainable Purchasing Consortium (which Marriott helped to develop), the Marriott Sustainability Assessment Program is a required annual assessment of all approved Marriott FF&E suppliers and their products. Fair Labor and Human Rights practices are part of the assessment. Additionally, our supplier code of conduct provides environmental and social guidelines that our vendors should abide by in order to do business with Marriott.	Marriott Sustainability Assessment Program Supplier Conduct Principles

SOCIAL *continued*

NUMBER	TOPICS	DESCRIPTION	RESPONSE	REFERENCES
415-1	Public Policy	Political contributions	<p>In 2016, Marriott International, Inc. Political Action Committee (MARPACE) total disbursements were \$212,469.90</p> <p>MARPACE is a nonpartisan federal PAC (funded by voluntary donations from associates) and we strive for a 50/50 split between Democratic and Republican candidates.</p>	<u>Political Activity — Policies, Oversight, and Disclosure</u> <u>State and Local Contributions</u> <u>527 Contributions</u> <u>Trade Association Payments</u>
416-1	Customer Health and Safety	Assessment of the health and safety impacts of product and service categories	<p>We tailor individual safety and security measures to each hotel. We also focus on food safety and the quality and supply chain integrity of the food we serve to our associates and guests.</p> <p>To promote wellness, Marriott's TakeCare Healthy Hotel Certification is an annual site-level designation awarded to hotels for creating an environment that support associate wellbeing and happiness.</p>	<u>Marriott Safety and Security</u>
417-1	Customer Privacy	Substantiated complaints concerning breaches of customer privacy and losses of customer data	Marriott International takes data privacy and security very seriously, and maintains a comprehensive privacy and security program in order to protect the personal information of our guests and associates.	<u>2016 10-K Filing</u> ("Technology, Information Protection and Privacy Risks", pages 17-18) <u>Global Privacy Statement</u>