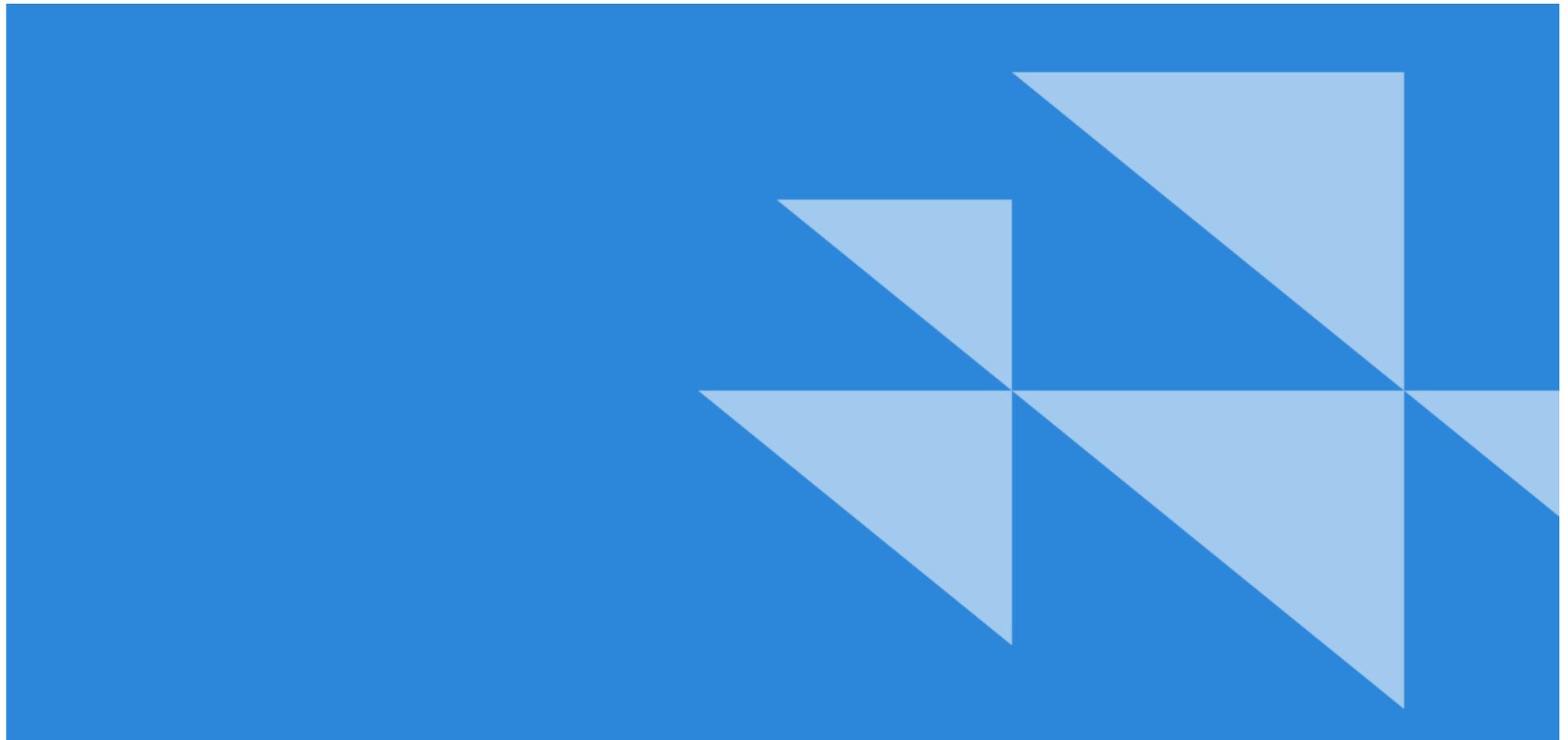# CDP Water Security Questionnaire 2018

CDP Water Security Questionnaire 2018

CDP's water security program and water security questionnaires

CDP's water security program works to catalyze action to improve water security across the globe by collecting information for investors, customer and policy makers on a company's management, governance, use and stewardship of water resources.

The CDP water security questionnaire provides data users and the companies themselves with an insight on current and future water-related risks and opportunities. Along with CDP's water scoring methodology, the water security questionnaire helps companies to drive improvements in water management and enables benchmarking against leading practice.

The water security program has grown significantly since it was established in 2010, in terms of the numbers of companies disclosing, the value of associated assets and the number of investors and customers requesting the data. CDP now holds the world's largest corporate water dataset, with more companies reporting than ever before. In 2017, 2,025 companies worth approximately US$20 trillion in market capitalization disclosed through us.

W0 Introduction

Introduction

(W0.1) Give a general description of and introduction to your organization.

Marriott International is a global lodging company with more than 6,500 properties (as of year-end 2017) that we operate ("manage"), franchise or license under 30 brands in 127 countries and territories worldwide. We recognize both the global responsibility and the unique opportunity to be a force for good and we are committed to creating positive and sustainable impact wherever we do business.

To guide this commitment, in 2017 we launched our new sustainability and social impact platform, Serve 360: Doing Good In Every Direction. Guided by the United Nations' Sustainable Development Goals, Marriott established Serve 360 goals and a governance structure to deliver positive results through four priority areas or "coordinates":

Nurture Our World – To support the resiliency and sustainable development of the communities where we operate.
Sustain Responsible Operations – To reduce the company's environmental impacts, build & operate sustainable hotels and source responsibly, while integrating sustainability across our value chain and mitigating climate-related risk.
Empower Through Opportunity – To ensure workplace readiness and access to opportunity to our business, including our supply chain.
Welcome All & Advance Human Rights – To educate, advocate for and respect human rights throughout and beyond our business, while creating a safe, welcoming world for all.

Marriott's new goals are being woven into the company across continents, from its global development organizations to its global supply chain networks. Our sustainability targets for 2025 include reducing water by 15%, carbon by 30%, waste to landfill by 45% and food waste by 50% (from a 2016 baseline; for water/carbon/waste on an intensity basis).

We collaborate with external partners to encourage sustainability and mitigate climate change in our industry, helping to establish and refine common industry standards for carbon and water measurement. We worked with the International Tourism Partnership on unified industry goals for youth employment, carbon, water, and human rights that were also introduced in 2017.

Integration of former Starwood brand properties was an ongoing focus of our business in 2017. When necessary in this report, we use the acronym SPG to distinguish from the rest of the Marriott portfolio.

With over 2,000 company-operated properties around the world, it is not feasible for us to include data at the level of detail currently requested by the CDP Water program. Nevertheless, Marriott's disclosure includes valuable information about water management strategies for our business that we wish to share. We will continue our years-long participation in CDP reporting and hope that as the Water Security program evolves there will be a more applicable questionnaire and scoring system for the lodging industry.

(W0.2) State the start and end date of the year for which you are reporting data.

Start date	End date
From: [01/01/2017]	To: [31/12/2017]

(W0.3) Select the countries for which you will be supplying data.

Country
Algeria
Argentina
Armenia
Aruba
Australia
Austria
Azerbaijan
Bahrain
Bangladesh
Barbados
Belgium
Bhutan
Bonaire
Brazil
Cambodia
Canada
Cayman Islands
Chile
China
Colombia
Costa Rica
Cuba
Czech Republic
Dominican Republic
Ecuador
Egypt
El Salvador
Ethiopia
Fiji Islands
France

French Polynesia

Gabon

Georgia

Germany

Ghana

Greece

Guatemala

Guinea

Guyana

Haiti

Honduras

Hungary

India

Indonesia

Ireland

Israel

Italy

Jamaica

Japan

Jordan

Kazakhstan

Kuwait

Lebanon

Macedonia

Malawi

Malaysia

Maldives

Malta

Mauritius

Mexico

Monaco

Morocco

Nepal

Netherlands

New Caledonia

Nigeria

Oman

Panama

Paraguay

Peru

Philippines

Poland

Portugal

Puerto Rico

Qatar

Romania

Russia

Rwanda

Saint Kitts and Nevis

Samoa

Saudi Arabia

Serbia

Seychelles

Singapore

South Africa

South Korea

Spain

Sri Lanka

Sweden

Switzerland

Tajikistan

Thailand

Trinidad and Tobago
Tunisia
Turkey
United Arab Emirates
United Kingdom
Uruguay
USA
Vietnam
Virgin Islands, U.S.
Yemen

(W0.4) Select the currency used for all financial information disclosed throughout your response.

Currency
USD

(W0.5) Select the option that best describes the reporting boundary for companies, entities, or groups for which water impacts on your business are being reported.

● Companies, entities or groups over which operational control is exercised

(W0.6) Within this boundary, are there any geographies, facilities, water aspects, or other exclusions from your disclosure?

● Yes

Exclusion	Please explain

Subset of properties	Above-property facilities such as our global headquarters, corporate apartments, and other regional offices are not included in our reporting, as water use for these facilities was less than 0.1% of total water use and would not significantly impact overall water withdrawal data reported.
Sources of water outside municipal water withdrawal	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. Data from these sources is not yet part of our corporate-level reporting.

W1 Current state

Dependence

(W1.1) Rate the importance (current and future) of water quality and water quantity to the success of your business.
Question dependencies

Water quality and quantity	Direct use importance rating	Indirect use importance rating	Please explain
Sufficient amounts of good quality freshwater available for use	Vital for operations	Important	Freshwater is vital for hotel operations. Hotels require water for food service, cleaning, laundry operations, guest hygiene, and recreation.

Sufficient amounts of recycled, brackish and/or produced water available for use	Important	Have not evaluated	Many hotels use different sources of water to supplement freshwater withdrawal. These sources may include recycled water for landscaping needs, or desalinated water for various uses.

Company-wide water accounting

(W1.2) Across all your operations, what proportion of the following water aspects are regularly measured and monitored?

Water aspect	% of sites/facilities/operations	Please explain
Water withdrawals – total volumes	76-99	Marriott tracks water usage in our portfolio through utility billing. Property performance data related to water consumption is monitored monthly and reported quarterly and annually.
Water withdrawals – volumes from water stressed areas		Water usage from utility bills is cross-referenced with water stress databases to monitor locally and regionally. This data is not measured globally at this point.
Water withdrawals – volumes by source	Not Monitored	This is not measured. Volume by billing water agency is available, but not always by specific water source. Some have begun to report groundwater

		withdrawals, but this is not yet standard across the portfolio.
Water withdrawals quality	76-99	We have a global water safety program developed in partnership with NALCO that was initiated to improve the water quality and water safety at our hotels.
Water discharges – total volumes	76-99	Marriott tracks sewer discharges in our managed portfolio through monthly utility billing; however, this is not a metric that is captured in volume. We provide am estimated figure.
Water discharges – volumes by destination	Not monitored	This is not measured. Volume by billing sewer agency is available, but not by specific treatment facility.
Water discharges – volumes by treatment method	Less than 1%	This is not measured globally. Volume by billing sewer agency is available, but not by specific treatment method. Some hotels track discharges per regulation.
Water discharge quality – by standard effluent parameters	Less than 1%	This is not measured globally.
Water discharge quality – temperature	Less than 1%	This is not measured globally. A few hotels track temperature of discharge per regulation.

Water consumption – total volume	76-100	This is not measured separately from withdrawals – which are monitored through our database systems and performance is tracked quarterly. Water consumption as defined by CDP -- amount of water that is used but not returned to its original source – is a metric that relies upon the action of municipal water authorities and is beyond the scope of Marriott operations. Furthermore, wastewater is not separately metered, only billed as a utility service relative to water charges. Using guidance from EPA's WaterSense program regarding typical water usage categories, we estimate water consumption for the purpose of CDP reporting at 35% of water withdrawal. Marriott is working on internal studies and sub-metering projects to further refine understanding of consumptive uses of water in hotels, including irrigation and cooling towers.
Water recycled/reused		Large, full-service hotels have water reuse systems in their laundry operations, but these figures are not tracked globally at this point.
The provision of fully-functioning, safely managed WASH services to all workers	100	All of the hotel properties operated by Marriott have necessary hygienic facilities for associates. Those few hotels which house a portion of the workforce onsite have complete WASH services.

(W1.2b) What are the total volumes of water withdrawn, discharged, and consumed across all your operations, and how do these volumes compare to the previous reporting year?

Question dependencies

- This question only appears if you indicate in W1.2 that you monitor any of the following water aspect(s):
  - Water withdrawals – total volumes
  - Water discharges – total volumes
  - Water consumption – total volume

Water aspect	Volume (megaliters/year)	Comparison with previous reporting year	Please explain
Total withdrawals	121,984.00	Lower	Total water withdrawals decreased in 2017 over 2016 levels by 14%.
Total discharges	79,289.00	Lower	Marriott tracks sewer discharges in our managed portfolio through utility billing, but this is not a metric that is captured in volume. Using estimates of water consumption for the CDP, water discharges are estimated at 65% of water withdrawals. Since overall water withdrawals decreased over 2016 estimated discharges also decreased.
Total consumption	42,694.00	Lower	Consumption is not measured separately, but estimated at 35% of withdrawals. As a consequence this value is also lower when compared to the previous year's estimate.

Water intensity

The questions in this section are presented to high-impact sectors only and will not be displayed here unless you have opted to view sector-specific questions.

Value-chain engagement

(W1.4) Do you engage with your value chain on water-related issues?

- Yes, our suppliers
- Yes, our customers or other value chain partners

(W1.4a) What proportion of suppliers do you request to report on their water use, risks and/or management information and what proportion of your procurement spend does this represent?

% of suppliers by number	% of total procurement spend	Rationale for this coverage	Impact of the engagement and measures of success	Comment
76-100	76-100	Marriott expects and encourages our suppliers to help us fulfill our environmental commitment by reducing environmental impacts and resource consumption, while continually advancing the sustainability of the products and services	In 2017, 79% of Marriott FF+E suppliers had a sustainability strategy in place. In 2017 as the SPG properties were integrated into the portfolio, 90% of contracted suppliers through our purchasing partner Avendra	

| | | Marriott sources. We are working with various supply chain partners to encourage sustainability policies and to develop sustainability indexes for different parts of the hospitality supply chain.

All Marriott approved furniture, fixtures and equipment (FF+E) and Operating Supplies & Equipment (OS+E) vendors in the Americas are required to enroll in Marriott's annual Supplier Sustainability Assessment Program (MSAP) administered by MindClick. MSAP assesses the impact of products from design to disposal.

With our procurement partner Avendra, we are working to have 100% of our contracted suppliers provide their sustainability policy which must include water goals and track progress against those goals. | had a sustainability policy in place. The remaining 10% are suppliers who will confirm their policy during a subsequent contracting cycle.

As the next step, Marriott will focus on its top procurement categories. As a part of our new Serve 360 sustainability and social impact strategy, Marriott has set the following goal for our global supply chain:
Responsibly source 95% in our Top 10 priority categories by 2025.

In addition:

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

			10 FF+E product categories sourced are in the top tier of the MS	

(W1.4b) Provide details of any other water-related supplier engagement activity.

- No other supplier engagements

(W1.4c) What is your organization's rationale and strategy for prioritizing engagements with customers or other partners in its value chain?

Marriott has long collaborated with industry groups to help advance sustainability programs and goals. We participated in the International Tourism Partnership's Hotel Water Measurement Initiative, helping to establish and refine a common standard for water measurement for the hospitality industry.

As an operator and franchisor of hotel properties, Marriott has important partnerships with other businesses in our value chain. We collaborate closely with our owners in advancing the sustainability of both the properties we manage, and the way we manage them. Working with our larger owners provides opportunities to bring solutions to scale. In 2017, our Americas Engineering Team developed a proposal for a showerhead replacement project, outlining the significant water and energy savings. This project was implemented across this owner's portfolio, with the showerheads shipped directly to each property. Building these relationships through successful projects opens the door for further opportunities.

Marriott's Serve 360 sustainability & social impact goals include franchised operations. With increased emphasis on these greenhouse gas emissions, water and waste metrics from franchised properties in the Marriott portfolio, our engineering and sustainability leadership will be focusing more on sharing best practices with franchised property managers. In the future, the Serve 360 Owner Advisory Council, comprised of continent Owner and Franchised Services leaders, will meet periodically to discuss owner-relevant initiatives, collaboration opportunities, and overall progress and learnings of the Serve 360 platform.

W2 Business impacts

Recent impacts on your business

(W2.1) Has your organization experienced any detrimental water-related impacts?

● Yes

(W2.1a) Describe the water-related detrimental impacts experienced by your organization, your response, and the total financial impact.

Country	River basin	Type of impact driver	Primary impact driver	Primary impact
United States	San Jacinto	Physical	Severe weather events	Closure of operations
United States	Not known	Physical	Severe weather events	Closure of operations
United States	Not known	Physical	Severe weather events	Closure of operations
United States	Not known	Physical	Severe weather events	Increased insurance premiums
South Africa	Not known	Physical	Drought	Increased operating costs

Description of impact	Primary response	Total financial impact	Description of response
Hurricane Harvey brought historic flooding to the Houston area. Several managed properties were partially or fully closed for short periods of time, mostly due to flooding. Overall, the impact of temporary property closures was offset by demand for rooms during the recovery that exceeded market demand in recent years.	Other: implement storm preparation protocols and business continuity plans		Response overview: In the event of a hurricane or other natural disaster impacting our properties, Marriott crisis management and property teams work to ensure associate and guest safety, and to protect the property by implementing storm preparation protocols. These protocols were further refined after the 2017 season. Some properties must close during the event per evacuation orders, while others can function as a shelter for evacuees and resource for first responders. After the storm, business continuity plans help property teams and owners make necessary repairs to restore hotel operations. Marriott requires comprehensive property and liability insurance policies for our managed, leased, and owned properties with coverage features and insured limits that we believe are customary. After a catastrophic event, our disaster preparedness and recovery plans, as well as our insurance coverage, can be re-evaluated to help mitigate future impacts.

Description of impact	Primary response	Total financial impact	Description of response
			Additional details: Marriott International and the J. Willard and Alice S. Marriott Foundation contributed US$100,000 to the American Red Cross to support communities and victims impacted by Hurricane Harvey. In addition, the Marriott Disaster Relief Fund distributed US$730,000 to support recovery efforts of Marriott associates and their families.
Hurricane Irma impacted numerous islands in the Caribbean and much of Florida. All guests and associates were accounted for and no injuries were reported, but many associates had damage or significant damage to their homes. Most hotels in the affected areas of the continental U.S. experienced only temporary interruption or limited availability of guest services, but one property in Florida remained closed through 2018 for repairs and restoration. Destruction across the U.S. Virgin Islands caused several property closures.	Other: implement storm preparation protocols	7,700,000	The financial impact figure represents lost management fee revenue in 2017 from Florida and Caribbean properties closed due to extensive damage from Hurricanes Irma and Maria, prior to reimbursement from Business Interruption insurance policies. Reconstruction costs will be covered by insurance for property owners, minus deductibles. See response overview, above. For properties we manage, Marriott provides the workforce of associates, both salaried and hourly, who operate the hotel. In the event of catastrophic

Description of impact	Primary response	Total financial impact	Description of response
Hurricane Maria, now ranked as the third costliest Atlantic hurricane on record, struck some of the same northeastern Caribbean islands impacted by Irma two weeks before, and devastated Puerto Rico. All guests and associates were accounted for and no injuries were reported, but many associates partially or completely lost their homes. The widespread damage to the island included properties managed by Marriott, several of which will remain closed through 2018. The impact of back to back significant hurricanes to the lives of the residents, the island economies and tourism industry overall was significant.			damage to a property, layoffs of hourly associates will likely occur. Salaried associates will be reassigned to other properties.

Additional details: Marriott International and The J. Willard & Alice S. Marriott Foundation contributed a total of US$100,000 to the American Red Cross, to assist those communities and individuals impacted by the hurricane.

In addition, Marriott International and the J. Willard and Alice S. Marriott Foundation contributed a total of US$300,000 to the Red Cross to support individuals and communities impacted by Hurricane Maria, as well as US$50,000 to nonprofit organization World Central Kitchen. Marriott guests also supported the Red Cross with over US$100,000 worth of loyalty points for disaster relief in 2017.

Over 2000 associates received grants from the newly established TakeCare Relief Fund, which distributed about US$4.5 million in grants. Over 40% of |

Description of impact	Primary response	Total financial impact	Description of response
			the grants addressed needs relating to the hurricanes in the Caribbean.
Marriott expects substantial increases in property insurance costs in 2018 and possibly future years due to the severe and widespread damage caused by the 2017 Atlantic hurricane season.			
For much of 2017, Cape Town, South Africa faced a threat of a potential "Zero Water Day" in 2018 as city water supplies became dangerously low after multiple years of decreased rainfall.	Adopt water efficiency, water re-use, recycling and conservation practices		Marriott hotels in Cape Town complied with mandatory restrictions, and implemented extreme conservation measures, including discouraging guests from taking baths and adding aerators to faucets. The Westin Cape Town reported substantial savings in many months of 2017, as compared to consumption for similar occupancy months in 2016. Reductions as high as one million liters (26%) were achieved, with overall annual consumption reduced by 10%. The hotel has built a small-scale desalination plant onsite and has avoided any temporary closings.

Compliance impacts

(W2.2) In the reporting year, was your organization subject to any fines, enforcement orders, and/or other penalties for water-related regulatory violations?

- **Don't know**

W3 Procedures

Risk identification and assessment procedures

(W3.3) Does your organization undertake a water-related risk assessment?

● Yes, water-related risks are assessed

(W3.3a) Select the options that best describe your procedures for identifying and assessing water-related risks.

Value chain stage	Coverage	Risk assessment procedure	Frequency of assessment	How far into the future are risks considered?	Type of tools and methods used	Tools and methods used	Comment
Direct operations	Full	Water risks are assessed in an environmental risk assessment	Six-monthly or more frequently	2 to 5 years	Databases	Water Risk Monetizer	Monitoring of water risks and opportunities occurs at regular intervals and levels dependent

Value chain stage	Coverage	Risk assessment procedure	Frequency of assessment	How far into the future are risks considered?	Type of tools and methods used	Tools and methods used	Comment
							upon the nature of the risk. Property performance data related to water consumption is monitored monthly and reported quarterly and annually. Risks and opportunities related to regulation, customer preference and corporate reputation are evaluated regularly by relevant departments. Data from all these sources and more were reviewed as part of setting our Serve 360

Value chain stage	Coverage	Risk assessment procedure	Frequency of assessment	How far into the future are risks considered?	Type of tools and methods used	Tools and methods used	Comment
							sustainability & social impact goals. In support of those goals, annual water-risk mapping will be conducted using the WRI Aqueduct tool and/or Ecolab's Water Risk Monetizer.
Supply chain	Partial		Annually				Our supply chain partners, including Avendra in North America, work with suppliers to assess material risks.

(W3.3b) Which of the following contextual issues are considered in your organization's water-related risk assessments?

Contextual issue	Relevance & inclusion	Please explain
Water quality at a basin/catchment level	Relevant, included	Our property management teams, including engineers and facility managers, are responsible for evaluating water availability and quality issues at the local level and taking appropriate action to ensure the safe and efficient operation of the hotel. We have a global water safety program developed in partnership with NALCO that was initiated to improve the water quality and water safety at our hotels. It includes a rigorous testing approach and checklists that are integrated into the Transcendent asset management platform that allow for additional oversight and quality assurance through a detailed schedule and checklist to guide properties.
Stakeholder conflicts concerning water resources at a basin/catchment level	Relevant, not yet included	While severe water scarcity could threaten the continuance of specific hotel operations, Marriott has not yet had to close properties due to stakeholder conflicts.
Implications of water on your key commodities/raw materials	Not relevant, included	Current water availability and quality have been sufficient for hotel operations and food/beverage supply chain.
Water-related regulatory frameworks	Relevant, included	Property managers, owners and relevant departments at Marriott work in tandem to ensure that our properties meet regulatory obligations. In addition in the US, our local water utility agencies and national landscaping partners help properties

		understand and abide by local irrigation water regulations in areas stricken by drought.
Status of ecosystems and habitats	Relevant, included	Some of our properties are located in/near ecosystems and/or wildlife habitats at risk. Marriott follows all local ordinances to protect these areas. Further, Marriott has developed a portfolio of conservation programs designed to protect valuable ecosystems, including the headwaters of the Asia Water Tower, the Brazilian rainforest and Thailand's mangrove habitats. Company-operated properties are encouraged to partner and volunteer with their local watershed management districts.
Access to fully-functioning, safely managed WASH services for all employees	Not relevant, explanation provided	Only a very small percentage of our properties have residential facilities for employees.
Other contextual issues, please specify		

(W3.3c) Which of the following stakeholders are considered in your organization's water-related risk assessments?

Stakeholder	Relevance & inclusion	Please explain
Customers	Relevant, included	As a hospitality company, we strive to ensure the comfort, satisfaction, health and safety of our

		guests. Specifically, Marriott has a robust water safety program that was developed in partnership with several of our global partners that provides a detailed approach related to water safety. This approach is deeply integrated into our Asset Management and Preventative Maintenance Platform (Transcendent) and provides a detailed schedule and checklist for the property to follow.
Employees	Relevant, included	We strive to ensure the comfort, satisfaction, health and safety of our associates. In addition, Marriott's family of associates is vital to the success of our environmental strategy, providing essential pull-through to meet our standards and goals.
Investors	Relevant, included	We are committed to reporting our environmental strategy and progress towards our goals to our investors through the CDP and our Serve 360 reporting.
Local communities	Relevant, included	Our hotels are important members of communities across the globe, supporting both established and developing economies and providing job training and opportunities.
NGOs	Relevant, included	Marriott has been and is working with NGO partners in developing and pursuing our sustainability and social impact strategy. For example, we are currently working with the International Union for Conservation of Nature on Thailand's coastal mangrove restoration.

Other water users at a basin/catchment level	Relevant, included	Some water management districts prioritize "other water users" for allocation of freshwater resources (e.g. residential customers will receive priority over business customers) in the event of a scarcity event. Properties would be responsible for understanding the implications of this on their individual site.
Regulators	Relevant, not included	
River basin management authorities	Relevant, not included	
Statutory special interest groups at a local level	Relevant, included	Local water conservation management districts and watershed management organizations are important partners for our properties to receive education around local issues and applicable laws. These organizations can also offer our properties financial incentives for water conservation and storm water management projects.
Suppliers	Relevant, included	We engage with various parts of our supply chain on sustainability policies and actions, and include discussions of these topics in the procurement process.
Water utilities at a local level	Relevant, sometimes included	Marriott continues to monitor risks arising from increases in water charges, water surcharges or fines during drought periods are considered.

Other stakeholder, please specify		

(W3.3d) Describe your organization's process for identifying, assessing, and responding to water-related risks within your direct operations and other stages of your value chain.

As a part of our materiality and goal setting process used in developing our Serve 360 sustainability and social impact platform, we reviewed data from Ecolab's Water Risk Monetizer and other tools to assess the performance of our properties in water-stressed regions. Our analysis showed that water intensity of properties in those regions was generally lower than comparable hotels in other areas.

Our continental operating structure gives us close-to-market leadership, which supports risk management for localized risks such as those relating to water supply and quality. Performance to our water efficiency goals is part of the Serve 360 Presidents' Scorecards, which are updated and reviewed quarterly and twice yearly in-person by the Serve 360 Executive Leadership Council.

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. As needed, Marriott might use various methodologies and resources to assess risk, such as the Falkenmark Water Stress Indicator, U.S. Drought Monitor, the Maplecroft Global Risk Analysis and the Circle of Blue. In addition, the Cornell Hotel Sustainability Benchmarking (CHSB) study included pilot data for measures from the Hotel Water Measurement Initiative for the first time in 2017. The publicly available data helps provide water footprint ranges by hotel type and market.

W4 Risks and opportunities

Risk exposure

(W4.1) Have you identified any inherent water-related risks with the potential to have a   substantive financial or strategic impact on your business?

● No

(W4.1a) How does your organization define substantive financial or strategic impact on your business?

Marriott International is a global lodging company with more than 6,500 properties (as of year-end 2017) that we operate ("manage"), franchise or license under 30 brands in 127 countries and territories worldwide. This diversification offers some resilience against localized water risks. A substantive financial impact would be one that would impact overall revenue significantly.

(W4.2b) Why does your organization not consider itself exposed to water risks in its direct operations with the potential to have a substantive financial or strategic impact?

Primary reason	Please explain
Risks exist, but no substantive impact anticipated	While the scale and geographic diversification of our business make it unlikely that localized water risks could generate a substantive change in our overall business, we regularly evaluate some of the more prevalent and pressing water risks that do impact properties in our managed portfolio and present that information below with specific emphasis for those properties in water stressed areas. Even if these risks do not currently have the potential to reduce our overall revenue by more than 5%, they impact the communities in which we operate and the health and safety of our associates. These include the risks of extreme weather events, prolonged drought and related wildfire risks, flooding from seasonal storms, and declining water quality. We not only work to comply with regulatory action but also strive to help address these issues where possible. To address flooding risks, we have enterprise-wide business continuity plans, task forces, an executive-led Crisis Relief Committee, our Marriott Disaster

Relief Fund and TakeCare 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.

(W4.2c) Why does your organization not consider itself exposed to water risks in its value chain (beyond direct operations) with the potential to have a substantive financial or strategic impact?

Primary reason	Please explain
Risks exist, but no substantive impact anticipated	Similar to 4.2b, above, the scale and geographic diversification of our business makes it unlikely that localized water risks could generate a substantive change in our global supply chain.

Water-related opportunities

(W4.3) Have you identified any water-related opportunities with the potential to have a substantive financial or strategic impact on your business?

● Yes

(W4.3a) Provide details of opportunities currently being realized that could have a substantive financial or strategic impact on your business.

Type of opportunity	Primary water-related opportunity	Company-specific description & strategy to realize opportunity	Estimated timeframe for realization	Magnitude of potential financial impact	Potential financial impact	Explanation of financial impact
Efficiency	Improving water efficiency in operations	Marriott's water conservation initiatives address various aspects of hotel operations, including: laundry and linen/terry re-use programs; dishwashing and water service at restaurants and events; central plant operations; landscaping/irrigation; and golf course maintenance/ operation. In addition to water-use efficiency efforts, there are also systems in place to capture greywater and rainwater for appropriate uses.	Current - up to 1 year	Low-medium		In many markets, water is still an undervalued commodity, which can lessen the overall financial impact of efficiency efforts. Many water savings projects also save energy as well, providing a more compelling rate of return. Marriott has set a target to reduce water intensity at its managed and franchised properties 15% by 2025, over a 2016 baseline. In pursuit of our water conservation goals, we have implemented a number of projects designed to enhance the efficient use of water at the hotels

						we manage. These include low-flow faucet and toilet fixtures, water sub-meters and more efficient laundry and dishwashing formulations.
Markets	Improved staff retention	New recruits in the hotel industry are more likely to cite environmental leadership as a factor in choosing employers. Employee engagement is a key factor in driving the success of our business and sustainability strategy.	Current - up to 1 year	Low-medium		Marriott's family of associates is vital to the success of our sustainability strategy. We constantly develop new ways of engaging our associates in sustainability as a mindset and a way of working. We provide standards and training on practices such as green meetings, operational best practices, recycling and waste reduction, and linen and terry re-use to associates worldwide.

W5 Facility-level water accounting

W6 Governance

Water policy

(W6.1) Does your organization have a water policy?

● Yes, we have a documented water policy that is publicly available

(W6.1a) Select the options that best describe the scope and content of your water policy.

Scope	Content	Please explain
Company-wide	Company water targets and goals Commitment to align with public policy initiatives, such as the SDGs Commitment to water stewardship and/or collective action	Marriott's water conservation target is part of our Serve 360 sustainability and social impact platform, which is mapped to the SDGs, and our Principles of Responsible Business.

[Add Row]

Board oversight

(W6.2) Is there board level oversight of water-related issues within your organization?

● No

(W6.2c) Why is there no board-level oversight of water-related issues and what are your plans to change this in the future?

Primary reason	Board level oversight of water-related issues will be introduced in the next two years	Please explain
Marriott's Serve 360 Executive Leadership Council provides updates to the Board as part of its scope	No	Marriott established a multi-level governance structure for its Serve 360 platform in 2017 to set direction and drive the sustainability and social engagement strategy. For the first time, governance of these aspects of responsible business operation also include the presidents of each continental operating group as well as functional discipline executives. The President's Scorecard is reviewed quarterly and reported to the CEO twice annually. The focus for the Leadership Council in the near-term is on deploying goals across the organization and its supply chain.

Management responsibility

(W6.3) Below board level, provide the highest-level management position(s) or committee(s) with responsibility for water-related issues. Change from 2017

Name of the position(s) and/or committee(s)	Responsibility	Frequency of reporting to the board on water-related issues	Please explain
Chief Financial Officer	Other: Member of Sustainability Committee	Half-yearly	Chief Financial Officer
Sustainability Committee	Both assessing and managing climate-related risks and opportunities	Half-yearly	Sustainability Committee

Public policy engagement

(W6.5) Do you engage in activities that could either directly or indirectly influence public policy on water through any of the following?

● No

W7 Business strategy

Strategic plan

(W7.1) Are water-related issues integrated into any aspects of your long-term strategic business plan, and if so how?

Change from 2017

New question.

Response options

Please complete the following table:

Aspect of strategic business plan	Are water-related issues integrated?	Long-term time horizon (years)	Please explain
Long-term business objectives Strategy for achieving long-term objectives			
Financial planning			

Capex/Opex

(W7.2) What is the trend in your organization's water-related capital expenditure (CAPEX) and operating expenditure (OPEX) for the reporting year, and the anticipated trend for the next reporting year?

Water-related CAPEX (+/- % change)	Anticipated forward trend for CAPEX (+/- % change)	Water-related OPEX (+/- % change)	Anticipated forward trend for OPEX (+/- % change)	Please explain
Percentage field	Percentage field	Percentage field	Percentage field	Text field

W7.3 Scenario analysis

(W7.3) Does your organization use climate-related scenario analysis to inform its business strategy?

Question dependencies

Use of climate-related scenario analysis	Comment
• No plans for the next two years	While forward-looking scenarios to assess climate change risks and opportunities were considered in Marriott's sustainability and social impact goal-setting process, we have not embarked upon a specific climate-related scenario analysis. In addition, as part of that same process to identify materiality and set appropriate targets, we reviewed data from Ecolab's Water Risk Monetizer and other tools to assess the performance of our properties in water-stressed regions.

Water pricing

(W7.4) Does your company use an internal price on water?

Does your company use an internal price on water?	Please explain
• No, and we do not anticipate doing so within the next two years	

W8 Targets

Targets and goals

(W8.1) Describe your approach to setting and monitoring water-related targets and/or goals.

Levels for targets and/or goals	Monitoring at corporate level	Approach to setting and monitoring targets and/or goals
Company-wide targets and goals	Targets are monitored at the corporate level Goals are monitored at the corporate level	In developing our next generation sustainability and social impact platform, Serve 360, Marriott engaged internal and external stakeholders and partners and reviewed water consumption in water-stressed regions. The presidents of each continental division have a Serve 360 Scorecard to drive performance on all targets, including water intensity reduction, across the portfolio of properties. The scorecards are reviewed quarterly by the Serve 360 Executive Leadership Council and results reported twice annually to the CEO.

(W8.1a) Provide details of your water targets that are monitored at the corporate level, and the progress made.

Question dependencies

Target reference number	Category of target	Level	Primary motivation	Description of target	Quantitative metric
1	Product water intensity	Company-wide	Other: Cost savings and Water Stewardship	Reduce water intensity (per occupied room) 15% by 2025 over 2016 baseline.	% reduction per product

Baseline year	Start year	Target year	% achieved	Please explain
2016	2017	2025	64.00	Water withdrawals per occupied room decreased 9.53% in 2017 over the 2016 baseline.

(W8.1b) Provide details of your corporate water goal(s) that are monitored at the corporate level and the progress made.

Goal	Level	Motivation	Description of goal	Baseline year	Start year	End year	Progress
Watershed remediation and habitat restoration, ecosystem preservation	Country level	Climate change adaptation and mitigation strategies	In 2013, Marriott announced a partnership with the International Union for Conservation of Nature and Mangroves for the Future to support coastal communities, sustainable				Over 68,000 mangrove trees have been planted in Thailand as result of the project, restoring acres of coastal mangrove habitats. As part of the program, a Reef Education Center was

			seafood and mangrove restoration efforts in Thailand.				developed at the Phuket Marriott Resort and Spa. The IUCN-Marriott Partnership Project has won "Best CSR - Social Impact Partnership" at the 2017 Rockefeller Social Impact Awards, curated by The Resource Alliance. In India, associates at the Courtyard by Marriott Pune Chakan helped a local village that did not have access to clean water build a pond to collect water during monsoon season and installed a solar-powered water pump to distribute it, so the village's people could finally have easy access to clean water.

W9 Linkages and tradeoffs

Managing linkages and tradeoffs

(W9.1) Has your organization identified any linkages or tradeoffs between water and other environmental issues in its direct operations and/or other parts of its value chain?

● Yes

(W9.1a) Describe the linkages or trade-offs and the related management policy or action.

Linkage/trade-off	Type of linkage/tradeoff	Description of linkage/trade-off	Policy or action
Linkage	Increased energy efficiency	Many of our projects designed to conserve water also improve energy efficiency and vice versa. For example, cooling tower upgrades reduce both water and energy use by central plants. Similarly, upgrades to water fixtures, water treatment or central plant equipment also carry significant improvements to energy and water efficiency.	

W10 Verification

Verification of water information

(W10.1) Do you verify any other water information reported in your CDP disclosure (not already covered by W5.1d)?

● Yes

(W10.1a) Which data points within your CDP disclosure have been verified, and which standards were used?

Disclosure module	Data verified	Verification standard	Please explain
● W1 Current state	Water withdrawals	● Other: LRQA's Verification Approach	

W11 Signoff

Signoff

(W11.1) Provide details for the person that has signed off (approved) your CDP water response.

Job title	Corresponding job category
Vice President of Engineering and Facilities, Global/Americas	Business unit manager

Water Action Hub

(W11.2) Please indicate whether your organization agrees for CDP to transfer your publicly disclosed data on your impact and risk response strategies to the CEO Water Mandate's Water Action Hub [applies only to W2.1a (response to impacts), W4.2 and W4.2a (response to risks)].

● No

SW Supply chain module

Supply chain introduction

(SW0.1) What is your organization's annual revenue for the reporting period?

Change from 2017

New question

Response options

Please complete the following table:

Annual revenue
22,894,000,000.00

(SW0.2) Do you have an ISIN for your organization that you would be willing to share with CDP?

● No

Collaborative opportunities

(SW2.1) Please propose any mutually beneficial water-related projects you could collaborate on with specific CDP supply chain members.

Requesting member	Category of project	Type of project	Motivation	Estimated timeframe for achieving project	Details of project	Projected outcome
HP	Other: Engagement with customers on water use associated with business travel	Other: Data Sharing	Engagement with customers on water use associated with business travel: sharing data to support water reporting and more sustainable travel options.	Up to 1 year	The metrics and environmental practices we provide may be utilized within your own booking tool to provide your internal users with the metrics. This can be a way to raise awareness of water use and related sustainability practices and help drive business to hotels that have good water stewardship and disclose this information to customers.	On a quarterly basis, data from our global reporting tool is provided to the sustainability team. In combination with customer hotel utilization data, we can calculate carbon emissions for overnight room stays, as well as water metrics, waste diversion rate, and environmental practices. We have also developed a template for customers to use to calculate their carbon and water footprint for an individual meeting. Additionally, we are pulling this data into our RFP tool to be able to provide customers with this information as part of

						the business travel RFP process. The Global Business Travel Association's standardized hotel RFP now has sustainability metrics fields including carbon and water footprint per occupied room, energy intensity, waste diversion, and certification questions. The response to these questions, as well as others, will automatically be uploaded into the RFPs our customers send us for their annual business travel programs, for meetings, and will be fed into 3rd party tools and systems our customers utilize for their RFP processes. The goal is to put this

						information in the hands of our customers at all points of communication to provide them the opportunity to use the data for decision making.
L'Oreal	Other: Engagement with customers on water use associated with business travel	Other: Data Sharing	Engagement with customers on water use associated with business travel: sharing data to support water reporting and more sustainable travel options.	Up to 1 year	The metrics and environmental practices we provide may be utilized within your own booking tool to provide your internal users with the metrics. This can be a way to raise awareness of water use and related sustainability practices and help drive business to hotels that have good water stewardship and disclose this information to customers.	On a quarterly basis, data from our global reporting tool is provided to the sustainability team. In combination with customer hotel utilization data, we can calculate carbon emissions for overnight room stays, as well as water metrics, waste diversion rate, and environmental practices. We have also developed a template for customers to use to calculate their carbon and water footprint for an

					individual meeting. Additionally, we are pulling this data into our RFP tool to be able to provide customers with this information as part of the business travel RFP process. The Global Business Travel Association's standardized hotel RFP now has sustainability metrics fields including carbon and water footprint per occupied room, energy intensity, waste diversion, and certification questions. The response to these questions, as well as others, will automatically be uploaded into the RFPs our customers send us for their annual business travel programs, for

					meetings, and will be fed into 3rd party tools and systems our customers utilize for their RFP processes. The goal is to put this information in the hands of our customers at all points of communication to provide them the opportunity to use the data for decision making.

(SW2.2) Have any water projects been implemented due to member engagement?

● No

Product water intensity

(SW3.1) Provide any available water intensity values for your organization's products or services across its operation.

Product name	Water intensity value	Numerator: Water aspect	Denominator: Unit of production	Comment

| Global Water Intensity | 0.8758 | Water withdrawn | Occupied room night | For 2017, we are able to report global water intensity. Our goal is that by 2020, all properties will have a Serve 360 section on the marriott.com website with hotel impact metrics, including water intensity. |

[Add Row]