Marriott International, Inc. - Water Security 2020

W0. Introduction

W0.1

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

Marriott International is a leading, global lodging company with more than 7,300 properties (as of year-end 2019) that we operate (“manage”), franchise or license under 30 brands in 134 countries and territories worldwide. We recognize both our global responsibility and the unique opportunity we have to be a force for good and we are committed to creating positive and sustainable impact wherever we do business.

Inspired by our core value to Serve Our World and the meaningful role that we believe we can play to support the UN Sustainable Development Goals, we established our sustainability and social impact platform, Serve 360: Doing Good in Every Direction, in 2017. Serve 360 is guided by four priority-areas, or “coordinates” — each with dedicated focus areas and ambitious targets.

- Nurture Our World – Advancing the resiliency and sustainable development of our communities.
- Sustain Responsible Operations – Reducing the company’s environmental impacts, sourcing responsibly and building and operating sustainable hotels, while mitigating climate-related risk.
- Empower Through Opportunity – Ensuring workplace readiness and access to opportunity across our business.
- Welcome All & Advance Human Rights – Creating a safe and welcoming world for associates and travelers alike.

The 2025 goals under the Sustain Responsible Operations coordinate 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). As part of Serve 360, Marriott is also committing to achieve a minimum of 30% renewable electricity use by 2025, and to analyze the opportunity to set a science-based carbon target.

Note: Under the operational reporting boundary, this report covers properties managed by Marriott. Operational costs, including property investments, are the responsibility of owners per management agreements. Under these varying agreements, Marriott earns a management fee that is typically composed of a base management fee, which is a percentage of hotel revenues, and in some cases, an incentive management fee (based on hotel profits). Our management agreements also typically include reimbursement of costs of operations (both direct and indirect).

W0.2

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

<table>
<thead>
<tr>
<th>Reporting year</th>
<th>Start date</th>
<th>End date</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>January 1 2019</td>
<td>December 31 2019</td>
</tr>
</tbody>
</table>

W0.3

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

- Algeria
- Argentina
- Armenia
- Aruba
- Australia
- Austria
- Azerbaijan
- Bahrain
- Bangladesh
- Barbados
- Belgium
- Bhutan
- Bolivia (Plurinational State of)
- Brazil
- Cambodia
- Canada
- Cayman Islands
- Chile
- China
- Colombia
- Costa Rica
- Cuba
- Czechia
- Dominican Republic
- Ecuador
Egypt
El Salvador
Ethiopia
Fiji
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
Malawi
Malaysia
Maldives
Mali
Malta
Mauritius
Mexico
Monaco
Morocco
Nepal
Netherlands
New Caledonia
New Zealand
Nigeria
North Macedonia
Oman
Panama
Paraguay
Peru
Philippines
Poland
Portugal
Puerto Rico
Qatar
Republic of Korea
Romania
Russian Federation
Rwanda
Samoa
Saudi Arabia
Serbia
Seychelles
Singapore
South Africa
Spain
Sri Lanka
Sweden
Switzerland
Taiwan, Greater China
Thailand
Trinidad and Tobago
Turkey
Ukraine
United Arab Emirates
United Kingdom of Great Britain and Northern Ireland
United States of America
United States Virgin Islands
Uruguay
Viet Nam
W0.4

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

USD

W0.5

(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

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

Yes

W0.6a

(W0.6a) Please report the exclusions.

<table>
<thead>
<tr>
<th>Exclusion</th>
<th>Please explain</th>
</tr>
</thead>
<tbody>
<tr>
<td>Subset of properties</td>
<td>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.</td>
</tr>
</tbody>
</table>

W1. Current state

W1.1

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

<table>
<thead>
<tr>
<th>Exclusion</th>
<th>Direct use importance rating</th>
<th>Indirect use importance rating</th>
<th>Please explain</th>
</tr>
</thead>
<tbody>
<tr>
<td>Sufficient amounts of good quality freshwater available for use</td>
<td>Vital</td>
<td>Important</td>
<td>Freshwater is vital for hotel operations. Hotels require water for food service, cleaning, laundry operations, guest hygiene, and recreation.</td>
</tr>
<tr>
<td>Sufficient amounts of recycled, brackish and/or produced water available for use</td>
<td>Important</td>
<td>Have not evaluated</td>
<td>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.</td>
</tr>
</tbody>
</table>
Across all your operations, what proportion of the following water aspects are regularly measured and monitored?

<table>
<thead>
<tr>
<th>% of sites/facilities/operations</th>
<th>Please explain</th>
</tr>
</thead>
<tbody>
<tr>
<td>Water withdrawals – total volumes</td>
<td>100%</td>
</tr>
<tr>
<td>Water withdrawals – volumes by source</td>
<td>76-99</td>
</tr>
<tr>
<td>Entained water associated with your metals &amp; mining sector activities – total volumes [only metals and mining sector]</td>
<td>&lt;Not Applicable&gt;</td>
</tr>
<tr>
<td>Produced water associated with your oil &amp; gas sector activities – total volumes [only oil and gas sector]</td>
<td>&lt;Not Applicable&gt;</td>
</tr>
<tr>
<td>Water withdrawals quality</td>
<td>100%</td>
</tr>
<tr>
<td>Water discharges – total volumes</td>
<td>100%</td>
</tr>
<tr>
<td>Water discharges – volumes by destination</td>
<td>100%</td>
</tr>
<tr>
<td>Water discharges – volumes by treatment method</td>
<td>Not relevant</td>
</tr>
<tr>
<td>Water discharge quality – by standard effluent parameters</td>
<td>Not relevant</td>
</tr>
<tr>
<td>Water discharge quality – temperature</td>
<td>Not relevant</td>
</tr>
<tr>
<td>Water consumption – total volume</td>
<td>76-99</td>
</tr>
<tr>
<td>Water recycled/reused</td>
<td>Not monitored</td>
</tr>
<tr>
<td>The provision of fully-functioning, safely-managed WASH services to all workers</td>
<td>100%</td>
</tr>
</tbody>
</table>

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?

<table>
<thead>
<tr>
<th>Volume (megaliters/year)</th>
<th>Comparison with previous reporting year</th>
<th>Please explain</th>
</tr>
</thead>
<tbody>
<tr>
<td>Total withdrawals</td>
<td>133183</td>
<td>Higher</td>
</tr>
<tr>
<td>Total discharges</td>
<td>86569</td>
<td>Higher</td>
</tr>
<tr>
<td>Total consumption</td>
<td>46614</td>
<td>Higher</td>
</tr>
</tbody>
</table>

W1.2d

Indicate whether water is withdrawn from areas with water stress and provide the proportion.

<table>
<thead>
<tr>
<th>Withdrawals are from areas with water stress</th>
<th>% withdrawn from areas with water stress</th>
<th>Comparison with previous reporting year</th>
<th>Identification tool</th>
<th>Please explain</th>
</tr>
</thead>
<tbody>
<tr>
<td>Row 1</td>
<td>Yes</td>
<td>26-50</td>
<td>This is our first year of measurement</td>
<td>WRI Aqueduct</td>
</tr>
</tbody>
</table>
### (W1.2h) Provide total water withdrawal data by source.

<table>
<thead>
<tr>
<th>Source</th>
<th>Relevance</th>
<th>Volume (megaliters/year)</th>
<th>Comparison with previous reporting year</th>
<th>Please explain</th>
</tr>
</thead>
<tbody>
<tr>
<td>Fresh surface water, including rainwater,</td>
<td>Relevant</td>
<td>493.59</td>
<td>This is our first year of measurement.</td>
<td>This is the first year that Marriott has included surface water as a separate water source in its year-end data validation process.</td>
</tr>
<tr>
<td>water from wetlands, rivers, and lakes</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Brackish surface water/Seawater</td>
<td>Not relevant</td>
<td>&lt;Not Applicable&gt;</td>
<td>&lt;Not Applicable&gt;</td>
<td></td>
</tr>
<tr>
<td>Groundwater – renewable</td>
<td>Relevant but volume unknown</td>
<td>&lt;Not Applicable&gt;</td>
<td>&lt;Not Applicable&gt;</td>
<td>Marriott's sustainability survey does not distinguish between renewable and non-renewable groundwater sources. All groundwater is being reported as “Groundwater – non-renewable.”</td>
</tr>
<tr>
<td>Groundwater – non-renewable</td>
<td>Relevant</td>
<td>1497.07</td>
<td>Higher</td>
<td>Groundwater amounts increased by 364 megaliters compared to 2018.</td>
</tr>
<tr>
<td>Produced/Entrained water</td>
<td>Not relevant</td>
<td>&lt;Not Applicable&gt;</td>
<td>&lt;Not Applicable&gt;</td>
<td></td>
</tr>
<tr>
<td>Third-party sources</td>
<td>Relevant</td>
<td>131192.17</td>
<td>Higher</td>
<td>This includes municipal water and irrigation. Water withdrawals by properties in Marriott's managed portfolio increased by 3,103 megaliters over 2018.</td>
</tr>
</tbody>
</table>

### (W1.2i) Provide total water discharge data by destination.

<table>
<thead>
<tr>
<th>Destination</th>
<th>Relevance</th>
<th>Volume (megaliters/year)</th>
<th>Comparison with previous reporting year</th>
<th>Please explain</th>
</tr>
</thead>
<tbody>
<tr>
<td>Fresh surface water</td>
<td>Not relevant</td>
<td>&lt;Not Applicable&gt;</td>
<td>&lt;Not Applicable&gt;</td>
<td></td>
</tr>
<tr>
<td>Brackish surface water/Seawater</td>
<td>Not relevant</td>
<td>&lt;Not Applicable&gt;</td>
<td>&lt;Not Applicable&gt;</td>
<td></td>
</tr>
<tr>
<td>Groundwater</td>
<td>Not relevant</td>
<td>&lt;Not Applicable&gt;</td>
<td>&lt;Not Applicable&gt;</td>
<td></td>
</tr>
<tr>
<td>Third-party destinations</td>
<td>Relevant</td>
<td>8569</td>
<td>Higher</td>
<td>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 CDP, water discharges are estimated at 65% of water withdrawals. Since overall water withdrawals increased compared to 2018, estimated discharges also increased.</td>
</tr>
</tbody>
</table>
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?

Row 1

% of suppliers by number
76-100

% of total procurement spend
26-50

Rationale for this coverage
Marriott encourages suppliers to surpass environmental regulations where feasible and demonstrate continuous improvement in reducing the environmental impact of operations, products and services across all lifecycle stages, related to greenhouse gas emissions, resources and waste. Marriott expects suppliers to mitigate negative impacts, such as deforestation and pollution, affecting biodiversity and ecosystems. All suppliers contracted through our purchasing partner (for the Americas) Avendra are required to have a sustainability policy in place which addresses water conservation and provides information on product attributes such as Forest Stewardship Council (FSC) certification for responsible personal paper products. Percentages in this row refer to suppliers onboarded through Avendra (which requires all suppliers to have a sustainability policy) and for spend, the percentage of Avendra procurement as a subset of all Marriott procurement for the U.S. and Canada only.

Impact of the engagement and measures of success
As part of our Serve 360 sustainability and social impact strategy, Marriott has set the following procurement goal: Responsibly source 95% in our Top 10 priority categories by 2025. In 2019, these priority categories were identified as: animal proteins, bottled water, cleaning supplies, cocoa, coffee, guest room amenities, paper products, seafood, sugar, and textiles. We are establishing responsible sourcing requirements for each category that suppliers will have to comply with in the future. Additional goals for supplier engagement include: • 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.

Comment
In 2019, we selected a 3rd-party vendor to survey our existing suppliers within the top 10 categories to understand the relevant environmental aspects of their businesses. The goal is to survey the existing suppliers within the top 10 categories throughout 2020, and all suppliers outside of the top 10 categories will be surveyed by 2025. We will assess what elements of our suppliers’ businesses do not meet MI’s responsible sourcing guidelines and assist them in making improvements.

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

Type of engagement
Innovation & collaboration

Details of engagement
Encourage/incentivize innovation to reduce water impacts in products and services

% of suppliers by number
Less than 1%

% of total procurement spend
Less than 1%

Rationale for the coverage of your engagement
Description of the engagement: Marriott supported Generation Water in developing and implementing a service that produces an average of 4,000 liters per day of alkaline drinking water made 100% from the air. The JW Marriott in Phuket, Thailand was the pilot facility for the system that uses condensation technology to extract moisture from the air to generate potable water. The Generation Water system also dispenses water in reusable glass bottles, which eliminates the use and expense of plastic water bottles.

Impact of the engagement and measures of success
In 2019, the system is expected to eliminate the use of more than two million plastic bottles, significantly contributing to the ability of the properties in Phuket to meet waste reduction and responsible sourcing goals.

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

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 physical properties we manage (equipment, building envelope), and the way we manage them (preventative maintenance, laundry and food service operations, landscaping). Working with our larger owners provides opportunities to bring solutions to scale. Marriott provides Capital Planning and Project Management (CPPM) services to hotel owners (primarily of select-service brands) in the Americas as they implement building infrastructure improvements. The CPPM team helps identify short/long-term property needs and leverages Marriott’s procurement power to provide cost savings to owners and engineered solutions that conserve energy and water.

In 2017, our Americas Engineering Team worked with CPPM to develop a showerhead replacement project with significant water and energy savings. This project was implemented across an owner’s portfolio, with the showerheads shipped directly to each property. In 2018 and 2019, this project has expanded to other owner’s portfolios, and the same model was used to install more efficient sprinkler heads.

Marriott’s Serve 360 sustainability and social impact goals include franchised operations. With increased emphasis on the greenhouse gas emissions, water, and waste metrics from franchised properties in the Marriott portfolio, our engineering leadership will focus on sharing best practices with franchised property managers. Additionally, we are developing advisory engagements appropriate to each region to represent the voice of the ownership/franchise/management company community and provide input, feedback and advice. Meeting frequency will be determined based on conferences/committees to discuss owner-relevant initiatives, collaboration opportunities and overall progress and learnings around sustainability & social impact efforts.

W2. Business impacts

W2.1

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

No

W2.2

(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

W3.3

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

Yes, water-related risks are assessed

W3.3a

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

Coverage
Full

Risk assessment procedure
Water risks are assessed as part of other company-wide risk assessment system

Frequency of assessment
More than once a year

How far into the future are risks considered?
More than 6 years

Type of tools and methods used
Databases

Tools and methods used
Other, please specify (EcoLab Water Risk Monetizer and WRI Aqueduct Tool)

Comment
Monitoring of water risks and opportunities occurs at regular intervals and levels dependent upon the nature of the risk. Property performance data related to water consumption is monitored monthly, reported quarterly, and reviewed quarterly and annually. Risks and opportunities related to regulation, customer preference and corporate reputation are evaluated regularly by relevant departments. Water-related risk drivers are included in Marriott’s annual enterprise risk management exercise. Data from all these sources and more were reviewed as part of setting our Serve 360 sustainability & social impact goals. In support of those goals, water-risk mapping will be conducted using the WRI Aqueduct tool and/or Ecolab’s Water Risk Monetizer.

Supply chain

Coverage
Partial

Risk assessment procedure
Water risks are assessed in an environmental risk assessment

Frequency of assessment
Annually

How far into the future are risks considered?
More than 6 years

Type of tools and methods used
Other

Tools and methods used
Other, please specify (Marriott Sustainability Assessment Program (MSAP) administered by MindClick.)

Comment
The supplier assessment program for the furniture, fixtures, and equipment (FF&E) supply chain includes evaluation of nine different aspects across the full life-cycle of these supplies. This assessment covers material sourcing, production and distribution, many of which relate to water risks.

Other stages of the value chain

Coverage
None

Risk assessment procedure
<Not Applicable>

Frequency of assessment
<Not Applicable>

How far into the future are risks considered?
<Not Applicable>

Type of tools and methods used
<Not Applicable>

Tools and methods used
<Not Applicable>

Comment

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

<table>
<thead>
<tr>
<th>Contextual Issue</th>
<th>Relevance &amp; Inclusion</th>
<th>Please Explain</th>
</tr>
</thead>
<tbody>
<tr>
<td>Water availability at a basin/catchment level</td>
<td>Relevant, always included</td>
<td>Our property management teams, including engineers and facility managers, are responsible for evaluating water availability at the local level and taking appropriate action to ensure the safe and efficient operation of the hotel. 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.</td>
</tr>
<tr>
<td>Water quality at a basin/catchment level</td>
<td>Relevant, always included</td>
<td>Water quality is a priority for hotel operations, including the availability of potable water and the safety of HVAC systems. Our property management teams, including engineers and facility managers, are responsible for evaluating water 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.</td>
</tr>
<tr>
<td>Stakeholder conflicts concerning water resources at a basin/catchment level</td>
<td>Relevant, sometimes included</td>
<td>While severe water scarcity could threaten the continuance of specific hotel operations, Marriott has not yet had to close properties due to stakeholder conflicts. Marriott's properties in Cape Town, South Africa were part of that city's response to their 2017-2018 water crisis. A desalination plant installed at the Westin Cape Town helped provide potable water to two other large hotels.</td>
</tr>
<tr>
<td>Implications of water on your key commodities/raw materials</td>
<td>Not relevant, included</td>
<td>Current water availability and quality have been sufficient for hotel operations and food/beverage supply chain.</td>
</tr>
<tr>
<td>Water-related regulatory frameworks</td>
<td>Relevant, always included</td>
<td>Water-related regulations are relevant to all properties as users of municipal water and sewer services. Property managers, owners and relevant departments at Marriott work in tandem to ensure that our properties meet regulatory obligations. Additionally, 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.</td>
</tr>
<tr>
<td>Status of ecosystems and habitats</td>
<td>Relevant, always included</td>
<td>Some of our properties are located in/near ecosystems and/or wildlife habitats at risk. Marriott follows all local ordinances to protect these areas. Marriott has worked with local partners and communities to protect and restore valuable ecosystems, including the Brazilian rainforest and Thailand’s mangrove habitats. Company-operated properties are encouraged to partner and volunteer with their local watershed management districts. Marriott previously supported a project in China, Nobility of Nature, that helped improve the quality of freshwater for those living downstream of the Asia Water Plateau beginning in Sichuan Province.</td>
</tr>
<tr>
<td>Access to fully-functioning, safety-managed WASH services for all employees</td>
<td>Relevant, always included</td>
<td>While only a very small percentage of our properties have full residential facilities for employees, Marriott provides fully-functioning WASH services for all employees worldwide.</td>
</tr>
</tbody>
</table>

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

<table>
<thead>
<tr>
<th>Relevance &amp; Inclusion</th>
<th>Please explain</th>
</tr>
</thead>
<tbody>
<tr>
<td>Customers</td>
<td>Relevant, always included</td>
</tr>
<tr>
<td>Investors</td>
<td>Relevant, always included</td>
</tr>
<tr>
<td>Local communities</td>
<td>Relevant, always included</td>
</tr>
<tr>
<td>NGOs</td>
<td>Relevant, sometimes included</td>
</tr>
<tr>
<td>Other water users at a basin/catchment level</td>
<td>Relevant, sometimes included</td>
</tr>
<tr>
<td>Regulators</td>
<td>Relevant, always included</td>
</tr>
<tr>
<td>River basin management authorities</td>
<td>Relevant, sometimes included</td>
</tr>
<tr>
<td>Statutory special interest groups at a local level</td>
<td>Relevant, always included</td>
</tr>
<tr>
<td>Suppliers</td>
<td>Relevant, always included</td>
</tr>
<tr>
<td>Water utilities at a local level</td>
<td>Relevant, sometimes included</td>
</tr>
</tbody>
</table>

### W3.3d)

**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 the water intensity of properties in those regions was in line with our average global water intensity value.

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 Scorecards, which are updated and reviewed quarterly by the Serve 360 Executive Leadership and Advisory Councils.

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 WRI’s Aqueduct Water Risk Atlas, 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

W4.1

(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

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

Marriott does not use a single definition of or financial threshold for “substantive impact” in its risk assessment process. Material risks are those that could adversely impact our business, shareholder value, and reputation. Risks are reviewed annually by the top 250 executives across the company, as well as by the board of directors. All of the risks evaluated may be considered to have the potential for substantive impact, and as a part of the annual review, the risks are prioritized, and data is gathered about current and long-term mitigation efforts, challenges, and performance tracking mechanisms. Marriott is a global lodging company with more than 7,300 properties (as of year-end 2019) that we operate (“manage”), franchise or license under 30 brands in 134 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

(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?

<table>
<thead>
<tr>
<th>Primary reason</th>
<th>Please explain</th>
</tr>
</thead>
<tbody>
<tr>
<td>Risks exist, but no substantive impact anticipated</td>
<td>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 those 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 wildfires 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.</td>
</tr>
</tbody>
</table>

W4.2c

(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?

<table>
<thead>
<tr>
<th>Primary reason</th>
<th>Please explain</th>
</tr>
</thead>
<tbody>
<tr>
<td>Risks exist, but no substantive impact anticipated</td>
<td>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.</td>
</tr>
</tbody>
</table>

W4.3

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

Yes, we have identified opportunities, and some/all are being realized

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

**Type of opportunity**
Efficiency

**Primary water-related opportunity**
Improved water efficiency in operations

**Company-specific description & strategy to realize opportunity**
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.

**Estimated timeframe for realization**
Current - up to 1 year

**Magnitude of potential financial impact**
Low-medium

Are you able to provide a potential financial impact figure?
Yes, a single figure estimate

**Potential financial impact figure (currency)**
5000000

**Potential financial impact figure – minimum (currency)**
<Not Applicable>

**Potential financial impact figure – maximum (currency)**
<Not Applicable>

**Explanation of financial impact**
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 owner-funded 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. The potential financial impact represents the anticipated annual savings properties could realize from resource conservation efforts in the reporting year.

**Type of opportunity**
Markets

**Primary water-related opportunity**
Improved staff retention

**Company-specific description & strategy to realize opportunity**
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. Our Serve 360 Champions are passionate individuals or teams volunteering to be the face and energy of Serve 360 on and above property — rallying their fellow associates, organizing events, educating and communicating within the property, reporting and sharing best practices, and partnering with various departments to achieve our Serve 360 goals. At our managed hotels, the Serve 360 Champion responsibilities are included as part of the TakeCare Champion role, forming a powerful network where best practices and lessons learned can be shared.

**Estimated timeframe for realization**
Current - up to 1 year

**Magnitude of potential financial impact**
Low-medium

Are you able to provide a potential financial impact figure?
Yes, a single figure estimate

**Potential financial impact figure (currency)**
7300

**Potential financial impact figure – minimum (currency)**
<Not Applicable>

**Potential financial impact figure – maximum (currency)**
<Not Applicable>

**Explanation of financial impact**
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 sustainable meetings, operational best practices, recycling and waste reduction, and linen and terry reuse to associates worldwide. Associates who are particularly passionate about sustainability & social impact can further get involved through the Serve 360 Champion opportunity. According to a study by Cornell University's School of Hospitality Management in 2006, employee turnover costs hospitality companies an average of 5,864 USD. (7,485 in 2019 USD) per employee. These figures align with a 2012 report by the Center for American Progress estimating typical cost of turnover for positions earning less than 30,000 USD annually is sixteen percent of an employee's annual salary and up to twenty percent for employees earning over 75,000 USD.
### W6.1a

Select the options that best describe the scope and content of your water policy.

<table>
<thead>
<tr>
<th>Scope</th>
<th>Content</th>
<th>Please explain</th>
</tr>
</thead>
</table>
| 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 aligns with the SDGs. Water risk issues are included in our sustainability policy, which was published in 2019. The new policy specifically references Marriott’s commitment to measure and minimize the impact of company operations on water risk issues. |

### W6.2

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

Yes

### W6.2a

(W6.2a) Identify the position(s) (do not include any names) of the individual(s) on the board with responsibility for water-related issues.

<table>
<thead>
<tr>
<th>Position of individual</th>
<th>Please explain</th>
</tr>
</thead>
<tbody>
<tr>
<td>Chief Executive Officer (CEO)</td>
<td>At Marriott, the President and Chief Executive Officer (CEO) is responsible for water-related issues through leadership of the company’s sustainability and social impact platform, Serve 360. Marriott’s President and CEO is a member of the Serve 360 Executive Leadership Council which meets twice per year to discuss sustainability-related investment decisions and to analyze recommendations, and quarterly reviews the Serve 360 Scorecards which report progress against goals, including water intensity targets.</td>
</tr>
</tbody>
</table>

### W6.2b

(W6.2b) Provide further details on the board’s oversight of water-related issues.

<table>
<thead>
<tr>
<th>Frequency that water-related issues are a scheduled agenda item</th>
<th>Governance mechanisms into which water-related issues are integrated</th>
<th>Please explain</th>
</tr>
</thead>
<tbody>
<tr>
<td>Scheduled - some meetings</td>
<td>Reviewing and guiding corporate responsibility strategy</td>
<td>Our Board of Directors oversees management and, through this oversight, enhances the long-term value of the company. A formal infrastructure of a range of councils comprised of executives and associates (assisted by external experts) guides us in making everyday decisions that affect our work environment, our sustainability and social impact practices and our business strategy.</td>
</tr>
</tbody>
</table>

### W6.3
Name of the position(s) and/or committee(s)
Other C-Suite Officer, please specify (CFO, Continent Presidents and other C-suite executives acting in concert as the Serve 360 Executive Leadership Council)

Responsibility
Both assessing and managing water-related risks and opportunities

Frequency of reporting to the board on water-related issues
Annually

Please explain
(Serve 360 is Marriott's sustainability and social impact platform) The Serve 360 Executive Leadership Council is chaired by the Global Officer Communications & Public Affairs and the Global Officer of Operations and includes the CEO, the Presidents of each regional business division and C-level executives representing each global discipline, including Brand, Design, Development, E-Commerce, Finance, Human Resources, IT, Legal, Marketing, Sales, Owner/Franchise Services, Global Operations (co-Chair), and Global Communications and Public Affairs (co-Chair). This representation ensures that every functional discipline within Marriott is involved in guiding and implementing the sustainability and social impact strategy. It also ensures that as water-related issues arise, they are assessed by the relevant business functions. The participation of the Presidents and the accountability to the quarterly Serve 360 Scorecards help drive performance across the portfolio of properties.

Name of the position(s) and/or committee(s)
Other C-Suite Officer, please specify (Global Officers)

Responsibility
Both assessing and managing water-related risks and opportunities

Frequency of reporting to the board on water-related issues
Annually

Please explain
The Serve 360 Advisory Council consists of direct reports of executive leaders, representing each region and each global discipline. This council meets four times per year to ensure the company is on track with its Serve 360 goals, provides updates and learnings on major initiatives in each continent and discipline, assesses strategies and recommendations for improvement, and develops recommendations for the Executive Leadership Council. The Advisory Council helps to develop the regional and global Serve 360 Scorecards each quarter, which track progress against the company's sustainability and social impact goals, including reducing the water intensity of hotel operations. The Scorecards inform annual reports to the board.

W6.4

(W6.4) Do you provide incentives to C-suite employees or board members for the management of water-related issues?

<table>
<thead>
<tr>
<th>Provide incentives for management of water-related issues</th>
<th>Comment</th>
</tr>
</thead>
<tbody>
<tr>
<td>Yes</td>
<td></td>
</tr>
</tbody>
</table>

W6.4a

(W6.4a) What incentives are provided to C-suite employees or board members for the management of water-related issues (do not include the names of individuals)?

<table>
<thead>
<tr>
<th>Role(s) entitled to incentive</th>
<th>Performance indicator</th>
<th>Please explain</th>
</tr>
</thead>
<tbody>
<tr>
<td>Monetary reward</td>
<td>Chief Sustainability Officer (CSO)</td>
<td>Progress against Marriott's Serve 360 water intensity reduction goal of 15% is an annual goal for Marriott's CSO.</td>
</tr>
<tr>
<td>Non-monetary reward</td>
<td>No one is entitled to these incentives</td>
<td>&lt;Not Applicable&gt;</td>
</tr>
</tbody>
</table>

W6.5

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

No

W6.6

(W6.6) Did your organization include information about its response to water-related risks in its most recent mainstream financial report?

Yes (you may attach the report - this is optional)

W7. Business strategy
W7.1

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

<table>
<thead>
<tr>
<th>Are water-related issues integrated?</th>
<th>Long-term time horizon (years)</th>
<th>Please explain</th>
</tr>
</thead>
<tbody>
<tr>
<td>Yes, water-related issues are integrated</td>
<td>5-10</td>
<td>Marriott’s long-term business objectives include growth across the global portfolio of brands. The Marriott business model is fee-based and asset-light, with hotels we manage on behalf of owners or franchisees. Adding new hotels to our system generates growth, typically with little or no investment by the company. However, the lack of adequate infrastructure, including water resources could be a constraint to growth in some regions. Strategies have been developed to provide independent water sourcing at some properties.</td>
</tr>
<tr>
<td>Yes, water-related issues are integrated</td>
<td>5-10</td>
<td>From design to the guest experience, sustainability is embedded into our business strategy. We collaborate with our associates, hotel owners, franchisees, brands, suppliers, business partners, customers and guests to actively reduce the environmental impact of and risk to our business by constructing and operating sustainable hotels. Water use efficiency and water quality are both issues that are integrated into business strategy.</td>
</tr>
<tr>
<td>Yes, water-related issues are integrated</td>
<td>5-10</td>
<td>Marriott’s revenue is fee-based. Management and franchise fees are generally based upon hotel revenues and profits. Operational excellence, including resource conservation, will increase hotel profits. At the property level, Marriott’s annual 10-year capital planning and budgeting exercise helps identify and forecast the needs of a given facility with respect to long-term resource efficiency. The planning process conducted by the hotel management team with building owners includes consideration of property enhancements that reduce water consumption.</td>
</tr>
</tbody>
</table>

W7.2

(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?

<table>
<thead>
<tr>
<th>Water-related CAPEX (+/- % change)</th>
<th>Anticipated forward trend for CAPEX (+/- % change)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Water-related OPEX (+/- % change)</td>
<td>Anticipated forward trend for OPEX (+/- % change)</td>
</tr>
</tbody>
</table>

W7.3

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

<table>
<thead>
<tr>
<th>Use of climate-related scenario analysis</th>
<th>Comment</th>
</tr>
</thead>
<tbody>
<tr>
<td>No, but we anticipate doing so within the next two years</td>
<td>We participate in a variety of industry working groups and roundtables that consider material risks and opportunities for the hospitality sector, helping to establish common metrics and goals, such as those launched by the International Tourism Partnership (ITP) in 2017. Like ITP, we support establishing emissions targets to scale for our industry, and as such have begun to analyze the opportunity to set a science-based target. We are using the 2°C Scenario to model and evaluate a science-based emissions reductions target, using the pathway modelled for the Service Buildings sector of Sectoral Decarbonization Approach (SDA). SDA approach requires inputs for area growth, which we are still in the process of projecting for the longer-term. The future calculations and modelling will also be based on the more accurate utility data that we have established in the Marriott Environmental Sustainability Hub.</td>
</tr>
</tbody>
</table>

W7.4

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

Row 1

Does your company use an internal price on water?

No, and we do not anticipate doing so within the next two years

Please explain

W8. Targets

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

### Levels for targets and/or goals

<table>
<thead>
<tr>
<th>Monitoring at corporate level</th>
<th>Approach to setting and monitoring targets and/or goals</th>
</tr>
</thead>
<tbody>
<tr>
<td>Company-wide targets and goals</td>
<td>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 regional 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 and Advisory Councils.</td>
</tr>
</tbody>
</table>

### W8.1a

Provide details of your water targets that are monitored at the corporate level, and the progress made.

**Target 1**
- **Category of target**: Product water intensity
- **Level**: Company-wide
- **Primary motivation**: Other, please specify (Cost savings and Water Stewardship)
- **Description of target**: Reduce water intensity (per occupied room) 15% by 2025 over 2016 baseline.
- **Quantitative metric**: % reduction per product
- **Baseline year**: 2016
- **Start year**: 2016
- **Target year**: 2025
- **% of target achieved**: 0

**Please explain**
Marriott has increased water intensity (cubic meters per occupied room) in its managed portfolio by 1.70% between 2016 and 2019.

### W9. Verification

**W9.1**

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

Yes

**W9.1a**

Which data points within your CDP disclosure have been verified, and which standards were used?

<table>
<thead>
<tr>
<th>Disclosure module</th>
<th>Data verified</th>
<th>Verification standard</th>
<th>Please explain</th>
</tr>
</thead>
<tbody>
<tr>
<td>W1 Current state Water withdrawals</td>
<td>Other, please specify (LRQA’s Verification Approach)</td>
<td>On page 2 of LRQA’s assurance statement, “Total Water Consumption” in million cubic meters is included. This is the figure reported as total water withdrawals in this disclosure in megaliters.</td>
<td></td>
</tr>
<tr>
<td>SW Supply chain module Global Water Intensity in SW 3.1</td>
<td>Other, please specify (LRQA’s Verification Approach)</td>
<td>On page 2 of LRQA’s assurance statement, Water Intensity is included.</td>
<td></td>
</tr>
</tbody>
</table>

### W10. Sign off

W-FI
W10.1

(W10.1) Provide details for the person that has signed off (approved) your CDP water response.

<table>
<thead>
<tr>
<th>Job title</th>
<th>Corresponding job category</th>
</tr>
</thead>
<tbody>
<tr>
<td>Chief Global Officer, Global Operations</td>
<td>Other C-Suite Officer</td>
</tr>
</tbody>
</table>

W10.2

(W10.2) 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

SW0.1

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

<table>
<thead>
<tr>
<th>Annual revenue</th>
</tr>
</thead>
<tbody>
<tr>
<td>20972000000</td>
</tr>
</tbody>
</table>

SW0.2

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

No

SW1.1

(SW1.1) Could any of your facilities reported in W5.1 have an impact on a requesting CDP supply chain member?

No facilities were reported in W5.1

SW1.2

(SW1.2) Are you able to provide geolocation data for your facilities?

<table>
<thead>
<tr>
<th>Are you able to provide geolocation data for your facilities?</th>
<th>Comment</th>
</tr>
</thead>
<tbody>
<tr>
<td>No, not currently but we intend to provide it within the next two years</td>
<td></td>
</tr>
</tbody>
</table>

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

Requesting member
HP Inc

Category of project
Other

Type of project
Other, please specify (Category: Engagement with customers on water use associated with business travel/ Type: Data Sharing)

Motivation
Engagement with customers on water use associated with business travel: sharing data to support water reporting and more sustainable travel options

Estimated timeframe for achieving project
Up to 1 year

Details of project
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.

Projected outcome
Twice per year, 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 per occupied room. Additionally, we are pulling this data into our RFP tool to be able to provide customers with this information, as well as environmental practices at hotels, as part of the business travel RFP process. The Global Business Travel Association’s standardized hotel RFP has sustainability metrics fields including water and carbon footprints 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 and 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

(SW2.2) Have any water projects been implemented due to CDP supply chain member engagement?
No

SW3.1

(SW3.1) Provide any available water intensity values for your organization’s products or services.

<table>
<thead>
<tr>
<th>Product name</th>
<th>Water intensity value</th>
<th>Numerator: Water aspect</th>
<th>Denominator</th>
<th>Comment</th>
</tr>
</thead>
<tbody>
<tr>
<td>Global Water Intensity</td>
<td>0.9152</td>
<td>Water withdrawn</td>
<td>Occupied room night</td>
<td>The numerator is cubic meters and not megaliters.</td>
</tr>
</tbody>
</table>
Submit your response

In which language are you submitting your response?
English

Please confirm how your response should be handled by CDP

<table>
<thead>
<tr>
<th>I am submitting to</th>
<th>Public or Non-Public Submission</th>
<th>Are you ready to submit the additional Supply Chain Questions?</th>
</tr>
</thead>
<tbody>
<tr>
<td>Investors</td>
<td>Public</td>
<td>Yes, submit Supply Chain Questions now</td>
</tr>
<tr>
<td>Customers</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

Please confirm below
I have read and accept the applicable Terms