Marriott International, Inc. - Water Security 2022

W0. Introduction

W0.1

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

Marriott International ("Marriott") is a worldwide operator, franchisor, and licensor of hotel, residential, and timeshare properties under numerous brand names at different price and service points. At year-end 2021, we had 2,007 company-operated properties, 5,880 franchised and licensed properties, and 92 timeshares. Consistent with our focus on management, franchising, and licensing, we own very few Marriott-branded lodging properties.

Guided by our 2025 sustainability and social impact goals, as well as the United Nations Sustainable Development Goals (UN SDGs), we are focused on creating a positive and sustainable impact wherever we do business. Our sustainability and social impact platform, Serve 360: Doing Good in Every Direction, is built around four focus areas: Nurture Our World; Sustain Responsible Operations; Empower Through Opportunity; and Welcome All and Advance Human Rights – each with targets to drive our efforts through 2025. These targets reflect our goals to (1) support the resiliency and sustainable development of the communities and environments where we do business, (2) work to reduce our environmental impacts, design and operate sustainable hotels, and source responsibly, while mitigating climate-related risk, (3) facilitate workplace readiness and access to opportunity in our business, and (4) create a safe, welcoming world, including by working with organizations to educate and advocate on issues related to human rights throughout and beyond our business. In 2021, progress towards Marriott’s sustainability and social impact goals continued to be impacted by the COVID-19 pandemic. Marriott remains committed to these goals and expects to continue to implement programs to improve and make progress on them.

Our sustainability strategy and initiatives are focused on a wide range of issues, including designing resource-efficient hotels, implementing technologies to track and reduce energy and water consumption, increasing the use of renewable energy, managing climate and water-related risks, reducing waste and food waste, supporting innovative ecosystem restoration initiatives, and focusing on responsible and local sourcing.

As part of the company’s 2025 Serve 360 goals, Marriott aims to reduce water intensity by 15% by 2025 from a 2016 baseline.

Note: Under the operational reporting boundary, this report covers properties managed, owned, and leased by Marriott. As of year-end 2021, Marriott owned or leased 64 properties. For managed properties, operational costs, including property investments, are generally the responsibility of property owners per management agreements. Under these varying agreements, Marriott earns a management fee that is typically composed of a base management fee (which is usually a percentage of hotel revenues), and, under many agreements, an incentive management fee (usually based on hotel profits). Our management agreements also typically include reimbursement of costs of operations (both direct and indirect).

This CDP Water Security response contains "forward-looking statements" within the meaning of United States federal securities laws, including statements regarding Marriott’s water-related plans, goals, commitments, expectations, and objectives. These statements are not guarantees of future performance and actual results are subject to numerous evolving risks, uncertainties, changes in circumstances, or assumptions not being realized that we may not be able to accurately predict or assess, including those we identify below and other risk factors we identify in our U.S. Securities and Exchange Commission filings, including our most recent Quarterly Report on Form 10-Q or Annual Report on Form 10-K. Any of these factors could cause actual results to differ materially from the expectations we express or imply in this response. Marriott cannot assure you that the results reflected or implied by any forward-looking statement will be realized or, even if substantially realized, that those results will have the forecasted or expected consequences and effects. We make these forward-looking statements as of the date of this response and undertake no obligation to publicly update or revise any forward-looking statement, whether as a result of new information, future events or otherwise.

* Company-operated properties include managed, owned, and leased hotels, and home and condominium communities for which we manage the related owners’ associations. Metrics do not include Homes & Villas by Marriott International®.

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, 2021</td>
<td>December 31, 2021</td>
</tr>
</tbody>
</table>

W0.3

(W0.3) Select the countries/areas in which you operate.

- Algeria
- Antigua and Barbuda
- Argentina
Namibia
Nepal
Netherlands
New Caledonia
New Zealand
Nigeria
North Macedonia
Norway
Oman
Pakistan
Panama
Paraguay
Peru
Philippines
Poland
Portugal
Puerto Rico
Qatar
Republic of Korea
Republic of Moldova
Romania
Russian Federation
Rwanda
Saint Kitts and Nevis
Saint Lucia
Samoa
Saudi Arabia
Serbia
Seychelles
Singapore
Slovakia
Slovenia
South Africa
Spain
Sri Lanka
Suriname
Sweden
Switzerland
Taiwan, China
Thailand
Trinidad and Tobago
Tunisia
Turkey
Turks and Caicos Islands
Uganda
Ukraine
United Arab Emirates
United Kingdom of Great Britain and Northern Ireland
United Republic of Tanzania
United States of America
United States Virgin Islands
Uruguay
Uzbekistan
Venezuela (Bolivarian Republic of)
Viet Nam
Zambia

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?
No
W0.7

(W0.7) Does your organization have an ISIN code or another unique identifier (e.g., Ticker, CUSIP, etc.)?

<table>
<thead>
<tr>
<th>Indicate whether you are able to provide a unique identifier for your organization.</th>
<th>Provide your unique identifier</th>
</tr>
</thead>
<tbody>
<tr>
<td>Yes, a Ticker symbol</td>
<td>MSI</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></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>Direct operations: A sufficient amount of good quality freshwater available is vital for hotel operations, as hotels require water for food service, cleaning, laundry operations, guest hygiene, and recreation. Marriott anticipates future absolute water withdrawals to increase in line with growth; however, we have set a target to reduce water intensity (per occupied room) 15% by 2025 from a 2016 baseline. The company also anticipates future dependency on freshwater to remain vital; however, expects a decrease in intensity as hotels expand the use of recycled water for landscaping, cooling towers, first wash laundry, and flushing. Indirect operations: A sufficient amount of good quality freshwater available is important for our food service operations and supply chain, as freshwater supply is required to support the agricultural supply chain of our food and beverage products. We anticipate future water dependency to decrease in our indirect operations as our suppliers and their operations become more water efficient.</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>Direct operations: A sufficient amount of recycled, brackish, and/or produced water available is important to Marriott hotels’ operations, as hotels use different sources of water to supplement freshwater withdrawal. These sources may include recycled water for landscaping needs, or desalinated water. Marriott anticipates future recycled water dependency to increase in the company’s direct operations as hotels continue to expand use of recycled water for landscaping, cooling towers, first wash laundry, and flushing. Indirect operations: Marriott has not yet evaluated the importance of recycled, brackish, and/or produced water available for use across the company’s supply chain because our supply chain is large, and we have prioritized our own operations to-date. Primary use of non-fresh water in our supply chain may be for irrigation/agricultural use, cooling towers, and WASH services, depending on the supplier. Marriott does not anticipate future recycled/brackish/produced water dependency in our supply chain to change.</td>
</tr>
</tbody>
</table>
W1.2 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</td>
<td>&lt;Not Applicable&gt;</td>
</tr>
<tr>
<td>Produced water associated with your oil &amp; gas sector activities – total volumes</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 efficient 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

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>115235</td>
<td>Higher</td>
</tr>
<tr>
<td>Total discharges</td>
<td>74914</td>
<td>Higher</td>
</tr>
<tr>
<td>Total consumption</td>
<td>40339</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>About the same</td>
<td>WRI Aqueduct</td>
</tr>
</tbody>
</table>

The WRI Aqueduct Water Risk Atlas tool is used to determine the percent of water withdrawals from owned, managed, and leased properties in areas with high water stress. The process included uploading a list of properties open in 2021, as relevant sites into WRI Aqueduct and evaluating the list of sites to identify those properties located in areas of ‘High’, ‘Extremely High’, or ‘Arid’ baseline water stress. Approximately 43.6% of our water withdrawals from owned, managed, and leased properties are located in areas of ‘High’ ‘Extremely High’, or ‘Arid’ baseline water stress, as defined by WRI.

W1.2h

(W1.2h) Provide total water withdrawal data by source.

<table>
<thead>
<tr>
<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, water from wetlands, rivers, and lakes</td>
<td>Relevant</td>
<td>0</td>
<td>Much lower</td>
</tr>
</tbody>
</table>

Water withdrawal from fresh surface water volume is relevant because some of our operations utilize fresh surface water for irrigation and desalination purposes. In 2021, there were no known managed properties that reported surface water withdrawals, resulting in much lower withdrawals compared to the previous reporting year.

| Brackish surface water/Seawater | Not relevant | <Not Applicable> | <Not Applicable> |

Brackish surface water/seawater is not applicable, as Marriott managed properties do not withdraw brackish surface water/seawater.

| Groundwater – renewable | Not relevant | <Not Applicable> | <Not Applicable> |

Marriott’s sustainability survey does not distinguish between renewable and non-renewable groundwater sources. All groundwater is reported as “Groundwater – non-renewable”.

| Groundwater – non-renewable | Relevant | 366 | Much lower |

Water withdrawal from groundwater is relevant, because some Marriott operations utilize groundwater for irrigation purposes and/or as non-potable water in locations that lack access to municipal water sources. Groundwater usage decreased significantly from last year’s volume of 1,552. The difference is due to a smaller number of properties reporting groundwater in 2021. Since groundwater is only tracked by a small number of sites and accounts for less than 0.5% of overall consumption it is more susceptible to significant changes year over year. Marriott’s sustainability survey does not distinguish between renewable and non-renewable groundwater sources. All groundwater is reported as “Groundwater – non-renewable”.

| Produced/Entrained water | Not relevant | <Not Applicable> | <Not Applicable> |

Produced/entrained water is not applicable, as Marriott managed properties do not withdraw produced or entrained water.

| Third party sources | Relevant | 114,887 | Much higher |

Water withdrawal from third party sources is relevant, because the majority of Marriott’s operations utilize water from third party sources. Water withdrawals for properties in Marriott’s managed portfolio increased from the previous reporting year primarily due to occupancy recovery following the significant impacts of COVID-19 in 2020.

W1.2i

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

<table>
<thead>
<tr>
<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>
</tr>
</tbody>
</table>

Fresh surface water is not applicable, as Marriott managed hotels do not discharge water to fresh surface water destinations.

| Brackish surface water/seawater | Not relevant | <Not Applicable> | <Not Applicable> |

Brackish surface water/seawater is not applicable, as Marriott hotels do not discharge water to brackish surface water/seawater destinations.

| Groundwater | Not relevant | <Not Applicable> | <Not Applicable> |

Groundwater is not applicable, as Marriott hotels do not discharge water to groundwater destinations.

| Third-party destinations | Relevant | 74914 | Higher |

Discharges to third-party destinations is relevant, because it is the only destination that hotels discharge water to. Marriott tracks sewer discharges in the company’s 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. Water discharges to third-party destinations increased from the previous reporting year primarily due to occupancy recovery following the significant impact of COVID-19 in 2020.

W1.3

(W1.3) Provide a figure for your organization’s total water withdrawal efficiency.

<table>
<thead>
<tr>
<th>Revenue</th>
<th>Total water withdrawal volume (megaliters)</th>
<th>Total water withdrawal efficiency</th>
<th>Anticipated forward trend</th>
</tr>
</thead>
<tbody>
<tr>
<td>Row 1</td>
<td>113057000000</td>
<td>115253</td>
<td>120231.143657866</td>
</tr>
</tbody>
</table>

As Marriott hotels increase water efficiency, the company expects water intensity metrics to decrease.

W1.4
(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

(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?

Row 1

| % of suppliers by number | 76-100 |
| % of total procurement spend | 76-100 |

Rationale for this coverage
In 2021, Marriott continued to focus on procuring more environmentally and socially responsible products within our top 10 categories. Together with Avendra, Marriott’s procurement provider, the company assessed the environmental and social business aspects of our existing North America, Caribbean, and Central America suppliers, within the top 10 categories, via the EcoVadis sustainability assessment platform. Avendra engaged 89% of contracted spend with manufacturers and 80% of contracted spend with distributors within the top 10 categories in the U.S., Canada, Caribbean and Latin America via the EcoVadis sustainability assessment platform. As of year-end 2021, 52% of manufacturers and 32% of distributors have completed the EcoVadis assessment. In 2022 and 2023, Marriott expects to begin to evaluate the company’s remaining global suppliers with EcoVadis. The information submitted to the EcoVadis platform will be used to develop improvement plans in coordination with Avendra for suppliers that are deemed as underperforming, which are aimed at helping them successfully meet the responsible sourcing requirements that have been determined for each of the top 10 categories by the end of 2025. Avendra also requires suppliers to submit a sustainability policy and provide relevant information on product. We incorporate our responsible sourcing requirements into request for proposals (RFPs) that are administered by Avendra. We worked closely with Avendra so that our responsible sourcing requirements and our preferred third-party certifications were communicated to potential suppliers and supplier responses were aligned with our responsible sourcing goals. Per Marriott’s Global Procurement Supplier Conduct Guidelines, we may take steps to assess a supplier’s adherence to the principles, standards, and guidelines (this is how suppliers are incentivized to report). For example, suppliers must provide sufficient evidence to demonstrate business operations are in compliance with all of the following requirements: measures must be in place to monitor, manage, reduce and report greenhouse gas emissions, energy, water, and waste, no impacts to water quality, and water risks are identified, and a water management plan is in place if production or operations are located in a high-water risk identification area as designated by the World Resources Institute’s AQUEDUCT tool.

Impact of the engagement and measures of success
As part of our Serve 360 sustainability and social impact strategy (and to measure the level of success), Marriott set the following procurement goal: Responsibly source 95%, by spend, in our Top 10 priority categories by 2025. These priority categories include: animal proteins, bottled water, cleaning supplies, cocoa, coffee, guest room amenities, paper products, seafood, sugar, and textiles. The company also established responsible sourcing requirements for each category that Marriott expects suppliers to comply with the future. Marriott also engages with Ecolab to optimize the product portfolio which we expect to deliver significant operational savings, by reducing water, energy, and waste. In 2021, Marriott saved over 530 million gallons of water through this engagement. 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 also expects suppliers to mitigate negative impacts, such as deforestation and pollution, affecting biodiversity and ecosystems.

Comment
Marriott will continue engaging with the company’s suppliers to communicate Marriott’s goals and responsible procurement guidelines and assist them in making improvements. Marriott will also continue providing details related to the company’s water-related strategies through the CDP Water Security disclosure and the company’s annual Serve 360/ESG Report and encourage suppliers to make similar disclosures.

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

**Type of engagement**
Onboarding & compliance

**Details of engagement**
Requirement to adhere to our code of conduct regarding water stewardship and management

**% of suppliers by number**
76-100

**% of total procurement spend**
76-100

**Rationale for the coverage of your engagement**
All of Marriott’s suppliers are expected to adhere to the company’s Global Procurement Supplier Conduct Guidelines. Marriott encourages suppliers to address their use of resources to promote the use of efficient and sustainable processes with respect to water (inclusive of quantity, quality, and risk), raw, processed and non-renewable materials, and energy. For example, suppliers must provide sufficient evidence to demonstrate business operations are in compliance with all of the following requirements: (1) measures must be in place to monitor, manage, reduce and report greenhouse gas emissions, energy, water, and waste; (2) no impacts to water quality; and (3) water risks are identified, and a water management plan is in place if production or operations are located in a high-water risk identification area as designated by the World Resources Institute’s AQUEDUCT tool or other reputable scientific publication (to be reviewed and approved by Marriott). Through Avendra, Marriott’s procurement services provider, our suppliers and their products are screened on environmental and social attributes. Avendra contracts set the expectation for suppliers to follow our Supplier Conduct Guidelines, which set baseline expectations around social and environmental responsibility. Avendra also requires suppliers to submit a sustainability policy that is relevant to that supplier’s industry impacts, inclusive of environmental and social business practices.

**Impact of the engagement and measures of success**
In 2021, Avendra engaged 89% of contracted spend with manufacturers and 90% of contracted spend with distributors within the top 10 categories in the U.S., Canada, Caribbean, and Latin America via the EcoVadis sustainability assessment platform. Additional measures of success include suppliers with products that have positive environmental attributes related to water efficiency.

**Comment**
Marriott will continue engaging with the company’s suppliers to communicate Marriott’s goals and responsible procurement guidelines and assist them in making improvements.

W1.4c

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

**Methods of Engagement**
We actively engage with property owners to advance sustainability for both the physical properties we manage (equipment, building envelope), and the way we manage them (preventative maintenance, laundry and food service operations, landscaping). For example, Marriott has an established standard for water submetering for cooling towers and irrigation at its managed, full-service properties in the Americas.

For hotels under development, Marriott has comprehensive Design Guides for franchise and managed properties. These standards include specifications for reducing water use in new hotels, including: (1) Regenerative media filtration for pools; (2) Use of greywater or storm water for irrigation; (3) Metering of irrigation water; (4) Metering of domestic and/or chilled water in multi-use facilities; (5) Condensate recovery for cooling tower makeup water; (6) Domestic water filtration; and (7) Specified maximum fixture flows.

In 2021, we refocused on our annual water reduction progress (as hotel occupancy rates continued to recover from COVID-19), which included increasing compliance with MESH. Moving forward, Marriott expects to resume “by property” water reduction targets for all managed Marriott properties globally, and suggested targets for all franchised hotels based on the Serve 360 lever strategy and by continent and by year reduction trend targets. Once this by property target development process resumes, it will factor in average annual water reduction for the last 3 years and compares each hotel’s water intensity to that of similar hotels within the same climate zone, region, and hotel type.

**Measures of Success**: Measure of success examples include (1) water reductions for both managed and franchised properties; and (2) properties with the best conservation efforts.

In 2021, 13 hotels reported 14 water efficiency projects. Each project is estimated to reduce water consumption by approximately 500 cubic meters.

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?

No

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.

Value chain stage
Direct operations

Coverage
Full

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

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
Tools on the market
Enterprise risk management
Databases
Other

Tools and methods used
WRI Aqueduct
Enterprise Risk Management
Regional government databases
External consultants

Contextual issues considered
Water availability at a basin/catchment level
Water quality at a basin/catchment level
Implications of water on your key commodities/raw materials
Water regulatory frameworks
Status of ecosystems and habitats
Access to fully-functioning, safely managed WASH services for all employees
Other, please specify (Future water conditions)

Stakeholders considered
Customers
Employees
Investors
Local communities
Suppliers

Comment
Monitoring of water risks occurs for Marriott’s direct operations at regular intervals and levels dependent upon the nature of the risk and risk drivers may be included in our annual enterprise risk management exercise, in addition to other water-related assessments. Risks related to regulation, customer preference and corporate reputation may be evaluated. Marriott’s engineering team also conducted a water risk assessment of managed properties to assess the company’s exposure to current and future water risks using the WRI Aqueduct tool. The company assessed risks including current and future water stress, flood, and drought risk. Property performance data related to water withdrawal (and associated risks) is monitored monthly and assessed quarterly. Marriott’s global water safety program, developed with NALCO, a water treatment and process improvement company (and an Ecolab company), monitors water-related risks to improve hotel water quality and water safety. Marriott conducts rigorous testing and the company also developed asset management checklists to support quality assurance. To expand on the company’s analysis of physical climate change risks, Marriott also performed a quantitative scenario analysis. Water-related risks were assessed, including present/future exposure to acute/chronic hazards from temperature and precipitation changes, coastal/inland flooding, and drought. The company used Localized Constructed Analog (LOCA) downscaled climate model projections of temperature and precipitation that informed the 4th US National Climate Assessment and sea level rise projections and flood mapping developed by the National Oceanographic and Atmospheric Administration. In this assessment, drought was identified as one of the physical climate risks which can lead to water scarcity.

Value chain stage
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 (MSAP administered by MindClick and EcoVadis)

Contextual issues considered
Implications of water on your key commodities/raw materials

Stakeholders considered
Employees
Local communities
Suppliers

Comment
Marriott’s supplier assessment program for the company’s furniture, fixtures, and equipment (FF&E) supply chain includes evaluation of nine different aspects across the full life-cycle of these supplies. This risk assessment covers material sourcing, production and distribution, many of which relate to water risks. In 2021, through Marriott’s collaboration with the company’s procurement provider, Avendra (for the U.S., Canada, the Caribbean and Latin America), the company continued conducting assessments to procure more environmentally and socially responsible products within our top 10 categories (including animal proteins, bottled water, cleaning supplies, cocoa, coffee, guest room amenities, paper products, seafood, sugar and textiles). This process included conducting a risk assessment covering the environmental and social business aspects of our existing suppliers within the top 10 categories via the EcoVadis platform. In 2021, Avendra engaged 89% of contracted spend with manufacturers and 80% of contracted spend with distributors within the top 10 categories in the U.S., Canada, Caribbean, and Latin America via the EcoVadis sustainability assessment platform. As of year-end 2021, 52% of manufacturers and 32% of distributors have completed the EcoVadis assessment. The information in the EcoVadis platform will be used to develop improvement plans for suppliers, which are aimed at helping them successfully meet the responsible sourcing requirements that have been determined for each of the top 10 categories. The monitoring of water risks at the supply chain stage is noted as “partial”, as all suppliers globally are not yet assessed. However, the suppliers for the U.S., Canada, the Caribbean and Latin America represent a large portion of Marriott’s supply chain spend.
(W3.3b) 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.

Application of Tools & Coverage: To identify and assess water-related risks for Marriott’s direct operations, the company considers the full scope of direct operations. Marriott’s Internal Audit discipline also typically coordinates an annual Enterprise Risk Assessment process through which senior leadership and the Board of Directors identify the top business and emerging risks facing the company. The results of this process are reported to the Board of Directors and outcomes inform business strategy and risk mitigation efforts. Priorities for addressing these risks are determined within the context of corporate business strategy.

Marriott’s engineering team also conducts an assessment using the WRI Aqueduct tool to identify properties under Marriott’s operational control that may face current or future risks, including baseline water stress, flood risks, and drought risks.

To expand on the company’s analysis of physical climate change risks, Marriott also performed a quantitative scenario analysis. Water-related risks were assessed, including present/future exposure to acute/chronic hazards from temperature and precipitation changes, coastal/inland flooding, and drought. The company used Localized Constructed Analog (LOCA) downscaled climate model projections of temperature and precipitation that informed the 4th US National Climate Assessment and sea level rise projections and flood mapping developed by the National Oceanographic and Atmospheric Administration. In this assessment, drought was identified as one of the physical climate risks which can lead to water scarcity.

Marriott’s supplier assessment program for the company’s furniture, fixtures, and equipment (FF&E) supply chain includes evaluation of nine different aspects across the full life-cycle of these supplies. This risk assessment covers material sourcing, production and distribution, many of which relate to water risks. In 2021, through Marriott’s collaboration with the company’s procurement provider, Avendra (for the U.S., Canada, the Caribbean and Latin America) the company continued conducting assessments to procure more environmentally and socially responsible products within our top 10 categories (including animal proteins, bottled water, cleaning supplies, cocoa, coffee, guest room amenities, paper products, seafood, sugar and textiles). This process included conducting a risk assessment covering the environmental and social business aspects of our existing suppliers within the top 10 categories via the EcoVadis platform.

Contextual Issues: The following contextual issues were considered in Marriott’s water related risk assessments: water availability at a basin/catchment level; water quality at a basin/catchment level; implications of water on your key commodities/raw materials; water regulatory frameworks; status of ecosystems and habitats; access to fully-functioning, safely managed WASH services for all employees; and future water conditions. Each of these issues are relevant to the company’s water security and water-related risks.

Stakeholders: Stakeholders including: customers; employees; investors; local communities; regulators; suppliers; and franchisees are all included in Marriott’s water-related assessments due to the potential negative impacts they may face due to water risks. For example, hotel employees may be impacted by water related risks, and may have to implement additional operational water efficiency measures in order to mitigate risks associated with reduced water availability.

Outcomes: The outcomes of these water risk assessments contribute to future priorities for the company. For example, by identifying locations with water stress, or water quality risks, the company can prioritize the greatest water risks to the company over the short-, medium-, and long-term time horizons. Water-related risks have also influenced Marriott’s business strategy and planning. For example, the company established its 2025 water intensity reduction goal, which aims to reduce water intensity per occupied room by 15% by 2025 from a 2016 baseline. Water-related risks have also impacted Marriott’s decisions to implement additional water efficiency projects, and investments to ensure business continuity, specifically during emergencies related to drought or flooding.

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?

Definition of Substantive Strategic Impact with Associated Metrics and Thresholds: Marriott defines “substantive strategic impact” as any change that would significantly affect our business operations. To assess strategic impacts, Marriott may consider internal and external influences, the company’s capabilities to manage risks and realize opportunities, and the expectations of stakeholders. The metrics used to assess water-related impacts are based on Marriott’s global water strategy. For example, as part of our 2025 Sustainability and Social Impact Goals, Marriott aims to reduce water intensity per occupied room by 15% from a 2016 baseline by 2025. Additionally, Marriott uses metrics associated with water risk to determine any “substantive strategic impacts” on the company. This includes “high”, “extremely high”, or “arid” baseline water stress and flood risk as defined by the WRI Aqueduct tool. While the scale and geographic diversification of the business make it unlikely that localized water risks could generate a substantive impact on our overall business, Marriott regularly evaluates water risks that have the potential to impact properties in the company’s managed portfolio.

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>Risk exist, but no substantive impact anticipated</td>
<td>While the scale and geographic diversification of the business make it unlikely that localized water risks could generate a substantive change in our overall business, Marriott regularly evaluates water risks that have the potential to impact properties in the company's managed portfolio. In 2021, Marriott conducted an assessment using the WRI Aqueduct tool to evaluate owned, managed, and leased properties vulnerable to baseline water stress, and coastal and surface flooding. This process included uploading active properties and exporting and filtering results based on a set of criteria (e.g., number of rooms, to-revenue, validated data) to identify those properties located in areas of 'High', 'Extremely High', or 'Very High' baseline water stress. Marriott determined that 34 properties are located in areas of 'High' or 'Extremely High' baseline water stress and flooding, as defined by WRI; however these properties, collectively, represent a small portion of our global portfolio so we do not consider these risks to have a potentially substantive financial or strategic impact on our business. In addition to complying with regulatory requirements, the company also aims to manage water-related risks beyond Marriott's physical hotels. For example, 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. The Marriott Infrastructure Resilience Adaptability (MIRA) program also evaluates climate-related risks to physical assets managed by Marriott and creates resiliency strategies, programs, and training to help mitigate losses associated with climate-related events such as coastal flooding, tropical cyclones, wildfires, inland flooding, heat stress, cold stress, and drought. During 2021, Marriott expanded its climate scenario analysis for its portfolio of hotels internationally. The top at risk managed property areas were identified for each chronic physical risk and earmarked for more in-depth desk studies, site visits, and vulnerability assessments.</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>Risk exist, but no substantive impact anticipated</td>
<td>A sufficient amount of quality freshwater available is important for our food service operations/supply chain, as hotels are large consumers of food, and freshwater supply is required to support the agricultural supply chain of our food and beverage products. The scale and geographic diversification of our business makes it unlikely that localized water risks, including freshwater availability, could generate a substantive change in our global supply chain. As part of our Serve 360 sustainability and social impact strategy, Marriott aims to responsibly source 95%, by spend, in our top 10 priority categories by 2025. This goal can support Marriott in reducing supply chain risks and impacts and identify the most responsible suppliers with the highest quality products. Through Avendra, Marriott's procurement services provider, our suppliers and their products are scored on environmental and social attributes. Avendra contracts set the expectation for suppliers to follow our Global Procurement Supplier Conduct Guidelines, which set baseline expectations around social and environmental responsibility. Avendra also requires suppliers to submit a sustainability policy that is relevant to that supplier's industry impacts, inclusive of environmental and social business practices. In 2021, we continued our focus on procuring more environmentally and socially responsible products within our top 10 categories. Together with Avendra, we continued to assess the environmental and social business aspects of our existing Americas suppliers, within the top 10 categories, via the EcoVadis sustainability assessment platform. Avendra engaged 89% of contracted spend with manufacturers and 80% of contracted spend with distributors within the top 10 categories in the U.S., Canada, Caribbean, and Latin America via the EcoVadis sustainability assessment platform. As of year-end 2021, 52% of manufacturers and 52% of distributors have completed the EcoVadis assessment. In 2022 and 2023, we will begin to evaluate our remaining global suppliers with EcoVadis. The information submitted to the EcoVadis platform will be used to develop improvement plans for suppliers that are deemed as underperforming, and are aimed at helping them successfully meet the responsible sourcing requirements that have been determined for each of the top 10 categories by the end of 2025.</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
(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
Description: Water is a global issue that is best addressed locally. This includes deploying water conservation initiatives that target specific aspects of hotel operations, including dishwashing and water service at restaurants and events; central plant operations; landscaping and irrigation; pools and fountains; and golf course maintenance/operation. Marriott also implements action plans, utilizes technology to reduce water leaks, and establishes standards to better manage water withdrawal at properties. By realizing water efficiency opportunities, this can also improve satisfaction among guests, as consumer preferences shift due to sustainability related concerns. Additional strategic impacts for Marriott include reducing disruptions in hotel operations from potential water-related risks and impacts. For example, through Marriott’s quantitative scenario analysis, water-related risks were assessed, including present/future exposure to acute/chronic hazards from temperature and precipitation changes, coastal/land flooding, and drought. In this assessment, drought was identified as one of the physical climate risks which can lead to water scarcity at Marriott hotels. Therefore, implementing water efficiency projects, can lead to increased resiliency for Marriott’s portfolio. Strategy: Marriott managed properties are typically required to set an annual signature project, which can be water focused. Water conservation signature projects have included the installation of low-flow toilets and showerheads, smart irrigation controllers, laundry water reuse systems, and high-efficiency irrigation spray nozzles. Marriott hotels also use recycled water for landscaping, cooling tower makeup water, first wash laundry, and flushing. In addition to water-use efficiency efforts, there are also systems in place to capture greywater and rainwater for appropriate uses. Another example to improve water efficiency in our operations is Marriott’s engagement with Ecolab. In 2021, Marriott worked with Ecolab to optimize the product portfolio and deliver significant operational savings. For example, Ecolab’s 3D TRASAR technology provides smart sensor technology, which results in greater water efficiency. In 2021, Ecolab’s water efficiency solutions resulted in a savings of approximately 535 million gallons of water at Marriott hotels that utilize EcoLab’s water efficiency solutions.

Estimated timeframe for realization
1 to 3 years

Magnitude of potential financial impact
Low

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

Potential financial impact figure (currency)
$335,000

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

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

Explanation of financial impact
Through Marriott’s engagement with Ecolab, including the implementation of several water efficiency tools within the company’s operations, a total of approximately $3.35 million was saved at Marriott hotels that utilize EcoLab’s water efficiency solutions. This metric was calculated by Ecolab and is based on the total yearly savings of water in 2021 (approximately 535 million gallons). The figure was calculated based on the U.S. average water/sewer rates in 2021.

W6. Governance

W6.1

(W6.1) Does your organization have a water policy?
Yes, we have a documented water policy that is publicly available

W6.1a
<table>
<thead>
<tr>
<th>Scope</th>
<th>Content</th>
<th>Please explain</th>
</tr>
</thead>
<tbody>
<tr>
<td>Company-wide</td>
<td>Description of business dependency on water</td>
<td>Marriott’s company-wide sustainability policy outlines our dependency on water by describing the company’s strategy to manage, measure, and minimize the negative impact all of our operations as it relates to water risk issues across the lifecycle of Marriott properties, from site development to operations. This includes a commitment to water stewardship. Marriott also recognizes the linkages between water and climate-related risks. Marriott’s water reduction target is a key result of this commitment to our policy and is part of our Serve 360 sustainability and social impact strategy. By 2025 Marriott aims to reduce water intensity by 15% per occupied room from a 2016 baseline. Marriott’s water policy and strategy also align with the United Nations Sustainable Development Goals (UN SDGs), and we execute on compelling, impactful initiatives around the world to drive positive change that support SDG 6: Clean Water and Sanitation. In Marriott’s annual Serve 360/ESG Report, the company highlights its global water strategy and programs, policies and initiatives deployed by some properties to reduce water withdrawals. Our global water strategy includes a range of water conservation items such as best practice behaviors for food service, housekeeping, landscaping, irrigation, HVAC, and central plant conservation and efficiency. Many projects designed to improve energy efficiency also conserve water. Marriott’s policy and strategy also includes established standards for water submetering for cooling towers and irrigation at our managed, full-service properties in the Americas. Each full-service, managed property is required to develop a site-specific water conservation plan and also complete irrigation efficiency audits on their landscaped acreage, identifying further opportunities. As part of Marriott’s Serve 360 sustainability and social impact strategy, Marriott has set the following procurement goal: Responsibility source 95% of spend, in our top 10 priority categories by 2025. Our top 10 categories include: animal proteins (inclusive of beef, eggs, lamb, pork, and poultry), bottled water, cleaning supplies, cocoa, coffee, guest room amenities, paper products, seafood, sugar, and textiles. Working with our Americas procurement provider, Avendra, we communicate our responsible sourcing requirements to suppliers, including requiring those suppliers to submit a sustainability policy.</td>
</tr>
<tr>
<td></td>
<td>Description of business impact on water</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Description of water-related performance standards for direct operations</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Description of water-related standards for procurement</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Company water targets and goals</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Commitment to align with public policy initiatives, such as the SDGs</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Commitments beyond regulatory compliance</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Commitment to stakeholder awareness and education</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Commitment to water stewardship and/or collective action</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Recognition of environmental linkages, for example, due to climate change</td>
<td></td>
</tr>
</tbody>
</table>

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>Marriott’s 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 CEO is a member of the Serve 360 Executive Leadership Council which typically meets twice per year to discuss sustainability-related investment decisions, analyze recommendations, and review Serve 360 Scorecards which report progress against goals, including our water intensity reduction target. An example of a water-related decision made by Marriott’s last CEO is committing to and signing the Business Roundtable’s (BRT’s) 2019 Purpose of a Corporation statement. The BRT’s policies and principles include goals for addressing climate change and water resources and infrastructure.</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 meetings - some meetings Monitoring implementation and performance Reviewing and guiding corporate responsibility strategy</td>
<td>Marriott’s Board of Directors oversees management and, through this oversight, aims to enhance 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. The Board-level Inclusion &amp; Social Impact (ISI) Committee oversees, encourages, and evaluates efforts undertaken by the company to address environmental, social, and governance (ESG) issues. Marriott’s ISI Committee assists the Board in carrying out its commitment and responsibilities relating to Marriott’s people-first culture and the company’s efforts to foster associate wellbeing and inclusion, and to promote this focus with customers, owners, vendors, communities, and other key stakeholders, while also overseeing, encouraging, and evaluating Marriott’s efforts to address ESG issues. Marriott’s sustainability and social impact strategy is guided by our Serve 360 coordinates and 2025 goals, which includes the company’s goal to reduce water intensity per occupied room by 15% by 2025 from a 2016 baseline, which includes the company’s goal to reduce water intensity per occupied room by 15% by 2025 from a 2016 baseline. Through the ISI Committee, the Board also reviews the company’s progress towards its sustainability and social impact goals, including a water intensity reduction goal. Marriott’s Serve 360 Report is shared with the full Board annually and includes progress against goals.</td>
<td></td>
</tr>
</tbody>
</table>

W6.2d

(W6.2d) Does your organization have at least one board member with competence on water-related issues?

<table>
<thead>
<tr>
<th>Board member(s) have competence on water related issues</th>
<th>Criteria used to assess competence of board member(s) on water related issues</th>
<th>Primary reason for no board level competence on water related issues</th>
<th>Explain why your organization does not have at least one board member with competence on water related issues and any plans to address board level competence in the future</th>
</tr>
</thead>
<tbody>
<tr>
<td>Not assessed</td>
<td>&lt;Not Applicable&gt;</td>
<td>&lt;Not Applicable&gt;</td>
<td>&lt;Not Applicable&gt;</td>
</tr>
</tbody>
</table>

W6.3
(W6.3) Provide the highest management-level position(s) or committee(s) with responsibility for water-related issues (do not include the names of individuals).

Name of the position(s) and/or committee(s)
Chief Executive Officer (CEO)

Responsibility
Assessing water-related risks and opportunities
Managing water-related risks and opportunities

Frequency of reporting to the board on water-related issues
Half-yearly

Please explain
Marriott's CEO is responsible for water-related issues through leadership of the company's sustainability and social impact platform, Serve 360. Marriott's CEO is a member of the Serve 360 Executive Leadership Council which typically meets twice per year to discuss sustainability-related investment decisions and to analyze recommendations and review internal Serve 360 Scorecards which report progress against sustainability and social impact goals, including reducing the water intensity of hotel operations. The CEO, along with the rest of the Executive Leadership Council, provide strategic direction and make investment decisions to guide the achievement of the Serve 360 sustainability and social impact goals, including the water intensity reduction target. The CEO is also a member of the Board's ISI Committee.

Name of the position(s) and/or committee(s)
Corporate responsibility committee

Responsibility
Assessing water-related risks and opportunities
Managing water-related risks and opportunities

Frequency of reporting to the board on water-related issues
Half-yearly

Please explain
Marriott's Serve 360 Executive Leadership Council is co-chaired by the Global Chief Communications & Public Affairs Officer and the Chief Global Officer, Global Operations and includes the CEO, the Presidents of each regional business division, and C-level executives representing each global division. This representation ensures that every functional discipline within Marriott is involved in guiding and implementing the company's sustainability and social impact strategy. The Serve 360 Executive Leadership Council typically meets twice per year to review progress toward the Serve 360 goals and discusses Serve 360-related investment decisions and recommendations. This can include assessing and managing water-related risks and opportunities.

Name of the position(s) and/or committee(s)
Sustainability committee

Responsibility
Assessing water-related risks and opportunities
Managing water-related risks and opportunities

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

Please explain
The Serve 360 Advisory Council consists of direct reports of executive leaders, representing each region and each global discipline. This Council typically meets four times per year to discuss the company's progress on 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. This can include assessing and managing water-related risks and opportunities. The Advisory Council helps to develop the internal regional and global Serve 360 Scorecards, which track progress against the company's sustainability and social impact goals, including the water intensity reduction goal.

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>No, and we do not plan to introduce them in the next two years</td>
<td>Marriott does not currently provide incentives to C-suite employees or board members for the management of water-related issues.</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?

Yes, other

W6.5a

(W6.5a) What processes do you have in place to ensure that all of your direct and indirect activities seeking to influence policy are consistent with your water policy/water commitments?

Prior to any engagement activities, Marriott reviews the actions and commitments of associations focused on water commitments. For example, Marriott is a member of the Sustainable Hospitality Alliance, which has a focus area around water stewardship. The Sustainable Hospitality Alliance is committed to embed water stewardship programs across the industry to identify ways to address water scarcity, improve water-use efficiency and reduce the number of people affected by lack of water. These commitments are closely tied to Marriott’s own water strategy, in which the company aims to reduce water intensity per occupied room by 15% by 2025 from a 2016 baseline and implement water efficiency actions.
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)

Marriott-2021-Annual-Report.pdf

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>Issues Incorporated: Marriott integrates water-related issues into long-term business objectives, including ensuring access to water sources. Marriott's long-term business objectives include growth across the global portfolio of brands. Our ability to grow our management and franchise systems may be affected by a variety of factors influencing real estate development generally, such as a lack of adequate infrastructure, including the availability of freshwater resources. Strategies have been developed to provide independent water sourcing at some properties. Influence on Planning: An example of how water-related issues are integrated into our long-term (5-10 years) business objectives is in Marriott's global water strategy, where we develop programs and initiatives that properties can tailor for their unique needs. For example, as new hotels are added to our portfolio, we aim to consider water-related risks across the lifecycle of properties, from site development to construction and operations.</td>
</tr>
<tr>
<td>Yes, water-related issues are integrated</td>
<td>5-10</td>
<td>Issues Incorporated: From design to the guest experience, sustainability is embedded into our business strategy. We collaborate with our associates, hotel owners, franchisees, brands, suppliers, customers, and guests to reduce the environmental impact of and risk to our business. Water use efficiency and water quality are both issues that are integrated into our business strategy over the short-, medium-, and long-term (5-10 years). Influence on Planning: An example of how water-related issues are integrated into our long-term business objectives is our target to reduce water intensity (per occupied room) 15% by 2025 from a 2016 baseline. This will allow us to decrease our water needs per occupied room as our portfolio grows.</td>
</tr>
<tr>
<td>Yes, water-related issues are integrated</td>
<td>5-10</td>
<td>Issues Incorporated: Under Marriott’s business model, we typically manage or franchise hotels. A management fee is typically composed of a base management fee, which is usually a percentage of the revenues of the hotel, and, under many agreements, an incentive management fee, which is usually based on the profits of the hotel. Under our hotel franchising arrangements, we generally receive an initial application fee plus continuing royalty fees. Our expertise in implementing projects that create operational efficiencies, including water savings, helps lower operating costs and offset risks. Successfully addressing reputational risks and opportunities can increase market share through attracting additional guests and group and business customers and our ability to secure additional management and franchise contracts. Our commitment to responsible operations includes water conservation and a water intensity reduction target for all hotels in our portfolio. Influence on Planning: An example of how water-related issues are integrated into our financial planning is our target to reduce water intensity (per occupied room) 15% by 2025 from a 2016 baseline. Marriott also invests in tools to conserve water, including Ecolab’s 3D TRASAR for cooling water, resulting in a savings of over 425 million gallons in 2021.</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?

Row 1

Water-related CAPEX (+/- % change)

Anticipated forward trend for CAPEX (+/- % change)

Water-related OPEX (+/- % change)

Anticipated forward trend for OPEX (+/- % change)

Please explain

Water related capital expenditure data is currently being determined for 2021. We will evaluate opportunities to report this data in future CDP responses.

W7.3

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

<table>
<thead>
<tr>
<th>Use of scenario analysis</th>
<th>Comment</th>
</tr>
</thead>
<tbody>
<tr>
<td>Yes</td>
<td>In 2020, Marriott performed a quantitative scenario analysis to identify physical climate change risks to its hotels in the continental U.S. Marriott used the Representative Concentration Pathway (RCP) scenarios RCP 4.5 and RCP 8.5 to evaluate the portfolio’s exposure to climate change risks under a range of potential futures. RCP 8.5 represents a business-as-usual future with increasing GHG emissions through the year 2100 and greater physical impacts from climate change, while RCP 4.5 represents a future with decreasing GHG emissions after mid-century and lesser physical impacts. During 2021, Marriott expanded its climate scenario analysis for its portfolio of hotels internationally. The present and future exposure to acute and chronic hazards from temperature, precipitation changes, energy demand, coastal flooding, inland flooding, drought &amp; wildfire was ranked by present-day hazard exposure and increase in future hazard exposure at three time horizons – 2030, 2050 and 2080.</td>
</tr>
</tbody>
</table>

W7.3a
(W7.3a) Provide details of the scenario analysis, what water-related outcomes were identified, and how they have influenced your organization’s business strategy.

<table>
<thead>
<tr>
<th>Type of scenario analysis used</th>
<th>Parameters, assumptions, analytical choices</th>
<th>Description of possible water related outcomes</th>
<th>Influence on business strategy</th>
</tr>
</thead>
<tbody>
<tr>
<td>Row 1 Water-related Climate-related</td>
<td>Marriott performed a quantitative scenario analysis to identify physical climate change risks to its hotels in the U.S. and internationally. The desktop analysis was based on publicly available data sets developed using methods that have undergone scientific peer review. For example, Marriott used the Localized Constructed Analog (LOCA) downscaled climate model projections of temperature and precipitation that informed the 4th US National Climate Assessment and sea level rise projections and flood mapping developed by the National Oceanographic and Atmospheric Administration (NOAA). Marriott used the Representative Concentration Pathway (RCP) scenarios RCP 4.5 and RCP 8.5 to evaluate the portfolio’s exposure to climate change risks under a range of potential futures. RCP 8.5 represents a business-as-usual future with increasing GHG emissions through 2100 and greater physical impacts from climate change, while RCP 4.5 represents a future with decreasing GHG emissions after mid-century and lesser physical impacts.</td>
<td>For over 5,000 open hotels and over 1,000 pre-opening hotels in the continental U.S., and over 3,000 open and pre-open hotels internationally, Marriott evaluated present and future exposure to acute and chronic hazards from temperature and precipitation changes, energy demand, coastal flooding, inland flooding, drought, and wildfire. All assets were ranked by hazard exposure at three future time horizons: 2030, 2050 and 2080. The 2030 and 2050 time horizons span the likely lifetimes of most Marriott’s hotels and the 2080 horizon encompasses the potential lifetime of the longest-lived hotels. The scenario analysis showed potential impacts from both acute and chronic climate change, including possible water-related outcomes. For example, drought was identified as one of the physical climate risks which can lead to water scarcity. The climate variable is measured in days, as the max length of consecutive dry spells. The top vulnerable areas were identified for short-term and long-term drought risks. Additionally, chronic changes in precipitation patterns that increase the frequency and intensity of drought may lead to water scarcity, which in turn may lead to increased costs.</td>
<td>As a result of this scenario analysis, the top at risk managed property areas were identified for each chronic physical risk and earmarked for more in-depth desk studies, site visits, and vulnerability assessments.</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

Currently Marriott does not use an internal price on water because the use of an internal tax has not been identified as a key approach for the company, and we do not plan on doing so within the next two years.

W7.5

(W7.5) Do you classify any of your current products and/or services as low water impact?

<table>
<thead>
<tr>
<th>Products and/or services classified as low water impact</th>
<th>Definition used to classify low water impact</th>
<th>Primary reason for not classifying any of your current products and/or services as low water impact</th>
<th>Please explain</th>
</tr>
</thead>
<tbody>
<tr>
<td>No, and we do not plan to address this within the next two years</td>
<td>&lt;Not Applicable&gt;</td>
<td>Judged to be unimportant, explanation provided</td>
<td>The classification of Marriott’s products/services as low water impact has not been a key priority for the company. However, Marriott provides guests and customers information on water use data using the Hotel Water Measurement Initiative (HWMI), a methodology and tool for hotels to calculate the water use in their properties. This tool allows guests to determine low water impacts based on data.</td>
</tr>
</tbody>
</table>

W8. Targets

W8.1

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

<table>
<thead>
<tr>
<th>Levels for targets and/or goals</th>
<th>Monitoring at corporate level</th>
<th>Approach to setting and monitoring targets and/or goals</th>
</tr>
</thead>
<tbody>
<tr>
<td>Row 1 Companywide targets and goals</td>
<td></td>
<td>As part of Marriott’s 2025 Serve 360 goals, the company set a target to reduce water intensity per occupied room by 15% by 2025 from a 2016 baseline. To set this goal, Marriott engaged internal and external stakeholders and reviewed water consumption in water-stressed regions. Marriott’s engineering team actively monitors progress towards this goal. Additionally, at the management level, various governing bodies each maintain their own priorities and objectives to make progress toward our companywide goals, including Marriott’s water reduction target. The Serve 360 Executive Leadership Council reviews progress towards Marriott’s goals and the Serve 360 Advisory Council assesses Serve 360 goal performance. Beginning in 2018, Marriott also introduced water and energy reduction targets for all managed Marriott properties globally. The target development process factors in average annual energy and water reduction from 2016 (the baseline year) to present-day and compares each hotel’s energy and water intensity to that of similar hotels within the same climate zone, region, and hotel type. Additionally, all global franchised hotels received suggested energy and water reduction targets. Please note these targets were paused due to the COVID-19 pandemic and will be reinstated.</td>
</tr>
</tbody>
</table>
W8.1a

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

Target reference number
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 from 2016 baseline.

Baseline metric
% reduction per product

Baseline year
2016

Start year
2016

Target year
2025

% of target achieved
0

Please explain
COVID-19 had a significant impact on Marriott’s operations and performance for the 2021 reporting year. At varying times, low occupancy and hotel closures in most regions across the world contributed to a decrease in water usage compared to the baseline year. Progress towards Marriott’s water reduction target saw a large increase due to Marriott’s targets being based on a water per occupied room basis. Water consumption did not decrease as dramatically as occupancy, due to hotels still requiring water usage to continue operations, resulting in a large increase in water per occupied room calculations compared to the baseline.

W8.1b

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

Goal
Engagement with suppliers to help them improve water stewardship

Level
Other, please specify (Top 10 priority procurement categories in U.S., Canada, Caribbean and Latin America)

Motivation
Corporate social responsibility

Description of goal
As part of our Serve 360 sustainability and social impact strategy, Marriott has set the following company-wide procurement goal: Responsibly source 95%, by spend, in our top 10 priority categories by 2025. Bottled water, textiles, cocoa, coffee, sugar, paper products, animal proteins, cleaning suppliers, guest room amenities, and seafood purchases are included in these top 10 priority categories. In 2021, Marriott continued our focus on procuring more environmentally and socially responsible products within our top 10 categories. Together with Avendra, Marriott assessed the environmental and social business aspects of our existing Americas suppliers, within the top 10 categories, via the EcoVadis sustainability assessment platform. Avendra also requires all suppliers to submit a sustainability policy and provide relevant information on product attributes such as Marine Stewardship Council (MSC) and Aquaculture Stewardship Council (ASC) certifications for sustainable seafood. We incorporate our responsible sourcing requirements into request for proposals (RFPs) that are administered by Avendra to identify the most responsible suppliers with the highest quality products. We worked closely with Avendra to communicate the responsible sourcing requirements and our preferred third-party certifications to potential suppliers and supplier responses were aligned with our responsible sourcing goals.

Baseline year
2016

Start year
2016

End year
2025

Progress
In 2021, Avendra engaged 89% of contracted spend with manufacturers and 80% of contracted spend with distributors within the top 10 categories in the U.S., Canada, Caribbean, and Latin America via the EcoVadis sustainability assessment platform. As of year-end 2021, 52% of manufacturers and 32% of distributors have completed the EcoVadis assessment. In 2022 and 2023, we will begin to evaluate our remaining global suppliers with EcoVadis. The information submitted to the EcoVadis platform is expected to be used to develop improvement plans for suppliers that are deemed as underperforming, which is aimed to help them successfully meet the responsible sourcing requirements that have been determined for each of the top 10 categories by the end of 2025.

W9. Verification
W9.1

(W9.1) Do you verify any other water information reported in your CDP disclosure (not already covered by W5.1a)?

Yes

Marriott CY2021 Assurance Statement-Final.pdf

W9.1a

(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</td>
<td>Water withdrawn</td>
<td>ISAE 3000</td>
<td>Please see page 2 of LROA’s assurance statement.</td>
</tr>
<tr>
<td>SW Supply chain module</td>
<td>Global water intensity</td>
<td>ISAE 3000</td>
<td>Please see page 2 of LROA’s assurance statement.</td>
</tr>
</tbody>
</table>

W10. Sign off

W-FI

(W-FI) Use this field to provide any additional information or context that you feel is relevant to your organization’s response. Please note that this field is optional and is not scored.

W10.1

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

<table>
<thead>
<tr>
<th>Row</th>
<th>Job title</th>
<th>Corresponding job category</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Vice President of Global Engineering &amp; Facilities</td>
<td>Business unit manager</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>Row</th>
<th>Annual revenue</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>13857000000</td>
</tr>
</tbody>
</table>

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) Are you able to provide geolocation data for your facilities?

<table>
<thead>
<tr>
<th>Row</th>
<th>Are you able to provide geolocation data for your facilities?</th>
<th>Comment</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Yes, for all facilities</td>
<td>While Marriott does track the geolocation data for all facilities, the size of Marriott's portfolio does not make the exercise of providing that data here feasible.</td>
</tr>
</tbody>
</table>

SW1.2a

(SW1.2a) Please provide all available geolocation data for your facilities.

<table>
<thead>
<tr>
<th>Identifier</th>
<th>Latitude</th>
<th>Longitude</th>
<th>Comment</th>
</tr>
</thead>
</table>

SW2.1

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

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.

- **Product name**: Global Water Intensity
- **Water intensity value**: 1.28

  **Numerator**: Water aspect
  Water withdrawn

  **Denominator**: Occupied room night

**Comment**: This metric represents cubic meters of water withdrawn per occupied room night for managed properties.

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>Please select your submission options</th>
<th>I understand that my response will be shared with all requesting stakeholders</th>
<th>Response permission</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>YES</td>
<td>PUBLIC</td>
</tr>
</tbody>
</table>

Please confirm below

I have read and accept the applicable Terms