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# CDP Climate Change Questionnaire 2018

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## C0 Introduction

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### Introduction

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#### **(C0.1) Give a general description and introduction to your organization.**

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

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

Nurture Our World – To support the resiliency and sustainable development of the communities where we operate.

Sustain Responsible Operations – To reduce the company’s environmental impacts, build & operate sustainable hotels and source responsibly, while integrating sustainability across our value chain and mitigating climate-related risk.

Empower Through Opportunity – To ensure workplace readiness and access to opportunity through our business, including our supply chain.

Welcome All & Advance Human Rights – To educate, advocate for and respect human rights throughout and beyond our business, while creating a safe, welcoming world for all.

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

water/carbon/waste on an intensity basis). As part of Serve 360, Marriott is also committing to achieve a minimum of 30% renewable energy use by 2025, and to analyze the opportunity to set a science-based carbon target by 2018.

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

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

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**(C0.2) State the start and end date of the year for which you are reporting data.**

Start date	End date	Indicate if you are providing emissions data for past reporting years
From: [01/01/2017]	To: [31/12/2017]	No

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**(C0.3) Select the countries for which you will be supplying data.**

Country
Algeria
Argentina
Armenia
Aruba
Australia
Austria
Azerbaijan
Bahamas
Bahrain
Bangladesh

Barbados  
Belarus  
Belgium  
Bhutan  
Bonaire  
Bosnia and Herzegovina  
Brazil  
British Virgin Islands  
Bulgaria  
Cambodia  
Canada  
Cayman Islands  
Chile  
China  
Colombia  
Costa Rica  
Croatia  
Cuba  
Curacao  
Cyprus  
Czech Republic  
Denmark  
Djibouti  
Dominican Republic  
Ecuador  
Egypt  
El Salvador  
Estonia  
Ethiopia  
Fiji Islands  
France  
French Polynesia

Gabon  
Georgia  
Germany  
Ghana  
Greece  
Guam  
Guatemala  
Guinea  
Guyana  
Haiti  
Honduras  
Hungary  
India  
Indonesia  
Ireland  
Israel  
Italy  
Jamaica  
Japan  
Jordan  
Kazakhstan  
Kenya  
Kuwait  
Lebanon  
Macedonia  
Malawi  
Malaysia  
Maldives  
Malta  
Mauritius  
Mexico  
Monaco

Montenegro  
Morocco  
Namibia  
Nepal  
Netherlands  
New Caledonia  
Nigeria  
Norway  
Oman  
Pakistan  
Panama  
Paraguay  
Peru  
Philippines  
Poland  
Portugal  
Puerto Rico  
Qatar  
Romania  
Russia  
Rwanda  
Saint Kitts and Nevis  
Samoa  
Saudi Arabia  
Serbia  
Seychelles  
Singapore  
Slovakia  
Slovenia  
South Africa  
South Korea  
Spain

Sri Lanka  
Suriname  
Sweden  
Switzerland  
Tajikistan  
Tanzania  
Thailand  
Trinidad and Tobago  
Tunisia  
Turkey  
Uganda  
United Arab Emirates  
United Kingdom  
Uruguay  
USA  
Venezuela  
Vietnam  
Virgin Islands, U.S.  
Yemen  
Zambia

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**(C0.4) Select the currency used for all financial information disclosed throughout your response.**

Currency
USD

**(C0.5) Select the option that describes the reporting boundary for which climate-related impacts on your business are being reported. Note that this value should align with your consolidation approach to your Scope 1 and Scope 2 greenhouse gas inventory.**

- Operational control

## C1 Governance

### Board oversight

**(C1.1) Is there board-level oversight of climate-related issues within your organization?**

- No

**(C1.1c) Why is there no board-level oversight of climate-related issues and what are your plans to change this in the future?**

Primary reason	Board-level oversight of climate-related issues will be introduced in the next two years.	Please explain
<p>Marriott's Serve 360 Executive Leadership Council provides updates to the Board as part of its scope.</p>	<p>No, we do not currently plan to do so</p>	<p>Marriott established a multi-level governance structure for its Serve 360 platform in 2017 to set direction and drive the sustainability and social impact strategy. For the first time, governance of these aspects of responsible business operation also includes the presidents of each continental operating group as well as functional discipline executives. The focus for the Leadership Council in the near-term is on deploying goals across the organization and its supply chain.</p>

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**(C1.2) Below board-level, provide the highest-level management position(s) or committee(s) with responsibility for climate-related issues.**

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

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**(C1.2a) Describe where in the organizational structure this/these position(s) and/or committees lie, what their associated responsibilities are, and how climate-related issues are monitored.**

Marriott's Serve 360 Executive Leadership Council includes the Global Officers of every division, including: Brand, Design, Development, E-Commerce, Finance, Human Resources, IT, Legal, Marketing, Sales, Owner/Franchise Services, Operations (co-Chair), and Communications & Public Affairs (co-Chair). This representation, which includes Marriott's Chief Financial Officer, ensures that every functional discipline within Marriott is involved in guiding the sustainability and social impact strategy. In addition to all of the discipline executives, the Council includes the Presidents of each continental business division (Americas, Asia Pacific, Canada, Caribbean/Latin America, Europe, MidEast/Africa). The Presidents have a quarterly Serve 360 Scorecard to drive performance across the portfolio of properties. The Executive Leadership Council is supported by an Advisory Council of their direct reports and the next level of leaders, co-chaired by the Vice President of Sustainability and Supplier Diversity and the Vice President of Social Impact and Public Affairs.

With this new governance model, we have combined the strategic insights of corporate leadership in every function with the global leaders of our core business structure. The Executive Leadership Council provides strategic direction and makes investment decisions to guide achievement of the Serve 360 sustainability and social impact goals. These goals include reducing the company's environmental impacts, sourcing responsibly, and building and operating sustainable hotels – all of which are climate-related issues. The Executive Leadership Council helps manage Marriott's response to climate-related issues by setting specific and material targets (e.g., carbon intensity reduction, renewable energy), by investing in programs that advance goals, by monitoring progress and reporting to the Board of Directors.

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## Employee incentives



**(C1.3) Do you provide incentives for the management of climate-related issues, including the attainment of targets?**

- Yes

**(C1.3a) Provide further details on the incentives provided for the management of climate-related issues.**

Who is entitled to benefit from these incentives?	Types of incentives	Activity incentivized	Comment
Other: Presidents of continental divisions	Monetary reward	Emissions Reduction Target	MBOs – Compensation is linked to performance. Marriott’s Serve 360 accountability structure includes a President’s Scorecard.
Other: VPs	Monetary reward	Emissions Reduction Target	MBOs – same as above. Marriott’s Global Officer of Operations has management by objectives (MBOs) related to our sustainability initiatives.
Other: VPs	Monetary reward	Energy reduction target	MBOs – same as above. Our Global Vice President of Engineering and our Vice Presidents of Engineering at the continent level have energy and water reduction goals, both for annual and long-term targets.
Energy managers	Monetary reward	Energy reduction target	MBOs – same as above. Our Senior Director of Global Engineering and our Senior Directors of Engineering at the

			continent level have energy and water reduction goals, both for annual and long-term targets.
Other: Environment/sustainability managers	Monetary reward	Behavior change related indicator	MBOs – same as above. Marriott’s Vice President and Directors of Social Impact, Vice President of Sustainability & Supplier Diversity, Director of Sustainability, Directors of Social Impact, and managers have MBOs related to development and implementation of goals, strategies, conservation projects, stakeholder engagement and sustainability reporting.
Facility managers	Monetary reward	Energy reduction target	MBOs – same as above. Our General Managers and property Directors of Engineering have MBOs related to property performance against goals.
Other: Business Councils	Recognition (non-monetary)	Behavior change related indicator	Quarterly and annual awards recognize performance. Marriott has 98 Business Councils comprised of Hotel General Managers and other field leaders in key markets around the world focused on driving sustainability & social impact, government relations and culture.

Other: Hotels	Recognition (non-monetary)	Efficiency project	Hotels receive internal and external recognition for performance against sustainability goals and for innovative projects which help meet our sustainability targets.
Other: Hotel Owners	Recognition (non-monetary)	Emissions Reduction Target	Our hotel partners receive internal and external recognition during annual Marriott owner/franchisee conferences for supporting sustainability & social impact projects which help meet our sustainability goals.

## C2 Risks and opportunities

### Time horizons

(C2.1) Describe what your organization considers to be short-, medium- and long-term horizons.

Time horizon	From (years)	To (years)	Comment
Short-term	1	2	Business practice time horizons vary by discipline. For example, Global Development might use different time horizons than property managers. The

			<p>horizons defined here for assessing climate-related risks and opportunities primarily reflect hotel operations and the activities of the Serve 360 Executive Leadership Council.</p> <p>Annual energy and water audits help identify opportunities to perform against goals and asset management systems track preventative maintenance and capital expenditure plans in short-term time horizons.</p> <p>The Serve 360 Executive Leadership Council reviews the quarterly Presidents' Scorecards twice per year together to assess performance against targets, including emissions.</p>
Medium-term	3	5	<p>Assessing medium term risks and opportunities, includes activities such as monitoring proposed legislation or emerging technologies. The Serve 360 Executive Leadership and Advisory Councils develop mitigation strategies as needed to correct performance against targets.</p> <p>Global engineering leaders develop strategies, partnerships and business case proposals for hotel owners to</p>

			help drive resource efficiency and conservation at properties.
Long-term	6	10	<p>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 climate impacts and efficiency. The planning process conducted by the hotel management team with building owners includes consideration of property enhancements such as roof insulation/ reflectivity, demand control ventilation, and building automation systems integration that could increase the ability of the hotel to address climate impacts.</p> <p>Most of our Serve 360 targets were established for the ten-year timeframe from 2016 to 2025, helping us envision how we want to develop responsible business practices to meet climate change risks.</p>

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## Management processes

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**(C2.2) Select the option that best describes how your organization's processes for identifying, assessing, and managing climate-related issues are integrated into your overall risk management.**

- Integrated into multi-disciplinary company-wide risk identification, assessment, and management processes

**(C2.2a) Select the options that best describe your organization's frequency and time horizon for identifying, and assessing climate-related risks.**

Frequency of monitoring	How far into the future are risks considered?	Comment
<ul style="list-style-type: none"> <li>• Six-monthly or more frequently</li> </ul>	<ul style="list-style-type: none"> <li>• 1 to 3 years</li> </ul>	<p>Monitoring of risks and opportunities related to climate change occurs at regular intervals and levels dependent upon the nature of the risk. Property performance data related to energy and water consumption is monitored monthly and reported quarterly and annually. Serve 360 Global and Presidents' Scorecards will be reviewed quarterly by the Executive Leadership Council and the Advisory Council. Risks and opportunities related to regulation, customer preference and corporate reputation are evaluated regularly by relevant departments.</p>

**(C2.2b) Provide further details on your organization's process(es) for identifying and assessing climate-related risks.**

Identifying risks and/or opportunities from climate change and assessing the degree to which they could affect Marriott's business is part of the role of the Serve 360 Executive Leadership Council, a global, cross-discipline team responsible for developing, guiding and driving accountability for the company's sustainability and social impact strategy. The prioritization of risks and opportunities related to climate change was part of the process of developing the Serve 360 platform, and its goals. We engaged an energy consultant to model our path forward and we conducted extensive stakeholder engagement with group customers, property owners, industry partners and NGOs, and studied ESG analyst assessments, to help define materiality and prioritize targets to address risks.

Within the corporation, numerous functional areas monitor risks and opportunities associated with climate change, including Operations, Engineering, Global Design, Procurement, Sustainability, Social Impact, Law, Marketing, Investor Relations, and Sales. Our audit department has included our environmental strategy in its Enterprise Risk Management process. Marriott also gathers information from a broad array of external sources, such as NGOs, governments, industry organizations, consultants, thought leadership forums, and others.

Key structures and tools help identify risks and opportunities at the continent, brand and property level:

- Marriott Environmental Sustainability Hub or MESH – a global utility consumption tracking and reporting platform that was launched in 2017. MESH provides carbon and water footprint data across the portfolio, in addition to collecting qualitative information on property sustainability efforts and initiatives through MESH’s Sustain Responsible Operations (SRO) Tracker. The SRO Tracker also enables properties to provide ongoing updates related to property-level improvements, changes, opportunities, and/or exposure to risks and impacts from climate change.
- Transcendent is a web-based enterprise asset management tool that tracks a property’s preventive maintenance status, projects and capital expenditure plans, and rolls data up at the country, continent and corporate level.
- Energy & Environmental Action Plans guide engineering and other property leaders through an energy and water audit process to help identify opportunities to perform against goals.

With over 6,500 managed or franchised properties around the world, Marriott faces a variety of potential climate-related risks and opportunities because of the size and geographic scope of its operations. Materiality and priorities for addressing these risks are determined within the context of corporate business strategy. We also have an ongoing responsibility to respond when necessary to natural events such as hurricanes, floods and drought.

We collaborate with our stakeholders and external partners to understand the direct and indirect environmental impact of our hotels, to mitigate risks and to develop innovative solutions to manage our business sustainably. We have conducted extensive stakeholder engagement with group customers, property owners, industry partners and NGOs, and studied ESG analyst assessments to help define the materiality of climate change risks.

**(C2.2c) Which of the following risk types are considered in your organization's climate-related risk assessments?**

Risk type	Relevance & inclusion	Please explain
Current regulation	Relevant, always included	Property managers, owners and relevant departments at Marriott work in tandem to ensure that our properties meet regulatory obligations. For example, building codes often stipulate and/or prohibit a specific type of lighting.

Risk type	Relevance & inclusion	Please explain
Emerging regulation	Relevant, always included	Relevant departments at Marriott work with property managers and owners to ensure that our properties are aware of proposed/emerging regulations, especially those that might impact HVAC systems or other valuable building assets.
Technology	Not relevant, explanation provided	At the current time, the transition to lower-emissions technology does not present a risk to our business as it might to other sectors. New technology can represent an opportunity to reduce emissions from lodging operations, such as room occupancy sensors.
Legal	Not relevant, explanation provided	At the current time, Marriott does not anticipate exposure to climate-related litigation.
Market	Relevant, always included	We encounter strong competition both as a lodging operator and as a franchisor. We compete against lodging operators and other competitors for guests in many areas, including brand recognition and reputation, location, guest satisfaction, room rates, and quality of service. Group business customers, those hosting meetings at our hotels, and others may increasingly factor climate change considerations into their travel decisions. Our ability to be seen as an environmentally sustainable lodging option will be another factor in market competition.
Reputation	Relevant, always included	Many factors also can influence our reputation and the value of our brands, including the availability and



Risk type	Relevance & inclusion	Please explain
		management of scarce natural resources. Our ability to meet the commitments made in our sustainability strategy, including reducing the company's environmental impacts, sourcing responsibly, and building and operating sustainable hotels, could factor into our reputation.
Acute physical	Relevant, always included	Risks relating to natural disasters, including hurricanes, drought, and wildfires can reduce the demand for lodging and cause property closures, which adversely affects our revenues.
Chronic physical	Relevant, always included	Risks relating to ongoing and chronic changes to the climate such as mean temperature increases can present challenges to facilities management, especially HVAC systems. Changes in precipitation patterns may impact the seasonal demand for properties in certain locations.
Upstream	Relevant, always included	We work with our global supply chain partners to address risks and to help advance sustainability in the hospitality supply chain, especially in our top procurement categories.
Downstream	Relevant, always included	Our material risks in this category include waste from hotel operations.

**(C2.2d) Describe your process(es) for managing climate-related risks and opportunities.**

The management of climate-related risks and opportunities is ultimately led by the Serve 360 Executive Leadership Council but is the ongoing responsibility of various discipline teams within Marriott, including the engineering leaders, the continental business leaders, and property managers. The Serve 360 Executive Leadership Council provides updates to the Board of Directors. Materiality and priorities for addressing these risks are determined within the context of corporate business strategy. We also have an ongoing responsibility to respond when necessary to natural events such as hurricanes, floods, and drought.

Consistent with our focus on management, franchising, and licensing, we own very few of our lodging properties. This business model reduces Marriott’s exposure to risks related to asset ownership, including some climate-related risks. In defining and prioritizing climate-related risks, we focus on those relevant to hotel and corporate operations, as well as those connected with consumer preferences and our reputation. These risks extend to our global portfolio; Marriott operates and franchises properties under 30 brands in 127 countries and territories.

In the case of transition risks such as carbon or energy taxes and physical risks such as rising mean temperatures, managing the response involves a similar practice – excellence in energy management and energy efficiency, capitalizing on dynamic purchasing in deregulated markets to lower costs (which can offset tax increases), and sourcing with renewable energy where available.

## Risk disclosure

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### (C2.3) Have you identified any inherent climate-related risks with the potential to have a substantive financial or strategic impact on your business?

- Yes
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### (C2.3a) Provide details of risks identified with the potential to have a substantive financial or strategic impact on your business.

Identifier	Where in the value chain does the risk driver occur?	Risk type	Primary climate-related risk driver	Type of financial impact driver	Company- specific description	Time horizon
1	Direct operations	Physical Risk	Acute: Increased severity of extreme weather events such	Increased operating costs	More frequent and more severe storms would increase the	Current

			as cyclones and floods		risk of property damage and might increase related insurance costs or make it difficult to secure insurance. Prolonged property closures reduce revenue.	
2	Direct operations	Transition risk	Policy and legal: Increased pricing of GHG emissions	Policy and legal: Increased operating costs (e.g., higher compliance costs, increased insurance premiums)	Some governments have taxes designed to encourage companies to reduce greenhouse gas emissions and energy consumption, including the UK CRC Energy Efficiency Scheme. Currently these tax rates vary widely across types and use of fuel both within and across countries. The current impact of these types of taxes is greater for our operations outside the United States.	Current

3	Direct operations	Physical risk	Acute: Other Change in temperature extremes	Increased operating costs	Greater extremes in temperature would impact energy consumption. Climate changes of this type could result in decreased desirability of certain destinations and changes to travel patterns.	Short-term
4	Direct operations	Physical Risk	Chronic: Changes in precipitation patterns and extreme variability in weather patterns	Reduced revenues from lower sales/output	Severe changes in weather patterns would impact the desirability of destinations where our operations are located. Prolonged periods of rain and/or drought could also disrupt the food supply chain, impacting our ability to serve our guests and potentially increasing resource costs.	Short-term
5	Direct Operations	Physical Risk	Chronic: Rising mean temperatures	Increased operating costs	Increasing global temperatures would drive up the energy consumption at our	Medium-term

					properties, thus reducing profits from operations.	
6	Direct Operations	Transition Risk	Changing customer behavior	Reduced revenue from decreased demand for goods/services	With growing environmental awareness on the part of many travelers, as well as the focus and stakeholder pressure on businesses to reduce their carbon footprint, hotels need to provide products and services that respond to changing consumer demand. The success of growing our brand through development of new properties and franchises is also linked to our ability to adapt to new market priorities.	Long-term

#	Likelihood	Magnitude of impact	Potential financial impact	Explanation of financial impact	Management method	Cost of management	Comment
1	Very Likely	Low	7,700,000	<p>Cyclones can endanger our customers, associates and their families and communities, as well as adversely impact our properties. Increased frequency of tropical storms could cause a decrease in business and leisure travel and thus reduce lodging demand. Increased climatic risks may generally increase insurance costs. Widespread property destruction would impact the availability of materials and resources, increasing repair costs and timeframes for resumption of operations at affected hotels. The potential financial</p>	<p>Marriott has developed procedures and protocols at both the corporate and operational level to prepare for, mitigate, manage and respond as expeditiously as possible to physical risks such as severe weather and environmental disasters. Marriott has focused on environmental and climate issues identified as risks at the board level as one of the global issues that comprise our global sustainability and social impact strategy.</p>		<p>In addition to costs of preparing and responding to severe weather events, operational cost increases due to higher insurance costs and business disruption might occur.</p>

#	Likelihood	Magnitude of impact	Potential financial impact	Explanation of financial impact	Management method	Cost of management	Comment
				impact figure provided represents lost management fee revenue in 2017 from Hurricanes Irma and Maria, before reimbursement from Business Interruption insurance coverage.			
2	Very Likely	Low	1,900,000	Carbon and fuel taxes are responsible for moderate increases in energy expenses in the regions where they have been enacted, such as the U.K. For the most recent tax year (April 2016 to March 2017), the obligation for the properties managed by Marriott under the UK CRC Energy Efficiency Scheme was 1,398,446 GBP, or 1.9 million USD.	Marriott remains focused on reducing energy consumption. Energy conservation helps mitigate the risks posed by fuel and carbon taxes. Pull-through of our strategy at the property-level drives results, and our support for each hotel is tailored to the characteristics of the property, its location and our partnership with the property owner. We have developed and/or acquired tools and technology	30,000	Financial investments in energy efficiency vary by installation type and government incentives, but these projects have a typical payback period of 1-3 years. CHP plants help offset the costs of the CRC in the UK by reducing emissions. The payback timeframe for a CHP varies by installation but can be as short as 2-3 years.

#	Likelihood	Magnitude of impact	Potential financial impact	Explanation of financial impact	Management method	Cost of management	Comment
					which help facilitate implementation of conservation projects, such as the Transcendent asset management platform and Energy and Environment Action Plans (EEAPs). Our engineering leaders in Europe, where this tax is levied, leverage strategic partnerships across countries, work with utility partners to identify rebates and incentives to develop attractive ROI for owners and explore innovative ways to approach conservation for our many properties already operating at high efficiency.		The cost of management listed covers external costs for reporting obligations under the CRC.
3	Very Likely	Low		If seasonal temperature variations become	Marriott pursues a comprehensive platform of initiatives	0	Costs of management of response to growing



#	Likelihood	Magnitude of impact	Potential financial impact	Explanation of financial impact	Management method	Cost of management	Comment
				<p>more extreme, some of Marriott's managed lodging properties would be costlier to operate. Possible increases in temperature extremes could increase the severity and duration of seasonal dips in demand. More extreme seasonality could adversely affect the desirability of certain destinations. Hotels in destinations most affected by the climate extremes might experience decreasing occupancy rates concurrent with increased energy costs.</p>	<p>and practices designed to drive down operational costs and reduce energy consumption. Greater utilization of data management and monitoring systems and new ways of purchasing energy in deregulated markets help us continue to meet the energy challenge. Our continental engineering leaders leverage relationships with commercial partners to build the most compelling ROI for our property owners and pave the way for global implementation of energy and water conservation projects. Energy and Environment Action Plan audits enable</p>		<p>temperature extremes are not measurable. The approach outlined in the management method is part of our ongoing efficiency efforts.</p> <p>Energy ROI projects usually have a payback timeframe of less than three years. In 2017, over 28 million USD were invested in energy savings ROI projects at properties managed by Marriott.</p>

#	Likelihood	Magnitude of impact	Potential financial impact	Explanation of financial impact	Management method	Cost of management	Comment
					our property teams to identify and quantify energy reduction opportunities. Property managers select "Signature" projects to target for completion early enough in the year to drive down costs. Engineering and facilities teams utilize gamification to drive ownership of and compliance to high-level goals, programs and requirements. One quadrant of the game is devoted entirely to Environmental Stewardship and promotes various projects that address our sustainability strategy.		
4	Unknown	Unknown		Longer dry or wet periods could make	Marriott follows local water restrictions in	0	Compliance with local environmental

#	Likelihood	Magnitude of impact	Potential financial impact	Explanation of financial impact	Management method	Cost of management	Comment
				<p>some destinations less desirable which might lead to a decrease in the profitability of hotel operations in the affected location. Such climate conditions could also disrupt the global and local food supply chains, which could affect restaurant and other food service operations at our hotels, contributing to increases in expenses. Water restrictions could also impact landscaping and other hotel operations. Given the size and geographic distribution of Marriott's hotel portfolio, any anticipated decreases in hotel occupancy or</p>	<p>drought affected regions. Our linen and terry re-use standards were established to conserve water and energy and are in-line with water restriction requirements.</p> <p>Make a Green Choice (MAGC) is a guest-facing sustainability and loyalty program in which our guests can choose to help reduce our environmental footprint. First offered at SPG properties, now guests at many participating hotels within the Marriott International portfolio can also Make a Green Choice by forgoing full</p>		<p>regulations is part of our normal property management operations, and thus adds no measurable costs.</p>

#	Likelihood	Magnitude of impact	Potential financial impact	Explanation of financial impact	Management method	Cost of management	Comment
				increases in food and beverage services costs in specific markets due to the impact of precipitation and droughts would have a low impact on overall profitability.	housekeeping for up to three days in a row (excluding their check-out day). For each night a guest opts into MAGC, they receive 250-500 rewards points or a non-rewards points benefit (varies by brand and region).		
5	Likely	Low		Given the number of properties in our managed portfolio, the impact of an increase in average global temperatures could be considerable. Increases in the costs of energy, fuel and other expenses central to the conduct of our business could pose a financial risk.	Marriott's comprehensive platform of initiatives and practices designed to drive down operational costs and reduce energy consumption were outlined above (Risk #3, Management Method). In addition, Marriott's annual 10-year capital planning and budgeting exercise helps identify and forecast the needs of a given facility with respect		Costs specifically related to the risk of changes in average temperature have not been quantified. However, at many of our properties, energy costs are among the highest line of expenses.

#	Likelihood	Magnitude of impact	Potential financial impact	Explanation of financial impact	Management method	Cost of management	Comment
					<p>to long term climate impact and efficiency. The planning process conducted by the hotel management team with building owners includes consideration of property enhancements such as roof insulation/ reflectivity, demand control ventilation, building automation systems integration that could increase the ability of the hotel to address the effects of climate. Issues such as plant capacity to handle increased peak energy/cooling loads are also addressed as part of the ongoing equipment maintenance and planned replacement process.</p>		

#	Likelihood	Magnitude of impact	Potential financial impact	Explanation of financial impact	Management method	Cost of management	Comment
6	Likely	Medium-Low		<p>Awareness of environmental issues and climate change has grown among our stakeholders, such as Marriott's guests, corporate customers, associates, investors, suppliers, owners, business partners and the communities in which we operate. Amid rising expectations regarding business action and accountability, failure to maintain our leadership position in addressing environmental sustainability could negatively impact Marriott's reputation, brand and competitive advantage in the industry.</p>	<p>Marriott is managing risks relating to changing consumer behavior through continual pursuit and refinement of our environmental strategy, stakeholder engagement and comprehensive reporting on sustainability efforts and results. We recognize the need for our corporate customers to reduce their Scope 3 emissions from business travel, and we work to make our hotels a sustainable choice through energy-efficient hotel operations and meetings. We supported the development of a standard carbon methodology for the hotel industry and have invested in the</p>		<p>Our energy-efficiency and water reduction efforts typically have payback timeframes of 3 years or less. We have leveraged our relationship with vendors to provide us cost-neutral, environmentally-sustainable products and services.</p>

#	Likelihood	Magnitude of impact	Potential financial impact	Explanation of financial impact	Management method	Cost of management	Comment
					Marriott Environmental Sustainability Hub or MESH, a centralized, global utility consumption tracking and reporting platform. MESH provides more accurate and timely carbon and water footprint data across the portfolio along with progress reporting on sustainability initiatives.		

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## Opportunity disclosure

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**(C2.4) Have you identified any climate-related opportunities with the potential to have a substantive financial or strategic impact on your business?**

- Yes
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**(C2.4a) Provide details of opportunities identified with the potential to have a substantive financial or strategic impact on your business.**

Identifier	Where in the value chain does the opportunity occur?	Opportunity type	Primary climate-related opportunity driver	Type of financial impact driver	Company-specific description	Time horizon
1	Direct Operations	Resource efficiency	Move to more efficient buildings	Reduced operating costs	Sustainable building standards, such as the U.S. Green Building Council's (USGBC) LEED® standards and other national and international standards create opportunities for Marriott to demonstrate leadership in promoting and supporting sustainable hotel development. More efficient buildings reduce operating costs.	Current
2	Direct Operations	Resilience	Participation in renewable energy programs and adoption of energy-efficiency measures	Increased reliability of supply chain and ability to operate under various conditions	As part of our Serve 360 sustainability & social impact goals, Marriott plans to source a minimum of 30% of its overall electricity	Current



					<p>consumption from renewable energy.</p> <p>Marriott's ability to run more energy efficient hotels offers the opportunity to outperform competitors in regulating the temperature at its hotels in a changing climate.</p> <p>The combination of energy efficiency and renewable energy will provide more resilience for operations in a low-carbon future.</p>	
3	Direct Operations	Products and services	Shift in consumer preferences	Better competitive position to reflect shifting consumer preferences, resulting in increased revenues	With growing environmental awareness on the part of many travelers and expectations on many other businesses to reduce their travel-associated carbon footprint, hotels providing products	Medium-term

					and services that respond to changing consumer demand are better positioned to achieve business goals. The success of growing our brands through development of new properties and franchises is also linked to our ability to adapt to shifting market preferences.	
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#	Likelihood	Magnitude of impact	Potential financial impact	Explanation of financial impact	Strategy to realize opportunity	Cost to realize opportunity	Comment
1	Virtually certain	Medium-low		New hotels built to LEED standards have lower operating costs, are more valuable assets to owners, and more appealing to many guests.	We support our development partners in pursuing construction of LEED or equivalent buildings and have helped hotels leverage local incentives to obtain certification for existing buildings At the end of 2017, a third of Marriott properties had LEED or another		While there may be administrative costs related to sustainable building standards, these costs are usually offset by more significant ROI generated by lower operational costs. These savings, when combined with incentives offered in many jurisdictions, could provide a

#	Likelihood	Magnitude of impact	Potential financial impact	Explanation of financial impact	Strategy to realize opportunity	Cost to realize opportunity	Comment
					<p>sustainability certification (e.g., Green Key) and we announced goals in 2017 to further build on this success. By 2025, we aim to have 650 open or pipeline hotels that have or are pursuing LEED certification (or equivalent). The following specific targets will help achieve our goals:</p> <ul style="list-style-type: none"> <li>» By 2020, LEED certification or equivalent will be incorporated into building design and renovation standards, including select service prototype solutions for high growth markets.</li> <li>» By 2020, 100% of all prototypes will be designed for LEED certification.</li> </ul>		<p>payback for the LEED® building investment in about two years.</p>

#	Likelihood	Magnitude of impact	Potential financial impact	Explanation of financial impact	Strategy to realize opportunity	Cost to realize opportunity	Comment
					» By 2025, we will partner with owners to develop 100 adaptive reuse projects.		
2	Likely	Medium-low		Transitioning to renewable energy and continued focus on energy efficiency will help Marriott avoid costs related to carbon taxes and energy surcharges.	<p>Marriott has invested in enterprise data platforms to track energy use and carbon emissions, and the engineering status of properties (e.g., preventative maintenance, project implementation). Leveraging these platforms fully will allow better insight into the factors that drive efficient performance and control emissions.</p> <p>Marriott Environmental Sustainability Hub or MESH is a global utility consumption tracking and reporting platform</p>		

#	Likelihood	Magnitude of impact	Potential financial impact	Explanation of financial impact	Strategy to realize opportunity	Cost to realize opportunity	Comment
					<p>that was launched in 2017. MESH provides carbon and water footprint data across the portfolio. It also highlights environmental best practices and tracks progress on sustainability initiatives.</p> <p>Transcendent is a web-based enterprise asset management tool that tracks a property's preventive maintenance status, projects and capital expenditure plans, and rolls data up at the country, continent and corporate level.</p>		
3	Very likely	Medium-low			To respond to changing market forces influenced by climate change, we		We have leveraged our relationship with vendors to provide us cost-neutral,

#	Likelihood	Magnitude of impact	Potential financial impact	Explanation of financial impact	Strategy to realize opportunity	Cost to realize opportunity	Comment
					<p>strive to demonstrate how responsible hotel management can be a positive force for the environment. As part of our Serve 360 sustainability &amp; social impact goals, all properties will have a Serve 360 section on the marriott.com website with hotel impact metrics by 2020.</p> <p>Business Travel: We recognize our corporate customers' efforts to reduce Scope 3 emissions from business travel, and we work to make our hotels a sustainable choice through energy efficient hotel operations and meetings. We report our hotel carbon and water footprints to</p>		<p>environmentally sustainable products and services. The anticipated payback timeframe for LEED® prototypes is two to six years depending on federal and local government incentives. The investment in EV charging stations varies according to type of installation and the government incentives offered.</p>

#	Likelihood	Magnitude of impact	Potential financial impact	Explanation of financial impact	Strategy to realize opportunity	Cost to realize opportunity	Comment
					<p>over 80 of our largest customers.</p> <p>Make a Green Choice (MAGC) is a guest-facing sustainability and loyalty program that allows guests to choose to help reduce our environmental footprint. Guests at participating properties can opt to forgo full housekeeping for up to three days in a row (excluding their check-out day), saving water and energy. For each night a guest opts into MAGC, they receive 250-500 rewards points or a non-rewards points benefit (varies by brand and region).</p>		

#	Likelihood	Magnitude of impact	Potential financial impact	Explanation of financial impact	Strategy to realize opportunity	Cost to realize opportunity	Comment
					<p>Sustainable Buildings: We continue to address the needs of owners and developers seeking to build sustainable hotels with LEED® or other certifications.</p> <p>Sustainable Travel: Marriott supports guests using electric vehicles (EVs) by offering universally accessible 120V charging at nearly all properties. By the end of 2017, 380 Marriott hotels had 240V charging stations for EVs.</p>		

## Business impact assessment

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**(C2.5) Describe where and how the identified risks and opportunities have impacted your business.**

Area	Impact	Description
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Products and services	Impacted	As a worldwide operator and franchisor of hotels, we include products and services in the operations category in terms of assessing impact from climate change risks. See the response below.
Supply chain and/or value chain	Impacted for some suppliers, facilities, or product lines	Severe weather events can impact our suppliers as well as our properties. Given the size and geographic distribution of our portfolio, it is unlikely that weather events would create a significant impact on our overall business. We have a large, diversified supply chain, and can source replacement supplies as needed. Properties affected by rising supply costs might realize a decrease in management incentive fees.
Adaptation and mitigation activities	Impacted	Marriott's expertise in creating operational efficiencies that deliver natural resource savings is a hallmark of responsible operations. As we work with owners to build new hotels and improve existing properties, we are helping to reduce the environmental footprint of the built environment.
Investment in R&D	Impacted	Marriott works with the furniture, fixtures and equipment (FF&E) industry to help design and implement sustainable materials into its hotels. Through the Marriott Supplier Assessment Program, FF&E suppliers are rated on a number of sustainability metrics.
Operations	Impacted for some suppliers, facilities, or product lines	With regard to extreme weather events, Marriott properties have developed "Hurricane Plans" to prioritize the safety and security of our guests and associates. Business continuity plans guide

		<p>necessary repairs and/or reconstruction to return properties to operating condition. Marriott requires comprehensive property and liability insurance policies for our managed, leased, and owned properties with coverage features and insured limits that we believe are customary.</p> <p>In the event of prolonged property closures for repairs, such as those after Irma and Maria, Marriott's revenue will be reduced through the loss of anticipated management fees. When lasting damage to local economies occurs, Marriott's ability to hire and retain talent to staff our hotels is impacted.</p> <p>The impact of regulation in the form of carbon taxes was most clearly shown in the UK, where Marriott properties were assessed almost 2 million USD under the Energy Efficiency Scheme.</p>
Other, please specify		

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## Financial planning assessment

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**(C2.6) Describe where and how the identified risks and opportunities have factored into your financial planning process.**

Area	Relevance	Description
Revenues	Impacted	<p>Under our business model, we typically manage or franchise hotels, rather than own them. We earn base management fees and in many cases incentive management fees from the properties that we manage, and we earn franchise fees on the properties that others operate under franchise agreements with us. In most markets, base management and franchise fees typically consist of a percentage of property-level revenue, or certain property-level revenue in the case of franchise fees, while incentive management fees typically consist of a percentage of net house profit after a specified owner return.</p> <p>Our expertise in implementing projects that create operational efficiencies, including energy and water savings, help lower operating costs. Through the incentive fee agreements, Marriott can increase its own revenue as a result of increasing net house profit in the managed portfolio.</p>
Operating costs	Impacted	<p>As of year-end 2017, under one percent of the total rooms in the global portfolio were in properties that are owned/leased by Marriott. In the case of these lodging properties, as well as corporate offices (“above property” facilities), our expertise in implementing operational efficiencies helps reduce our own operating costs.</p>
Capital expenditures/capital allocation	We have not identified any risks or opportunities	

Acquisitions and divestments	We have not identified any risks or opportunities	
Access to capital	We have not identified any risks or opportunities	
Assets	We have not identified any risks or opportunities	
Liabilities	We have not identified any risks or opportunities	
Other	We have not identified any risks or opportunities	

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## C3 Business strategy

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## Business strategy

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### (C3.1) Are climate-related issues integrated into your business strategy?

- Yes
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### (C3.1a) Does your organization use climate-related scenario analysis to inform your business strategy?

- No, and we do not anticipate doing so in the next two years
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### (C3.1c) Explain how climate-related issues are integrated into your business objectives and strategy.

#### **i. A company-specific explanation of how business objectives and strategy have been influenced by climate-related issues;**

Marriott's business strategy is to lead the global hospitality industry by providing unparalleled choice and service for our guests, opportunities for our associates and communities, and financial benefits for our owners, franchisees, and shareholders. We believe Marriott offers the largest range of brands and properties of any lodging company in the world. Our business is built on relationships and the core value of "serving our world." In 2017, we introduced a new sustainability and social impact platform, Serve 360: Doing Good in Every Direction, to continue the company's 90-year commitment to making a positive and sustainable impact wherever it does business. Moreover, sustainable and responsible hotel operations are a business priority - we mitigate risk and realize costs savings and brand recognition by delivering sustainable lodging facilities and event services and supporting the resiliency and sustainable development of the communities where we operate.

Climate related issues have impacted hotel operations, business continuity planning, and hotel development. We face risks related to global temperature changes and extremes which help drive our energy efficiency efforts. Given the potential for extreme weather to disrupt travel and damage property, measures taken to reduce climate change impacts have demonstrable business value. Sustainability priorities for the built environment influence our development strategy. We will incorporate LEED certification or equivalent into our design and renovation standards by 2020, and we have also set a target to work with developers on 100 adaptive re-use projects by 2025.

#### **ii. Explanation of whether your business strategy is linked to an emissions reductions target or energy reduction target;**

Marriott's Serve 360 sustainability & social impact goals for 2025 include a target of reducing emissions intensity 30% from 2016. In addition, several other targets relate to greenhouse gas emissions, such as reducing waste to landfill by 45% (on an intensity basis from 2016 baseline), and sourcing 30% of our energy from renewables.

Following a commitment made by our President and CEO, Serve 360 scorecards have been established for each continental operating group to monitor performance against our targets. These scorecards will be completed and reviewed quarterly by the Serve 360 Executive Council and assessed twice-annually as part of the Serve 360 Executive Council meetings with our President and CEO. Even though our strategy is to pursue an emissions target, we will remain focused on energy efficiency, with both energy- and carbon-intensity goals for individual properties. On an ongoing basis, the Global Engineering and Facilities Management team communicates with continental engineering leaders about strategy, best practices and the most effective levers to drive progress in both energy efficiency and emissions reduction.

**iii. What have been the most substantial business decisions made during the reporting year that have been influenced by the climate change driven aspects of the strategy (e.g. investment, location, procurement, mergers and acquisitions (M&A), research and development (R&D).**

We collaborate with our stakeholders and external partners to understand the direct and indirect environmental impact of our hotels, to mitigate risks and to develop innovative solutions to manage our business sustainably. In 2017, we focused heavily on the integration of SPG properties into the Marriott portfolio. This integration included weaving together the best sustainability practices of both and creating a single platform to collect and report data to assess progress against our new goals. Marriott consolidated the systems that maintain and monitor our global utility data and environmental metrics into one platform, the Marriott Environmental Sustainability Hub, or MESH, which is built on Schneider Electric's Resource Advisor platform. The investment in developing MESH and rolling it out to the portfolio improves data accessibility and quality, ensuring that accurate data supports timely and appropriate decisions with respect to emissions, energy, water, and waste.

**(C3.1g) Why does your organization not use climate-related scenario analysis to inform your business strategy?**

We have conducted extensive stakeholder engagement with group customers, property owners, industry partners and NGOs, and studied ESG analyst assessments, to help define materiality. Prioritization of risks and opportunities related to climate change was part of the process of developing our Serve 360 sustainability and social impact platform and goals. As we continue to refine the strategy to achieve those goals, we will employ relevant analysis. For example, we worked with Engie to gather comprehensive data from the hotels in our managed portfolio to identify the most important levers to push to drive success for our sustainability goals. 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 committed to analyzing the opportunity to set a science-based target by 2018. While forward-looking scenarios to assess climate change risks and opportunities were considered in Marriott's sustainability and social impact goal-setting process, we have not embarked upon a specific climate-related scenario analysis.

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## C4 Targets and performance

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### Targets

**(C4.1) Did you have an emissions target that was active in the reporting year?**

- Intensity target

**(C4.1b) Provide details of your emissions intensity target(s) and progress made against those target(s)**

Target reference number	Scope	% emissions in Scope	% reduction from baseline year	Metric	Base year	Start year
Int 1	Scope 1+2 (location-based)	100	30	Metric tons CO2e per square meter*	2016	2017
Int 2	Scope 3 - Franchises	100	30	Metric tons CO2e per square meter*	2016	2017

Normalized baseline year emissions covered by target (metric tons CO2e)	Target year	Is this a science-based target?	% achieved (emissions)	Target status	Please explain	% change anticipated in absolute Scope 1+2 emissions	% change anticipated in absolute Scope 3 emissions
.1345	2025	No, but we anticipate setting one in the next 2 years	40.67	Underway	Marriott's Scope 1 and 2 emissions per square meter of conditioned space decreased by 12.2% in 2017 over the 2016 baseline		

.1179	2025	No, but we anticipate setting one in the next 2 years	5.63	Underway	Marriott's franchised emissions per square meter of conditioned space decreased by 1.69% in 2017 over the 2016 baseline.		
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## Emissions reduction initiatives

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**(C4.3) Did you have emissions reduction initiatives that were active within the reporting year? Note that this can include those in the planning and/or implementation phases.**

- Yes
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**(C4.3a) Identify the total number of projects at each stage of development, and for those in the implementation stages, the estimated CO2e**

Stage of development	Number of projects	Total estimated annual CO2e savings in metric tons CO2e (only for rows marked *)
Under investigation		
To be implemented*	31	9750
Implementation commenced*	164	42900
Implemented*	855	85860
Not to be implemented		

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**(C4.3b) Provide details on the initiatives implemented in the reporting year in the table below.**

Activity type	Description of activity	Estimated annual CO2e savings (metric tons CO2e)	Scope	Voluntary/ Mandatory
Energy efficiency: Building services	Lighting	36555	Scope 2 (location-based)	Voluntary
Energy efficiency: Building services	Building controls	12299	Scope 1 Scope 2 (location-based)	Voluntary
Energy efficiency: Building services	HVAC	9426	Scope 1 Scope 2 (location-based)	Voluntary
Energy efficiency: Processes	Refrigeration	940	Scope 2 (location-based)	Voluntary
Energy efficiency: Building services	Motors and drives	7068	Scope 1 Scope 2 (location-based)	Voluntary
Low carbon energy installation	Solar PV	1791	Scope 2 (location-based)	Voluntary
Energy efficiency: Processes	Other: Hot Water Systems	11098	Scope 1	Voluntary
Energy efficiency: Processes	Other: Various, including water efficiency	6680	Scope 1 Scope 2 (location-based)	Voluntary

ID	Annual monetary savings (unit currency, as specified in C0.4)	Investment required (unit currency, as specified in C0.4)	Payback period	Estimated lifetime of the initiative	Comment
Lighting	5,112,500	7,744,100	1-3 years	6-10 years	LED lighting retrofit projects continued to be an effective emissions-reduction project with an attractive ROI in 2017, helping Marriott make progress toward reducing our Scope 2 emissions. We identify strategic partnerships

ID	Annual monetary savings (unit currency, as specified in C0.4)	Investment required (unit currency, as specified in C0.4)	Payback period	Estimated lifetime of the initiative	Comment
					<p>where possible and install LED bulbs where the lighting needs are best suited to the technology and provide the most compelling internal rate of return. Highly efficient LED replacements reduce lighting energy requirements as well as cooling load in our lodging properties. As newer technology lowers replacement costs, systems are upgraded at our properties around the world. Large-scale lighting retrofits are often tied to other renovation projects, as well as to advances in lighting technology. The timing of these factors and their impact on the ROI of subsequent projects will vary from property to property.</p>
BAS	1,675,300	4,669,500	1-3 years	16-20 years	<p>Marriott continues to incorporate and integrate building automation systems (BAS) and other automated controls to increase the efficiency of the buildings we manage.</p>

ID	Annual monetary savings (unit currency, as specified in C0.4)	Investment required (unit currency, as specified in C0.4)	Payback period	Estimated lifetime of the initiative	Comment
HVAC	1,656,600	6,256,000	4-10 years	16-20 years	HVAC system upgrades, including chiller replacements with high efficiency units and cooling tower upgrades generate significant emissions reductions.
Refrigeration	188,000	354,600	1-3 years	11-15 years	Refrigeration represents an area of opportunity for energy savings at many of our full-service properties. Improvements to motors and fans, smart controls and door modifications offer energy savings and reduce carbon emissions.
VFD	1,007,300	2,047,300	1-3 years	11-15 years	A variety of systems can be made more energy efficient with variable frequency drives, including chillers, pumps and different air handlers. For example, kitchens in our full-service hotels require large exhaust systems. Installing smart ventilation systems with multi-sensor controls and variable speed drives which adjust to the ventilation

ID	Annual monetary savings (unit currency, as specified in C0.4)	Investment required (unit currency, as specified in C0.4)	Payback period	Estimated lifetime of the initiative	Comment
					needed reduce energy consumption significantly.
Solar	72,500	91,000	1-3 years		On-site solar installations can provide power for a portion of a property's energy needs or for a discrete purpose such as pool heating. Improvements in solar PV technology will continue to make these projects more appealing.
Hot Water	530,000	2,578,700	4-10 years	16-20	Hot-water systems present numerous opportunities for increased energy efficiency, and in some cases, reducing emissions through the addition of solar power systems.
Other	1,128,300	4,838,000			This row includes a variety of efficiency projects including heat/steam recovery and water efficiency. Calculations for payback periods are done on the basis of the aggregated data. The estimated lifetime of the initiative varies by the nature of the project and cannot be averaged here.

**(C4.3c) What methods do you use to drive investment in emissions reduction activities?**

Method	Comment
Financial optimization calculations	<p>Our Energy and Environment Action Plans evaluate return on investment projects and help prioritize owner investments. Marriott Retro-commissioning (MRCx) drives 3rd party studies of our more complex facilities in order to identify the efficiency opportunities. Transcendent is a web-based enterprise asset management tool that tracks a property’s preventive maintenance status, projects and capital expenditure plans, helping to demonstrate the impact of actions taken.</p>
Employee engagement	<p>Property engineers use a gamification tool to help drive operational excellence through competition. A substantial portion of the available points in the tool target Environmental Stewardship and competition points are awarded for the following achievements:</p> <ul style="list-style-type: none"> <li>• Exceeding your property’s Energy Intensity Goal</li> <li>• Exceeding your property’s Water Intensity Goal</li> <li>• Completing your Signature ROI Project</li> <li>• Completing the Chilled Water Diagnostic</li> <li>• Achieving TripAdvisor GreenLeaders status</li> </ul> <p>Additionally, our associates receive points for completing equipment preventative maintenance, maintenance and upkeep, and work request activities in a timely manner, which has an inherent positive impact on energy reduction through efficiently operating equipment.</p>
Employee engagement	<p>As part of our Serve 360 platform, we are identifying both on-property and above-property champions for our sustainability and social impact goals. These champions will help ensure pull-through of initiatives and success in achieving targets, meeting quarterly to share best practices. Additional education &amp; awareness of behavior change opportunities to drive efficiencies and reduce resource consumption will be driven by the Serve 360 Champions.</p>

Method	Comment
	<p>We engage our employees through various training opportunities and communicate through our sustainability and social impact pages internally on the company's intranet and externally at <a href="http://Marriott.com/serve360">Marriott.com/serve360</a>. Other Serve 360 communication vehicles include our leadership video series, our annual Serve 360 reporting, and various internal/external comms channels and social media, including: "Heart of the House," Headline News, Bill Marriott's and Arne Sorenson's blogs, and a dedicated public affairs/sustainability and social impact Twitter handle (@MarriottPOV). We also have various Facebook pages, Planet Marriott Tumblr (Europe), and Weibo (in China) channels that support our efforts.</p> <p>Internal Talent Network Teams (TNTs) address business challenges, including those related to sustainability and social impact, through short-term, dynamic, cross-discipline corporate-level teams. We also present, promote and integrate sustainability and social impact across disciplines, such as Global Operations, Investor Relations, Human Resources, and Sales, and highlight our sustainability and social impact efforts at a headquarters' speaker series.</p> <p>There are also company-wide Earth Hour, Environmental Awareness Month, and Earth Day activities, reporting &amp; sales tools, and internal recognition of hotel performance. Property managers share information on Serve 360 policies, best practices and initiatives with their employees through bulletin boards, daily briefings and departmental meetings.</p>
Compliance with regulatory requirements/standards	Marriott follows all relevant local, regional and national regulations, including those relating specifically to climate change, such as the UK CRC Energy Efficiency Scheme and the EU Energy Efficiency Directive.

Low-carbon products

(C4.5) Do you classify any of your existing goods and/or services as low-carbon products or do they enable a third party to avoid GHG emissions?

- No

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## C5 Emissions methodology

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### Base year emissions

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(C5.1) Provide your base year and base year emissions (Scopes 1 and 2).

Scope	Base year start	Base year end	Base year emissions (metric tons CO2e)	Comment
Scope 1	01/01/2007	12/31/2007	567,873	
Scope 2 (location-based)	01/01/2007	12/31/2007	2,363,056	
Scope 2 (market-based)				

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### Emissions methodology

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(C5.2) Select the name of the standard, protocol, or methodology you have used to collect activity data and calculate Scope 1 and Scope 2 emissions.



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## C6 Emissions data

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### Scope 1 emissions data

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**(C6.1) What were your organization's gross global Scope 1 emissions in metric tons CO<sub>2</sub>e?**

Gross global Scope 1 emissions (metric tons CO <sub>2</sub> e)	Comment
1,538,805	Marriott continues to refine its systems for collecting and reporting energy and greenhouse gas emissions data, and to integrate the former Starwood brand properties into the Marriott Environmental Sustainability Hub (MESH). For the 2017 Scope 1 & 2 emissions figures, complete and validated data from 43% of the portfolio was available. We then applied extrapolation factors at the regional level to gross up figures to represent the entire managed portfolio. Furthermore, an additional 2% was added to account for fugitive emissions and those generated by gasoline or diesel-powered vehicles or equipment.

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### Scope 2 emissions reporting

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**(C6.2) Describe your organization's approach to reporting Scope 2 emissions.**

Scope 2, location-based	Scope 2, market-based	Comment
We are reporting a Scope 2, location-based figure	We have operations where we are able to access electricity supplier emission factors or residual emissions factors, but are unable to report a Scope 2, market-based figure	

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## Scope 2 emissions data

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### (C6.3) What were your organization's gross global Scope 2 emissions in metric tons CO<sub>2</sub>e?

Scope 2, location-based	Scope 2, market-based (if applicable)	Comment
4,878,992		Marriott continues to refine its systems for collecting and reporting energy and greenhouse gas emissions data, and to integrate the former Starwood brand properties into the Marriott Environmental Sustainability Hub (MESH). For the 2017 Scope 1 & 2 emissions figures, complete and validated data from 43% of the portfolio was available. We then applied extrapolation factors at the regional level to gross up figures to represent the entire managed portfolio.

**(C6.4) Are there any sources (e.g. facilities, specific GHGs, activities, geographies, etc.) of Scope 1 and Scope 2 emissions that are within your selected reporting boundary which are not included in your disclosure?**

Yes

**(C6.4a) Provide details of the sources of Scope 1 and Scope 2 emissions that are within your selected reporting boundary which are not included in your disclosure.**

Source	Relevance of Scope 1 emissions from this source	Relevance of location-based Scope 2 emissions from this source	Relevance of market-based Scope 2 emissions from this source (if applicable)	Explain why this source is excluded
Sources of diesel fuel consumption that are non-regular, not directly tied to fuel purchase records and not a material source of emissions, such as those from back-up generators.	Emissions are not relevant	No emissions from this source	No emissions from this source	Diesel fuel is sometimes used in our properties in the Americas in back-up generators which may be used briefly for temporary power supply during utility outages. Such transient and brief uses of fuel do not generate a material source of emissions for the property.
Perfluorocarbons	Emissions are not relevant	No emissions from this source	No emissions from this source	Perfluorocarbons are not included as they are a minor component of the overall emissions impact. The only potential source of perfluorocarbons in our portfolio would be within Data Centers. Data Centers are spaces specifically designed and equipped to meet the needs of high density

				<p>computing equipment such as server racks used for data storage and processing. Typically, these facilities require dedicated uninterrupted power supplies and cooling systems, where cooling is the source of perfluorocarbons. Given that when tested, corporate office emissions constitute less than half of 1% of our overall Scope 1 impact, and that there are only a few data centers within our corporate offices, we have not accounted for these emissions in this year's GHG inventory.</p>
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## Scope 3 emissions data

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Sources of Scope 3 emissions	Evaluation status	Metric tons CO2e	Emissions calculation methodology	Percentage of emissions calculated using data obtained from suppliers or value chain partners	Explanation
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<p>Purchased goods and services</p>	<p>Relevant, not yet calculated</p>				<p>Marriott has not calculated emissions for this source due to lack of emissions factors covering the breadth of purchased goods and services. While such data to create meaningful measurements of Scope 3 emissions for purchased goods and services are being produced by various policy and industry organizations, we are already managing our supply chain in accordance with our Principles of Responsible Business. Improving the sustainability of our supply chain is material to our business and key stakeholders, and as such, has been an important element of our business policies and environmental strategy. We continue to face challenges with tracing each step in the journey of a given product that we source. Multiple organizations with different systems and requirements working across international borders can be involved in the production of any given product. For this reason, we continue to work with</p>
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					our biggest suppliers to collaborate on solutions that reduce energy, water and waste, and in some cases, provide innovative products that replace less sustainable solutions. Our next generation sustainability and social impact goals include a focus on responsible sourcing.
Capital goods	Relevant, not yet calculated				(See explanation above about lack of current emissions factors). Viewing capital goods through a sustainability lens is a priority for Marriott. To help move the needle in this area, Marriott has partnered to help refine and evaluate useful measurements. Marriott is a founding member, and the first lodging brand member, of the Hospitality Sustainable Purchasing Consortium (HSPC). Along with MindClick and the U.S. Green Building Council, HSPC has created a Sustainability Index to facilitate greening the furniture, fixture and equipment (FF&E) supply chain for the industry. We

					use the index in the Marriott Sustainability Assessment Program (MSAP), an annual review of vendors' Fair Labor and Human Rights practices, Environmentally Responsible Manufacturing efforts, and Product Sustainability. In 2017, 79% of Marriott FF&E suppliers in the Americas had a sustainability strategy in place. As part of our next generation sustainability and social impact goals, we plan to source the top 10 FF&E product categories from the MSAP's top tier.
Fuel-and-energy-related activities (not included in Scope 1 or 2)	Not relevant, explanation provided				As an end user of energy, these Scope 3 sources are not within our direct sphere of influence, nor are they feasible to measure with reasonable accuracy for our diverse locations and thus do not meet our standard of relevance.
Upstream transportation and distribution	Relevant, not yet calculated				In the absence of primary and secondary data applicable to Marriott's global supply chain, Marriott has provided guidance to our hotels for

					more than a decade to encourage sustainability in our kitchens through such actions as purchasing organic and responsibly sourced food, planting herb and vegetable gardens, establishing relationships with local farmers and recycling cooking oil. As part of our next generation sustainability and social impact goals, we plan to source 50% of produce (by total spend) locally.
Waste generated in operations	Relevant, not yet calculated				Marriott's Serve 360 sustainability and social impact goals include reducing our waste to landfill intensity by 45% and reducing food waste by 50%. As we pursue these new targets for waste reduction, we are working to finalize the methods for measuring and standardizing these metrics across the global portfolio. These efforts were underway but not completed in 2017.
Business travel	Relevant, calculated	118,057	Emissions from air travel were calculated using appropriate emissions	100	This figure represents air travel from corporate offices. For Marriott travel,



			factors for short- and long-haul flights using data and methodology provided by travel partners.		<p>only flights originating in US or UK are included. For legacy Starwood offices, data include travel from corporate offices in all regions from associates using Eugencia to book their flights.</p> <p>We continue to work to standardize the collection of data and methodology for emissions calculations for business travel after the integration of Starwood.</p>
Employee commuting	Not relevant, explanation provided				<p>Given the size and scope of our workforce and various modes of transport used for different communities, this category is less feasible to measure and/or influence. At our global headquarters, we have programs in place to help reduce emissions from employee commuting, including public transit subsidies and carpooling resources. Commuting was a focus area of our Global Operations' "GO Sustainability" campaign at Marriott HQ.</p>

Upstream leased assets	Not relevant, explanation provided				The upstream leased assets category is not relevant for our Scope 3 accounting, as we have included estimates of these properties' emissions in Scope 1 & 2.
Downstream transportation and distribution	Not relevant, explanation provided				As a hospitality company, Marriott provides services at its managed and franchised properties, and does not manufacture products for transportation and distribution outside its facilities.
Processing of sold products	Not relevant, explanation provided				As a hospitality company, Marriott provides services at its managed and franchised properties, and does not manufacture products for sale.
Use of sold products	Not relevant, explanation provided				As a hospitality company, Marriott provides services at its managed and franchised properties, and does not manufacture products that are processed by third parties.

End of life treatment of sold products	Not relevant, explanation provided				As a hospitality company, Marriott provides services at its managed and franchised properties, and does not sell goods such as engines or fuel which produce direct-use phase emissions.
Downstream leased assets	Not relevant, explanation provided				Consistent with our focus on management, franchising, and licensing, we own very few of our lodging properties. Owning properties to be leased and operated by others is not part of our business model.
Franchises	Relevant, calculated	4,877,474	Marriott calculated emissions for franchised properties according to the same methodology as used for managed properties within our Scope 1 and 2 boundary.		Marriott continues to refine its systems for collecting and reporting energy and greenhouse gas emissions data, and to integrate the former Starwood brand properties into the Marriott Environmental Sustainability Hub (MESH). For the 2017 Scope 1 & 2 emissions figures, complete and validated data from 19% of the portfolio was available. We then applied extrapolation factors at the regional level to gross up figures to represent the entire managed portfolio.

					Furthermore, an additional 2% was added to account for fugitive emissions and those generated by gasoline or diesel-powered vehicles or equipment.
Investments	Not relevant, explanation provided				We are a worldwide operator, franchisor, and licensor of hotels and timeshare properties under numerous brand names at different price and service points, and as such, investments are not a source of Scope 3 emissions for our business.
Other (upstream)					
Other (downstream)					

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## Carbon dioxide emissions from biologically sequestered carbon

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**(C6.7) Are carbon dioxide emissions from biologically sequestered carbon relevant to your organization?**

## Emissions intensities

**(C6.10) Describe your gross global combined Scope 1 and 2 emissions for the reporting year in metric tons CO<sub>2</sub>e per unit currency total revenue and provide any additional intensity metrics that are appropriate to your business operations.**

Intensity figure	Metric numerator (Gross global combined Scope 1 and 2 emissions)	Metric denominator	Metric denominator: Unit total	Scope 2 figure used	% change from previous year	Direction of change	Reason for change
0.000272465	6,237,816	Total revenue	22,894,000,000	Location-based	18	Decrease	We compared this intensity figure with the one reported in last year's CDP Disclosure, which was calculated using pro forma revenue figures for both Marriott and Starwood as reported in Marriott's 2016 10-K filing. Actual revenue for 2017 increased over the pro forma revenue reported

							in 2016, and absolute emissions decreased.
0.1181	6,237,816	Other: square meters of conditioned space	52,838,381	Location-based	12	Decrease	Absolute Scope 1 + 2 emissions decreased over the prior year, while conditioned space increased.

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## C7 Emissions breakdown

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### Scope 1 breakdown: GHGs

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**(C7.1) Does your organization have greenhouse gas emissions other than carbon dioxide?**

Yes

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**(C7.1a) Break down your total gross global Scope 1 emissions by greenhouse gas type providing the used global warming potential (GWP), and the source of each GWP.**

Greenhouse gas	Scope 1 emissions (metric tons in CO2e)	GWP Reference
CO2	1,358,796.00	IPCC Fourth Assessment Report (AR4 - 100 year)
CH4	26.00	IPCC Fourth Assessment Report (AR4 - 100 year)
N2O	3.00	IPCC Fourth Assessment Report (AR4 - 100 year)

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**(C7.2) Break down your total gross global Scope 1 emissions by country/region.**

Country/Region	Scope 1 emissions (metric tons CO2e)
Americas	622,992
Asia Pacific (or JAPA)	477,285

Europe	149,636
Africa and Middle East	108,911

[Add Row]

## Scope 2 breakdown: country

**(C7.5) Break down your total gross global Scope 2 emissions by country/region.**

Country/Region	Scope 2, location-based (metric tons CO <sub>2</sub> e)	Scope 2, market-based (metric tons CO <sub>2</sub> e)	Purchased and consumed electricity, heat, steam or cooling (MWh)	Purchased and consumed low-carbon electricity, heat, steam or cooling accounted in market-based approach (MWh)
Americas	1,558,961		4,094,867	
Asia Pacific (or JAPA)	2,343,115		3,896,663	
Europe	289,097		923,170	
Africa and Middle East	687,819		1,309,518	

## Emissions performance

**(C7.9) How do your gross global emissions (Scope 1 and 2 combined) for the reporting year compare to those of the previous reporting year?**



- Decreased

**(C7.9a) Identify the reasons for any change in your gross global emissions (Scope 1 and 2 combined), and for each of them specify how your emissions compare to the previous year.**

Reason	Change in emissions (metric tons CO2e)	Direction of change	Emissions value (percentage)	Please explain calculation
Change in renewable energy consumption				
Other emissions reduction activities	147,839	Decrease	3	This figure was calculated based upon a representative sample of emissions reductions activities across the portfolio.
Divestment				
Acquisitions				
Mergers				
Change in output				
Change in methodology	130,045.00	Decrease	2.00	In calculating the 2017 GHG inventory, all applied emission factors were the same as the previous year (baseline), with the exception of the emission factors

				for electricity at non-US properties which utilized the International Energy Agency (IEA) who published factors annually. In comparing the outputs of emissions at these facilities, this update in emission factors resulted in a 2% decrease in YOY S1+S2 GHG totals.
Change in boundary				
Change in physical operating conditions	112,280.00	Decrease	1.80	From 2016 to 2017, there was a 1.8% decrease in weather variability (average of YOY heating degree days and cooling degree days), which would have had an impact on resource consumption.
Unidentified				
Other	205,848.00		3.3	Despite an increase in total properties as a result of acquisitions and organic growth, Marriott realized a decrease in overall energy consumption from 2016 to 2017 (using gross-up method for total energy calculation).

**(C7.9b) Are your emissions performance calculations in C7.9 and C7.9a based on a location-based Scope 2 emissions figure or a market-based Scope 2 emissions figure?**

Location-based

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## C8 Energy

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### Energy spend

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**(C8.1) What percentage of your total operational spend in the reporting year was on energy?**

More than 5% but less than or equal to 10%

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### Energy-related activities

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**(C8.2) Select which energy-related activities your organization has undertaken.**

Activity	Indicate whether your organization undertakes this energy-related activity
Consumption of fuel (excluding feedstocks)	Yes
Consumption of purchased or acquired electricity	Yes
Consumption of purchased or acquired heat	Yes
Consumption of purchased or acquired steam	Yes
Consumption of purchased or acquired cooling	Yes

Generation of electricity, heat, steam, or cooling	No
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**(C8.2a) Report your organization's energy consumption totals (excluding feedstocks) in MWh.**

Activity	Heating value	MWh from renewable sources	MWh from non-renewable sources	Total MWh
Consumption of fuel (excluding feedstock)	HHV (higher heating value)	0.00	7,431,703.00	7,431,703.00
Consumption of purchased or acquired electricity	N/A	0.00	9,424,380.00	9,424,380.00
Consumption of purchased or acquired heat	N/A	0.00	206,705.00	206,705.00
Consumption of purchased or acquired steam	N/A	0.00	473,653.00	473,653.00
Consumption of purchased or acquired cooling	N/A	0.00	119,478.00	119,478.00
Total energy consumption	N/A	0.00	17,655,920.00	17,655,920.00

**(C8.2b) Select the applications of your organization's consumption of fuel.**

Fuel application	Indicate whether your organization undertakes this fuel application
Consumption of fuel for the generation of electricity	No
Consumption of fuel for the generation of steam	No
Consumption of fuel for the generation of cooling	No
Consumption of fuel for co-generation or tri-generation	No

**(C8.2c) State how much fuel in MWh your organization has consumed (excluding feedstocks) by fuel type**

Fuels	Heating value	Total MWh consumed by the organization	MWh consumed for the generation of electricity
Natural gas	HHV	7,136,895.00	
Diesel/Gas oil	HHV	157,935.00	
Propane Gas	HHV	28,147.00	
Town gas	HHV	55,465.00	
Fuel oil No 2	HHV	46,974.00	
Liquified Natural Gas		793.00	

Other: Gasoline	HHV	3,226.00	
Coal	HHV	2,268.00	

**(C8.2d) List the average emission factors of the fuels reported in C8.2c.**

Fuel	Emission factor	Unit	Emission factor source	Comment
Coal	94.03	kg CO2e per MMBtu	US EPA Mandatory Greenhouse Gas Reporting Final Rule	
Diesel	74.21	kg CO2e per MMBtu	US EPA Mandatory Greenhouse Gas Reporting Final Rule	
Fuel oil No 2	74.21	kg CO2e per MMBtu	US EPA Mandatory Greenhouse Gas Reporting Final Rule	
Liquified Natural Gas	64.21	kg CO2e per GJ	IPCC Guidelines (Commercial, Institutional)	

Natural Gas	53.11	kg CO2e per MMBtu	US EPA Mandatory Greenhouse Gas Reporting Final Rule	
Propane Gas	63.12	kg CO2e per MMBtu	US EPA Mandatory Greenhouse Gas Reporting Final Rule	
Town Gas	0.05	kg CO2e per MJ	Hong Kong Environmental Protection Department GHG Guidelines	

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## C10 Verification

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### Verification

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**(C10.1) Indicate the verification/assurance status that applies to your reported emissions.**

Scope	Verification/assurance status
Scope 1	Third-party verification or assurance process in place



Scope 2 (location-based or market-based)	Third-party verification or assurance process in place
Scope 3	Third-party verification or assurance process in place

**(C10.1a) Provide further details of the verification/assurance undertaken for your Scope 1 and/or Scope 2 emissions and attach the relevant statements.**

Scope	Verification or assurance cycle in place	Status in the current reporting year	Type of verification or assurance	Attach the statement	Page/section reference	Relevant standard	Proportion of reported emissions verified (%)
Scope 1	Annual process	Complete	Limited assurance	Marriott CY17 Assurance Statement	Page 3	ISO14064-3	100
Scope 2 location-based	Annual process	Complete	Limited assurance	Marriott CY17 Assurance Statement	Page 3	ISO14064-3	100

**(C10.1b) Provide further details of the verification/assurance undertaken for your Scope 3 emissions and attach the relevant statements.**

Scope	Verification or assurance cycle in place	Status in the current reporting year	Attach the statement	Page/ section reference	Relevant standard
Scope 3- at least one applicable category	Annual process	Complete	Marriott CY17 Assurance Statement	Page 3	ISO14064-3

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## Other verified data

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**(C10.2) Do you verify any climate-related information reported in your CDP disclosure other than the emissions figures reported in C6.1, C6.3, and C6.5?**

- No, we do not verify any other climate-related information reported in our CDP disclosure
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## C11 Carbon pricing

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### Carbon pricing systems

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**(C11.1) Are any of your operations or activities regulated by a carbon pricing system (i.e. ETS, Cap & Trade or Carbon Tax)?**

- No, and we do not anticipate being regulated in the next three years
- 

### Project-based carbon credits

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**(C11.2) Has your organization originated or purchased any project-based carbon credits within the reporting period?**

- No
-

## Internal price on carbon

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### (C11.3) Does your organization use an internal price on carbon?

- No, and we don't anticipate doing so in the next two years
- 

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## C12 Engagement

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### Value chain engagement

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#### (C12.1) Do you engage with your value chain on climate-related issues?

- Yes, our suppliers
  - Yes, our customers
  - Yes, other partners in the value chain
- 

#### (C12.1a) Provide details of your climate-related supplier engagement strategy.

Type of engagement	Details of engagement	% of suppliers by number	% total procurement spend (direct and indirect)	% Scope 3 emissions as reported in C6.5	Rationale for the coverage of your engagement	Impact of engagement, including measures of success	Comment
Compliance & onboarding	Climate change is integrated into supplier				All Marriott approved furniture, fixtures	The first stage of the program was to onboard	

Type of engagement	Details of engagement	% of suppliers by number	% total procurement spend (direct and indirect)	% Scope 3 emissions as reported in C6.5	Rationale for the coverage of your engagement	Impact of engagement, including measures of success	Comment
	evaluation processes				<p>&amp; equipment (FF&amp;E) and Operating Supplies &amp; Equipment (OS&amp;E) vendors in the Americas are required to enroll in Marriott's annual Supplier Sustainability Assessment Program (MSAP) administered by MindClick. MSAP assesses the impact of products from design to disposal. Marriott's teams use MSAP to select and specify products which support healthier environments for Marriott's guests and associates,</p>	<p>suppliers and gather information. As the program has evolved, the information provided has been used to develop a product ratings system. This information gives Marriott valuable insight into the suppliers and products chosen in the procurement process. In 2017, 793% of Marriott FF&amp;E suppliers had a sustainability strategy in place. While the procurement process is decentralized, Marriott uses</p>	

Type of engagement	Details of engagement	% of suppliers by number	% total procurement spend (direct and indirect)	% Scope 3 emissions as reported in C6.5	Rationale for the coverage of your engagement	Impact of engagement, including measures of success	Comment
					<p>and the environmental and social well-being of the global community.</p> <p>Suppliers contracted by Marriott and specified in Marriott's brand standards are required to submit information to MindClick covering the human and environmental health impacts throughout their product's life cycle. MindClick rates each product's material and chemical choices, and manufacturing, packaging,</p>	<p>brand standards to guide purchasing decisions. As a part of our new Serve 360 sustainability and social impact platform, Marriott has set a goal to ensure that the top ten FF&amp;E product categories sourced are in the top tier of the Marriott Sustainability Assessment Program (MSAP) by 2025.</p>	

Type of engagement	Details of engagement	% of suppliers by number	% total procurement spend (direct and indirect)	% Scope 3 emissions as reported in C6.5	Rationale for the coverage of your engagement	Impact of engagement, including measures of success	Comment
					distribution, disposal and fair labor practices. Products are awarded Starter, Achiever or Leader status, with Leaders being those whose products most positively impact guest, associate and community health and well-being at each stage of the product life-cycle.		
Compliance & onboarding	Other: information collection				Marriott works closely with Avendra, the largest professional procurement company serving the hospitality industry in North and Central America, to	In 2017 as the SPG properties were integrated into the portfolio, 90% of contracted suppliers through our purchasing partner Avendra had a sustainability policy in place.	

Type of engagement	Details of engagement	% of suppliers by number	% total procurement spend (direct and indirect)	% Scope 3 emissions as reported in C6.5	Rationale for the coverage of your engagement	Impact of engagement, including measures of success	Comment
					<p>source over 80% of our U.S.-based food and beverage, engineering, rooms, office and spa supplies. As part of its sustainability program, Avendra has identified five priority areas in consultation with a leading sustainability NGO. Avendra mapped these five priority procurement categories against a set of sustainability metrics, including climate change risks. Avendra will focus on improving sustainability in</p>	<p>The remaining 10% are suppliers who will confirm their policy during a subsequent contracting cycle.</p> <p>Marriott's sustainability and social impact platform, Serve 360, includes the following goal for our global supply chain: Responsible source 95% in our Top 10 priority categories by 2025.</p> <p>In addition:</p> <ul style="list-style-type: none"> <li>By 2020, require all contracted suppliers in the Top 10 categories to</li> </ul>	

Type of engagement	Details of engagement	% of suppliers by number	% total procurement spend (direct and indirect)	% Scope 3 emissions as reported in C6.5	Rationale for the coverage of your engagement	Impact of engagement, including measures of success	Comment
					agricultural crops, textiles & uniforms, seafood, animal proteins, and plastic and paper products.	<p>provide information on product sustainability, inclusive of social and human rights impacts; and</p> <ul style="list-style-type: none"> <li>By 2025, require all centrally-contracted suppliers to provide this information.</li> </ul>	

**(C12.1b) Give details of your climate-related engagement strategy with your customers.**

Engagement category	Engagement type (drop-down choice)	Size of engagement	% Scope 3 emissions as reported in C6.5	Please explain the rationale for selecting this group of customers and scope of engagement	Impact of engagement, including measures of success
Education/information sharing	Run an engagement campaign to educate customers about your			We communicate regularly with our group customers about our	



Engagement category	Engagement type (drop-down choice)	Size of engagement	% Scope 3 emissions as reported in C6.5	Please explain the rationale for selecting this group of customers and scope of engagement	Impact of engagement, including measures of success
	climate change performance and strategy			sustainability goals, and their business travel footprint at our properties, highlighting the common industry calculation method developed through the Hotel Carbon Measurement Initiative. We provide over 80 of our top 200 accounts with reports on their emissions throughout the year. We have also developed a template for customers to utilize for meetings footprint calculations. On a quarterly basis, we provide our Global Sales Organization with slides to communicate progress during customer business reviews.	
Education/information sharing	Run an engagement campaign to educate customers about the			Make a Green Choice (MAGC) began as a sustainability and loyalty	

Engagement category	Engagement type (drop-down choice)	Size of engagement	% Scope 3 emissions as reported in C6.5	Please explain the rationale for selecting this group of customers and scope of engagement	Impact of engagement, including measures of success
	climate change impacts of (using) your products, goods, and/or services			program for guests at SPG hotels and is being expanded across Marriott Rewards brands. Any guest at a participating hotel can Make a Green Choice by forgoing full housekeeping for up to three days in a row (excluding their check-out day), in exchange for 250-500 rewards points or a non-rewards points benefit (varies by brand and region), while helping to reduce the use of water, energy, and chemicals in our hotels.	
Collaboration & innovation	Run a campaign to encourage innovation to reduce climate change impacts			The GreenSTAY program, gives guests at Delta by Marriott hotels the option to plant one tree for each night they have opted out of housekeeping. WEARTH plants the	Delta's GreenSTAY program celebrated 100,000 trees planted in October 2017. The 100,000 trees that have been planted by WEARTH are native species and have

Engagement category	Engagement type (drop-down choice)	Size of engagement	% Scope 3 emissions as reported in C6.5	Please explain the rationale for selecting this group of customers and scope of engagement	Impact of engagement, including measures of success
				<p>actual trees on behalf of every applicable GreenSTAY guest night, and guests, who can also plant a matching virtual tree online, must stay at least two nights to participate in the program. By opting out of the housekeeping services, guests reduce the amount of chemicals, water and energy being used in the hotel daily. The indirect benefit is the simultaneous restoration of Canadian forests and land to their natural ecological state.</p>	<p>restored over 258,000 square feet of forest near Manning, Alberta. The GreenSTAY program is moving its mission across Canada, with a focus on the Niagara region – choosing this next territory in an effort to help combat the destructive effects of the Emerald Ash Borer Beetle.</p>

**(C12.1c) Give details of your climate-related engagement strategy with other partners in the 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, systems, 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. In 2017, our Americas Engineering Team developed a proposal for a showerhead replacement project, outlining the significant water and energy savings. This project was implemented across an owner’s portfolio, with the showerheads shipped directly to each property. Building these relationships through successful projects opens the door for further opportunities.

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

## Public policy engagement

**(C12.3) Do you engage in activities that could either directly or indirectly influence public policy on climate-related issues through any of the following?**

- Trade associations
- Other

**(C12.3b) Are you on the board of any trade associations or do you provide funding beyond membership?**

- Yes

**(C12.3c) Enter the details of those trade associations that are likely to take a position on climate change legislation.**

Trade association	Is your position on climate change consistent with theirs?	Please explain the trade association's position	How have you influenced, or are you attempting to influence the position?
World Travel and Tourism Council	Consistent	The World Travel and Tourism Council (WTTC)'s Action Agenda (set forth in the Report "Leading the Challenge on Climate Change) is comprised of ten action items which will advance efforts to address climate change. WTTC and participating members outlined climate change policies and commitments around five themes; accountability and responsibility; local community	Marriott supports and endorses the World Travel & Tourism Council's (WTTC) Action Agenda as part of our Environmental Policy. In addition, Marriott was instrumental in establishing the Hotel Carbon Measurement Initiative (HCMI) with the International Tourism Partnership and the WTTC. This joint effort, which also included collaboration with The

		<p>sustainable growth and capacity building; educating customers and stakeholders; greening supply chains; and innovations, capital investment and infrastructure.</p>	<p>World Resources Institute, Greenview Consulting, Cornell University and KPMG, grew to include over 20 hospitality companies as part of the working group. In 2012, the HCMI released a methodology for carbon measurement of hotels and a set of metrics based on available data.</p>
<p>International Tourism Partnership</p>	<p>Consistent</p>	<p>The International Tourism Partnership (ITP) describes its mission in the following way: "ITP brings together the world's leading international hotel companies to provide a voice for environmental and social responsibility in the industry." In 2017, ITP announced unified industry goals for youth employment, carbon, water, and human rights. These goals represent the industry response to the United Nations' Sustainable Development Goals.</p>	<p>Marriott participated in ITP's work to develop unified sustainability goals for the hospitality industry. Marriott's Serve 360 platform &amp; goals are aligned with the ITP Vision for 2030.</p> <p>Marriott continues to provide data to Cornell and Greenview to use HCMI (described in row above as a joint ITP/WTTC project) for the development of carbon footprint benchmarking within markets. The data is part of the publicly available ITP/Greenview Hotel Footprinting Tool. Representatives from Marriott participate in ITP working groups, including: the Carbon Measurement Working Group (the Hotel Carbon Measurement Initiative referenced above), the Hotel Water Measurement Initiative, the Youth Employment Working Group, and the Human Rights Working Group.</p>

Global Business Travel Association	Consistent	The Global Business Travel Association (GBTA) is the world's premier business travel and meetings organization. The GBTA Sustainability Committee provides leadership and resources to help GBTA member organizations balance the social, economic and environmental impact of their business travel programs.	Marriott's VP of Sustainability and Supplier Diversity served as the Vice-Chair, and Director of Sustainability sits on the GBTA sustainability committee.

**(C12.3e) Provide details of the other engagement activities that you undertake.**

Marriott participated in a series of pilot projects to test approaches to food waste reduction in the hospitality industry led by the American Hotel & Lodging Association (AHLA) in partnership with the World Wildlife Fund with support from The Rockefeller Foundation. As a result of the research, WWF has developed a free, online toolkit with strategies to help hotel properties develop food waste prevention strategies, and advice on tracking and improving performance. Our Vice President of Sustainability and Supplier Diversity served as chair of The Conference Board's Sustainability Council on Innovation and Growth and as a member of The Conference Board's Global Sustainability Centre. She also participated in a session of the 2017 Environmental Leader Conference, "Three Roads Converge – Environmental, Sustainability and Energy Management: Collaboration and Connectivity in a Challenging Corporate Atmosphere."

**(C12.3f) What processes do you have in place to ensure that all of your direct and indirect activities that influence policy are consistent with your overall climate change strategy?**

Pursuit of our environmental strategy is the responsibility of our Serve 360 Executive Leadership and Advisory Councils. With representation from all major functional disciplines and business leaders, the Councils support and inform our major engagements with policy makers and stakeholders.

**(C12.3g) Why do you not engage with policy makers on climate-related issues?**

**Communications**

**(C12.4) Have you published information about your organization’s response to climate change and GHG emissions performance for this reporting year in places other than in your CDP response? If so, please attach the publication(s).**

Publication	Status	Attach the document	Content elements
In mainstream reports	Complete		Emissions targets
In voluntary sustainability report	Underway – previous year attached		Strategy Emissions figures Emissions targets

## C14 Signoff

Signoff

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

## SC Supply chain module

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## Introduction

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### **(SC0.0) If you would like to do so, please provide a separate introduction to this module.**

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Marriott has consistently collaborated with our suppliers and engaged our customers as part of our overall environmental strategy. Looking forward, we are focused on dynamic partnerships and initiatives to help mitigate our impact on the natural environment while maintaining the standards of service that have built our position as a global hospitality leader. After a comprehensive goal-setting process that included senior executives and global officers from all functional areas, we introduced our Serve 360 sustainability and social impact platform in 2017, which includes specific targets for responsible sourcing.

We have committed significant resources to support our corporate/group customers' requests for more information about the carbon footprint of their meetings and room stays. We actively encouraged and participated in efforts to establish common carbon metrics for hospitality services, working with researchers, vendors, industry partners and non-profit tourism and environmental organizations. Marriott was instrumental in establishing the Hotel Carbon Measurement Initiative with the International Tourism Partnership (ITP) and the World Travel and Tourism Council (WTTC). In 2012, the HCMI released a methodology for carbon measurement that provides customers with the carbon impact of their overnight stays and meetings at each individual hotel. Marriott continues to participate in additional research by Cornell and Greenview using HCMI to establish carbon footprint benchmarking within global urban markets. In an effort to ensure continual improvement, the benchmark will be published annually utilizing new data from a larger group of hotels.

Marriott was the first hospitality brand to participate in the Hospitality Sustainable Purchasing Index (HSP) Consortium, established in May 2011. Facilitated by MindClick SGM™, the consortium of hotel suppliers, architecture firms, sustainability experts, the U.S. Green Building Council and Marriott have worked collaboratively to provide our industry with a unified rating methodology and metrics for both vendors and customers to gauge sustainability levels, beginning with the Furniture, Fixtures, and Equipment (FF&E) products. That rating methodology is the basis for the Marriott Supplier Assessment Program (MSAP), which assesses the impact of products from design to disposal. We have continued to work with our suppliers to create products which help reduce the carbon footprint of our room-stays and meeting services for our group customers. We also work through our procurement services provider, Avendra, to identify sustainable solutions that align with both our environmental strategy and our product standards. In 2017, 90% of contracted suppliers through our purchasing partner Avendra had a sustainability policy in place, a decrease from past years due to the integration of suppliers supporting SPG hotels into the contracting process. The remaining 10% will confirm their policy during upcoming contracting cycles.

In response to industry surveys and demand from meeting planners, we offer various ways for our customers to reduce the environmental impact of meetings. We:

- Provide standards, direction, and guidance to hotels and certification to associates to execute green meetings
- Offer a range of cost neutral standards, as well as an array of optional standards for food, beverages, and supplies
- Offer real-time response for accommodations to requests such as change in room temperature
- Provide corporate customers with carbon and water reporting for their meeting and business travel upon request



**(SC0.1) What is your company's annual revenue for the stated reporting period?**

Annual revenue
<ul style="list-style-type: none"> <li>• 22,894,000,000</li> </ul>

**(SC0.2) Do you have an ISIN for your company that you would be willing to share with CDP?**

- No

**Allocating your emissions to your customers**

**(SC1.1) Allocate your emissions to your customers listed below according to the goods or services you have sold them in this reporting period.**

Requesting member	Scope of emissions	Emissions in metric tons of CO2e	Uncertainty (± %)
(Each customer receives allocation)	Scope 1		10
	Scope 2		10

Major sources of emissions	Verified*	Allocation method	Please explain how you have identified the GHG source, including major limitations to this process and assumptions made
Purchased electricity, steam, chilled water and other sources of Scope 2	No	Other: Carbon Footprint per Occupied Room	GHG source identification and assumptions are made per the Hotel

<p>energy used. Natural gas, propane, and other fuels combusted onsite at our hotels. Emissions from any outsourced laundry operations. The emissions figure reported here is based upon X% of reported room nights for Customer in 2017.</p>			<p>Carbon Measurement Initiative. Note: this allocation does not include emissions for meetings.</p> <p>Full allocation method: Carbon Footprint per Occupied Room x Number of Client Transient Overnight Rooms = Client Rooms Carbon Footprint per Hotel. Total Carbon Footprint = Sum of All Hotel Footprints</p>
<p>The emissions reported are combined Scope 1 &amp; 2 emissions. The methodology and tools used to calculate the room night carbon footprint of our hotels includes both Scope 1 and Scope 2 -- so we cannot allocate emissions in separate scopes.</p>	<p>No</p>	<p>Other: Carbon Footprint per Occupied</p>	<p>GHG source identification and assumptions are made per the Hotel Carbon Measurement Initiative. Note: this allocation does not include emissions for meetings.</p>

**(SC1.2) Where published information has been used in completing SC1.1, please provide a reference(s).**

The Hotel Carbon Measurement Initiative (HCMI) undertaken jointly by the International Tourism Partnership (ITP) and the World Travel and Tourism Council (WTTC) has brought together over 20 hotel companies to agree to a common methodology for measuring carbon emissions.

HCMI 1.1 is available for free. Please fill out the form (available from WTTC here: [www.wttc.org/mission/tourism-for-tomorrow/hotel-carbon-measurement-initiative/](http://www.wttc.org/mission/tourism-for-tomorrow/hotel-carbon-measurement-initiative/)) and email to [info@hotelcarboninitiative.org](mailto:info@hotelcarboninitiative.org) to request the methodology and the accompanying calculation tool.

**(SC1.3) What are the challenges in allocating emissions to different customers, and what would help you to overcome these challenges?**

Allocation challenges	Please explain what would help you overcome these challenges
<p>Diversity of product lines makes accurately accounting for each product / product line cost ineffective</p>	<p>Our sales systems are very accurately recording the overnight rooms for our customers. Therefore, we can easily pull through the customer data as it relates to the overnight room stays and the associated emissions per hotel. As for meetings, we have the emissions factors per hotel as defined by HCMI as CO2e per square foot or square meter per hour. However, our sales systems do not track the meeting room size or the length of time that room was utilized. In order to allocate emissions for a customer's total usage of our hotels, to include both overnight stays and meetings, these two pieces of critical data would need to be tracked. At this time, we look to our customers to assist us with this challenge by having them track their meeting usage. We can provide to our customers at the individual hotel per event or quarterly for all of our hotels the emissions factors from which they can calculate their meetings carbon footprint.</p>

**(SC1.4) Do you plan to develop your capabilities to allocate emissions to your customers in the future?**

- Yes

**(SC1.4a) Describe how you plan to develop your capabilities.**

On a quarterly basis, data from our global reporting tool is provided to the sustainability team. In combination with customer hotel utilization data, we can calculate carbon emissions and water footprint for overnight room stays, and provide data on waste diversion rate and a variety of sustainable operational practices. We have also developed a template for customers to use to calculate their carbon and water footprint for an individual meeting.

Additionally, we are pulling this data into our RFP tool to be able to provide customers with this information as part of the business travel RFP process. The Global Business Travel Association's standardized hotel RFP now has sustainability metrics fields including carbon and water footprint per occupied room, energy intensity, waste diversion, and certification questions. The response to these questions, as well as others, will automatically be uploaded into the RFPs our customers send us for their annual business travel programs, for meetings, and will be fed into 3rd party tools and systems our customers utilize for their RFP processes. The goal is to put this information in the hands of our customers at all points of communication to provide them the opportunity to use the data for decision making. We believe this will drive improvement in our own metrics, as well as move the industry to more efficient hotel operations as it will begin to drive competition.

## Collaborative opportunities

(SC2.1) Please propose any mutually beneficial climate-related projects you could collaborate on with specific CDP supply chain members.

Requesting member	Group type of project	Type of project	Emissions targeted	Estimated timeframe for carbon reductions to be realized	Estimated lifetime CO2e savings	Estimated payback	Details of proposal
Customer	Other: Various		Actions that would reduce both our own and our customers' emissions	0-1 year			Marriott's Vice President of Sustainability and Supplier Diversity conducts presentations for key customers on Marriott's sustainability and social impact platform, and conservation initiatives. Additionally, upon request, we provide our customers with reports on their emissions throughout the year. We have also developed a template to be utilized for meetings footprint calculations. If you are interested in learning more about this, please

							<p>contact your Marriott Account Executive.</p> <p>Our Customers, Your Employees</p> <ul style="list-style-type: none"><li>• While we strive to do all that we can to provide a wonderful guest experience in an energy efficient hotel, our guests play a significant role in our carbon footprint through their in-room use of linens and towels. Our Linen/Terry Re-use standard includes training of housekeeping teams and providing guest communication regarding the significant savings from re-use of towels and linens. We welcome your cooperation in this ongoing effort to conserve water and energy.</li><li>• Nearly all Marriott locations offer universally available 120V electric vehicle (EV) charging and by the end of</li></ul>
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							<p>2017, 380 Marriott properties had 240V EV charging stations, including several TESLA SuperCharger stations. A few locations also have rental EVs, so your employees can choose the option of renting an electric car for business travel. The updated list is always available at <a href="http://www.marriott.com/corporate-social-responsibility/electric-vehicle-hotels.mi">http://www.marriott.com/corporate-social-responsibility/electric-vehicle-hotels.mi</a></p> <p>Standard RFP: Consider using standard industry RFP questions in order for hotel properties to be able to provide consistent property-level information for your purchasing decisions. This includes the sustainability “CSR RFP” module questions in the Global Business Travel</p>
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							Association's RFP which are available for customers to utilize.
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**(SC2.2) Have requests or initiatives by CDP supply chain members prompted your organization to undertake organizational-level emissions reduction initiatives?**

- No

## Action Exchange

**(SC3.1) Do you want to enroll in the 2017-2018 CDP Action Exchange initiative?**

- No

## Product (goods and services) level data

**(SC4.1) Are you providing product level data for your organization's goods or services, and, if so, what functionality will you be using?**

- No, I am not providing data

**(SC4.2d) Have any of the initiatives described in SC4.2c been driven by requesting CDP supply chain members?**

- No