

# 2018 Serve 360 Highlights

Sustainability and Social Impact  
at Marriott International



## SERVE 360

DOING GOOD IN EVERY DIRECTION

Marriott  
INTERNATIONAL





# Serve 360: Doing Good in Every Direction



“At Marriott International, we believe we have a responsibility and vested interest in helping to address some of the world’s most pressing social, environmental and economic issues. With our size and global scale, we are well-positioned to become part of the solution.”

Arne Sorenson, President and CEO, Marriott International

Launched in 2017, Marriott’s sustainability and social impact platform, *Serve 360: Doing Good in Every Direction*, guides how we are working to make a sustainable and positive impact wherever we do business. Inspired by our core value to *Serve Our World* and the meaningful role that we believe we can play to support the United Nations Sustainable Development Goals, Marriott’s Serve 360 platform is guided by four priority areas, or as we like to call them, coordinates — each with dedicated focus areas and ambitious targets.

Our Serve 360 Highlights focus on the progress and achievements as of year-end 2017 against Marriott’s 2025 Sustainability and Social Impact Goals in each of our coordinates: Nurture Our World, Sustain Responsible Operations, Empower Through Opportunity, and Welcome All and Advance Human Rights.

As our Executive Chairman J.W. Marriott, Jr. says, “Success is Never Final.” We will continue our work to do good in every direction. To learn more about our efforts we invite you to see our full [2018 Serve 360 Report](#).

*Note: Our 2018 Serve 360 Highlights have incorporated data and information from our full portfolio of owned, managed and franchised Marriott Rewards®, The Ritz-Carlton Rewards® and Starwood Preferred Guest® (SPG®) hotels, unless otherwise indicated. Please note that information contained herein does not constitute any guarantees or promises with regard to business activities, performance or future results.*

**SUSTAINABLE DEVELOPMENT GOALS** The numbered icons (right) represent relevant UN Sustainable Development Goals



## Nurture Our World

To support the resiliency and sustainable development of the communities where we do business, we invest in the vitality of their children and natural resources, as well as deliver aid and support, especially in times of need.



## Sustain Responsible Operations

While integrating sustainability across our value chain and mitigating climate-related risk, we are working to reduce our environmental impacts, build and operate sustainable hotels and source responsibly.



## Empower Through Opportunity

We partner with leading nonprofits to ensure workplace readiness and access to opportunity to our business, including our supply chain, focusing on youth, diverse populations, women, people with disabilities, veterans and refugees.



## Welcome All and Advance Human Rights

With the goal of creating a safe, welcoming world for all, we rally for pro-travel policies and support programs that allow people to experience and understand other cultures. We work with leading nonprofit organizations to educate, advocate for and respect human rights throughout and beyond our business.



# Our Company and Stakeholders

## OUR GLOBAL REACH

Marriott International, Inc. ("Marriott") has more than 6,500 properties in 127 countries and territories. Marriott operates and franchises hotels and licenses vacation ownership resorts.



### 2017 Top Markets\*

	TOTAL ROOMS	TOTAL PROPERTIES
United States	797,707	4,611
China	101,556	292
Canada	49,927	225
India	20,583	97
United Kingdom	16,799	88
Germany	16,726	67
United Arab Emirates	16,433	51
Mexico	15,756	78
Spain	14,009	92
Japan	12,552	43



### 2017 Regional Presence

	TOTAL PROPERTIES	COMPANY-OPERATED PROPERTIES**	FRANCHISED HOTELS	UNCONSOLIDATED JV HOTELS	TIMESHARE	TOTAL ROOMS
Americas	5,079	972	3,987	41	79	900,543
Asia Pacific	646	549	92	0	5	190,663
Europe	547	245	209	88	5	110,217
Middle East & Africa	248	193	55	0	0	56,243
<b>TOTAL</b>	<b>6,520</b>	<b>1,959</b>	<b>4,343</b>	<b>129</b>	<b>89</b>	<b>1,257,666</b>

\* Top markets are determined using total room counts. \*\* Company-operated properties include managed, owned and leased hotels.

29 of our 30 leading brands participate in our company's award-winning loyalty program, Marriott Rewards®, which includes The Ritz-Carlton Rewards®, and SPG®.



In 2017, our combined loyalty programs had nearly 110 million members.

About This Report: In this Report, we have incorporated data and information from our full portfolio of owned, managed and franchised Marriott Rewards®, The Ritz-Carlton Rewards®, and Starwood Preferred Guest® (SPG®) hotels, unless otherwise indicated. Please note that information contained herein does not constitute any guarantees or promises with regard to business activities, performance, or future results.



# Our Company and Stakeholders

## OUR ASSOCIATES AND GUESTS

Our “people first” culture drives our efforts to care for both our associates and our guests. At our headquarters, corporate offices and managed properties, we employ over 176,000 associates around the world. We also manage over 239,000 associates, primarily at non-U.S. locations who are employed by hotel owners. The total number of people at managed and franchised locations wearing the Marriott badge worldwide is approximately 700,000.

### Caring for Our Associates, Developing Our Human Capital

We constantly strive to build our internal pipeline of talent, helping associates develop the knowledge and skills they need to progress within our company. In addition to maintaining fair employment principles, we also support associate wellbeing through our signature TakeCare culture.



Above: Gaylord Texan® Resort & Convention Center associates.

Marriott has been named one of the *Fortune 100 Best Companies to Work For*® every year since the list launched in 1998.



2017 Global Workforce\*  
**176,810 ASSOCIATES**

**83%**  
Non-Management

**89%**  
Full-Time

**49%**  
Men\*\*

**19%**  
Voluntary  
Turnover  
(includes  
retirements)

**17%**  
Management

**11%**  
Part-Time

**51%**  
Women\*\*



2017 U.S. Workforce\*  
**135,464 ASSOCIATES**

**83%**  
Non-Management

**87%**  
Full-Time

**46%**  
Men

**16%**  
Voluntary  
Turnover  
(includes  
retirements)

**17%**  
Management

**13%**  
Part-Time

**54%**  
Women



■ Men ■ Women

#### HOURLY PAID



#### FULL-TIME



#### SALARIED



#### PART-TIME



\* Includes associates employed at headquarters, corporate offices, and managed properties.



\*\* Excludes non-U.S., non-management associates.



# 2025 Sustainability and Social Impact Goals

We have embarked on a multiyear journey to deliver upon a targeted set of 2025 Sustainability and Social Impact Goals across each of our four Serve 360 coordinates:

A full list of Marriott's Sustainability and Social Impact Goals can be found on our [Serve 360 microsite](#). In this Report, we provide further detail on each goal, our progress to date, and future plans toward Marriott's 2025 Sustainability and Social Impact Goals.

Serve 360 Coordinates	2025 Sustainability and Social Impact Goals	Status	2017 Milestones
 Nurture Our World	15 million volunteer hours	 <b>ON TRACK</b>	<b>2.1 million</b> associate volunteer hours contributed since 2016
	50% of volunteer hours will serve children and youth	 <b>ON TRACK</b>	<b>17.81%</b> of volunteer hours served children and youth in 2017
 Sustain Responsible Operations	15% water intensity reduction	 <b>BEGINNING OF JOURNEY</b>	<b>0.02%</b> reduction from 2016 baseline
	30% carbon intensity reduction	 <b>ON TRACK</b>	<b>8.00%</b> reduction from 2016 baseline
	45% waste-to-landfill intensity reduction (and 50% food waste reduction)	 <b>BEGINNING OF JOURNEY</b>	Worked to establish <b>baseline and data methodologies</b>
	30% renewable electricity use	 <b>BEGINNING OF JOURNEY</b>	Began evaluation of <b>large-scale investments</b>

# 2025 Sustainability and Social Impact Goals

Serve 360 Coordinates

2025 Sustainability and Social Impact Goals

Status

2017 Milestones



Sustain Responsible Operations

100% of hotels will be certified to a recognized sustainability standard

ON TRACK

33% of properties certified to a recognized sustainability standard in 2017

650 LEED® certified or registered hotels

ON TRACK

240 LEED® (or equivalent) certified or registered hotels

250 adaptive reuse projects

AHEAD OF SCHEDULE

133 open adaptive reuse hotels

95% responsibly sourced in our Top 10 priority categories

BEGINNING OF JOURNEY

Prioritized responsible **seafood and paper products**



Empower Through Opportunity

\$5+ million invested to develop hospitality skills and opportunity among diverse, at-risk and underserved communities

AHEAD OF SCHEDULE

\$2.8+ million invested since 2016

Gender representation parity for global leadership

ON TRACK

Achieved gender representation parity among **direct reports to CEO**



Welcome All and Advance Human Rights

100% of associates completing human rights training

ON TRACK

Approximately **243,000** associates trained on human trafficking awareness at year-end 2017

\$500,000+ invested in partnerships that drive, evaluate, and elevate travel and tourism's role in cultural understanding

BEGINNING OF JOURNEY

Engaged with internal and external stakeholders to **explore opportunities**






# 2017 Performance Highlights

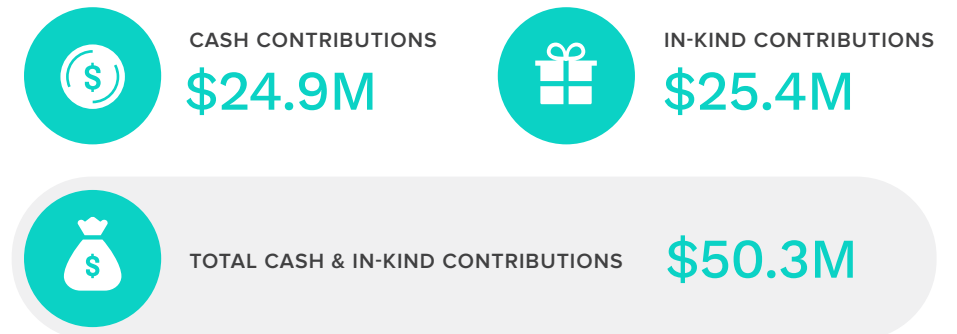


## Community Engagement

### Associate Volunteer Service Hours

	2017	2025 Serve 360 Goals
 CUMULATIVE ASSOCIATE VOLUNTEER SERVICE HOURS (SINCE 2016)	2.1M	15M
 SKILLS-BASED VOLUNTEER ACTIVITIES	28%	50%
 VOLUNTEER HOURS SERVING CHILDREN AND YOUTH (SINCE 2016)	17.81%	50%

### Community Investments (2017)\*



\* Reported figures include Marriott International Corporate Headquarters giving, as well as contributions reported through our properties, offices and Business Councils.

### 2017 Rewards Points Donations\*

**114+ million points donated**

by Marriott Rewards and The Ritz-Carlton Rewards members to support featured Marriott charitable causes



\* **DONATIONS** supported numerous organizations including the American Red Cross, Clean the World, and the Youth Career Initiative; and included approximately 35 million points for disaster relief for Hurricanes Harvey, Irma and Maria, the California wildfires and the earthquake in Central Mexico.

# 2017 Performance Highlights



## Vitality of Children

### 2017 Milestones to Support Children



**\$4.4 MILLION**

raised by associates and guests for Children's Miracle Network Hospitals

**\$2 MILLION**

raised by associates and guests for UNICEF

**\$120+ MILLION**

raised over 35+ years through Marriott's partnership with Children's Miracle Network Hospitals

**NEARLY \$49 MILLION**

raised by SPG-branded hotels since 1995 in support of UNICEF.

## Natural Capital

### 2017 Milestones to Protect Natural Capital



**400,000+ TONS OF CO2e AVOIDED**

through Marriott's Juma REDD+ project in the northwest Amazon rainforest, since 2006



**100,000 TREES PLANTED**

from the Delta GREENSTAY™ program to date, where guests can choose to participate in our sustainability efforts

**60,000+ MANGROVE TREES**

have been planted in Thailand, since 2013

## Disaster Relief

### 2017 Disaster Relief Contributions

**\$7.3 MILLION CONTRIBUTED**

by Marriott International, the Marriott Disaster Relief Fund, and the TakeCare Relief Fund to support those affected by Hurricanes Harvey, Irma and Maria; California wildfires, Mexico earthquake and Peru floods

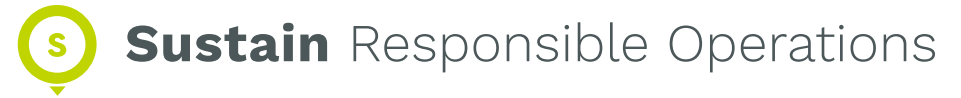
**APPROXIMATELY 35 MILLION POINTS DONATED**

by Marriott Rewards and The Ritz-Carlton Rewards members to support disaster relief







# 2017 Performance Highlights



## Reduce Environmental Impacts

### Environmental Performance\*

	<u>2017 Intensity</u>	<u>2017 Reductions</u>	<u>2025 Serve 360 Goals</u>
 <p><b>WATER INTENSITY</b> cubic meters per occupied room</p>	<b>0.72</b>	<b>↓ 0.02%</b> from 2016 base year	<b>↓ 15%</b> from 2016 base year
 <p><b>CARBON INTENSITY</b> kilograms of CO2e per square meter</p>	<b>117</b>	<b>↓ 8.00%</b> from 2016 base year	<b>↓ 30%</b> from 2016 base year

\* All figures include extrapolations for properties with missing data.

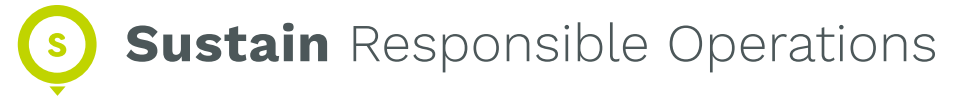
## Build and Operate Sustainable Hotels

### Sustainability Certifications

	<u>2017 Progress</u>	<u>2025 Serve 360 Goals</u>
PROPERTIES CERTIFIED TO A RECOGNIZED SUSTAINABILITY STANDARD	<b>33%</b>	<b>100%</b>
LEED® (OR EQUIVALENT) CERTIFIED OR REGISTERED HOTELS	<b>240</b>	<b>650</b>




# 2017 Performance Highlights



## Source Responsibly

2025 Serve 360 Goals



**95%**  
responsible sourcing **across our Top 10 priority categories**, inclusive of seafood and paper products



**50%**  
**locally sourced produce**, in aggregate

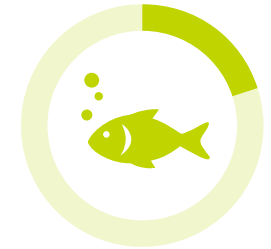
2017 Progress




**77%**  
of furniture, fixtures and equipment (FF&E) spend with **suppliers that reduce, reuse, or recycle packaging\***



**70%**  
**Forest Stewardship Council-certified** personal paper products\*\*



**19.2%**  
**Marine Stewardship Council- or Aquaculture Stewardship Council-certified** seafood\*\*



**TOP 10 FF&E PRODUCT CATEGORIES**  
sourced are in the top tier of the Marriott Sustainability Assessment Program

\* Based on North American suppliers

\*\* Based on data from our Americas procurement partner Avendra.

# 2017 Performance Highlights

## Empower Through Opportunity

### Global Diversity and Inclusion

#### 2017 Programs and Partnerships



**\$2.8+ MILLION**

invested in programs and partnerships that develop hospitality skills and opportunity among youth, diverse populations, women, people with disabilities, veterans, and refugees (since 2016)

Serve 360 Goal

**\$5 million by 2025**

#### 2017 Women's Empowerment Milestones



**50%**

of our CEO's direct reports are women (achieving gender representation parity at the executive level)

**55%**

of managers and executives are women in the United States

**49%**

of our company's top 20% of earners are women in the United States

Serve 360 Goal

**Achieve gender representation parity for global company leadership by 2025**

WOMEN EXECUTIVES ON THE RISE TAKE PART IN:

—  
**Leadership Development**  
**Networking/Mentoring**  
**Work/Life Effectiveness**

#### 2017 Supplier and Hotel Owner Diversity Milestones



DIVERSE- AND WOMEN-OWNED HOTELS

2017

1,210

2020 Goals

1,500



PURCHASING WITH DIVERSE SUPPLIERS

\$656M

\$1B



PURCHASING WITH WOMEN-OWNED BUSINESSES

\$345M

\$500M



**\$5+ BILLION**

spent with diverse suppliers since 2007

**100%**

Human Rights Campaign® Corporate Equality score for the past five years\*



\* Human Rights Campaign Foundation's Corporate Equality Index rates U.S. workplaces on LGBTQ equality and inclusive practices across operations and the value chain.

# 2017 Performance Highlights



## Youth

### Commitment to Youth in the United States



In the United States, our largest market, Marriott is engaged in hundreds of local efforts connecting with schools and youth-based organizations to provide career mentoring, career exploration, job shadowing, and high school work study opportunities

**35+ YEARS**  
of partnership with DECA\*



**10,500+ STUDENTS**  
reached through The Ritz-Carlton's signature Succeed Through Service program, in 2017

**400+ STUDENTS**  
reached through our partnership with NAF\*\* in 2017

\* DECA prepares emerging leaders and entrepreneurs in marketing, finance, hospitality and management in high schools and colleges around the globe.  
\*\* NAF is a national network of education, business, and community leaders who work together to ensure high school students are college, career, and future ready.

### Commitment to Youth in China

In China, our second largest market, we are supporting programs that prepare youth for jobs in our industry



CHEI\* and China hotels have impacted  
**200,000+ STUDENTS**  
since 2013

Various China-specific youth programs and initiatives also engaged  
**29,000+ YOUTH** in 2017

\* China Hospitality Education Initiative (CHEI) is a project of The J. Willard and Alice S. Marriott Foundation.

### Other Commitments to Youth Across the Globe



Marriott supports a number of programs around the world that strive to prepare youth for jobs in the hospitality industry, including:

PROGRAMS	COUNTRIES	NUMBER OF YOUTH ENGAGED IN 2017
Akilah Institute for Women	Rwanda	59
EGBOK	Cambodia	12
Mahindra Pride	India	59
INJAZ (Al-Arab)	Middle East	102
Plan International	Middle East	239
SOS Children's Villages	Costa Rica	32
Tahseen	Middle East	40
World of Opportunity Youth (supports The Prince's Trust, SOS Children's Villages and the Youth Career Initiative)	Europe	6,396
The Youth Career Initiative (YCI)	Global	204



# 2017 Performance Highlights

## **Empower** Through Opportunity

### People with Disabilities

#### 2017 Milestones to Support People with Disabilities



**31**

Bridges from School to Work® students hired by Marriott International

Bridges from School to Work helps more than 1,000 young people with disabilities each year prepare for the workplace, and find a job that matches their interests and abilities.



Launched project to identify ways to **improve guest experience for travelers with disabilities**

### Veterans

#### 2017 Milestones to Support United States Veterans



**1,126**

veterans hired



**\$31 MILLION**

purchased from veteran and service-disabled veteran-owned businesses

### Refugees

#### 2017 Milestones to Support Refugees



**100+ REFUGEES HIRED**

through the International Rescue Committee, making Marriott one of the organization's top 10 employers in the United States



**REFUGEE HOSPITALITY TRAINING PROGRAMS**

conducted in San Diego and Dallas (with **44%** women participants from **14** countries)

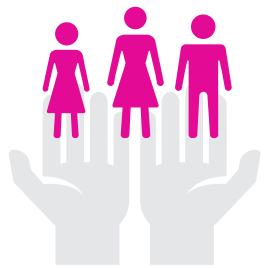


# 2017 Performance Highlights



## Human Rights

### 2017 Human Rights Training and Awareness Milestones



Human trafficking awareness training is now a **requirement** for all on-property associates across both **managed and franchised properties**



**Approximately 243,000 associates** completed human trafficking awareness training as of year-end 2017

Serve 360 Goal

**80% of associates reached by year-end 2018**



Marriott's human trafficking awareness program is available in **15 languages**



**Added three new human rights-related organizations\*** to our global loyalty points donation program, where guests can donate their loyalty points

\* ECPAT-USA, Immigration Equality and Polaris.

## Cultural Competence

### 2017 Cultural Competency Milestones



Guests now have access to more than **100,000 local experiences in over 1,000 destinations** worldwide through Marriott Moments



Approximately **20,000 associates and guests** reached through Marriott's Cultural Competence Program



**Nearly 100** sessions, forums and webinars focused on serving key markets and LGBTQ, Latino, Jewish, and Muslim travelers



**300+ million** social and traditional media impressions for our #LoveTravels Campaign to support LGBTQ and diverse travelers



# Success Is Never Final

At Marriott, we strongly believe that “success is never final.” Since our humble beginnings as a nine-stool root beer stand in 1927, this value has helped us to transform Marriott into the world’s leader in hospitality.

Innovation has always been part of the Marriott story. We’re driven to continually challenge the status quo and anticipate our guests and customers’ changing needs with new brands, new global locations and new guest experiences. Marriott’s Serve 360 platform is central to how we plan to challenge ourselves to create shared value across the globe, and our four Serve 360 coordinates will guide us on this journey.

As our founder, J. Willard Marriott, Sr. always said, our success is ultimately due to the talent and efforts of the people who wear a Marriott name badge worldwide, and who, everyday, work to delight our guests. With more than 700,000 managed and franchised associates, that’s a lot of people ready to make a positive impact on our business, our communities and our planet. Together, we can deliver on our promise to “do good in every direction.”

## Connect with Us

We invite you to connect, learn more and partner with us on our journey to *Serve Our World* and achieve our 2025 Sustainability and Social Impact Goals.

 [Facebook](#)       [Instagram](#)

 [Twitter](#)       [LinkedIn](#)

 [YouTube](#)

[Heart of the House](#)

[Chairman Bill Marriott’s Blog](#)

[CEO Arne Sorenson’s Blog](#)

## Serve 360 Coordinates

## 2018–2020 Priorities



### Nurture Our World

- Launch awareness campaign to engage franchised hotels in community service
- Develop new skills-based volunteering toolkit
- Develop strategy for increased investments in natural capital projects
- Track regional impacts using quarterly scorecards



### Sustain Responsible Operations

- Evaluate and deploy large-scale renewable energy investments
- Partner with owners and developers on LEED® (or equivalent) certifications and adaptive reuse projects
- Prioritize water strategy efforts and measurement based on findings of portfolio-wide risk assessment
- Advance partnerships to cut food waste in half
- Create larger markets for responsibly sourced animal proteins around the world



### Empower Through Opportunity

- Achieve gender representation parity in global company leadership
- Deepen our impact to support youth, diverse population, women, people with disabilities, veterans, and refugees
- Implement industry-leading paid Parental Leave policy in the U.S.



### Welcome All and Advance Human Rights

- Further deploy human rights training to reach all global associates
- Explore creative ways to leverage our business to prevent human trafficking and support survivors
- Engage with our industry to help eradicate human trafficking and sexual exploitation from travel and tourism
- Increase reach of Marriott’s cultural competency programs
- Further explore opportunities to leverage travel as a catalyst for peace