



SPIRIT TO SERVE OUR COMMUNITIES

SOCIAL
RESPONSIBILITY
REPORT

www.marriott.com/socialresponsibility



SPIRIT TO SERVE OUR COMMUNITIES

Social Responsibility Report



As I travel the world, I realize how important corporate social responsibility and community engagement are to customers and clients.

We all want to do business with companies who embrace values similar to our own. Marriott's "spirit to serve" our customers, employees and communities is an important part of our company culture and has become recognized around the world.

We've prepared this summary to highlight our global and regional efforts, which by no means captures everything our associates do at the local level.

Working with charitable organizations, we are serving our communities through these signature issues: **SHELTER AND FOOD**, **ENVIRONMENT**, **READINESS FOR HOTEL CAREERS**, **VITALITY OF CHILDREN**, **EMBRACING DIVERSITY AND PEOPLE WITH DISABILITIES**.

To have the most significant impact, our social responsibility commitment blends corporate financial contributions with in-kind giving and the volunteer service of more than 150,000 employees around the world. In addition, many of our owners, franchisees, suppliers and guests are actively engaged in their communities, often working alongside us, building homes for Habitat for Humanity or raising funds for Children's Miracle Network hospitals.

As a good corporate citizen, Marriott is strengthening our communities throughout the world – today, and for tomorrow.

Sincerely,

A handwritten signature in black ink that reads "J.W. Marriott, Jr." The signature is written in a cursive, flowing style.

J.W. Marriott, Jr.
Chairman and CEO



From left: Senior Vice President of Government Affairs Debbie Marriott Harrison, Chairman and CEO J.W. "Bill" Marriott and Chef James Nobles prepare food for the hungry at D.C. Central Kitchen in Washington, D.C.

SHELTER AND FOOD

Addressing housing and hunger needs, including in times of disaster

Every day around the world, guests call Marriott their "home away from home." That's why it's only natural for us to help create places of refuge for those in need, providing housing and feeding the hungry, including during times of disaster.

Through a 13-year affiliation with **Habitat for Humanity International**, our employees and customers have helped fund and build thousands of homes in 15 countries, including the U.S., Indonesia, Thailand and Mexico. While the company and its partners contribute about \$200,000 annually to the cause, our employees roll

up their sleeves, work as teams and create safe and affordable homes for others. In fact, our Fairfield Inn brand has made Habitat its signature community service activity, incorporating builds into major events such as general manager and owner and franchisee conferences.

Whether providing safe-to-donate food or employee volunteers, our hotels worldwide have worked with hunger relief organizations in their local communities, most of which in the U.S. are affiliates of **America's Second Harvest – The Nation's Food Bank Network**. Since 1992, Marriott

International has contributed more than \$500,000 to food banks.

Unfortunately, there are times when natural disasters and other crises affect the communities where we live and work. We have contributed to the Disaster Relief Fund of both the **American Red Cross** and the **International Federation of Red Cross and Red Crescent Societies** and provide our Marriott Rewards™ members the opportunity to join us by donating their points.



ENVIRONMENT

Working toward a greener, healthier planet

Marriott's more than twenty year commitment to environmental preservation starts at the top. An executive-level Green Council sets the global strategy and last year partnered with **Conservation International**, a global conservation organization, to measure its carbon footprint. The collaboration included the development of a five-point strategy to reduce and offset Marriott's global footprint, which was calculated at 3 million metric tons of CO2 emissions annually – or 69.5 pounds per available room. This strategy includes:

Protecting the Rainforest – Carbon Offsets

Marriott has pledged \$2 million and invited its customers to contribute to a fund to be administered by the newly created **Amazonas Sustainable Foundation**, which, together with the State of Amazonas in Brazil, will monitor and enforce the protection of 1.4 million acres (589,000 hectares) of endangered rainforest in the Juma Sustainable Development Reserve. The project will support employment, education and health-care for the reserve's approximately 500 residents. The Foundation is seeking certification of the conservation project by an independent accredited environmental auditing firm under the internationally recognized Climate, Community and Biodiversity (CCB) Standards.

Water, Waste and Energy

Further reduce fuel and water consumption by 25 percent per available room over the next 10 years, and install solar power at up to 40 hotels by 2017. Expand existing "reduce, reuse, recycle" programs already in place at 90 percent of hotels to consistently include guest and meeting rooms, beginning with pilot hotels in Boston, Chicago, Denver, Los Angeles, Minneapolis and Washington, D.C.

Supply Chain

Engage the company's top 40 vendors to supply price-neutral greener products across 12 categories of its \$10 billion supply chain. Some of the first products to be rolled out are annual purchases of 47 million BIC Ecolutions™ pens designed for Marriott, made from pre-consumer recycled plastic; more than 1 million gallons of low VOC (Volatile Organic Compounds) paint; and 1 million "room-ready" towels by Standard Textile, which saves 6 million gallons of water annually by eliminating the initial wash cycle. Other items under consideration include compostable key cards, recyclable carpet, and more responsibly packaged soaps and shampoos.



"An integrated green strategy is a business imperative."

J.W. Marriott, Jr., Chairman and CEO

ENVIRONMENT

Working toward a greener, healthier planet

Green Buildings

Empower our hotel development partners to site, design and construct new hotels according to green standards by updating Marriott design guidelines in line with the **U.S. Green Building Council's LEED** (Leadership in Energy and Environmental Design) standards by the end of 2009. The company expects to expand its portfolio of LEED-certified hotels, which already includes The Inn & Conference Center by Marriott at the University of Maryland, across all Marriott brands.

The company is pursuing LEED-Existing Building status for its U.S.-based headquarters building in Maryland, by the end of 2009. Recently, Marriott headquarters, along with its timeshare division based in Orlando, Florida, replaced more than 2.5 million pieces of styrofoam and plastic utensils with those made of potato ("SpudWare™"), sugar cane and cornstarch — all fully biodegradable within an average of 100 days.

Employee and Guest Engagement

Educate and inspire employees and guests to support the environment through their everyday actions at home, while at work and on travel. The company has introduced a "green meeting" and "Spirit to Preserve



the Rainforest" program for its meeting planners, and will offer its employees on business travel the Hertz Green Collection — including hybrid rental vehicles with SmartWay certification from the U.S. Environmental Protection Agency (EPA).

Certified Audubon Cooperative Sanctuaries enable golf facilities to protect the environment by enhancing precious natural areas and wildlife habitats. Marriott's Audubon Certification program includes 34

golf courses at 25 locations throughout the United States, Canada, and the Caribbean. Marriott's partnership with Clean Up the World, a global organization mobilizing 35 million volunteers in 120 countries, has helped our employees get involved in local clean-up projects, ranging from the River Thames in London to the San Francisco Bay in California.

To learn more about Marriott's environmental programs, visit: www.marriott.com/environment



READINESS FOR HOTEL CAREERS

Educating and training the next generation



As a growing global employer, having a prepared talent pool of future employees is essential. We are committed to providing opportunities to the next generation. We focus on programs serving young people from challenging backgrounds, where our assistance often provides life-changing alternatives.

In collaboration with the **International Tourism Partnership's Youth Career Initiative**, more than 1,600 young people are on paths toward more promising futures. The program combines six months of classroom training with on-the-job hotel experience.

Marriott has successfully implemented YCI at our hotels in Australia, Brazil, Costa Rica, Mexico, Jordan, Poland and Romania. The J. Willard and Alice S. Marriott Foundation and Marriott International have committed up to \$500,000 to foster the growth of YCI.

We help at-risk high school students in the U.S. make the transition to meaningful careers by providing financial assistance for education, job shadow and internship opportunities. Scholarships are offered through our community-based partners, and thousands of students discover hospitality as a career path by participating in activities on National Groundhog Job Shadow Day.

Annually, The J. Willard and Alice S. Marriott Foundation grants up to \$500,000 to the Hispanic College Fund and United Negro College Fund for the Marriott Scholars Program. In addition, Marriott leaders provide career guidance, mentoring and internships to students. Through a nine-year partnership with the **National Academy Foundation**, the company has contributed more than \$400,000, plus \$25,000 in in-kind support annually. The Foundation engages youth in urban and inner city schools by encouraging academic excellence, college pursuits and work experiences.

The **Distributive Education Clubs of America (DECA)** recognized Marriott with its 25-year partner award for providing high school students with hospitality, business and marketing skills. Each year, Marriott hires approximately 400 DECA students.

Today, about 300 Marriott managers are former DECA students. We have launched a program with the **Girl Scout Council of the Nation's Capital**, introducing diverse preteen girls to professional hospitality careers in Washington, D.C., with other markets to follow.



VITALITY OF CHILDREN

Aiding sick and impoverished children

Answering the needs of sick and impoverished children is a heartfelt desire of Marriott employees around the world. In many communities where we operate, children are vulnerable to the effects of poverty, including crime, neglect and exploitation.

In North America, Marriott's support is focused on its 25-year partnership with **Children's Miracle Network**, which provides funds for 170 affiliated children's hospitals across the U.S. and Canada. Since that time, we have raised more than \$58 million to help children needing hospitalization in our local communities. Most funds are raised in collaboration with guests, business partners and employees, who organize golf tournaments and other events.

Our hotels throughout China and Hong Kong have collaborated with **Safe Kids China** to create a fire and burn prevention program for school children. To date, hotels have raised nearly \$400,000 to fund the program, which has helped to educate 400,000 students in 13 cities in China about fire and burn prevention.

In Austria, Egypt, Germany and Switzerland, our hotels have united with **SOS Children's Villages**, which provides family-based care for neglected and orphaned children. Employees have helped renovate homes and entertained the children at an estimated in-kind value of \$300,000. Hotel guests are also contributing to the cause, with cash donations of nearly \$300,000 in 2007.



EMBRACING DIVERSITY AND PEOPLE WITH DISABILITIES

Providing opportunities, especially through the workplace



As Marriott has grown and expanded globally, our business has become more diverse. We recognize that a diverse and inclusive environment strengthens our company's culture and provides a competitive advantage.

Marriott's formal commitment to diversity began 19 years ago, focused primarily on workplace programs. Today, our diversity initiative has expanded to include employees, owners, customers, franchisees

and suppliers, and is driven by our Board of Directors.

Owner and Franchisee Diversity

With more than 400 minority – and women-owned hotels, we are well on our way to achieving our goal of 500 by 2010. To attract aspiring diverse owners and franchisees, we've hosted several education summits, highlighting how prospective sites are evaluated and how hotels are built, financed and operated.

We've also invested \$20 million in the U.S.-based RLJ Urban Lodging Fund to facilitate the development of hotels in urban locations, and contributed monetary, in-kind and executive talent resources to the International Franchise Association to further its Emerging Markets and Minority Entrepreneurs Scholarship programs.

"Marriott's commitment to global diversity is absolute. Our determination to provide opportunities for our employees and clientele is one of the main reasons people want to work and do business with us." J.W. Marriott, Jr., Chairman and CEO

EMBRACING DIVERSITY AND PEOPLE WITH DISABILITIES

Providing opportunities, especially through the workplace

Supplier Diversity

Recognized as the industry leader, Marriott surpassed its supplier diversity goals in 2007 - achieving a record 13.6 percent or \$478 million in spending with minority-, women-, disabled- and gay/lesbian-owned suppliers, and is well on its way to reach the 2009 goal of 15 percent. The company has also expanded supplier diversity efforts internationally, and is now working with diverse suppliers in the United Kingdom and Brazil.

Workplace Diversity

We remain committed to workplace diversity. More than 50 percent of the company's supervisors are minorities — the first step toward achieving a management position. Of the new managers hired in 2007, 30 percent were minorities and 52 percent were women. Marriott also recruited more than 32 percent minority college students.

We also support dozens of minority professional organizations that provide valuable training, recruiting and business opportunities for their members.

People with Disabilities

Marriott enjoys a well-deserved reputation as an advocate for people with disabilities. For many years, our hotels have worked with community-based disability organizations and high schools to introduce

and help train people with disabilities for employment in our industry. In 2005, we introduced "We Welcome Service Animals," a training program which helps our hotels enhance the stay of guests with disabilities who are assisted by service animals.

Over 18 years, the **Marriott Foundation for People with Disabilities** has built a highly reputed program, "Bridges...from school to work." More than 10,000 young people with disabilities have received job and life skills training through Bridges and were placed in mainstream employment with 1,500 employers, including Marriott. The vast majority of these youth are minorities and many face socioeconomic challenges. The program is funded through government grants, the J. Willard and Alice S. Marriott Foundation and funds raised by Marriott and its business partners.

A model for other Marriott hotels, the partnership between our Hong Kong hotels and the **Hong Chi Association** provides career training to young people with disabilities. Our hotels have built and furnished sample hotel rooms for training. They also purchase produce grown by the students in the organization's garden, and will support Hong Chi's green-roof project. Since 2002, 20 Hong Chi clients have been hired by Marriott in Hong Kong.



BUSINESS ETHICS AND HUMAN RIGHTS

Marriott International adheres to high ethical and uncompromising legal standards. Our Code of Business Ethics provides managers and employees with detailed guidance on the right way to conduct business. This includes advising them of the laws relating to antitrust, unfair competition, political contributions, abuse of purchasing power, commercial and political bribery and more.

Our business ethics training program, "How We Do Business Is As Important As The Business We Do," is a required part of orientation for employees, and was recently updated to include Marriott's commitment to human rights.

Marriott's Internal Audit Department conducts an annual Legal and Ethical Conduct survey of a broad cross section of employees, including all officers and senior managers, to determine compliance with the company's Ethical Conduct policy.

Commitment to Human Rights

At Marriott, we support and respect the protection of human rights within

the company's sphere of influence. We endeavor to conduct our business operations accordingly. This includes standing against such tragedies as human trafficking and the exploitation of children.

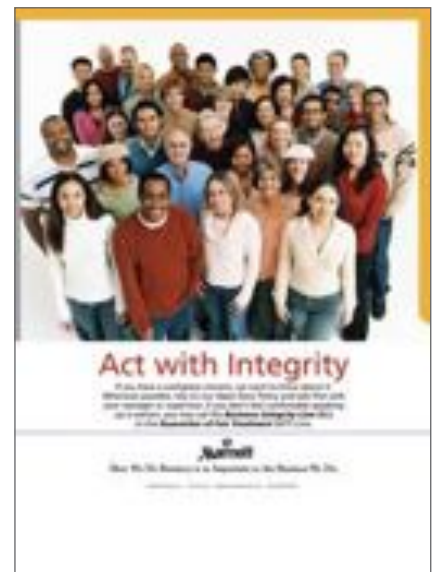
In 2006, the company published a Human Rights Policy Statement and communicated it to employees. The policy aligns with government, business and public concern about tackling these issues.

Marriott actively engages with industry and nonprofit groups to encourage dialogue and share best practices. For example, we are founding members of the International Business Leaders Forum's (IBLF) Tourism Partnership, and are participating in the IBLF/UN World Tourism Organization task force on developing human rights principles for the hotel industry.

Working with Suppliers

Our suppliers play a vital role in upholding Marriott's reputation for excellence with guests, employees, business partners and other important stakeholders. We have high, yet achievable standards for sourcing

the best quality goods and services. Just as important, Marriott expects its suppliers to uphold high ethical standards and follow all applicable laws. Adhering to these principles and doing business with those who do the same will help us maintain a competitive advantage and the pride and confidence of our employees, customers and clients.



"We need to stand together to ensure that the travel and tourism industry is always a positive force for good in the world." J.W. Marriott, Jr., Chairman and CEO

MARRIOTT ENVIRONMENTAL PRACTICES

AT MARRIOTT INTERNATIONAL...

- ✓ We have an environmental policy.
- ✓ We have an executive-level Green Council to set global strategy for environmental practices.
- ✓ We provide guidelines for hotels to reduce their environmental impact.
- ✓ We collect energy and emission data on a regular basis.
- ✓ We encourage employee participation through environmental committees.
- ✓ We conduct and publish regular environmental reports.
- ✓ We have a linen and towel reuse program.
- ✓ We have installed low-flow showerheads and toilets.
- ✓ We have switched to compact fluorescent light bulbs.
- ✓ We recycle newspaper, white paper, glass, aluminum, cardboard, plastic and kitchen oil.
- ✓ We strive to eliminate the use of toxic cleaners, sanitizers, paints and pesticides.
- ✓ We have replaced hotel signs with Light Emitting Diode (LED) signs.
- ✓ We donate excess food, guest amenities, furniture and computer equipment whenever possible.
- ✓ We have reduced overall energy consumption year over year.
- ✓ We use the "Sustainable Hotel Siting and Design Guide" published by Conservation International and the International Tourism Partnership.
- ✓ We benchmark our environmental performance against competitors.



MARRIOTT SOCIAL RESPONSIBILITY RESULTS

SOCIETY (2007)

Cash and In-Kind Contributions	In 2007, total cash (\$6.6 million) and in-kind (\$19.9 million) contributions totalled \$26.5 million.
Volunteerism	Nearly 295,000 hours volunteered by Marriott employees during company-sponsored events—equivalent value of \$5.7 million.*
Employee Fundraising	Employees raised \$6.6 million for their communities.

COMMUNITY PARTNERSHIPS (cumulative)

Children’s Miracle Network	Over the past 25 years, contributed more than \$58 million to help children in 170 affiliated hospitals in the U.S. and Canada.
Habitat for Humanity International	Associate volunteers built thousands of homes in 15 countries, and Marriott and its partners contribute more than \$200,000 annually.
America’s Second Harvest	Contributed more than \$500,000 since 1992.
American Red Cross/International Federation of Red Cross and Red Crescent Societies	Contributed nearly \$1 million to the Disaster Relief Fund, with Marriott Rewards™ members donating points valued at an additional \$80,000.
Youth Career Initiative	250 at-risk young people trained at Marriott hotels in eight countries.
Safe Kids China	Raised nearly \$400,000 to educate 400,000 students in 13 cities in China and Hong Kong about fire and burn prevention.
SOS Children’s Villages	Through employee volunteerism and guest donations, provided \$600,000 in cash and in-kind giving.
Marriott Foundation for People with Disabilities	Trained 10,000 young people with disabilities for jobs with 1,500 employers.

* Independent Sector estimate of the value of a volunteer hour in 2007—\$19.51 per hour.

MARRIOTT SOCIAL RESPONSIBILITY RESULTS

ENVIRONMENT (2007)

Air	On track to reduce our energy and water consumption by 25% in the next ten years. More than 2,300 hotels in North America and Canada are entirely smokefree. Planted 3,000 trees around the world (one tree = one ton of carbon dioxide over its lifetime).
Electricity	Replaced 450,000 light bulbs with fluorescent lighting in the U.S.
Water	Marriott and its guests have reduced water usage by more than 15% over the last five years.
Partnerships	Conservation International, Amazonas Sustainable Foundation, Clean Up the World, International Tourism Partnership, Audubon International, U.S. Green Building Council, U.S. Environmental Protection Agency.

DIVERSITY (2007)

Owners & Franchisees	More than 400 hotels are owned, operated or under development by women and ethnic minorities.
Suppliers	In 2007, Marriott spent nearly 13.6% or \$478 million, with minority- and women-owned businesses, and established a new goal of 15% by 2009.
Workforce	More than 50% of supervisors – the first step toward achieving a management position – are minorities. Of the new managers hired in 2007, 30% were minorities and 52% were women.

MARRIOTT AWARDS AND RECOGNITION

SOCIETY

- ❑ "America's Most Admired Companies" (Fortune magazine, 2000-2007)
- ❑ "World's Most Ethical Companies" (Ethisphere magazine, 2007)
- ❑ 2007 Condé Nast Traveler World Savers Award (Condé Nast Traveler magazine)
- ❑ 2006 Corporate Social Responsibility Award (Foreign Policy Association)
- ❑ "100 Best Corporate Citizens" (Business Ethics magazine, 2005)
- ❑ "Brazil's Good Corporate Citizen" (Exame magazine, 2006)
- ❑ FTSE4Good index for socially responsible investors – Constituent since 2002

ENVIRONMENT

- ❑ U.S. Environmental Protection Agency (EPA):
 - ENERGY STAR® Partner of the Year (2004–2007)
 - 2007 ENERGY STAR® Sustained Excellence Award
 - 250 Marriott hotels have earned the ENERGY STAR® label
- ❑ 2006 Contribution to the Environment Award (City of Melbourne, Australia)
- ❑ 2003 Grand Award For Environmental Education – JW Marriott Phuket Resort & Spa (Pacific Asia Travel Association)
- ❑ 2003-2004 Healthy Building Award – Renaissance Kuala Lumpur Hotel (National Association of Indoor Environmental Consultants)
- ❑ 2003-2004 Environmental Concern Award (Minister of State for Environmental Affairs, Egypt)

MARRIOTT AWARDS AND RECOGNITION

WORKPLACE

- ❑ "100 best companies to work for" (Fortune magazine, 1998-2007)
- ❑ "Best Places to Launch a Career" (BusinessWeek Magazine, 2007)
- ❑ 2007 Best Employers in Asia and India, Singapore and China (Hewitt Employees & Partners)
- ❑ 2007 Best Places to Work in Mexico – JW Marriott Mexico City (The Great Place to Work Institute, Inc.)
- ❑ 2007 Great Workplace Award – Marriott Vacation Club International (Gallup Organization)
- ❑ "100 Best Companies for Working Mothers" (Working Mother magazine, 1993-2005, 2007)
- ❑ Working Mother "Hall of Fame"

DIVERSITY

- ❑ "40 Best Companies for Diversity" (Black Enterprise magazine, 2005-2007)
- ❑ 2006 "Champion Award" for diversity leadership and 2006 "Supplier Diversity Award" (National Association of Black Hotel Owners, Operators and Developers)
- ❑ "Top 50 Companies for Diversity" (DiversityInc magazine, 2004-2007)
- ❑ "Top 50 Companies for Hispanics" (Hispanic Business magazine, 2006-2007)
- ❑ "The 50 Best Companies for Latinas to Work for in the U.S." (Latina Style magazine, 1999-2007)
- ❑ 100 percent score on The Human Rights Campaign Foundation's Corporate Equality Index Report (2007)

SPIRIT TO SERVE OUR COMMUNITIES

MARRIOTT INTERNATIONAL BRANDS



BVLGARI
HOTELS & RESORTS



Marriott.
HOTELS & RESORTS



EDITION



Marriott
EXECUSTAY



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