Marriott aspires to be the global hospitality leader that demonstrates how responsible hospitality management can be a positive force for the environment and create economic opportunities around the world, and by our example, inspire personal action in the communities where we live and work.

Marriott’s Spirit to Preserve Vision
## Marriott Environmental Goals

<table>
<thead>
<tr>
<th>GOAL</th>
</tr>
</thead>
<tbody>
<tr>
<td>Reduce energy and water consumption 20% by 2020 [2007 base year]</td>
</tr>
<tr>
<td>Green our multi-billion dollar supply chain</td>
</tr>
<tr>
<td>Empower our hotel development partners to build green hotels</td>
</tr>
<tr>
<td>Educate and inspire associates and guests to support the environment</td>
</tr>
<tr>
<td>Address environmental challenges through innovative initiatives including rainforest protection and water conservation</td>
</tr>
</tbody>
</table>
Marriott Hotels’ Progress

INTENSITY

Progress as of Year-End 2013 (compared to 2007 baseline)

WATER CONSUMPTION
CUBIC METER PER OCCUPIED ROOM
↓ 12.8%

ENERGY CONSUMPTION
kWH PER SQUARE METER OF CONDITIONED SPACE
↓ 11.0%

GHG EMISSIONS
POUNDS OF CO₂e PER SQUARE METER OF CONDITIONED SPACE
↓ 12.4%
We expect and encourage our suppliers to uphold Marriott’s environmental and social commitments for the greater good of the global community:
Operate in an environmentally responsible manner by reducing environmental impacts and resource consumption while continually advancing the sustainability of the products and services Marriott sources.
Defining Supply Chain Sustainability for Marriott

**CORPORATE SOCIAL RESPONSIBILITY**
- Company policies, practices and communication to promote positive social and environmental change.

**ENVIRONMENTAL OPERATIONS**
- Facility greenhouse gas emissions, energy, water and waste practices

**PRODUCT SUSTAINABILITY**
- Product Life Cycle sustainability practices from raw material sourcing through of life.
## Marriott Goals

### (i) Minimize Risk
- Manufacturing Facilities
  - Fair Labor & Human Rights
  - Environmental Compliance

### (ii) Manufacturing Efficiency
- Manufacturing Facilities
  - Energy reduction
  - GHG emission reduction
  - Water conservation
  - Waste reduction

### (iii) Enhanced Guest Experience
- Product Impact
  - Indoor air quality
  - Eliminating Chemicals of Concern

### (iv) Property Efficiency/Performance
- Product Impact
  - Reduced Energy Consumption
  - Reduced Water Consumption
  - Waste Diversion/Minimization
  - Reduced Greenhouse Gas Emissions
Sustainability @ Marriott

Data Collection
Case Goods / Seating*
The Klem brand manufactures exclusive, customized brand designs as well as standard product collections. By specializing in overnight hospitality facilities, we have learned how to provide comfort, customization and convenience for our customers.

2014 Ratings

* Rating reflects supplier’s custom capabilities
Manufacturing And Social Responsibility Practices

Marriott International confidential and proprietary information
## Environmental Performance

<table>
<thead>
<tr>
<th>Location</th>
<th>Footprint Completed</th>
<th>Reduction Targets Set</th>
<th>Reductions Achieved</th>
</tr>
</thead>
<tbody>
<tr>
<td>Headquarters - Plant 5 (Directly Controlled)</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Manufacturing - Plant 6 (Directly Controlled)</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Manufacturing - Plant 4 (Directly Controlled)</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Manufacturing - Plant 70 (Directly Controlled)</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Manufacturing Plant 80 (Directly Controlled)</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Manufacturing - Plant 3 (Directly Controlled)</td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

- **Footprint Completed**
- **Reduction Targets Set**
- **Reductions Achieved**

Legend:
- Waste
- Water
- Carbon
- Energy
<table>
<thead>
<tr>
<th>Plant</th>
<th>Waste (yards/year)</th>
<th>Water (Gal.)</th>
<th>Carbon (billion metric tons CO2)</th>
<th>Energy (kWh)</th>
<th>Energy (cu ft)</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Headquarters - Plant 5</strong>&lt;br&gt;(Directly Controlled)</td>
<td>n/a</td>
<td>247,159</td>
<td>57.32</td>
<td>583,784</td>
<td>855,253</td>
</tr>
<tr>
<td></td>
<td></td>
<td>263,811</td>
<td>37.53</td>
<td>521,477</td>
<td>855,253</td>
</tr>
<tr>
<td></td>
<td></td>
<td>480,847</td>
<td>46.37</td>
<td>501,205</td>
<td>501,952</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>~207.84</td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Manufacturing - Plant 6</strong>&lt;br&gt;(Directly Controlled)&lt;br&gt;Factory 1 - China - (Non-Directly Controlled)</td>
<td>n/a</td>
<td>290,600</td>
<td>435.3</td>
<td>1,621,780</td>
<td>7,512,700</td>
</tr>
<tr>
<td></td>
<td></td>
<td>280,400</td>
<td>398.6</td>
<td>1,652,020</td>
<td>7,512,700</td>
</tr>
<tr>
<td></td>
<td></td>
<td>279,540</td>
<td>316.3</td>
<td>1,564,920</td>
<td>5,963,000</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>~1818.6</td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Manufacturing - Plant 4</strong>&lt;br&gt;(Directly Controlled)&lt;br&gt;Factory 2 - China - (Non-Directly Controlled)</td>
<td>n/a</td>
<td>274300</td>
<td>n/a</td>
<td>1,062,866</td>
<td>6,182,200</td>
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<tr>
<td></td>
<td></td>
<td>368,800</td>
<td>n/a</td>
<td>1,229,803</td>
<td>6,182,200</td>
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<tr>
<td></td>
<td></td>
<td>486,750</td>
<td>n/a</td>
<td>1,476,342</td>
<td>6,868,392</td>
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<td></td>
<td></td>
</tr>
<tr>
<td><strong>Manufacturing - Plant 70</strong>&lt;br&gt;(Directly Controlled)</td>
<td>n/a</td>
<td>n/a</td>
<td>n/a</td>
<td>n/a</td>
<td>n/a</td>
</tr>
<tr>
<td></td>
<td></td>
<td>n/a</td>
<td>n/a</td>
<td>n/a</td>
<td>n/a</td>
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<td></td>
<td>n/a</td>
<td>n/a</td>
<td>n/a</td>
<td>n/a</td>
</tr>
<tr>
<td><strong>Manufacturing Plant 80</strong>&lt;br&gt;(Directly Controlled)</td>
<td>n/a</td>
<td>n/a</td>
<td>n/a</td>
<td>n/a</td>
<td>n/a</td>
</tr>
<tr>
<td></td>
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<td>n/a</td>
<td>n/a</td>
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<tr>
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<td></td>
<td>n/a</td>
<td>n/a</td>
<td>n/a</td>
<td>n/a</td>
</tr>
<tr>
<td><strong>Manufacturing - Plant 3</strong>&lt;br&gt;(Directly Controlled)</td>
<td>n/a</td>
<td>91,210</td>
<td>n/a</td>
<td>406,372</td>
<td>4,565,600</td>
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<tr>
<td></td>
<td></td>
<td>115,950</td>
<td>n/a</td>
<td>606,421</td>
<td>4,565,600</td>
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<tr>
<td></td>
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<td>121,550</td>
<td>n/a</td>
<td>688,420</td>
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</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>~103.92</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>
Marriott 2013 Results

2013 FF&E EXPENDITURES
WITH SUPPLIERS COMMITTED TO

- Sustainability: 48%
- Recycling: 48%
- Chemical Reduction: 45%
- Conservation: 35%
## 2014 Performance Improvement

### Sustainability @ Marriott

### 2013 YE Results

<table>
<thead>
<tr>
<th>Category</th>
<th>2013 % Spend</th>
<th>2014 % Spend</th>
</tr>
</thead>
<tbody>
<tr>
<td>Sustainability</td>
<td>48%</td>
<td>62%</td>
</tr>
<tr>
<td>Recyclable/Reusable Packaging</td>
<td>48%</td>
<td>47%</td>
</tr>
<tr>
<td>Red/Reuse/Recyclable Packaging</td>
<td>NA</td>
<td>59%</td>
</tr>
<tr>
<td>Chemical Reduction</td>
<td>45%</td>
<td>51%</td>
</tr>
<tr>
<td>Conservation (EWWG Reduction)</td>
<td>35%</td>
<td>47%</td>
</tr>
<tr>
<td>FF&amp;E Total Spend</td>
<td>$166,606,978</td>
<td>$210,227,126</td>
</tr>
<tr>
<td># participants</td>
<td>31</td>
<td>52</td>
</tr>
</tbody>
</table>

Marriott International confidential and proprietary information
Delivering Economic, Environmental and Social ROI

David,
Thank you for sending the 2015 program outlines. Partnering with Mindclick in 2014 gave us an advantage to hit the targets presented in the coming year.

After a quick review of the outline below, I am proud to say Charter has purchased, and is now operating, the Packsize On Demand Packaging system in our Liberty, NC location. It even features a core of 16% recycled material. Material is 100% recyclable according to our rep.

We look forward to our partnership and taking even more steps forward.

Thank you,

Kevin Cloniger

Designer/ CAD Engineer
P-(336)622-5449 x314
kcloniger@charterfurniture.com
Impact Analysis

3.1M METRIC TONS OF GHG EMISSION REDUCTIONS

✔ 650,000 passenger vehicles
✔ 1.1 tons of waste sent to the landfill
✔ 350,000,000 gallons of gasoline consumed
✔ 282,000 homes’ energy use for one year
✔ Carbon sequestered by over 2,500,000 acres of U.S. forests in one year

225M kWh OF ENERGY REDUCTION

✔ Powering over 20,000 households per year
✔ Offsetting the equivalent energy used in over 15,000 hotel rooms annually

231 THOUSAND TONS OF WASTE REDUCTION

✔ Reducing waste from almost 73,000 households per year
✔ Offsetting the equivalent of guest generated waste from over 42,000 hotel rooms annually
Sustainability @ Marriott

Spend Analysis

Responsible Sourcing Dashboard

Filter by
+ Product Attribute
  - Guest impact
  - Hotel operations impact
  - Recyclable Packaging
+ Spend
  - Action/Impact
  - No Action

Product Sustainability - Hotel and Guest Impact

- Eliminating/Minimizing Chemicals of Concern
- Contributes to Reduced Water Consumption
- Contributes to Waste Reduction/Diversion
- Contributes to Reduced Energy Use
- Recyclable: Packaging

Assessment
+ Impact
  - 65% of suppliers contribute to waste reduction
  - 65% of suppliers offer recyclable packaging

+ Opportunity
  - Set target for 90%+ adoption of recyclable package.
  - Divert waste, save tipping fees.
  - Impact will be exponentially greater in OS&E.
SUSTAINABLE FURNISHINGS? YES, WE HAVE THEM.

Rest Better™. Better for the guest, the hotelier, and the planet
A better guest experience through sustainability
Brought to you by MindClick Global

The seating in your room is made from responsibly harvested wood and toxin-free water-based materials that come from within a hundred miles of where you’re comfortably sitting. Great to know that what’s good for the local economy and the environment is also good for your health.
150% Increase In Retention and Referral

How likely are you to:
- book this hotel again the next time you visit this area?
- refer this hotel to friends, family or business associates?

Thank You

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(301) 380-1621

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