UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

FORM 10-Q

☒ **QUARTERLY REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934**

For the quarterly period ended June 30, 2024
or

☐ **TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934**

For the transition period from to

Commission File No. 1-13881

MARRIOTT INTERNATIONAL, INC.
(Exact name of registrant as specified in its charter)

Delaware	**52-2055918**
(State or other jurisdiction of incorporation or organization)	**(IRS Employer Identification No.)**
7750 Wisconsin Avenue Bethesda Maryland	**20814**
(Address of principal executive offices)	**(Zip Code)**

(Registrant's telephone number, including area code) (301) 380-3000

Securities registered pursuant to Section 12(b) of the Act:

Title of Each Class	Trading Symbol(s)	Name of Each Exchange on Which Registered
Class A Common Stock, $0.01 par value	MAR	Nasdaq Global Select Market

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days. Yes ý No ☐

Indicate by check mark whether the registrant has submitted electronically every Interactive Data File required to be submitted pursuant to Rule 405 of Regulation S-T (§ 232.405 of this chapter) during the preceding 12 months (or for such shorter period that the registrant was required to submit such files). Yes ý No ☐

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, a smaller reporting company, or an emerging growth company. See the definitions of "large accelerated filer," "accelerated filer," "smaller reporting company," and "emerging growth company" in Rule 12b-2 of the Exchange Act.

Large accelerated filer	ý	Accelerated filer	☐
Non-accelerated filer	☐	Smaller reporting company	☐
		Emerging growth company	☐

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act. ☐

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act). Yes ☐ No ☒

Indicate the number of shares outstanding of each of the issuer's classes of common stock, as of the latest practicable date: 281,522,766 shares of Class A Common Stock, par value $0.01 per share, outstanding at July 24, 2024.

MARRIOTT INTERNATIONAL, INC.
FORM 10-Q TABLE OF CONTENTS

Table of Contents

PART I – FINANCIAL INFORMATION

Item 1. ***Financial Statements***

MARRIOTT INTERNATIONAL, INC.
CONDENSED CONSOLIDATED STATEMENTS OF INCOME
(in millions, except per share amounts)
(Unaudited)

	Three Months Ended		Six Months Ended	
	June 30, 2024	June 30, 2023	June 30, 2024	June 30, 2023
REVENUES				
Base management fees	$ 330	$ 318	$ 643	$ 611
Franchise fees	818	739	1,506	1,378
Incentive management fees	195	193	404	394
Gross fee revenues	1,343	1,250	2,553	2,383
Contract investment amortization	(27)	(22)	(50)	(43)
Net fee revenues	1,316	1,228	2,503	2,340
Owned, leased, and other revenue	395	390	752	746
Cost reimbursement revenue	4,728	4,457	9,161	8,604
	6,439	6,075	12,416	11,690
OPERATING COSTS AND EXPENSES				
Owned, leased, and other - direct	296	287	582	568
Depreciation, amortization, and other	47	48	92	92
General, administrative, and other	248	240	509	442
Merger-related charges and other	8	38	16	39
Reimbursed expenses	4,645	4,366	9,146	8,502
	5,244	4,979	10,345	9,643
OPERATING INCOME	1,195	1,096	2,071	2,047
Gains and other income, net	4	2	8	5
Interest expense	(173)	(140)	(336)	(266)
Interest income	9	(1)	19	14
Equity in earnings	5	7	5	8
INCOME BEFORE INCOME TAXES	1,040	964	1,767	1,808
Provision for income taxes	(268)	(238)	(431)	(325)
NET INCOME	$ 772	$ 726	$ 1,336	$ 1,483
EARNINGS PER SHARE				
Earnings per share – basic	$ 2.70	$ 2.39	$ 4.64	$ 4.84
Earnings per share – diluted	$ 2.69	$ 2.38	$ 4.62	$ 4.81

See Notes to Condensed Consolidated Financial Statements.

MARRIOTT INTERNATIONAL, INC.
CONDENSED CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME
(in millions)
(Unaudited)

	Three Months Ended		Six Months Ended	
	June 30, 2024	June 30, 2023	June 30, 2024	June 30, 2023
Net income	$ 772	$ 726	$ 1,336	$ 1,483
Other comprehensive (loss) income				
Foreign currency translation adjustments	(114)	(77)	(271)	7
Other adjustments, net of tax	3	8	13	6
Total other comprehensive (loss) income, net of tax	(111)	(69)	(258)	13
Comprehensive income	$ 661	$ 657	$ 1,078	$ 1,496

See Notes to Condensed Consolidated Financial Statements.

MARRIOTT INTERNATIONAL, INC.
CONDENSED CONSOLIDATED BALANCE SHEETS
(in millions)

	(Unaudited) June 30, 2024	December 31, 2023
ASSETS		
Current assets		
Cash and equivalents	$ 349	$ 338
Accounts and notes receivable, net	2,847	2,712
Prepaid expenses and other	304	261
	3,500	3,311
Property and equipment, net	1,558	1,581
Intangible assets		
Brands	5,818	5,907
Contract acquisition costs and other	3,445	3,283
Goodwill	8,783	8,886
	18,046	18,076
Equity method investments	304	308
Notes receivable, net	146	138
Deferred tax assets	644	673
Operating lease assets	875	929
Other noncurrent assets	667	658
	$ 25,740	$ 25,674
LIABILITIES AND STOCKHOLDERS' DEFICIT		
Current liabilities		
Current portion of long-term debt	$ 960	$ 553
Accounts payable	826	738
Accrued payroll and benefits	1,136	1,390
Liability for guest loyalty program	3,383	3,328
Accrued expenses and other	1,978	1,753
	8,283	7,762
Long-term debt	12,183	11,320
Liability for guest loyalty program	3,942	3,678
Deferred tax liabilities	219	209
Deferred revenue	1,052	1,018
Operating lease liabilities	825	887
Other noncurrent liabilities	1,327	1,482
Stockholders' deficit		
Class A Common Stock	5	5
Additional paid-in-capital	6,030	6,051
Retained earnings	15,844	14,838
Treasury stock, at cost	(23,065)	(20,929)
Accumulated other comprehensive loss	(905)	(647)
	(2,091)	(682)
	$ 25,740	$ 25,674

See Notes to Condensed Consolidated Financial Statements.

MARRIOTT INTERNATIONAL, INC.
CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS
(in millions)
(Unaudited)

	Six Months Ended	
	June 30, 2024	**June 30, 2023**
OPERATING ACTIVITIES		
Net income	$ 1,336	$ 1,483
Adjustments to reconcile to cash provided by operating activities:		
Depreciation, amortization, and other	142	135
Stock-based compensation	110	93
Income taxes	(2)	(80)
Liability for guest loyalty program	319	131
Contract acquisition costs	(121)	(105)
Merger-related charges and other	15	32
Working capital changes	(274)	(215)
Other	26	64
Net cash provided by operating activities	1,551	1,538
INVESTING ACTIVITIES		
Capital and technology expenditures	(234)	(194)
Asset acquisition	—	(102)
Dispositions	1	—
Loan advances	(8)	(17)
Loan collections	8	33
Other	8	37
Net cash used in investing activities	(225)	(243)
FINANCING ACTIVITIES		
Commercial paper/Credit Facility, net	342	736
Issuance of long-term debt	1,468	783
Repayment of long-term debt	(554)	(330)
Issuance of Class A Common Stock	33	—
Dividends paid	(330)	(281)
Purchase of treasury stock	(2,156)	(2,046)
Stock-based compensation withholding taxes	(125)	(79)
Other	—	(24)
Net cash used in financing activities	(1,322)	(1,241)
INCREASE IN CASH, CASH EQUIVALENTS, AND RESTRICTED CASH	4	54
CASH, CASH EQUIVALENTS, AND RESTRICTED CASH, beginning of period [(1)]	366	525
CASH, CASH EQUIVALENTS, AND RESTRICTED CASH, end of period [(1)]	$ 370	$ 579

(1) The 2024 amounts include beginning restricted cash of $ 28 million at December 31, 2023, and ending restricted cash of $ 21 million at June 30, 2024, which we present in the “Prepaid expenses and other” and “Other noncurrent assets” captions of our Balance Sheets.

See Notes to Condensed Consolidated Financial Statements.

MARRIOTT INTERNATIONAL, INC.
NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS
(Unaudited)

NOTE 1. BASIS OF PRESENTATION

The condensed consolidated financial statements present the results of operations, financial position, and cash flows of Marriott International, Inc. and subsidiaries (referred to in this report as “we,” “us,” “Marriott,” or the “Company”). In order to make this report easier to read, we also refer throughout to (1) our Condensed Consolidated Financial Statements as our “Financial Statements,” (2) our Condensed Consolidated Statements of Income as our “Income Statements,” (3) our Condensed Consolidated Balance Sheets as our “Balance Sheets,” (4) our Condensed Consolidated Statements of Cash Flows as our “Statements of Cash Flows,” (5) our properties, brands, or markets in the United States and Canada as “U.S. & Canada,” and (6) our properties, brands, or markets in our Caribbean & Latin America, Europe, Middle East & Africa, Greater China, and Asia Pacific excluding China regions, as “International.” In addition, references throughout to numbered “Notes” refer to these Notes to Condensed Consolidated Financial Statements, unless otherwise stated.

These Financial Statements have not been audited. We have condensed or omitted certain information and disclosures normally included in financial statements presented in accordance with U.S. generally accepted accounting principles (“GAAP”). The financial statements in this report should be read in conjunction with the consolidated financial statements and notes thereto in our Annual Report on Form 10-K for the fiscal year ended December 31, 2023 (“2023 Form 10-K”). Certain terms not otherwise defined in this Form 10-Q have the meanings specified in our 2023 Form 10-K.

Preparation of financial statements that conform with GAAP requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities as of the date of the financial statements, the reported amounts of revenues and expenses during the reporting periods, and the disclosures of contingent liabilities. Accordingly, ultimate results could differ from those estimates.

The accompanying Financial Statements reflect all normal and recurring adjustments necessary to present fairly our financial position as of June 30, 2024 and December 31, 2023, the results of our operations for the three and six months ended June 30, 2024 and June 30, 2023, and cash flows for the six months ended June 30, 2024 and June 30, 2023. Interim results may not be indicative of fiscal year performance because of seasonal and short-term variations. We have eliminated all material intercompany transactions and balances between entities consolidated in these Financial Statements.

NOTE 2. EARNINGS PER SHARE

The table below illustrates the reconciliation of the earnings and number of shares used in our calculations of basic and diluted earnings per share, the latter of which uses the treasury stock method to calculate the dilutive effect of the Company’s potential common stock:

	Three Months Ended		Six Months Ended	
(in millions, except per share amounts)	**June 30, 2024**	**June 30, 2023**	**June 30, 2024**	**June 30, 2023**
Computation of Basic Earnings Per Share				
Net income	$ 772	$ 726	$ 1,336	$ 1,483
Shares for basic earnings per share	285.8	303.6	288.1	306.6
Basic earnings per share	$ 2.70	$ 2.39	$ 4.64	$ 4.84
Computation of Diluted Earnings Per Share				
Net income	$ 772	$ 726	$ 1,336	$ 1,483
Shares for basic earnings per share	285.8	303.6	288.1	306.6
Effect of dilutive securities				
Stock-based compensation	0.9	1.4	1.0	1.4
Shares for diluted earnings per share	286.7	305.0	289.1	308.0
Diluted earnings per share	$ 2.69	$ 2.38	$ 4.62	$ 4.81

NOTE 3. STOCK-BASED COMPENSATION

We granted 0.8 million restricted stock units ("RSUs") during the 2024 first half to certain officers and employees, and those units vest generally over four years in equal annual installments commencing one year after the grant date. We also granted 0.1 million performance-based RSUs ("PSUs") in the 2024 first half to certain executives, which are earned subject to continued employment and the satisfaction of certain performance and market conditions based on the degree of achievement of pre-established targets for 2026 adjusted EBITDA performance and relative total stockholder return over the 2024 to 2026 performance period. RSUs, including PSUs, granted in the 2024 first half had a weighted average grant-date fair value of $ 226 per unit.

We recorded stock-based compensation expense for RSUs and PSUs of $ 49 million in the 2024 second quarter, $ 49 million in the 2023 second quarter, $ 94 million in the 2024 first half, and $ 82 million in the 2023 first half. Deferred compensation costs for unvested awards for RSUs and PSUs totaled $ 272 million at June 30, 2024 and $ 171 million at December 31, 2023.

NOTE 4. INCOME TAXES

Our effective tax rate increased to 25.8 percent for the 2024 second quarter compared to 24.7 percent for the 2023 second quarter, primarily due to a shift in earnings to jurisdictions with higher tax rates.

Our effective tax rate increased to 24.4 percent for the 2024 first half compared to 18.0 percent for the 2023 first half, primarily due to the prior year release of tax reserves and a shift in earnings to jurisdictions with higher tax rates.

We paid cash for income taxes, net of refunds, of $ 433 million in the 2024 first half and $ 406 million in the 2023 first half.

NOTE 5. COMMITMENTS AND CONTINGENCIES

Guarantees

We present the maximum potential amount of our future guarantee fundings and the carrying amount of our liability for our debt service, operating profit, and other guarantees (excluding contingent purchase obligations) for which we are the primary obligor at June 30, 2024 in the following table:

(in millions) **Guarantee Type**	**Maximum Potential Amount of Future Fundings**	**Recorded Liability for Guarantees**
Debt service	$ 57	$ 6
Operating profit	150	75
Other	19	4
	$ 226	$ 85

Our maximum potential guarantees listed in the preceding table include $ 64 million of operating profit guarantees that will not be in effect until the underlying properties open and we begin to operate the properties or certain other events occur.

Contingent Purchase Obligation

Sheraton Grand Chicago. In 2017, we granted the owner a one-time right to require us to purchase the leasehold interest in the land and the hotel for $ 300 million in cash (the "put option"). In the 2021 third quarter, we entered into an amendment with the owner to move the exercise period of the put option from the 2022 first half to the 2024 first half. In January 2024, the owner exercised the put option, and we exercised our option to purchase, at the same time the put transaction closes, the fee simple interest in the underlying land for an additional $ 200 million in cash, resulting in an expected total cash payment of approximately $ 500 million. The closing is expected to occur in the 2024 fourth quarter. We account for the put option as a guarantee, and our recorded liability (reflected in the "Accrued expenses and other" caption of our Balance Sheets) was $ 300 million at June 30, 2024 and December 31, 2023.

Starwood Data Security Incident

Description of Event

On November 30, 2018, we announced a data security incident involving unauthorized access to the Starwood reservations database (the "Data Security Incident"). Working with leading security experts, we determined that there was unauthorized access to the Starwood network since 2014 and that an unauthorized party had copied information from the Starwood reservations database and taken steps towards removing it. We discontinued use of the Starwood reservations database for business operations at the end of 2018.

Litigation, Claims, and Government Investigations

Following our announcement of the Data Security Incident, approximately 100 lawsuits were filed by consumers and others against us in U.S. federal, U.S. state and Canadian courts related to the incident. The plaintiffs in the cases that remain pending, who generally purport to represent various classes of consumers, generally claim to have been harmed by alleged actions and/or omissions by the Company in connection with the Data Security Incident and assert a variety of common law and statutory claims seeking monetary damages, injunctive relief, costs and attorneys' fees, and other related relief. The active U.S. cases are consolidated in the U.S. District Court for the District of Maryland (the "District Court"), pursuant to orders of the U.S. Judicial Panel on Multidistrict Litigation (the "MDL"). The District Court granted in part and denied in part class certification of various U.S. groups of consumers. In August 2023, the U.S. Court of Appeals for the Fourth Circuit (the "Fourth Circuit") vacated the District Court's class certification decision because the District Court failed to first consider the effect of a class-action waiver signed by all putative class members. On remand, after briefing, the District Court issued an order reinstating the same classes that had previously been certified. We promptly petitioned the Fourth Circuit, seeking leave to appeal that ruling. The Fourth Circuit granted that petition on January 18, 2024, but has not yet set a date for oral argument. A case brought by the City of Chicago (which is consolidated in the MDL proceeding) also remains pending. The Canadian cases have effectively been consolidated into a single case in the province of Ontario. We dispute the allegations in these lawsuits and are vigorously defending against such claims.

In addition, various U.S. federal, U.S. state and foreign governmental authorities made inquiries, opened investigations, or requested information and/or documents related to the Data Security Incident and related matters. Most of these matters have been resolved, are expected to be resolved in the near future, or no longer appear to be active. We believe we have reached a resolution with the Federal Trade Commission, and we are continuing to progress in our discussions with the Attorney General offices from 49 states and the District of Columbia. Based on this progress, we believe it is probable that we will incur losses, and as of June 30, 2024, we have an accrual for an estimated loss contingency, which is not material to our Financial Statements.

While we believe it is reasonably possible that we may incur losses in excess of the amounts recorded associated with the above described MDL proceedings and unresolved regulatory investigations related to the Data Security Incident, it is not possible to reasonably estimate the amount of such losses or range of loss that might result from adverse judgments, settlements, fines, penalties or other resolution of these proceedings and investigations based on: (1) in the case of the above described MDL proceedings, the current stage of these proceedings, the absence of specificity as to alleged damages, the uncertainty as to the certification of a class or classes and the size of any certified class, and the lack of resolution of significant factual and legal issues, and (2) uncertainty regarding unresolved inquiries, investigations, or requests for information and/or documents.

NOTE 6. LONG-TERM DEBT

We provide detail on our long-term debt balances, net of discounts, premiums, and debt issuance costs, in the following table as of June 30, 2024 and year-end 2023:

(in millions)	June 30, 2024	December 31, 2023
Senior Notes:		
Series P Notes, interest rate of 3.8 %, face amount of $ 350 , maturing October 1, 2025 (effective interest rate of 4.0 %)	$ 349	$ 349
Series R Notes, interest rate of 3.1 %, face amount of $ 750 , maturing June 15, 2026 (effective interest rate of 3.3 %)	748	748
Series V Notes, interest rate of 3.8 %, face amount of $ 318 , maturing March 15, 2025 (effective interest rate of 2.8 %)	320	321
Series W Notes, interest rate of 4.5 %, face amount of $ 278 , maturing October 1, 2034 (effective interest rate of 4.1 %)	288	288
Series X Notes, interest rate of 4.0 %, face amount of $ 450 , maturing April 15, 2028 (effective interest rate of 4.2 %)	447	447
Series AA Notes, interest rate of 4.7 %, face amount of $ 300 , maturing December 1, 2028 (effective interest rate of 4.8 %)	298	298
Series CC Notes, interest rate of 3.6 %, face amount of $ 550 , matured April 15, 2024 (effective interest rate of 3.9 %)	—	545
Series EE Notes, interest rate of 5.8 %, face amount of $ 600 , maturing May 1, 2025 (effective interest rate of 6.0 %)	599	598
Series FF Notes, interest rate of 4.6 %, face amount of $ 1,000 , maturing June 15, 2030 (effective interest rate of 4.8 %)	990	990
Series GG Notes, interest rate of 3.5 %, face amount of $ 1,000 , maturing October 15, 2032 (effective interest rate of 3.7 %)	988	988
Series HH Notes, interest rate of 2.9 %, face amount of $ 1,100 , maturing April 15, 2031 (effective interest rate of 3.0 %)	1,092	1,091
Series II Notes, interest rate of 2.8 %, face amount of $ 700 , maturing October 15, 2033 (effective interest rate of 2.8 %)	695	694
Series JJ Notes, interest rate of 5.0 %, face amount of $ 1,000 , maturing October 15, 2027 (effective interest rate of 5.4 %)	989	987
Series KK Notes, interest rate of 4.9 %, face amount of $ 800 , maturing April 15, 2029 (effective interest rate of 5.3 %)	786	785
Series LL Notes, interest rate of 5.5 %, face amount of $ 450 , maturing September 15, 2026 (effective interest rate of 5.9 %)	446	445
Series MM Notes, interest rate of 5.6 %, face amount of $ 700 , maturing October 15, 2028 (effective interest rate of 5.9 %)	692	691
Series NN Notes, interest rate of 4.9 %, face amount of $ 500 , maturing May 15, 2029 (effective interest rate of 5.3 %)	490	—
Series OO Notes, interest rate of 5.3 %, face amount of $ 1,000 , maturing May 15, 2034 (effective interest rate of 5.6 %)	979	—
Commercial paper	1,763	1,421
Credit Facility	—	—
Finance lease obligations	128	131
Other	56	56
	$ 13,143	$ 11,873
Less current portion	(960)	(553)
	$ 12,183	$ 11,320

We paid cash for interest, net of amounts capitalized, of$ 303 million in the 2024 first half and $ 196 million in the 2023 first half.

In February 2024, we issued $ 500 million aggregate principal amount of 4.875 percent Series NN Notes due May 15, 2029 (the “Series NN Notes”) and $ 1.0 billion aggregate principal amount of 5.300 percent Series OO Notes due May 15, 2034 (the “Series OO Notes”). We pay interest on the Series NN Notes and Series OO Notes in May and November of each year. We received net proceeds of approximately $ 1.468 billion from the offering of the Series NN Notes and Series OO Notes, after deducting the underwriting discount and expenses, which were made available for general corporate purposes, including working capital, capital expenditures, acquisitions, stock repurchases, or repayment of outstanding indebtedness.

We are party to a $ 4.5 billion multicurrency revolving credit agreement (as amended, the "Credit Facility"). Available borrowings under the Credit Facility support our commercial paper program and general corporate needs. U.S. dollar borrowings under the Credit Facility bear interest at SOFR (the Secured Overnight Financing Rate) plus a spread based on our public debt rating. We also pay quarterly fees on the Credit Facility at a rate based on our public debt rating. We classify outstanding borrowings under the Credit Facility and outstanding commercial paper borrowings (which generally have short-term maturities of 45 days or less) as long-term based on our ability and intent to refinance the outstanding borrowings on a long-term basis. The Credit Facility expires on December 14, 2027.

NOTE 7. FAIR VALUE OF FINANCIAL INSTRUMENTS

We believe that the fair values of our current assets and current liabilities approximate their reported carrying amounts. We present the carrying amounts and the fair values of noncurrent financial assets and liabilities that qualify as financial instruments in the following table:

	June 30, 2024		December 31, 2023	
(in millions)	Carrying Amount	Fair Value	Carrying Amount	Fair Value
Notes receivable	$ 146	$ 142	$ 138	$ 131
Total noncurrent financial assets	$ 146	$ 142	$ 138	$ 131
Senior Notes	$ (10,277)	$ (9,841)	$ (9,720)	$ (9,393)
Commercial paper	(1,763)	(1,763)	(1,421)	(1,421)
Total noncurrent financial liabilities	$ (12,040)	$ (11,604)	$ (11,141)	$ (10,814)

See Note 12. Fair Value of Financial Instruments and the "Fair Value Measurements" caption of Note 2. Summary of Significant Accounting Policies of our 2023 Form 10-K for more information on the input levels we use in determining fair value.

NOTE 8. ACCUMULATED OTHER COMPREHENSIVE LOSS AND STOCKHOLDERS' DEFICIT

The following tables detail the accumulated other comprehensive loss activity for the 2024 first half and 2023 first half:

(in millions)	Foreign Currency Translation Adjustments	Other Adjustments	Accumulated Other Comprehensive Loss
Balance at year-end 2023	$ (654)	$ 7	$ (647)
Other comprehensive (loss) income before reclassifications [(1)]	(271)	17	(254)
Reclassification adjustments	—	(4)	(4)
Net other comprehensive (loss) income	(271)	13	(258)
Balance at June 30, 2024	$ (925)	$ 20	$ (905)

(in millions)	Foreign Currency Translation Adjustments	Other Adjustments	Accumulated Other Comprehensive Loss
Balance at year-end 2022	$ (740)	$ 11	$ (729)
Other comprehensive income before reclassifications [(1)]	7	4	11
Reclassification adjustments	—	2	2
Net other comprehensive income	7	6	13
Balance at June 30, 2023	$ (733)	$ 17	$ (716)

(1) Other comprehensive (loss) income before reclassifications for foreign currency translation adjustments includes intra-entity foreign currency transactions that are of a long-term investment nature, which resulted in gains of $ 21 million for the 2024 first half and losses of $ 14 million for the 2023 first half.

The following tables detail the changes in common shares outstanding and stockholders' deficit for the 2024 first half and 2023 first half:

(in millions, except per share amounts)

Common Shares Outstanding		Total	Class A Common Stock	Additional Paid-in-Capital	Retained Earnings	Treasury Stock, at Cost	Accumulated Other Comprehensive Loss
290.5	Balance at year-end 2023	$ (682)	$ 5	$ 6,051	$ 14,838	$ (20,929)	$ (647)
—	Net income	564	—	—	564	—	—
—	Other comprehensive loss	(147)	—	—	—	—	(147)
—	Dividends ($ 0.52 per share)	(151)	—	—	(151)	—	—
1.3	Stock-based compensation plans	(36)	—	(73)	—	37	—
(4.8)	Purchase of treasury stock	(1,164)	—	—	—	(1,164)	—
287.0	Balance at March 31, 2024	$ (1,616)	$ 5	$ 5,978	$ 15,251	$ (22,056)	$ (794)
—	Net income	772	—	—	772	—	—
—	Other comprehensive loss	(111)	—	—	—	—	(111)
—	Dividends ($ 0.63 per share)	(179)	—	—	(179)	—	—
—	Stock-based compensation plans	53	—	52	—	1	—
(4.1)	Purchase of treasury stock	(1,010)	—	—	—	(1,010)	—
282.9	Balance at June 30, 2024	$ (2,091)	$ 5	$ 6,030	$ 15,844	$ (23,065)	$ (905)

Common Shares Outstanding		Total	Class A Common Stock	Additional Paid-in-Capital	Retained Earnings	Treasury Stock, at Cost	Accumulated Other Comprehensive Loss
310.6	Balance at year-end 2022	$ 568	$ 5	$ 5,965	$ 12,342	$ (17,015)	$ (729)
—	Net income	757	—	—	757	—	—
—	Other comprehensive income	82	—	—	—	—	82
—	Dividends ($ 0.40 per share)	(124)	—	—	(124)	—	—
0.9	Stock-based compensation plans	(34)	—	(59)	—	25	—
(6.8)	Purchase of treasury stock	(1,109)	—	—	—	(1,109)	—
304.7	Balance at March 31, 2023	$ 140	$ 5	$ 5,906	$ 12,975	$ (18,099)	$ (647)
—	Net income	726	—	—	726	—	—
—	Other comprehensive loss	(69)	—	—	—	—	(69)
—	Dividends ($ 0.52 per share)	(157)	—	—	(157)	—	—
0.1	Stock-based compensation plans	48	—	46	—	2	—
(5.2)	Purchase of treasury stock	(912)	—	—	—	(912)	—
299.6	Balance at June 30, 2023	$ (224)	$ 5	$ 5,952	$ 13,544	$ (19,009)	$ (716)

NOTE 9. CONTRACTS WITH CUSTOMERS

Our current and noncurrent liability for guest loyalty program increased by $ 319 million, to $ 7,325 million at June 30, 2024, from $ 7,006 million at December 31, 2023, primarily reflecting an increase in points earned by members. The increase was partially offset by $ 1,645 million of revenue recognized in the 2024 first half, that was deferred as of December 31, 2023.

Our allowance for credit losses was $ 207 million at June 30, 2024 and $ 197 million at December 31, 2023.

NOTE 10. BUSINESS SEGMENTS

Beginning in the 2024 first quarter, we modified our segment structure as a result of a change in the way our chief operating decision maker ("CODM") evaluates performance and allocates resources within the Company, resulting in the following four reportable business segments: (1) U.S. & Canada, (2) Europe, Middle East & Africa ("EMEA"), (3) Greater China, and (4) Asia Pacific excluding

China (“APEC”). Our Caribbean & Latin America (“CALA”) operating segment does not meet the applicable accounting criteria for separate disclosure as a reportable business segment, and as such, we include its results in “Unallocated corporate and other.” We revised the prior period amounts shown in the tables below to conform to our current presentation.

We evaluate the performance of our operating segments using "segment profits," which is based largely on the results of the segment without allocating corporate expenses, income taxes, indirect general, administrative, and other expenses, or merger-related charges and other expenses. We assign gains and losses, equity in earnings or losses, and direct general, administrative, and other expenses to each of our segments. "Unallocated corporate and other" includes a portion of our revenues (such as fees we receive from our credit card programs and vacation ownership licensing agreements), revenues and expenses for our Loyalty Program, general, administrative, and other expenses, merger-related charges and other expenses, equity in earnings or losses, and other gains or losses that we do not allocate to our segments, as well as results of our CALA operating segment.

Our CODM monitors assets for the consolidated Company but does not use assets by operating segment when assessing performance or making operating segment resource allocations.

Segment Revenues

The following tables present our revenues disaggregated by segment and major revenue stream for the 2024 second quarter, 2023 second quarter, 2024 first half, and 2023 first half:

	Three Months Ended June 30, 2024				
(in millions)	U.S. & Canada	EMEA	Greater China	APEC	Total
Gross fee revenues	$ 798	$ 154	$ 59	$ 74	$ 1,085
Contract investment amortization	(21)	(4)	—	(1)	(26)
Net fee revenues	777	150	59	73	1,059
Owned, leased, and other revenue	111	157	6	36	310
Cost reimbursement revenue	3,877	322	75	123	4,397
Total reportable segment revenue	$ 4,765	$ 629	$ 140	$ 232	$ 5,766
Unallocated corporate and other					673
Total revenues					$ 6,439

	Three Months Ended June 30, 2023				
(in millions)	U.S. & Canada	EMEA	Greater China	APEC	Total
Gross fee revenues	$ 751	$ 133	$ 68	$ 63	$ 1,015
Contract investment amortization	(17)	(3)	—	(1)	(21)
Net fee revenues	734	130	68	62	994
Owned, leased, and other revenue	116	151	5	37	309
Cost reimbursement revenue	3,652	307	81	100	4,140
Total reportable segment revenue	$ 4,502	$ 588	$ 154	$ 199	$ 5,443
Unallocated corporate and other					632
Total revenues					$ 6,075

	Six Months Ended June 30, 2024				
(in millions)	U.S. & Canada	EMEA	Greater China	APEC	Total
Gross fee revenues	$ 1,480	$ 272	$ 124	$ 161	$ 2,037
Contract investment amortization	(38)	(7)	—	(2)	(47)
Net fee revenues	1,442	265	124	159	1,990
Owned, leased, and other revenue	219	275	13	68	575
Cost reimbursement revenue	7,594	600	151	239	8,584
Total reportable segment revenue	$ 9,255	$ 1,140	$ 288	$ 466	$ 11,149
Unallocated corporate and other					1,267
Total revenues					$ 12,416

(in millions)	Six Months Ended June 30, 2023 U.S. & Canada	EMEA	Greater China	APEC	Total
Gross fee revenues	$ 1,423	$ 238	$ 125	$ 130	$ 1,916
Contract investment amortization	(33)	(6)	—	(2)	(41)
Net fee revenues	1,390	232	125	128	1,875
Owned, leased, and other revenue	233	264	9	67	573
Cost reimbursement revenue	7,157	563	151	197	8,068
Total reportable segment revenue	$ 8,780	$ 1,059	$ 285	$ 392	$ 10,516
Unallocated corporate and other					1,174
Total revenues					$ 11,690

Segment Profits

	Three Months Ended		Six Months Ended	
(in millions)	June 30, 2024	June 30, 2023	June 30, 2024	June 30, 2023
U.S. & Canada	$ 787	$ 756	$ 1,412	$ 1,413
EMEA	153	132	234	210
Greater China	47	59	98	105
APEC	62	57	134	113
Unallocated corporate and other	155	101	206	219
Interest expense, net of interest income	(164)	(141)	(317)	(252)
Provision for income taxes	(268)	(238)	(431)	(325)
Net income	$ 772	$ 726	$ 1,336	$ 1,483

Item 2. *Management's Discussion and Analysis of Financial Condition and Results of Operations*

Cautionary Statement

All statements in this report are made as of the date this Form 10-Q is filed with the U.S. Securities and Exchange Commission (the "SEC"). We undertake no obligation to publicly update or revise these statements, whether as a result of new information, future events or otherwise. We make forward-looking statements in Management's Discussion and Analysis of Financial Condition and Results of Operations and elsewhere in this report based on the beliefs and assumptions of our management and on information available to us through the date this Form 10-Q is filed with the SEC. Forward-looking statements include information related to our development pipeline; our expectations regarding rooms growth; our expectations regarding our ability to meet our liquidity requirements; our capital expenditures and other investment spending and reimbursement expectations; our expectations regarding future dividends and share repurchases; and other statements that are preceded by, followed by, or include the words "believes," "expects," "anticipates," "intends," "plans," "estimates," "foresees," or similar expressions; and similar statements concerning anticipated future events and expectations that are not historical facts.

We caution you that these statements are not guarantees of future performance and are subject to numerous evolving risks and uncertainties that we may not be able to accurately predict or assess, including the risks and uncertainties we describe in our Annual Report on Form 10-K for the fiscal year ended December 31, 2023 ("2023 Form 10-K"), Part II, Item 1A of this report, and other factors we describe from time to time in our periodic filings with the SEC.

BUSINESS AND OVERVIEW

Overview

We are a worldwide operator, franchisor, and licensor of hotel, residential, timeshare, and other lodging properties under more than 30 brand names. Under our asset-light business model, we typically manage or franchise hotels, rather than own them. We discuss our operations in the following reportable business segments: (1) U.S. & Canada, (2) Europe, Middle East & Africa ("EMEA"), (3) Greater China, and (4) Asia Pacific excluding China ("APEC"). Our Caribbean & Latin America ("CALA") operating segment does not meet the applicable criteria for separate disclosure as a reportable business segment, and as such, we include its results in “Unallocated corporate and other.”

Terms of our management agreements vary, but our management fees generally consist of base management fees and incentive management fees. Base management fees are typically calculated as a percentage of property-level revenue. Incentive management fees are typically calculated as a percentage of a hotel profitability measure, and, in many cases (particularly in our U.S. & Canada, Europe, and CALA regions), are subject to a specified owner return. Under our franchise and license agreements for most properties, franchise fees are calculated as a percentage of property-level revenue or a portion thereof. Additionally, we earn franchise fees for the use of our intellectual property, including primarily co-branded credit card fees, as well as timeshare and yacht fees, residential branding fees, franchise application and relicensing fees, and certain other non-hotel licensing fees, which we refer to as “non-RevPAR related franchise fees.”

Performance Measures

We believe Revenue per Available Room (“RevPAR”), which we calculate by dividing property level room revenue by rooms available for the period, is a meaningful indicator of our performance because it measures the period-over-period change in room revenues. RevPAR may not be comparable to similarly titled measures, such as revenues, and should not be viewed as necessarily correlating with our fee revenue. We also believe occupancy and average daily rate (“ADR”), which are components of calculating RevPAR, are meaningful indicators of our performance. Occupancy, which we calculate by dividing total rooms sold by total rooms available for the period, measures the utilization of a property’s available capacity. ADR, which we calculate by dividing property level room revenue by total rooms sold, measures average room price and is useful in assessing pricing levels. RevPAR, occupancy, and ADR statistics are on a systemwide basis for comparable properties, unless otherwise stated. Unless otherwise stated, all changes refer to year-over-year changes for the comparable period. Comparisons to prior periods are on a constant U.S. dollar basis, which we calculate by applying exchange rates for the current period to the prior comparable period. We believe constant dollar analysis provides valuable information regarding our properties’ performance as it removes currency fluctuations from the presentation of such results.

We define our comparable properties as our properties that were open and operating under one of our hotel brands since the beginning of the last full calendar year (since January 1, 2023 for the current period) and have not, in either the current or previous year: (1) undergone significant room or public space renovations or expansions, (2) been converted between company-operated and franchised, or (3) sustained substantial property damage or business interruption. Our comparable properties also exclude MGM Collection with Marriott Bonvoy, Design Hotels, The Ritz-Carlton Yacht Collection, and timeshare properties.

Business Trends

We saw solid global RevPAR growth during the 2024 second quarter and 2024 first halfcompared to the same periods in 2023. For the 2024 second quarter, worldwide RevPAR increased 4.9 percent, reflecting ADR growth of 2.6 percent and occupancy improvement of 1.6 percentage points. For the 2024 first half, worldwide RevPAR increased 4.5 percent, reflecting ADR growth of 2.7 percent and occupancy improvement of 1.2 percentage points. The increase in RevPAR in the 2024 second quarter and 2024 first half was primarily driven by strong year-over-year demand growth in most of our regions.

In the U.S. & Canada, where demand has normalized, RevPAR increased 2.8 percent in the 2024 first half, led by strong group business.

In EMEA, RevPAR growth of 9.6 percent in the 2024 first half was driven by strong demand across the region. In Greater China, RevPAR was relatively unchanged compared to the 2023 first half, as RevPAR growth in the 2024 first quarter was offset by a decline in RevPAR in the 2024 second quarter due to lower domestic demand and an increase in outbound travel. In APEC, RevPAR increased 14.8 percent in the 2024 first half, driven by strong growth in ADR and occupancy from leisure and business travelers, including an increase in inbound demand into the region. In CALA, RevPAR increased 10.3 percent in the 2024 first half, driven by strong demand throughout the region.

Starwood Data Security Incident

On November 30, 2018, we announced a data security incident involving unauthorized access to the Starwood reservations database (the “Data Security Incident”). We discontinued use of the Starwood reservations database for business operations at the end of 2018.

We are currently unable to reasonably estimate the range of total possible financial impact to the Company from the Data Security Incident in excess of the expenses already recorded. However, we do not believe this incident will impact our long-term financial health. Although our insurance program includes coverage designed to limit our exposure to losses such as those related to the Data Security Incident, that insurance may not be sufficient or available to cover all of our expenses or other losses (including monetary payments to regulators and/or litigants) related to the Data Security Incident. In addition, certain expenses by their nature (such as, for example, expenses related to enhancing our cybersecurity program) are not covered by our insurance program. We expect to incur ongoing legal and other expenses associated with the Data Security Incident in future periods, and we believe it is reasonably possible that we may incur additional monetary payments to regulators and/or litigants in excess of the amounts already recorded and costs in connection with compliance with any settlements or resolutions of matters. See Note 5 for additional information related to legal proceedings and governmental investigations related to the Data Security Incident.

System Growth and Pipeline

At the end of the 2024 second quarter, our system had 8,969 properties (1,658,659 rooms), compared to 8,785 properties (1,597,380 rooms) at year-end 2023 and 8,590 properties (1,565,258 rooms) at the end of the 2023 second quarter. In the 2024 first half, we added roughly 61,300 net rooms, including the addition of approximately 37,000 rooms from our exclusive, long-term strategic licensing agreement with MGM Resorts International.

At the end of the 2024 second quarter, we had approximately 3,500 hotels and more than 559,000 rooms in our development pipeline, which includes roughly 33,000 rooms approved for development but not yet under signed contracts. Over 209,000 rooms in the pipeline, or 37 percent, were under construction at the end of the 2024 second quarter. Over half of the rooms in our development pipeline are located outside U.S. & Canada.

We currently expect full year 2024 net rooms growth of 5.5 to 6.0 percent.

Properties and Rooms

The following table shows our properties and rooms by ownership type.

	Properties				Rooms			
	June 30, 2024	June 30, 2023	vs. June 30, 2023		June 30, 2024	June 30, 2023	vs. June 30, 2023	
Managed	1,980	2,016	(36)	(2)%	568,501	567,463	1,038	— %
Franchised/Licensed/Other [(1)]	6,809	6,403	406	6 %	1,062,749	971,544	91,205	9 %
Owned/Leased	50	52	(2)	(4)%	13,110	13,865	(755)	(5)%
Residential	130	119	11	9 %	14,299	12,386	1,913	15 %
Total	8,969	8,590	379	4 %	1,658,659	1,565,258	93,401	6 %

(1) In addition to franchised, includes timeshare, The Ritz-Carlton Yacht Collection, and certain license and other agreements.

Lodging Statistics

The following tables present RevPAR, occupancy, and ADR statistics for comparable properties. Systemwide statistics include data from our franchised properties, in addition to our company-operated properties.

	Three Months Ended June 30, 2024 and Change vs. Three Months Ended June 30, 2023								
	RevPAR			Occupancy		Average Daily Rate			
	2024		vs. 2023	2024	vs. 2023	2024		vs. 2023
Comparable Company-Operated Properties								
U.S. & Canada	$	189.01	3.7 %	73.6 %	0.9 % pts.	$	256.72	2.4 %
Europe	$	241.85	6.7 %	75.9 %	0.5 % pts.	$	318.49	6.0 %
Middle East & Africa	$	121.16	16.8 %	65.1 %	3.5 % pts.	$	186.07	10.6 %
Greater China	$	82.54	(4.6)%	68.9 %	0.9 % pts.	$	119.84	(5.9)%
Asia Pacific excluding China	$	110.52	12.0 %	70.6 %	4.1 % pts.	$	156.54	5.4 %
Caribbean & Latin America	$	171.04	6.3 %	66.5 %	3.6 % pts.	$	257.16	0.5 %
International - All [(1)]	$	121.60	6.4 %	69.3 %	2.4 % pts.	$	175.42	2.8 %
Worldwide [(2)]	$	150.24	4.9 %	71.1 %	1.7 % pts.	$	211.16	2.4 %
Comparable Systemwide Properties								
U.S. & Canada	$	142.20	3.9 %	74.7 %	1.1 % pts.	$	190.33	2.4 %
Europe	$	171.89	6.6 %	75.0 %	2.1 % pts.	$	229.13	3.6 %
Middle East & Africa	$	113.15	18.1 %	64.9 %	3.8 % pts.	$	174.41	11.2 %
Greater China	$	77.12	(4.2)%	67.9 %	0.7 % pts.	$	113.54	(5.1)%
Asia Pacific excluding China	$	113.44	13.0 %	71.0 %	4.3 % pts.	$	159.71	6.2 %
Caribbean & Latin America	$	149.03	8.6 %	66.5 %	3.8 % pts.	$	224.16	2.4 %
International - All [(1)]	$	121.14	7.4 %	69.7 %	2.6 % pts.	$	173.80	3.4 %
Worldwide [(2)]	$	135.52	4.9 %	73.1 %	1.6 % pts.	$	185.33	2.6 %

	Six Months Ended June 30, 2024 and Change vs. Six Months Ended June 30, 2023							
	RevPAR			Occupancy		Average Daily Rate		
	2024		vs. 2023	2024	vs. 2023	2024		vs. 2023
Comparable Company-Operated Properties								
U.S. & Canada	$	179.89	3.1 %	69.8 %	0.6 % pts.	$	257.72	2.3 %
Europe	$	195.35	6.0 %	68.8 %	0.8 % pts.	$	283.82	4.7 %
Middle East & Africa	$	133.70	14.3 %	67.7 %	3.4 % pts.	$	197.43	8.5 %
Greater China	$	83.84	0.1 %	67.2 %	1.6 % pts.	$	124.72	(2.2)%
Asia Pacific excluding China	$	117.65	14.1 %	71.5 %	4.8 % pts.	$	164.59	6.5 %
Caribbean & Latin America	$	196.16	8.2 %	67.3 %	2.8 % pts.	$	291.59	3.7 %
International - All [(1)]	$	122.39	8.2 %	68.6 %	2.8 % pts.	$	178.27	3.9 %
Worldwide [(2)]	$	146.83	5.5 %	69.1 %	1.8 % pts.	$	212.38	2.7 %
Comparable Systemwide Properties								
U.S. & Canada	$	130.96	2.8 %	70.1 %	0.4 % pts.	$	186.70	2.2 %
Europe	$	139.27	6.6 %	67.1 %	2.7 % pts.	$	207.57	2.4 %
Middle East & Africa	$	123.62	15.5 %	66.7 %	3.3 % pts.	$	185.36	9.8 %
Greater China	$	78.13	0.4 %	66.3 %	1.5 % pts.	$	117.82	(1.8)%
Asia Pacific excluding China	$	118.61	14.8 %	71.3 %	4.7 % pts.	$	166.35	7.3 %
Caribbean & Latin America	$	167.20	10.3 %	68.1 %	3.8 % pts.	$	245.56	4.2 %
International - All [(1)]	$	118.42	9.0 %	67.9 %	3.0 % pts.	$	174.42	4.2 %
Worldwide [(2)]	$	126.98	4.5 %	69.4 %	1.2 % pts.	$	182.89	2.7 %

(1) Includes Europe, Middle East & Africa, Greater China, Asia Pacific excluding China, and Caribbean & Latin America.

(2) Includes U.S. & Canada and International - All.

CONSOLIDATED RESULTS

The discussion below presents an analysis of our consolidated results of operations for the 2024 second quarter compared to the 2023 second quarter and for the 2024 first half compared to the 2023 first half. Also see the "Business Trends" section above for further discussion.

Fee Revenues

($ in millions)	Three Months Ended				Six Months Ended			
	June 30, 2024	June 30, 2023	Change 2024 vs. 2023		June 30, 2024	June 30, 2023	Change 2024 vs. 2023	
Base management fees	$ 330	$ 318	$ 12	4 %	$ 643	$ 611	$ 32	5 %
Franchise fees	818	739	79	11 %	1,506	1,378	128	9 %
Incentive management fees	195	193	2	1 %	404	394	10	3 %
Gross fee revenues	1,343	1,250	93	7 %	2,553	2,383	170	7 %
Contract investment amortization	(27)	(22)	(5)	(23)%	(50)	(43)	(7)	(16)%
Net fee revenues	$ 1,316	$ 1,228	$ 88	7 %	$ 2,503	$ 2,340	$ 163	7 %

The increase in base management fees in the 2024 second quarter and 2024 first halfprimarily reflected higher RevPAR.

The increase in franchise fees in the 2024 second quarter and 2024 first half primarily reflected unit growth ($26 million and $48 million, respectively), higher RevPAR, and higher non-RevPAR related franchise fees ($28 million and $39 million, respectively). Non-RevPAR related franchise fees of $234 million in the 2024 second quarter and $442 million in the 2024 first half increased primarily due to higher co-branded credit card fees ($15 million and $28 million, respectively). In the 2024 second quarter, non-RevPAR related franchise fees also increased due to higher residential branding fees ($13 million).

Owned, Leased, and Other

($ in millions)	Three Months Ended				Six Months Ended			
	June 30, 2024	June 30, 2023	Change 2024 vs. 2023		June 30, 2024	June 30, 2023	Change 2024 vs. 2023	
Owned, leased, and other revenue	$ 395	$ 390	$ 5	1 %	$ 752	$ 746	$ 6	1 %
Owned, leased, and other - direct expenses	296	287	9	3 %	582	568	14	2 %
Owned, leased, and other, net	$ 99	$ 103	$ (4)	(4)%	$ 170	$ 178	$ (8)	(4)%

Cost Reimbursements

($ in millions)	Three Months Ended				Six Months Ended			
	June 30, 2024	June 30, 2023	Change 2024 vs. 2023		June 30, 2024	June 30, 2023	Change 2024 vs. 2023	
Cost reimbursement revenue	$ 4,728	$ 4,457	$ 271	6 %	$ 9,161	$ 8,604	$ 557	6 %
Reimbursed expenses	4,645	4,366	279	6 %	9,146	8,502	644	8 %
Cost reimbursements, net	$ 83	$ 91	$ (8)	(9)%	$ 15	$ 102	$ (87)	(85)%

Cost reimbursements, net (cost reimbursement revenue, net of reimbursed expenses) varies due to timing differences between the costs we incur for centralized programs and services and the related reimbursements we receive from property owners and franchisees. Over the long term, our centralized programs and services are not designed to impact our economics, either positively or negatively.

The decrease in cost reimbursements, net in the 2024 second quarter and 2024 first half primarily reflected higher Loyalty Program expenses and lower revenues, net of expenses, for our other centralized programs and services, partially offset by lower expenses related to our insurance program.

Other Operating Expenses

($ in millions)	Three Months Ended				Six Months Ended			
	June 30, 2024	June 30, 2023	Change 2024 vs. 2023		June 30, 2024	June 30, 2023	Change 2024 vs. 2023	
Depreciation, amortization, and other	$ 47	$ 48	$ (1)	(2)%	$ 92	$ 92	$ —	— %
General, administrative, and other	248	240	8	3 %	509	442	67	15 %
Merger-related charges and other	8	38	(30)	(79)%	16	39	(23)	(59)%

General, administrative, and other expenses increased in the 2024 first half primarily due to higher compensation costs.

Merger-related charges and other expenses decreased in the 2024 second quarter and 2024 first half primarily due to lower charges related to the Data Security Incident discussed in Note 5.

Non-Operating Income (Expense)

	Three Months Ended				Six Months Ended			
($ in millions)	June 30, 2024	June 30, 2023	Change 2024 vs. 2023		June 30, 2024	June 30, 2023	Change 2024 vs. 2023	
Gains and other income, net	$ 4	$ 2	$ 2	100 %	$ 8	$ 5	$ 3	60 %
Interest expense	(173)	(140)	(33)	(24)%	(336)	(266)	(70)	(26)%
Interest income	9	(1)	10	nm*	19	14	5	36 %
Equity in earnings	5	7	(2)	(29)%	5	8	(3)	(38)%

* Percentage change is not meaningful.

Interest expense increased in the 2024 second quarter and 2024 first half primarily due to higher debt balances driven by Senior Notes issuances, net of maturities ($28 million and $58 million, respectively).

Income Taxes

	Three Months Ended				Six Months Ended			
($ in millions)	June 30, 2024	June 30, 2023	Change 2024 vs. 2023		June 30, 2024	June 30, 2023	Change 2024 vs. 2023	
Provision for income taxes	$ (268)	$ (238)	$ (30)	(13)%	$ (431)	$ (325)	$ (106)	(33)%

Provision for income taxes increased by $30 million in the 2024 second quarter primarily due to the increase in pre-tax income ($18 million).

Provision for income taxes increased by $106 million in the 2024 first half primarily due to the prior year release of tax reserves ($103 million), which was mostly due to completion of a tax audit, and a shift in earnings to jurisdictions with higher tax rates ($22 million).

BUSINESS SEGMENTS

The following discussion presents an analysis of the operating results of our reportable business segments for the 2024 second quarter compared to the 2023 second quarter and for the 2024 first half compared to the 2023 first half. Also see the “Business Trends” section above for further discussion.

($ in millions)	Three Months Ended June 30, 2024	Three Months Ended June 30, 2023	Change 2024 vs. 2023		Six Months Ended June 30, 2024	Six Months Ended June 30, 2023	Change 2024 vs. 2023	
U.S. & Canada								
Segment net fee revenues	$ 777	$ 734	$ 43	6 %	$ 1,442	$ 1,390	$ 52	4 %
Segment profit	787	756	31	4 %	1,412	1,413	(1)	— %
EMEA								
Segment net fee revenues	150	130	20	15 %	265	232	33	14 %
Segment profit	153	132	21	16 %	234	210	24	11 %
Greater China								
Segment net fee revenues	59	68	(9)	(13) %	124	125	(1)	(1) %
Segment profit	47	59	(12)	(20) %	98	105	(7)	(7) %
APEC								
Segment net fee revenues	73	62	11	18 %	159	128	31	24 %
Segment profit	62	57	5	9 %	134	113	21	19 %

	Properties				Rooms			
	June 30, 2024	June 30, 2023	vs. June 30, 2023		June 30, 2024	June 30, 2023	vs. June 30, 2023	
U.S. & Canada	6,054	5,906	148	3 %	1,025,351	972,181	53,170	5 %
EMEA	1,176	1,086	90	8 %	223,249	210,872	12,377	6 %
Greater China	550	495	55	11 %	164,400	152,699	11,701	8 %
APEC	590	530	60	11 %	134,636	122,075	12,561	10 %

In the 2024 second quarter and 2024 first half, net fee revenue grew in U.S. & Canada, EMEA, and APEC, compared to the same periods in 2023, primarily reflecting higher RevPAR and unit growth (see the Lodging Statistics and Properties and Rooms tables above for more information). In Greater China, net fee revenue decreased in the 2024 second quarter, primarily due to lower demand.

Segment profits for all segments shown above reflected higher general, administrative, and other expenses primarily due to higher compensation costs compared to the 2023 second quarter and 2023 first half. Additionally, U.S. & Canada segment profit reflected $6 million and $30 million of lower cost reimbursement revenue, net of reimbursed expenses compared to the 2023 second quarter and 2023 first half, respectively.

LIQUIDITY AND CAPITAL RESOURCES

Our long-term financial objectives include maintaining diversified financing sources, optimizing the mix and maturity of our long-term debt, and reducing our working capital. At the end of the 2024 second quarter, our long-term debt had a weighted average interest rate of 4.5 percent and a weighted average maturity of approximately 5.1 years. The ratio of our fixed-rate long-term debt to our total long-term debt was 0.9 to 1.0 at the end of the 2024 second quarter.

Sources of Liquidity

Our Credit Facility

We are party to a $4.5 billion multicurrency revolving credit agreement (as amended, the “Credit Facility”). Available borrowings under the Credit Facility support our commercial paper program and general corporate needs. U.S. dollar borrowings under the Credit Facility bear interest at SOFR (the Secured Overnight Financing Rate) plus a spread based on our public debt rating. We also pay quarterly fees on the Credit Facility at a rate based on our public debt rating. We classify outstanding borrowings under the Credit Facility and outstanding commercial paper borrowings (which generally have short-term maturities of 45 days or less) as long-term based on our ability and intent to refinance the outstanding borrowings on a long-term basis. The Credit Facility expires on December 14, 2027.

The Credit Facility contains certain covenants, including a single financial covenant that limits our maximum leverage (consisting of the ratio of Adjusted Total Debt to EBITDA, each as defined in the Credit Facility) to not more than 4.5 to 1.0. Our outstanding public debt does not contain a corresponding financial covenant or a requirement that we maintain certain financial ratios. We currently satisfy the covenants in our Credit Facility and public debt instruments, including the leverage covenant under the Credit Facility, and do not expect the covenants will restrict our ability to meet our anticipated borrowing and liquidity needs.

We monitor the status of the capital markets and regularly evaluate the effect that changes in capital market conditions may have on our ability to fund our liquidity needs. We believe the Credit Facility, and our access to capital markets, together with cash we expect to generate from operations, remain adequate to meet our liquidity requirements.

Commercial Paper

We issue commercial paper in the U.S. Because we do not have purchase commitments from buyers for our commercial paper, our ability to issue commercial paper is subject to market demand. We do not expect that fluctuations in the demand for commercial paper will affect our liquidity, given our borrowing capacity under the Credit Facility and access to capital markets.

Sources and Uses of Cash

Cash, cash equivalents, and restricted cash totaled $370 million at June 30, 2024, an increase of $4 million from year-end 2023, primarily due to net cash provided by operating activities ($1,551 million), Senior Notes issuances, net of repayments ($918 million), and net commercial paper issuances ($342 million), partially offset by share repurchases ($2,156 million), dividends paid ($330 million), capital and technology expenditures ($234 million), and financing outflows for employee stock-based compensation withholding taxes ($125 million).

Our ratio of current assets to current liabilities was 0.4 to 1.0 at the end of the 2024 second quarter. We have significant borrowing capacity under our Credit Facility should we need additional working capital.

Capital Expenditures and Other Investments

We made capital and technology expenditures of $234 million in the 2024 first half and $194 million in the 2023 first half. We expect capital expenditures and other investments will total approximately $1.0 billion to $1.2 billion for the 2024 full year, including capital and technology expenditures, loan advances, contract acquisition costs, and other investing activities (including approximately $200 million for maintenance capital spending). Our anticipated capital and technology expenditures include $200 million of spending related to our option to purchase the land underlying the Sheraton Grand Chicago, which we discuss in Note 5.

Share Repurchases and Dividends

We repurchased 4.1 million shares of our common stock for $1.0 billion in the 2024 second quarter. Year-to-date through July 29, 2024, we repurchased 10.4 million shares for $2.5 billion. For additional information, see “Issuer Purchases of Equity Securities” in Part II, Item 2.

Our Board of Directors declared the following quarterly cash dividends in 2024 to date: (1) $0.52 per share declared on February 8, 2024 and paid on March 29, 2024 to stockholders of record on February 22, 2024; and (2) $0.63 per share declared on May 10, 2024 and paid on June 28, 2024 to stockholders of record on May 24, 2024.

We expect to continue to return cash to stockholders through a combination of share repurchases and cash dividends.

Material Cash Requirements

As of the end of the 2024 second quarter, there have been no material changes to our cash requirements as disclosed in our 2023 Form 10-K. See Part II, Item 7, “Management’s Discussion and Analysis of Financial Condition and Results of Operations,” of our 2023 Form 10-K for more information about our cash requirements. Also, see Note 6 for information on our long-term debt.

At June 30, 2024, projected Deemed Repatriation Transition Tax payments under the 2017 Tax Cuts and Jobs Act totaled $135 million, which is payable within the next 12 months from June 30, 2024.

CRITICAL ACCOUNTING POLICIES AND ESTIMATES

Our preparation of financial statements in accordance with GAAP requires management to make estimates and assumptions that affect reported amounts and related disclosures. We have discussed those policies and estimates that we believe are critical and require the use of complex judgment in their application in our 2023 Form 10-K. We have made no material changes to our critical accounting policies or the methodologies or assumptions that we apply under them.

Item 3. *Quantitative and Qualitative Disclosures About Market Risk*

Our exposure to market risk has not materially changed since December 31, 2023. See Part II, Item 7A, “Quantitative and Qualitative Disclosures About Market Risk” in our 2023 Form 10-K for more information on our exposure to market risk.

Item 4. *Controls and Procedures*

Disclosure Controls and Procedures

We evaluated the effectiveness of our disclosure controls and procedures (as such term is defined in Rules 13a-15(e) and 15d-15(e) under the Securities Exchange Act of 1934 (the "Exchange Act")) as of the end of the period covered by this quarterly report under the supervision and with the participation of our management, including our Chief Executive Officer and Chief Financial Officer. Management necessarily applied its judgment in assessing the costs and benefits of those controls and procedures, which by their nature, can provide only reasonable assurance about management's control objectives. You should note that the design of any system of controls is based in part upon certain assumptions about the likelihood of future events, and we cannot assure you that any design will succeed in achieving its stated goals under all potential future conditions, regardless of how remote. Based upon this evaluation, our Chief Executive Officer and Chief Financial Officer concluded that our disclosure controls and procedures were effective and operating to provide reasonable assurance that we record, process, summarize, and report the information we are required to disclose in the reports that we file or submit under the Exchange Act within the time periods specified in the rules and forms of the SEC, and to provide reasonable assurance that we accumulate and communicate such information to our management, including our Chief Executive Officer and Chief Financial Officer, as appropriate to allow timely decisions about required disclosure.

Changes in Internal Control Over Financial Reporting

We made no changes in internal control over financial reporting during the 2024 second quarter that materially affected, or are reasonably likely to materially affect, our internal control over financial reporting.

PART II – OTHER INFORMATION

Item 1. ***Legal Proceedings***

See the information under the “Litigation, Claims, and Government Investigations” caption in Note 5, which we incorporate here by reference. Within this section, we use a threshold of $1 million in disclosing material environmental proceedings involving a governmental authority, if any.

From time to time, we are also subject to other legal proceedings and claims in the ordinary course of business, including adjustments proposed during governmental examinations of the various tax returns we file. While management presently believes that the ultimate outcome of these other proceedings, individually and in aggregate, will not materially harm our financial position, cash flows, or overall trends in results of operations, legal proceedings are inherently uncertain, and unfavorable rulings could, individually or in aggregate, have a material adverse effect on our business, financial condition, or operating results.

Item 1A. ***Risk Factors***

We are subject to various risks that make an investment in our securities risky. You should carefully consider the risk factors disclosed in Part I, Item 1A, “Risk Factors,” of our 2023 Form 10-K. There are no material changes to the risk factors discussed in our 2023 Form 10-K.

Item 2. ***Unregistered Sales of Equity Securities, Use of Proceeds, and Issuer Purchases of Equity Securities***

(a) Unregistered Sales of Equity Securities

None.

(b) Use of Proceeds

None.

(c) Issuer Purchases of Equity Securities

(in millions, except per share amounts)

Period	Total Number of Shares Purchased	Average Price per Share	Total Number of Shares Purchased as Part of Publicly Announced Plans or Programs [1]	Maximum Number of Shares That May Yet Be Purchased Under the Plans or Programs [1]
April 1, 2024 - April 30, 2024	1.4	$ 247.56	1.4	22.9
May 1, 2024 - May 31, 2024	1.4	$ 236.53	1.4	21.5
June 1, 2024 - June 30, 2024	1.3	$ 236.57	1.3	20.2

[1] On November 9, 2023, we announced that our Board of Directors increased our common stock repurchase authorization by 25 million shares. As of June 30, 2024, 20.2 million shares remained available for repurchase under Board approved authorizations. We may repurchase shares in the open market or in privately negotiated transactions, and we account for these shares as treasury stock.

Item 5. ***Other Information***

During the 2024 second quarter, no director or Section 16 officer adopted or terminated any Rule 10b5-1 plans or non-Rule 10b5-1 trading arrangements.

Item 6. *Exhibits*

We have not filed as exhibits certain instruments defining the rights of holders of the long-term debt of Marriott pursuant to Item 601(b)(4)(iii) of Regulation S-K promulgated under the Exchange Act, because the amount of debt authorized and outstanding under each such instrument does not exceed 10 percent of the total assets of the Company and its consolidated subsidiaries. The Company agrees to furnish a copy of any such instrument to the Commission upon request.

Exhibit No.	Description	Incorporation by Reference (where a report is indicated below, that document has been previously filed with the SEC and the applicable exhibit is incorporated by reference thereto)
3.1	Restated Certificate of Incorporation.	Exhibit No. 3.(i) to our Form 8-K filed August 22, 2006 (File No. 001-13881).
3.2	Amended and Restated Bylaws.	Exhibit No. 3.1 to our Form 8-K filed August 4, 2023 (File No. 001-13881).
10.1	First Amendment, dated as of May 17, 2024 and effective as of June 4, 2024, to the Sixth Amended and Restated Credit Agreement with Bank of America, N.A. as administrative agent, and certain banks, dated as of December 14, 2022.	*Filed with this report.*
31.1	Certification of Chief Executive Officer Pursuant to Rule 13a-14(a).	*Filed with this report.*
31.2	Certification of Chief Financial Officer Pursuant to Rule 13a-14(a).	*Filed with this report.*
32	Section 1350 Certifications.	*Furnished with this report.*
101	The following financial statements from Marriott International, Inc.'s Quarterly Report on Form 10-Q for the quarter ended June 30, 2024, formatted in Inline XBRL: (i) the Condensed Consolidated Statements of Income; (ii) the Condensed Consolidated Statements of Comprehensive Income; (iii) the Condensed Consolidated Balance Sheets; and (iv) the Condensed Consolidated Statements of Cash Flows.	*Submitted electronically with this report.*
101.INS	XBRL Instance Document - the instance document does not appear in the interactive data file because its XBRL tags are embedded within the Inline XBRL document.	*Submitted electronically with this report.*
101.SCH	XBRL Taxonomy Extension Schema Document.	*Submitted electronically with this report.*
101.CAL	XBRL Taxonomy Calculation Linkbase Document.	*Submitted electronically with this report.*
101.DEF	XBRL Taxonomy Extension Definition Linkbase Document.	*Submitted electronically with this report.*
101.LAB	XBRL Taxonomy Label Linkbase Document.	*Submitted electronically with this report.*
101.PRE	XBRL Taxonomy Presentation Linkbase Document.	*Submitted electronically with this report.*
104	The cover page from Marriott International, Inc.'s Quarterly Report on Form 10-Q for the quarter ended June 30, 2024, formatted in Inline XBRL (included as Exhibit 101).	*Submitted electronically with this report.*

SIGNATURE

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned thereunto duly authorized.

MARRIOTT INTERNATIONAL, INC.

July 31, 2024

/s/ Felitia O. Lee

Felitia O. Lee

Controller and Chief Accounting Officer

(Duly Authorized Officer)

Exhibit 10.1

FIRST AMENDMENT TO CREDIT AGREEMENT

FIRST AMENDMENT, dated as of May 17, 2024 (this "Amendment"), to the Credit Agreement referenced below, by and among Marriott International, Inc., a Delaware corporation (the "Company") and Bank of America, N.A., as Administrative Agent. Capitalized terms used herein and not otherwise defined herein shall have the meanings assigned to such terms in the Credit Agreement (as defined below).

WHEREAS, the Company, the Lenders and L/C Issuers from time to time party thereto and the Administrative Agent are parties to that certain Sixth Amended and Restated Credit Agreement, dated as of December 14, 2022 (as heretofore amended, modified, extended, restated, replaced, or supplemented, the "Credit Agreement"); and

WHEREAS, the Applicable Authority with respect to Canadian Dollars has made a public statement identifying the Scheduled Unavailability Date for the Relevant Rate for Canadian Dollars, and the Company and the Administrative Agent have agreed, pursuant to Section 2.09(e) of the Credit Agreement, to amend the Credit Agreement solely for the purpose of replacing such Relevant Rate, subject to the terms and conditions of this Amendment.

NOW THEREFORE, for good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the parties hereto agree as follows:

SECTION 1. Amendments to the Credit Agreement. Subject to all of the terms and conditions set forth in this Amendment:

1.1 Amendment to Definition of Alternative Currency Daily Rate. The definition of "Alternative Currency Daily Rate" contained in Section 1.01 of the Credit Agreement is hereby amended and restated in its entirety to read as follows:

"Alternative Currency Daily Rate" means, for any day:

(a) with respect to any Swing Loan Borrowing denominated in Euro, the rate per annum equal to €STR determined pursuant to the definition thereof;

(b) with respect to any Borrowing denominated in Sterling, the rate per annum equal to SONIA determined pursuant to the definition thereof plus the SONIA Adjustment;

(c) with respect to any Borrowing denominated in Canadian Dollars, the rate per annum equal to Daily Simple CORRA determined pursuant to the definition thereof plus the CORRA Adjustment; and

(d) with respect to any Borrowing denominated in any other Alternate Currency (to the extent such Loans denominated in such currency will bear interest at a daily rate), the daily rate per annum as designated with respect to such Alternate Currency at the time such Alternate Currency is approved by the Administrative Agent and the relevant Lenders pursuant to Section 1.07(a) plus the adjustment (if any) determined by the Administrative Agent and the relevant Lenders pursuant to Section 1.07(a);

provided, that, if any Alternative Currency Daily Rate shall be less than zero, such rate shall be deemed zero for purposes of the Loan Documents. Any change in an Alternative Currency Daily Rate shall be effective from and including the date of such change without further notice.

1.2 Amendment to Definition of Alternative Currency Term Rate. Clause (b) of the definition of "Alternative Currency Term Rate" contained in Section 1.01 of the Credit Agreement is hereby amended and restated in its entirety to read as follows:

(b) denominated in Canadian Dollars, the rate per annum equal to the forward-looking term rate based on the Canadian Overnight Repo Rate Average administered and published by the Bank of Canada (or any successor administrator), as published on the applicable Reuters screen page (or such other commercially available source providing such quotations as may be designated by the Administrative Agent from time to time) (in such case, the "Term CORRA Rate") on the Rate Determination Date with a term equivalent to such Interest Period plus the CORRA Adjustment for such Interest Period;

1.3 Amendment to Definition of Conforming Changes. The definition of "Conforming Changes" contained in Section 1.01 of the Credit Agreement is hereby amended and restated in its entirety to read as follows:

"Conforming Changes" means, with respect to the use, administration of or any conventions associated with any of SOFR, Daily Simple SOFR, Term SOFR, any Alternative Currency Daily Rate, any Alternative Currency Term Rate, any Relevant Rate or any proposed Successor Rate for a Currency, as applicable, any conforming changes to the definitions related thereto, including "Base Rate", "Daily Simple SOFR", "SOFR", "Term SOFR", "Term SOFR Screen Rate", "EURIBOR", "SONIA", and "Interest Period", timing and frequency of determining rates and making payments of interest and other technical, administrative or operational matters (including, for the avoidance of doubt, the definitions of "Business Day" and "U.S. Government Securities Business Day", timing of borrowing requests or prepayment, conversion or continuation notices and length of lookback periods and the day basis for calculating interest for a Currency listed on Schedule 2.11) as may be appropriate, in the discretion of the Administrative Agent, in consultation with the Company, to reflect the adoption and implementation of such applicable rate(s) and to permit the administration thereof by the Administrative Agent in a manner substantially consistent with market practice for such Currency (or, if the Administrative Agent determines that adoption of any portion of such market practice is not administratively feasible or that no market practice for the administration of such rate for such Currency exists, in such other manner of administration as the Administrative Agent (in consultation with the Company) determines is reasonably necessary in connection with the administration of this Agreement and any other Loan Document).

1.4 New Definition of CORRA. Section 1.01 of the Credit Agreement is hereby amended by adding thereto the following definition of "CORRA" in the appropriate alphabetical order:

"CORRA" means, with respect to any applicable determination date, the Canadian Overnight Repo Rate Average administered and published on the second Business Day preceding such date by the Bank of Canada (or any successor administrator satisfactory to the Administrative Agent); provided, however, that if such determination date is not a Business Day, then CORRA means such rate that applied on the first Business Day immediately prior thereto.

1.5 New Definition of CORRA Adjustment. Section 1.01 of the Credit Agreement is hereby amended by adding thereto the following definition of "CORRA Adjustment" in the appropriate alphabetical order:

"CORRA Adjustment" means (a) with respect to Daily Simple CORRA, 0.29547% (29.547 basis points) per annum and (b) with respect to the Term CORRA Rate, (i) 0.29547% (29.547 basis points) per annum for an Interest Period of one-month's duration and 0.32138% (32.138 basis points) per annum for an Interest Period of three-months' duration.

1.6 **<u>New Definition of Daily Simple CORRA</u>**. Section 1.01 of the Credit Agreement is hereby amended by adding thereto the following definition of "Daily Simple CORRA" in the appropriate alphabetical order:

> "<u>Daily Simple CORRA</u>" means the rate per annum equal to CORRA determined for any day pursuant to the definition thereof. Any change in Daily Simple CORRA shall be effective from and including the date of such change without further notice. If the rate as so determined would be less than zero, such rate shall be determined to be zero for purposes of this Agreement and the other Loan Documents.

1.7 **<u>Amendment to Definition of Relevant Rate</u>**. The definition of "Relevant Rate" contained in Section 1.01 of the Credit Agreement is hereby amended and restated in its entirety to read as follows:

> "<u>Relevant Rate</u>" means with respect to any Loan denominated in (a) Dollars, Term SOFR and SOFR, (b) Sterling, SONIA, (c) Euros, EURIBOR and in the case of Swing Loans, also €STR, and (d) Canadian Dollars, Daily Simple CORRA and the Term CORRA Rate, as applicable.

1.8 **<u>New Definition of Term CORRA Rate</u>**. Section 1.01 of the Credit Agreement is hereby amended by adding thereto the following definition of "Term CORRA Rate" in the appropriate alphabetical order:

> "<u>Term CORRA Rate</u>" has the meaning specified in the definition of "Alternative Currency Term Rate".

1.9 **<u>Amendment of Section 2.11(c).</u>** Section 2.11(c) of the Credit Agreement is hereby amended and restated in its entirety to read as follows:

> (c) All computations of interest for Base Rate Loans (including Base Rate Loans determined by reference to Term SOFR) shall be made on the basis of a year of 365 or 366 days, as the case may be, and actual days elapsed. All computations of interest for Alternative Currency Loans shall be made on the basis of a year as set forth on Schedule 2.11 for such Alternate Currency and actual days elapsed. All other computations of fees and interest, including those with respect to Daily SOFR Loans, shall be made on the basis of a 360-day year and actual days elapsed (which results in more fees or interest, as applicable, being paid than if computed on the basis of a 365 day year). Interest shall accrue on each Loan for the day on which the Loan is made, and shall not accrue on a Loan, or any portion thereof, for the day on which the Loan or such portion is paid, provided that any Loan that is repaid on the same day on which it is made shall, subject to <u>Section 2.11(b)</u>, bear interest for one day. Each determination by the Administrative Agent of an interest rate or fee hereunder shall be conclusive and binding for all purposes, absent manifest error.

1.10 **<u>Amendment to Section 2.14</u>**. Section 2.14 of the Credit Agreement is hereby amended and restated in its entirety to read as follows:

> SECTION 2.14 <u>Conversion and Continuation of Revolving Loans</u>.
>
> (a) <u>Optional.</u> Each Borrower may on any Business Day, upon notice given to the Administrative Agent not later than 12:00 noon (New York City time) on (x) the third (or, in the case of a Revolving Loan Borrowing denominated in an Alternate Currency other than Sterling, Canadian Dollars, Euros or a Special Notice Currency, fourth, or in the case of a Special Notice Currency, fifth) Business Day prior to the date of the proposed continuation of any outstanding Term Rate Loan or the proposed Conversion of all or any portion of any Term Rate Loan into another Type of Revolving Loan denominated in the same Currency, or of all or any portion of

another Type of Revolving Loan into a Term Rate Loan denominated in the same Currency and (y) the first Business Day prior to the date of the proposed Conversion of Daily SOFR Loans into Base Rate Loans or Base Rate Loans into Daily SOFR Loans, and, in each case, subject to the provisions of Section 3.05, (A) Convert all or any portion of the Revolving Loans of one Type comprising the same Revolving Loan Borrowing into Revolving Loans of another Type denominated in the same Currency or (B) continue any outstanding Term Rate Loan without changing its Type; provided, however, that any Conversion of Term SOFR Loans into Daily SOFR Loans or Base Rate Loans, or of Alternative Currency Term Rate Loans into Alternative Currency Daily Rate Loans, shall be made only on the last day of an Interest Period for such Term SOFR Loans or Alternative Currency Term Rate Loans, as applicable, and any Conversion of Daily SOFR Loans or Base Rate Loans into Term SOFR Loans, or of Alternative Currency Daily Rate Loans into Alternative Currency Term Rate Loans, shall be in an amount not less than the minimum amount specified in Section 3.01(b). Each such notice of Conversion or continuation may be given by (A) telephone or (B) a Notice of Revolving Loan Borrowing; provided that any telephonic notice must be confirmed immediately by delivery to the Administrative Agent of a Notice of Revolving Loan Borrowing and shall, within the restrictions specified above, specify (i) the date of such Conversion or continuation, (ii) the Revolving Loans to be Converted or continued, (iii) in the case of a Conversion of Revolving Loans into another Type, the Type into which such Revolving Loans shall be Converted and (iv) if such Conversion is into Term Rate Loans, or in the case of a continuation of Term Rate Loans, the duration of the Interest Period for such Revolving Loans. Each notice of Conversion or continuation shall be irrevocable and binding on the Borrowers.

(b) Mandatory. If the Company shall fail to select the duration of any Interest Period for any Term Rate Loans in accordance with the provisions contained in the definition of "Interest Period" in Section 1.01, the Administrative Agent will forthwith so notify the Company and the Lenders, whereupon each such Term Rate Loan will automatically, on the last day of the then existing Interest Period therefor, be continued as a Term Rate Loan in its original Currency with an Interest Period of one month. If the Company shall fail to select the Type for any Conversion of (i) a Term SOFR Loan to another Type, the Administrative Agent will forthwith so notify the Company and the Lenders, whereupon such Term SOFR Loan will automatically, on the last day of the then existing Interest Period therefor Convert into a Daily SOFR Loan or (ii) an Alternative Currency Term Rate Loan denominated in Canadian Dollars to another Type, the Administrative Agent will forthwith so notify the Company and the Lenders, whereupon such Alternative Currency Term Rate Loan will automatically, on the last day of the then existing Interest Period therefor Convert into an Alternative Currency Daily Rate Loan denominated in Canadian Dollars.

(c) Conversions Generally. Each Borrower and the Lenders hereby acknowledge that Conversions and continuations pursuant to this Section 2.14 do not constitute Borrowings and, accordingly, do not result in the remaking of any of the Company's representations and warranties pursuant to Section 4.02 or Section 4.03.

1.11 Addition of New Schedule 2.11. Exhibit A to this Amendment is hereby added to the Credit Agreement as Schedule 2.11.

SECTION 2. Transition of Existing Loans Denominated in Canadian Dollars. Notwithstanding anything to the contrary contained herein or elsewhere: (a) Alternative Currency Term Rate Loans that are denominated in Canadian Dollars and are outstanding on the First Amendment Effective Date ("Existing Canadian Denominated Loans") shall continue to accrue interest at the per annum interest rate that would apply to such Existing Canadian Denominated Loans under the Credit Agreement, and such interest shall be payable on the dates that such interest would be payable under the Credit Agreement and otherwise in accordance with the terms thereof and (b) on the last day of the

Interest Period (solely for purposes of this paragraph, as defined in the Credit Agreement) with respect to each Existing Canadian Denominated Loan, such Existing Canadian Denominated Loan shall be converted to an Alternative Currency Daily Rate Loan denominated in Canadian Dollars (accruing interest as set forth in the Credit Agreement, as amended by this Amendment).

SECTION 3. Conditions of Effectiveness. This Amendment shall become effective at 5:00 p.m. Eastern time on the fifth Business Day after the Administrative Agent shall have posted this Amendment to all Lenders and the Company unless, prior to such time, Lenders comprising the Required Lenders have delivered to the Administrative Agent written notice that such Required Lenders object to this Amendment (the "Effective Time").

SECTION 4. Representations and Warranties. The Company reaffirms and restates the representations and warranties made by it in Section 5.01 of the Credit Agreement (excluding the Excluded Representations) as of the date hereof, in each case after giving effect to the amendments to the Credit Agreement contemplated hereby; provided that, solely for purposes of this Amendment, the representations and warranties set forth in the first sentence of Section 5.01(e) of the Credit Agreement with respect to (i) unaudited financial statements of the Company are deemed modified, mutatis mutandis, to refer to the unaudited financial statements of the Company for the fiscal quarter ended March 31, 2024 and (ii) audited financial statements of the Company are deemed modified, mutatis mutandis, to refer to the audited financial statements of the Company for its fiscal year ended December 31, 2023. The Company additionally represents and warrants (which representations and warranties shall survive the execution and delivery hereof) to the Administrative Agent and the Lenders, as of the date hereof, that:

(a) the execution, delivery and performance by the Company of this Amendment and the consummation of the transactions contemplated hereby, are within the Company's corporate powers, and have been duly authorized by all necessary corporate action;

(b) except as have been obtained, no authorization or approval or other action by, and no notice to or filing with, any governmental authority or regulatory body or any other third party is required for the due execution, delivery and performance by the Company of this Amendment or for consummation of the transactions contemplated hereby, except and to the extent that any failure to obtain such authorization, approval or other action would not have a Material Adverse Effect;

(c) this Amendment has been duly executed and delivered on the Company's behalf by a duly authorized officer, and constitutes the Company's legal, valid and binding obligation enforceable against the Company in accordance with its terms, subject to (i) the effects of bankruptcy, insolvency, moratorium, reorganization, fraudulent conveyance or other laws affecting creditors' rights generally, (ii) general principles of equity (regardless of whether such enforceability is considered in a proceeding in equity or at law) and (iii) implied covenants of good faith and fair dealing;

(d) no Default or Event of Default has occurred and is continuing or would result from the consummation of the transactions contemplated by this Amendment;

(e) the execution, delivery and performance of this Amendment will not (i) violate any law, rule or regulation (including, without limitation, the Securities Act of 1933 and the Securities Exchange Act of 1934 and the regulations thereunder, and the Margin Regulations, each as amended from time to time), or order, writ, judgment, injunction, decree, determination or award, (ii) conflict with or result in the breach of, or constitute a default under, any contract, loan agreement, indenture, mortgage, deed of trust, lease or other instrument binding on or affecting the Company or any of its Subsidiaries or any of their properties, except if such conflict, breach or default would not have a Material Adverse Effect, or (iii) result in or require the creation or imposition of any Lien (other than a Lien permitted under Section 6.02(a)) upon or with respect to any of the properties of the Company or its Subsidiaries.

SECTION 5. **Costs and Expenses**. The Company acknowledges and agrees that its payment obligations set forth in Section 9.04 of the Credit Agreement include the costs and expenses incurred by the Administrative Agent in connection with the preparation, execution and delivery of this Amendment and any other documentation contemplated hereby (whether or not this Amendment becomes effective or the transactions contemplated hereby are consummated and whether or not a Default or Event of Default has occurred or is continuing), including, but not limited to, the reasonable fees and disbursements of Arnold & Porter Kaye Scholer LLP, counsel to the Administrative Agent.

SECTION 6. **Ratification**.

(a) The Credit Agreement, as amended by this Amendment, and the other Loan Documents remain in full force and effect and are hereby ratified and affirmed by the Company. The Company hereby reaffirms and admits the validity and enforceability of the Credit Agreement, as amended by this Amendment, and the other Loan Documents.

(b) This Amendment shall be limited precisely as written and, except as expressly provided herein, shall not be deemed (i) to be a consent granted pursuant to, or a waiver, modification or forbearance of, any term or condition of the Credit Agreement, any other Loan Document or any of the instruments or agreements referred to in any thereof or a waiver of any Default or Event of Default, whether or not known to the Administrative Agent, any Lender or any Issuing Bank or (ii) to prejudice any right or remedy which the Administrative Agent, any Lender or any Issuing Bank may now have or have in the future against any Person under or in connection with any Loan Document or any of the instruments or agreements referred to therein or any of the transactions contemplated thereby.

SECTION 7. **Modifications**. Neither this Amendment, nor any provision hereof, may be waived, amended or modified except pursuant to an agreement or agreements in writing entered into by the parties hereto.

SECTION 8. **References**. The Company acknowledges and agrees that this Amendment constitutes a Loan Document. Each reference in the Credit Agreement to “this Agreement,” “hereunder,” “hereof,” “herein,” or words of like import, and each reference in each other Loan Document (and the other documents and instruments delivered pursuant to or in connection therewith) to the “Credit Agreement”, “thereunder”, “thereof” or words of like import, shall mean and be a reference to the Credit Agreement as modified hereby and as it may in the future be amended, restated, supplemented or modified from time to time.

SECTION 9. **Execution**. This Amendment is a Communication. This Amendment may be executed in as many counterparts as necessary or convenient, including both paper and electronic counterparts, but all such counterparts are one and the same Communication. For the avoidance of doubt, the provisions of Section 9.20 of the Credit Agreement are incorporated herein as if set forth in full herein, *mutatis mutandis*.

SECTION 10. **Successors and Assigns**. The provisions of this Amendment shall be binding upon and inure to the benefit of the parties hereto and their respective successors and assigns.

SECTION 11. **Governing Law**. **THIS AMENDMENT, AND ANY CLAIMS, CONTROVERSY, DISPUTE OR CAUSE OF ACTION (WHETHER IN CONTRACT OR TORT OR OTHERWISE) BASED UPON, ARISING OUT OF OR RELATING TO THIS AMENDMENT AND THE TRANSACTIONS CONTEMPLATED HEREBY SHALL BE GOVERNED BY, AND CONSTRUED IN ACCORDANCE WITH, THE LAW OF THE STATE OF NEW YORK.**

SECTION 12. Headings. Section headings in this Amendment are included for convenience of reference only and are not to affect the construction of, or to be taken into consideration in interpreting, this Amendment.

[Signature pages immediately follow.]

IN WITNESS WHEREOF, the Company and the Administrative Agent have caused this Amendment to be duly executed by their respective authorized officers as of the day and year first above written.

COMPANY: MARRIOTT INTERNATIONAL, INC.

By: /s/ Jennifer C. Mason
Name: Jennifer C. Mason
Title: Vice President & Treasurer

ADMINISTRATIVE AGENT:

BANK OF AMERICA, N.A., as Administrative Agent

By: /s/ David J. Smith
Name: David J. Smith
Title: Vice President

Exhibit 31.1

Certification of Chief Executive Officer
Pursuant to Rule 13a-14(a)

I, Anthony G. Capuano, certify that:

1. I have reviewed this quarterly report on Form 10-Q of Marriott International, Inc.;

2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;

3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;

4. The registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:

   (a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;

   (b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;

   (c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and

   (d) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and

5. The registrant's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):

   (a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting, which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and

   (b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

July 31, 2024

/s/ Anthony G. Capuano

Anthony G. Capuano
President and
Chief Executive Officer
(Principal Executive Officer)

Exhibit 31.2

Certification of Chief Financial Officer
Pursuant to Rule 13a-14(a)

I, Kathleen K. Oberg, certify that:

1. I have reviewed this quarterly report on Form 10-Q of Marriott International, Inc.;

2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;

3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;

4. The registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:

   (a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;

   (b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;

   (c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and

   (d) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and

5. The registrant's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):

   (a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting, which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and

   (b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

July 31, 2024

/s/ Kathleen K. Oberg

Kathleen K. Oberg
Chief Financial Officer and
Executive Vice President, Development
(Principal Financial Officer)

Exhibit 32

Certification
Pursuant to Rule 13a-14(b) and Section 906 of the Sarbanes-Oxley Act of 2002
(18 U.S.C. Sections 1350(a) and (b))

I, Anthony G. Capuano, President and Chief Executive Officer of Marriott International, Inc. (the “Company”) certify that:

(1) the quarterly report on Form 10-Q of the Company for the period ended June 30, 2024, (the “Quarterly Report”) fully complies with the requirements of section 13(a) or 15(d) of the Securities Exchange Act of 1934 (15 U.S.C. 78m or 78o(d)); and

(2) the information contained in the Quarterly Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

July 31, 2024

/s/ Anthony G. Capuano

Anthony G. Capuano
President and
Chief Executive Officer
(Principal Executive Officer)

I, Kathleen K. Oberg, Chief Financial Officer and Executive Vice President, Development of Marriott International, Inc. (the “Company”) certify that:

(1) the quarterly report on Form 10-Q of the Company for the period ended June 30, 2024, (the “Quarterly Report”) fully complies with the requirements of section 13(a) or 15(d) of the Securities Exchange Act of 1934 (15 U.S.C. 78m or 78o(d)); and

(2) the information contained in the Quarterly Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

July 31, 2024

/s/ Kathleen K. Oberg

Kathleen K. Oberg
Chief Financial Officer and
Executive Vice President, Development
(Principal Financial Officer)