

Stock Ownership and Retention Policy

The Culture and Compensation Committee (the “Committee”) endorses a strong equity ownership policy for all Host Hotels & Resorts employees. The Committee believes that such a policy supports the alignment of the employees' and stockholders' interests. The Committee has approved the following equity ownership and retention policy, which applies to all employees at or above the level of senior vice president.

Stock Ownership And Retention

Each member of senior management is subject to an equity ownership guideline expressed as a multiple of base salary. The value of each member's shares is calculated by multiplying the number of shares held by a stock price established by the Committee at the beginning of each calendar year. The applicable multiples are:

- Executive Chair of the Board: six times base salary
- Chief Executive Officer: six times base salary
- Executive Vice President: three times base salary
- Senior Vice President and Department Head: one times base salary
- Senior Vice President: one-half times base salary

Members of senior management are expected to satisfy the minimum stock ownership levels required by this Policy and, once achieved, remain at, or above, their required ownership level as long as they remain employed by the Company.

In order to progress toward the stock ownership requirement, the Committee requires employees to retain 75% of “Covered Shares” until the equity ownership level is attained. For the purposes of the policy, “Covered Shares” are the net after- tax shares received upon the vesting of each stock award under a Company equity compensation plan or other written compensation arrangement.

The following types of equity are counted when determining compliance with this policy: (a) stock owned directly; (b) stock purchased through Host's stock purchase or deferred stock plans; and (c) stock acquired as a result of vesting of stock under the Company's equity compensation program. Vested and unvested stock options or stock options exercised and held are not included in the calculation.

The Committee will review senior management's progress in meeting these guidelines at least annually. Any senior management dispositions will be reviewed at each meeting.

Sale and Transfer of Stock

All sales and transfers of equity once the ownership level is attained must be approved by the Committee. The Committee recognizes that from time to time circumstances may arise that require special consideration. The Committee, in its sole discretion, may grant exceptions to the Policy.

Compliance

At the end of each calendar year, the Company will calculate the stock ownership level of each member of senior management and will notify them of their status against the minimum stock ownership requirement. The Company will also report to the Committee on at least annually with respect to compliance with this Policy.

If a member of senior management fails to comply with this Policy, the Committee may take any action it deems advisable, including but not limited to, discipline, forfeiture of shares, lack of participation in equity programs, and/or dismissal.