

2020 Independent Limited Assurance Report for Hilton Worldwide Holdings, Inc.



To the stakeholders of Hilton Worldwide Holdings Inc.:

This assurance statement has been prepared by DEKRA Certification, Inc. (DEKRA) at the request of Hilton, Inc. (Hilton). DEKRA has conducted an independent assessment of Hilton's publicly reported ESG data ("Reported Data"), detailed in the tables below, covering the period from January 1, 2020 to December 31, 2020.

Objective and Level of Assurance

The objective of the assessment was to provide a limited level of assurance that the Reported Data is free of material misstatements. A limited level of assurance indicates that DEKRA'S assessment did not discover evidence of errors in the Reported Data. When evaluating potential errors in the Reported Data, DEKRA used a materiality threshold of 5%.

Scope and Criteria

The Reported Data covers Hilton corporate offices and all Hilton properties, managed and franchised, for the reporting period of 1/1/20 to 12/31/20. This includes direct (Scope 1) and indirect (Scope 2) greenhouse gas (GHG) emissions from the operation of Hilton owned and managed properties and Hilton's corporate offices, Scope 3 emissions from Hilton's franchised properties, and other Scope 3 emissions from business travel and waste. GHG reporting covers the following gases: CO₂, CH₄ and N₂O.

The Reported Data also includes Hilton's social impact data: refugees impacted, volunteering hours, disaster relief funds distributed, Grants awarded through the Hilton Effect Foundation, number of diverse suppliers and anti-trafficking training.

Hilton's Reported Data was prepared following the guidance of the World Resource Institute / World Business Council for Sustainable Development (WRI/WBCSD) Greenhouse Gas Protocol Corporate Accounting and Reporting Standard ("GHG Protocol") and Hilton's internal procedures.

The specific data assessed is presented in Tables 1, 2 and 3 on the following pages.

Assurance Standard and Assessment Activities

DEKRA conducted the verification of the SASB Standard Reported Data in accordance with ISO 14021:2016 – Environmental labels and declarations – Self-declared environmental claims and DEKRA's Verification Approach for the environmental impact data. The verification activities were documented in a sampling plan created and updated by considering Hilton's data management system and findings uncovered during the verification process.

- Key activities included interviews with individuals responsible for the collection and analysis of the Reported Data via Hilton's LightStay platform. All Hilton properties are required to report energy, waste, and water activity data into LightStay monthly. All properties also use LightStay to record social impact metrics, such as volunteer hours and donations. DEKRA reviewed the quality assurance activities in place

and the treatment of incomplete activity data.

- In 2020, due to the COVID-19 pandemic, auditors were not able to physically visit Hilton's managed properties. However, In 2018 and 2019, DEKRA auditors visited 113 Hilton properties worldwide, covering all regions and all brands. During these audits, auditors: verified the accuracy of data input into LightStay by reviewing utility bills and meter logs; verified that all energy sources on site were being included in LightStay; and assessed the competence of individuals responsible for inputting data into LightStay.
- Recalculation of emissions from activity data to verify emissions factors and Global Warming Potentials (GWP) calculations were applied correctly.
- Evaluation of a sensitivity analysis developed to determine the potential impact of Hilton's assumptions regarding incomplete and incorrect data.
- Review of raw data to review for anomalies and confirm the adequacy of Hilton's internal data cleansing procedures.

Conclusion

DEKRA can provide Limited Assurance that the Reported Data listed in Tables 1 and 2 is free of material misstatements. During its assessment, Dekra did not find any evidence indicating the Reported Data was incorrect, nor did DEKRA find any evidence that, where applicable, the calculation and reporting of data was not in conformance with the guidance and methodology of the GHG Protocol or Hilton's internal procedures.

Recommendations

As part of the assurance engagement, DEKRA has provided Hilton with a series of recommendations to ensure the continual improvement of the collection, storage, analysis, and reporting of specific sustainability performance data at the corporate and facility level.

Table 1—Greenhouse gas emissions

INDICATOR	2020 TOTAL MT CO ₂ e	INTENSITY MT CO ₂ e/m ²	INTENSITY CHANGE FROM 2019
Scope 1 Direct emissions	329,570	0.0132	-33.6%
Scope 2 Indirect emissions (Location-based)	1,419,705	0.0569	-30.2%
Scope 2 Indirect emissions (Market-based)	1,388,664	0.0557	-31.1%
Scope 1 + 2 emissions (Location-based)	1,749,275	0.0701	-30.8%
Scope 1 + 2 emissions (Market-based)	1,718,234	0.0689	-31.6%
Scope 3 emissions from Franchises	3,189,909	0.0749	-22.9%
Scope 3 emissions from Landfilled Waste	59,986	0.0024	-51.2%
Scope 3 emissions from Business Travel	6,449	—	-75.9%

Table 2—Other environmental data

INDICATOR	2020 TOTAL	INTENSITY	INTENSITY CHANGE FROM 2019
ENERGY CONSUMPTION	MWH	MWH/m²	%
Managed	4,956,217	0.1987	-30.4%
Franchised	10,015,986	0.2353	-20.5%
Total	14,972,203	0.2218	-24.1%
WATER CONSUMPTION	MEGALITERS	LITERS/m²	%
Managed	9,672	388	-33.9%
Franchised	16,788	394	-32.4%
Total	26,460	392	-32.9%
WATER WITHDRAWALS	MEGALITERS	LITERS/m²	%
Managed	38,687	1,551	-33.9%
Franchised	67,154	1,578	-32.4%
Total	105,841	1,568	-32.9%
LANDFILLED WASTE	METRIC TONS	MT/m²	%
Managed	63,815	0.0026	-51.2%
Franchised	188,956	0.0044	-37.0%
Total	252,772	0.0037	-41.2%
WASTE DIVERTED FROM LANDFILL	METRIC TONS	MT/m²	%
Managed	32,794	0.0013	-53.0%
Franchised	23,364	0.0005	-56.4%
Total	56,158	0.0008	-54.7%
WASTE DIVERSION RATE (%)			
Managed	33.9%	–	-0.9%
Franchised	11.0%	–	-4.2%
Total	18.2%	–	-4.2%

ABOUT DEKRA

DEKRA Certification, Inc. is an ANSI-ASQ National Accreditation Board (ANAB) accredited Certification Body and conforms to the requirements of ISO 17021-1:2015 covering the auditing and certification of management systems. Dekra has certified Hilton to the ISO 9001, 14001, and 50001 standards since 2010. Two key principles for Certification Bodies are Impartiality and competence.

Dekra did not assist or consult with Hilton at any time in generating the Reported Data within the scope of the assurance statement. Dekra has procedures in place to ensure its work is free from bias and is not unduly influenced by outside parties. The Dekra employees and contractors who participated in assurance activities were free from personal, financial, or other relationships that would potentially compromise their impartiality.

Likewise, the personnel who performed assurance activities were all experienced environmental and energy auditors. The competence of these individuals is continually monitored and recorded. All assurance activities were subject to Dekra's peer review and quality assurance processes.

Table 3—Social impact data

INDICATOR

2020 TOTAL

Disaster relief funds distributed to Hilton Team Members through the Hilton Responds Fund (USD)	\$542,093
Volunteering (number of hours)	184,425
Grants awarded to community partners through the Hilton Effect Foundation	\$1,897,500
Mandatory Anti-Trafficking Training (% of General Managers having completed)	71%
Supplier Diversity Program (number of women, minority, veteran and LGBTQ-owned businesses we have supported)	2700
Refugees Impacted (cumulative since 2015)	11,725

ATTESTED BY



ZED BATES
 CARB Accredited Verifier
 Executive Order H-15-171
 Lead Auditor
 DEKRA Certification, Inc.



CEM ONUS
 Managing Director
 DEKRA Certification, Inc.

