

C0. Introduction

C0.1

(C0.1) Give a general description and introduction to your organization.

Hilton is one of the largest hospitality companies in the world, with 6,478 properties comprising 1,019,287 rooms in 119 countries and territories as of December 31, 2020. Founded in 1919, Hilton has been an innovator in the industry for more than 100 years, driven by the vision of our founder Conrad Hilton, "to fill the earth with the light and warmth of hospitality." Our premier brand portfolio includes: our luxury and lifestyle hotel brands, Waldorf Astoria Hotels & Resorts, LXR Hotels & Resorts, Conrad Hotels & Resorts, Canopy by Hilton, Tempo by Hilton and Motto by Hilton; our full service hotel brands, Signia by Hilton, Hilton Hotels & Resorts, Curio Collection by Hilton, DoubleTree by Hilton, Tapestry Collection by Hilton and Embassy Suites by Hilton; our focused service hotel brands, Hilton Garden Inn, Hampton by Hilton, Tru by Hilton, Homewood Suites by Hilton and Home2 Suites by Hilton; and our timeshare brand, Hilton Grand Vacations. As of December 31, 2020, we had more than 112 million members in our award-winning guest loyalty program, Hilton Honors.

We depend on our long-term hotel management and franchise contracts with third-party owners and franchisees for the majority of our fee revenues. The management and franchise segment includes all of the hotels we manage for third-party owners, as well as all franchised hotels owned and managed by others. As of December 31, 2020, there were 776 hotels managed by Hilton and under operational control ("CDP reporting boundary"). Out of these managed hotels, Hilton has an ownership interest (owned, joint venture or leased) in only 61 hotels worldwide. There is a total of 5,646 franchised properties, which are controlled by Hilton's development and operating standards for the respective Brands, that account for approximately 87% of our global portfolio. Given their significance to Hilton's business model, responses that are relevant to franchised hotels are reported as Other Value Chain.

Our CDP Reporting Boundary is Operational Control, defined as companies, entities or groups over which operational control is exercised. However, please note that Hilton's ESG and climate change strategies, along with LightStay requirements for measurement and improvement in carbon and energy efficiency, extend to all managed and franchised hotels globally.

Hilton is committed to leading the hospitality industry towards a zero-carbon economy and reducing our greenhouse gas emissions in line with climate science. Hilton has integrated energy and climate-related issues into our business objectives for years through our continual focus on improving the environmental performance of our hotels and driving responsible travel and tourism across our industry. We are serious about our role in helping the international community reach the UN Sustainable Development Goals (SDGs) by taking action in our global hotel operations, local communities and supply chain. Our ESG program, Travel with Purpose, drives us to think and act in ways that will maximize our contributions to help meet these important global goals. In this spirit, we have united our nearly 425,000 Team Members along with our owners, partners and communities in more than 100 countries around our ESG strategy and shared goals. As a result of our efforts, we were proud to be named to the Dow Jones Sustainability Indices for the first time starting in 2017, and named the DJSI Global Industry Leader in 2019 and 2020.

In 2018, we released our Travel with Purpose 2030 Goals to double our social impact and cut our environmental footprint in half. One of the key targets underpinning these goals is our science-based targets (SBTs), demonstrating our commitment to reducing our carbon emissions in line with the stipulations of the Paris Climate Agreement. We recognize climate change to be a critical threat to our planet, our communities and our business, and we are proud to have been the first major hotel company to have our SBTs approved by the Science Based Targets initiative (SBTi). We are committed to doing our part and to working with suppliers and partners that can support us in this most critical of efforts. In 2019, Hilton joined over 70 major businesses and US labor unions in issuing a joint statement calling for accelerated action on climate change, and urging the US to remain in the Paris Agreement. In 2020, we joined more than 200 businesses and investors in calling on the EU to raise EU 2030 GHG emissions targets and endorse the ambitious goals set out in the European Green Deal.

C0.2

(C0.2) State the start and end date of the year for which you are reporting data.

	Start date	End date	Indicate if you are providing emissions data for past reporting years	Select the number of past reporting years you will be providing emissions data for
Reporting year	January 1 2020	December 31 2020	No	<Not Applicable>

C0.3

(C0.3) Select the countries/areas for which you will be supplying data.

- Albania
- Angola
- Argentina
- Aruba
- Australia
- Austria
- Azerbaijan

Bahamas
Barbados
Belarus
Belgium
Brazil
Bulgaria
Cabo Verde
Cameroon
Canada
China
China, Hong Kong Special Administrative Region
Colombia
Costa Rica
Croatia
Cyprus
Czechia
Dominican Republic
Egypt
Equatorial Guinea
Estonia
Ethiopia
Fiji
France
Georgia
Germany
Greece
Hungary
India
Indonesia
Ireland
Israel
Italy
Japan
Jordan
Kazakhstan
Kenya
Kuwait
Lebanon
Malaysia
Maldives
Malta
Mauritius
Mexico
Morocco
Myanmar
Namibia
Netherlands
New Caledonia
New Zealand
Nigeria
Oman
Panama
Papua New Guinea
Peru
Philippines
Poland
Portugal
Puerto Rico
Qatar
Republic of Korea
Romania
Russian Federation
Saint Lucia
Saudi Arabia
Serbia
Seychelles
Singapore
South Africa
Spain
Sri Lanka
Sweden
Switzerland
Taiwan, Greater China
Thailand
Trinidad and Tobago
Turkey
Ukraine
United Arab Emirates
United Kingdom of Great Britain and Northern Ireland
United States of America
Uruguay

C0.4

(C0.4) Select the currency used for all financial information disclosed throughout your response.

USD

C0.5

(C0.5) Select the option that describes the reporting boundary for which climate-related impacts on your business are being reported. Note that this option should align with your chosen approach for consolidating your GHG inventory.

Operational control

C-CN0.7/C-RE0.7

(C-CN0.7/C-RE0.7) Which real estate and/or construction activities does your organization engage in?

Buildings management

C1. Governance

C1.1

(C1.1) Is there board-level oversight of climate-related issues within your organization?

Yes

C1.1a

(C1.1a) Identify the position(s) (do not include any names) of the individual(s) on the board with responsibility for climate-related issues.

Position of individual(s)	Please explain
Chief Executive Officer (CEO)	Our President and CEO is the member of Hilton's Board of Directors with responsibility for climate-related issues and decisions. Hilton's General Counsel & Chief ESG Officer oversees the ESG department, which is responsible for the company's sustainability strategy, including Hilton's strategy for addressing climate change. The General Counsel & Chief ESG Officer reports directly to Hilton's President and CEO, who is the only company executive on Hilton's Board of Directors. Our Board receives periodic updates from our CEO and our General Counsel & Chief ESG Officer on the Company's ESG strategy and initiatives. These reports outline Hilton's progress towards our Travel with Purpose 2030 Goals, including our science-based targets.
Director on board	The Board's Nominating and ESG Committee is tasked with overseeing and evaluating Hilton's corporate responsibility programs. As described in the Committee's Charter, the Directors who sit on the Nominating and ESG Committee are tasked with the following: "to help the company fulfill its responsibility to communities at large, periodically review and assess the Company's ESG strategy, practices and policies, and, if appropriate, make recommendations to the Board concerning the same." Hilton's climate strategy, including the company's science-based targets, are a key component of our ESG program as overseen by the Board's Nominating and ESG Committee.

C1.1b

(C1.1b) Provide further details on the board's oversight of climate-related issues.

Frequency with which climate-related issues are a scheduled agenda item	Governance mechanisms into which climate-related issues are integrated	Scope of board-level oversight	Please explain
Scheduled – some meetings	<ul style="list-style-type: none"> Reviewing and guiding strategy Reviewing and guiding major plans of action Reviewing and guiding risk management policies Reviewing and guiding annual budgets Reviewing and guiding business plans Setting performance objectives Monitoring implementation and performance of objectives Monitoring and overseeing progress against goals and targets for addressing climate-related issues 	<Not Applicable>	<p>The Board of Directors has overall responsibility for risk oversight, which includes understanding (1) material risks, (2) management steps to address these risks and (3) appropriate levels of risk of our company. As part of regular Board and committee meetings, the Board of Directors is responsible for general oversight of executives' management of risks relevant to the Company. Hilton's Global Risk Management team regularly assesses our sensitivity to changes in risk profiles across a series of prioritized financial and non-financial risks. This analysis helps us to inform our Board of Directors as they assess management's risk tolerance levels and determine what constitutes an appropriate level of risk for the company. Climate change risks are explicitly included in Hilton's annual Enterprise Risk Management assessment processes. We define climate change risks as "Shifts in global or regional climate patterns, leading to an increase in the severity/frequency of extreme weather events, rising sea levels, and sustained higher temperatures, all of which may result in risk to current operations and future development in at-risk markets." In addition to climate change, our ERM processes cover Social Impact (including human rights and labor strikes), Environmental Impact (including water scarcity, pollution and biodiversity degradation) and Strategic Sourcing (including social and environmental factors in sourcing). The results of this risk assessment are provided to the Board annually, to inform enterprise-wide strategic planning. Additionally, our Board receives periodic updates from our CEO and Chief ESG Officer on the Company's ESG strategy and initiatives. Quarterly reports are also provided to the Executive Committee, including our CEO, highlighting progress against Hilton's 2030 Goals (including science-based targets), other key sustainability programs and partnerships, and the direct results of these investments.</p>

C1.2

(C1.2) Provide the highest management-level position(s) or committee(s) with responsibility for climate-related issues.

Name of the position(s) and/or committee(s)	Reporting line	Responsibility	Coverage of responsibility	Frequency of reporting to the board on climate-related issues
Other C-Suite Officer, please specify (General Counsel & Chief ESG Officer)	<Not Applicable>	Both assessing and managing climate-related risks and opportunities	<Not Applicable>	Annually
Other, please specify (Board of Directors' Nominating and ESG Committee)	<Not Applicable>	Both assessing and managing climate-related risks and opportunities	<Not Applicable>	Annually

C1.2a

(C1.2a) Describe where in the organizational structure this/these position(s) and/or committees lie, what their associated responsibilities are, and how climate-related issues are monitored (do not include the names of individuals).

Organizational structure: Hilton's ESG department reports to the General Counsel & Chief ESG Officer, who is the Hilton leader below Board-level with the highest level of management responsibility for climate change. The General Counsel & Chief ESG Officer is a Named Executive Officer who reports to the President & CEO. The ESG department is led by the SVP, Public Affairs & ESG. The Board of Directors' Nominating and ESG Committee is tasked with overseeing and evaluating Hilton's ESG programs.

Responsibilities: The ESG department is responsible for managing Travel with Purpose, our ESG program, which focuses on the environmental, social and governance issues that directly affect the business. The Directors who sit on the Nominating and ESG Committee are tasked with the following, as described in the Committee's Charter: "to help the company fulfill its responsibility to communities at large, periodically review and assess the Company's corporate responsibility strategy, practices and policies, and, if appropriate, make recommendations to the Board concerning the same." Hilton's climate strategy, including the company's science-based targets, are a key component of our corporate responsibility program as overseen by the Committee.

How climate-related issues are monitored: Using our LightStay platform, Hilton's ESG team supports our company's evaluation of climate change risks on a continual basis. We have mapped all of our hotels against external indices related to climate change, including 100 year flood zones as required by SASB, Verisk-Maplecroft's climate change risk indices, and WWF's Water Risk Filter. This monitoring includes mapping against climate scenario analysis for RCP 2.6, 4.5 and 8.5. The results of this risk analysis are shared internally with all of our hotels using LightStay, and used to inform our strategic priorities. We also continually assess our climate impacts and risks against our future growth projections as we analyze our progress towards our science-based targets and our long-term climate change strategy, established in May 2018 as part of Hilton's Travel with Purpose 2030 Goals. Updates on Hilton's ESG activities, including climate-related issues, are provided regularly to the Board. Quarterly reports are also provided to the Executive Committee, highlighting progress against Hilton's 2030 Goals (including science-based targets), other key sustainability programs and partnerships, and the direct results of these investments.

Additionally, climate change risks are explicitly included in Hilton's annual Enterprise Risk Management assessment processes. We define climate change risks as "Shifts in global or regional climate patterns, leading to an increase in the severity/frequency of extreme weather events, rising sea levels, and sustained higher temperatures, all of which may result in risk to current operations and future development in at-risk markets." In addition to climate change, our ERM processes cover Social Impact (including human rights and labor strikes), Environmental Impact (including water scarcity, pollution and biodiversity degradation) and Strategic Sourcing (including social and environmental factors in sourcing). The results of the annual Enterprise Risk Assessment are reviewed by the Board and used to inform enterprise-wide strategic planning.

C1.3

(C1.3) Do you provide incentives for the management of climate-related issues, including the attainment of targets?

	Provide incentives for the management of climate-related issues	Comment
Row 1	Yes	

C1.3a

(C1.3a) Provide further details on the incentives provided for the management of climate-related issues (do not include the names of individuals).

Entitled to incentive	Type of incentive	Activity incentivized	Comment
Chief Sustainability Officer (CSO)	Monetary reward	Please select	Bonus potential for Hilton's General Counsel & Chief ESG Officer and SVP, Public Affairs & ESG is tied to the overall management of climate changes issues including validation, certification and reporting of annual efforts and progress towards Hilton's 2030 Goals for carbon, energy, water and waste, setting company's sustainability strategy and goals (annual and long term, including utility efficiencies), hotels' performance metrics and measurement as well as tools and resources, employee awareness and engagement, and partnership implementation and results.
Other, please specify (Vice President, Engineering)	Monetary reward	Please select	Bonus potential for the regional Vice Presidents of Engineering (Property Operations) is tied to the attainment of Hilton's 2030 Goals and sustainability targets, including reduction in carbon emissions and energy consumption for hotel operations in their respective regions. Performance indicators are defined based on previous year consumption for each region. Measures used are hotels' energy total spend and use (total kBtus). Additionally, Property Operations in certain regions are also incentivized based on reduction of carbon emissions. Employees reporting into these positions whose responsibilities include climate changes issues (e.g. Regional Directors of Property Operations, Managers of Sustainability, Manager of Energy) are also financially incentivized based on some or all of the goals mentioned above. The energy reduction goals that the VPs of Property Operations are held accountable for are aligned with the energy reductions require for Hilton to achieve its science-based targets.
Environment/Sustainability manager	Non-monetary reward	Please select	All Full Service and Luxury branded hotels are required to have a committee of employees responsible for supporting and enhancing sustainability initiatives, reduction of utility and efficient operational performance, as well as employee engagement and community involvement. Every year, these committees are recognized based on their utility efficiency performance, their energy, water and/or waste efficiency improvement projects, employee and guest awareness and engagement projects, as well as community involvement. While these committees are not required in Focused Service hotels, many of these hotels will still have such a committee or person handling the initiatives mentioned above. These brands also provide sustainability-related awards based on utility efficiency results and improvement projects. The hotels, their General Managers and all staff are recognized with these awards.
Facilities manager	Monetary reward	Please select	Bonus potential for hotel Directors of Property Operations/Engineering is tied to the attainment of sustainability goals, including reduction in energy consumption and carbon emissions for the hotel's operations. Performance indicators are defined based on previous year consumption for each region. Measures used are hotels' energy intensity (kBtu per square meter) and CO2e in pounds per square meter. In addition, regional programs are in place that reward engineering teams with the best overall sustainability results, including energy year-over-year consumption reductions, waste efforts, sustainability related training, etc.
All employees	Monetary reward	Please select	Hotels, their General Managers and staff are recognized throughout the calendar year for sustainability-related best practices, as follows: (1) Hilton Effect Week is our annual, global celebration in which all hotels and offices around the world are encouraged to coordinate or participate in hands-on volunteer projects. In 2020, Team Members volunteered 184,425 hours; (2) Our managed hotels in Europe, Middle East and Africa are eligible to participate in the annual Driving Value competition where hotels compete to demonstrate the highest reductions in energy and water savings. All employees from the winning hotels receive an award for their achievements.

C2. Risks and opportunities

C2.1

(C2.1) Does your organization have a process for identifying, assessing, and responding to climate-related risks and opportunities?

Yes

C2.1a

(C2.1a) How does your organization define short-, medium- and long-term time horizons?

	From (years)	To (years)	Comment
Short-term	0	3	We consider the short-term to include the present day through the next three years.
Medium-term	3	10	We consider medium-term to consist of 3-10 years in the future.
Long-term	10	30	We consider a 10-30 year time period to be our long-term horizon.

C2.1b

(C2.1b) How does your organization define substantive financial or strategic impact on your business?

Definition of substantive financial or strategic impact: We define risks with the potential to have substantive financial or strategic impact on our business as follows: (1) Economic high risk: based on current or future negative financial impacts and potential for negative impact on regional operations or guest experience, (2) Environmental high risk, including risks related to the impacts of climate change: based on potential for legal non-compliance or negative cost impacts through remediation or recovery efforts, and (3) Social high risk: based on potential negative impact on brand, reputation and stakeholder relationships as well as potential for legal non-compliance. This above definition applies to our direct operations and our supply chain.

Quantifiable indicators used to identify substantive change: We measure substantive change differently depending on the metric, but we generally use cost as one of the measures to identify substantive change. We consider a 5% change to be material when assessing substantive impacts related to climate change-related risks. For example, if the level of hurricane or flood risk at a coastal property increases by 5%, we would likely consider that substantive.

C2.2

(C2.2) Describe your process(es) for identifying, assessing and responding to climate-related risks and opportunities.

Value chain stage(s) covered

Direct operations
Downstream

Risk management process

A specific climate-related risk management process

Frequency of assessment

More than once a year

Time horizon(s) covered

Short-term
Medium-term
Long-term

Description of process

On an annual basis, Hilton maps 100% of our hotels against a series of 30+ ESG risk indices provided by Verisk-Maplecroft, including 2030 Climate Change Exposure and Climate Change Vulnerability Indices that are based on RCP 8.5. To specifically assess the physical risk of climate change across different climate-related scenarios, this year we mapped all of our hotels against a series of risk indices related to climate change exposure and vulnerability, flood hazard, water stress, and temperature changes. The indices that we used included analysis of the current state of climate-related risk, as well as RCPs 2.6, 4.5 and 8.5, where risk data was available. This risk assessment includes an assessment of the physical risk for each of our hotels in our portfolio of properties, including franchised hotels (downstream operations).

Value chain stage(s) covered

Direct operations
Downstream

Risk management process

Integrated into multi-disciplinary company-wide risk management process

Frequency of assessment

Annually

Time horizon(s) covered

Short-term
Medium-term
Long-term

Description of process

Climate change risks are explicitly included in Hilton's annual Enterprise Risk Management assessment processes. Our Chief Financial Officer distributes Hilton's Global Enterprise Risk Survey to leaders across the global business on an annual basis. Alongside financial risks, the risks considered as part of this sensitivity analysis include: climate change risks, environmental and resource scarcity risks (including water scarcity) and social impact risks (including human rights, land disputes, and community impact concerns). We define climate change risks as "Shifts in global or regional climate patterns, leading to an increase in the severity/frequency of extreme weather events, rising sea levels, and sustained higher temperatures, all of which may result in risk to current operations and future development in at-risk markets." The Risk Survey informs Hilton's strategic objectives and the results of the survey are shared with Hilton's Executive Committee, Board of Directors and Audit Committee to inform enterprise-wide strategic planning, assess management's risk tolerance levels and determine what constitutes an appropriate level of risk for the company.

C2.2a

(C2.2a) Which risk types are considered in your organization's climate-related risk assessments?

	Relevance & inclusion	Please explain
Current regulation	Relevant, always included	Current carbon taxes pose financial risk by increasing utility costs and decreasing net operating income to Hilton. In particular, the UK and various countries across the EU have already implemented carbon taxes or carbon-implicated taxes. Currently, we are experiencing impact from the CRC Energy Efficiency Scheme (CRC Scheme) which requires qualifying companies to report their energy use annually and purchase and surrender allowances to offset their emissions. In the UK, Hilton has seen average energy utility costs increase by 15% as a result of CRC and other environmental taxes. Similar situations can be seen elsewhere in the Western world.
Emerging regulation	Relevant, always included	New or revised laws and regulations or new interpretations of existing laws and regulations, such as those related to climate change, could affect the operation of our properties or result in significant additional expense and operating restrictions.
Technology	Relevant, always included	Hilton considers the impact of technology in our climate-related risk and opportunity assessments. We work to promote the adoption of products and innovative technologies that reduce energy, water and waste through various channels and vendor partnerships. New technologies are typically piloted at our owned and managed hotels, with wider adoption either mandated or encouraged across additional hotels in the portfolio as relevant.
Legal	Relevant, always included	Foreign or U.S. environmental laws and regulations may cause us to incur substantial costs or subject us to potential liabilities. We are subject to certain compliance costs and potential liabilities under various foreign and U.S. federal, state and local environmental, health and safety laws and regulations. These laws and regulations govern actions including air emissions, the use, storage and disposal of hazardous and toxic substances, and wastewater disposal. Our failure to comply with such laws, including any required permits or licenses, could result in substantial fines or possible revocation of our authority to conduct some of our operations.
Market	Relevant, always included	We face risks around the loss of conference business and revenues if we do not respond adequately to the shift in consumer behavior and sustainability needs of our corporate and group clients. In our industry, we face competition for individual guests, group reservations and conference business. We compete for these customers based primarily on brand name recognition and reputation, as well as location, room rates, property size and availability of rooms and conference space, quality of the accommodations, customer satisfaction, amenities and the ability to earn and redeem loyalty program points. Changing consumer behavior could directly affect travel behavior, especially corporate bookings for meetings and conferences. We continue to see increasing preference and demand by our corporate clients for products and services that minimize environmental impacts. We also see an increasing need by our corporate clients to track and minimize the environmental impact of their events in order to meet their overall corporate responsibility goals and reporting obligations.
Reputation	Relevant, always included	Because of the global nature of our brands and the broad expanse of our business and hotel locations, events occurring in one location could negatively affect the reputation and operations of otherwise successful individual locations. In addition, the expansion of social media has compounded the potential scope of negative publicity. We also could face legal claims related to negative events, along with resulting adverse publicity. A perceived decline in the quality of our brands or damage to our reputation could adversely affect our business, financial condition or results of operations.
Acute physical	Relevant, always included	Unpredictability in the frequency and severity of extreme weather events, such as hurricanes and droughts, is our most significant physical risk related to climate change. Many of our hotels are located in areas where they are vulnerable to the extreme variability in weather patterns that results from global climate change.
Chronic physical	Relevant, always included	Many of our hotels are located in coastal areas where they face chronic physical risks related to rising sea levels. In addition to creating a risk of increased damage to facilities and operating costs, increased flood risk in coastal areas as a result of climate change creates a risk of increased insurance premiums and reduced availability of insurance on our properties located in coastal regions.

C2.3

(C2.3) Have you identified any inherent climate-related risks with the potential to have a substantive financial or strategic impact on your business?

Yes

C2.3a

(C2.3a) Provide details of risks identified with the potential to have a substantive financial or strategic impact on your business.

Identifier

Risk 1

Where in the value chain does the risk driver occur?

Direct operations

Risk type & Primary climate-related risk driver

Chronic physical	Changes in precipitation patterns and extreme variability in weather patterns
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Primary potential financial impact

Increased capital expenditures

Climate risk type mapped to traditional financial services industry risk classification

<Not Applicable>

Company-specific description

Unpredictability in the frequency and severity of extreme weather events, such as hurricanes and droughts, is our most significant physical risk related to climate change. Many of our hotels are located in areas where they are vulnerable to the extreme variability in weather patterns that results from global climate change. For example, in recent years several of our hotels have been significantly damaged due to hurricanes or wildfires, resulting in increased capital costs.

Time horizon

Short-term

Likelihood

Very likely

Magnitude of impact

Medium-low

Are you able to provide a potential financial impact figure?

No, we do not have this figure

Potential financial impact figure (currency)

<Not Applicable>

Potential financial impact figure – minimum (currency)

<Not Applicable>

Potential financial impact figure – maximum (currency)

<Not Applicable>

Explanation of financial impact figure

At this time we are not able to publish an estimate for the potential financial impact of this risk. Potentially avoided risks are unknown given the uncertainty of physical risks from climate change that may result in catastrophic loss. We note that the bulk of the financial impact of an extreme weather event would be borne by insurance rather than by Hilton. However, any loss of this nature, whether insured or not, could potentially adversely affect our operational results and prospects for growth.

Cost of response to risk

600000

Description of response and explanation of cost calculation

To mitigate the physical risk resulting from extreme weather events in the short term we invest significantly in disaster preparedness for our properties located in high risk areas, including investing in on-site power generation systems to ensure that our properties can maintain their power in the event of an emergency. In the long term, we believe that our science-based targets will help us contribute to halting the harmful impacts of global climate change.

Comment

Hilton has incorporated the management of the physical risks of climate change into our overall enterprise risk management framework. The estimated cost of management provided here includes the annual corporate contribution to the Hilton Effect Foundation and the Hilton Team Member Assistance Fund, which was developed to act as a vehicle to support short-term relief and long-term rebuilding efforts for Hilton Team Members and their families following a disaster.

Identifier

Risk 2

Where in the value chain does the risk driver occur?

Direct operations

Risk type & Primary climate-related risk driver

Chronic physical	Rising sea levels
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Primary potential financial impact

Increased capital expenditures

Climate risk type mapped to traditional financial services industry risk classification

<Not Applicable>

Company-specific description

Climate change is a risk factor for our company because many of our hotels are located in coastal areas that are vulnerable to rising sea levels. In addition to creating a risk of increased damage to facilities and operating costs, increased flood risk in coastal areas as a result of climate change creates a risk of increased insurance premiums and reduced availability of insurance on our properties located in coastal regions. If our hotels flood more frequently as a result of rising sea level, we will experience a drop in sales and in corresponding revenue. To assess this risk, we have mapped 100% of our hotels against a series of 30+ ESG risk indices provided by Verisk-Maplecroft, including 2030 Climate Change Exposure and Climate Change Vulnerability Indices that are based on RCP 8.5. To specifically assess the physical risk of climate change across different climate-related scenarios, this year we mapped all of our hotels against a series of risk indices related to climate change exposure and vulnerability, flood hazard, water stress, and temperature changes. The indices that we used included analysis of the current state of climate-related risk, as well as RCPs 2.6, 4.5 and 8.5 through 2045, where risk data was available. This risk assessment includes an assessment of the physical risk for each of our hotels in our portfolio of properties, including franchised hotels (downstream operations). We also work with our environmental partner, WWF, to assess flood risk at each of our properties around the world, and we seek to mitigate this risk by assisting our properties with flood preparedness.

Time horizon

Medium-term

Likelihood

Very likely

Magnitude of impact

Medium-low

Are you able to provide a potential financial impact figure?

No, we do not have this figure

Potential financial impact figure (currency)

<Not Applicable>

Potential financial impact figure – minimum (currency)

<Not Applicable>

Potential financial impact figure – maximum (currency)

<Not Applicable>

Explanation of financial impact figure

At this time we are not able to publish an estimate for the potential financial impact of this risk. Potentially avoided risks are unknown given the uncertainty of physical risks from climate change that may result in catastrophic loss. We note that the bulk of the financial impact of an extreme flooding event would be borne by insurance rather than by Hilton. However, any loss of this nature, whether insured or not, could potentially adversely affect our operational results and prospects for growth.

Cost of response to risk

600000

Description of response and explanation of cost calculation

To mitigate the physical risk resulting from rising sea levels we invest in flood preparedness at our hotels. We have also developed a Disaster Response Playbook is deployed when hotels face disasters, including flooding. In the long term, we believe that our science-based targets will help us contribute to halting the harmful impacts of global climate change.

Comment

Hilton has incorporated the management of the physical risks of climate change into our overall enterprise risk management framework. The estimated cost of management

provided here includes the annual corporate contribution to the Hilton Effect Foundation and the Hilton Team Member Assistance Fund, which was developed to act as a vehicle to support short-term relief and long-term rebuilding efforts for Hilton Team Members and their families following a disaster.

Identifier

Risk 3

Where in the value chain does the risk driver occur?

Direct operations

Risk type & Primary climate-related risk driver

Emerging regulation	Carbon pricing mechanisms
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Primary potential financial impact

Increased indirect (operating) costs

Climate risk type mapped to traditional financial services industry risk classification

<Not Applicable>

Company-specific description

Current and future carbon taxes pose financial risk by increasing utility costs and decreasing net operating income to Hilton as well as our management and franchise clients. In particular, the UK and various countries across the EU have already implemented carbon taxes or carbon-implicated taxes. Currently, we are experiencing impact from the CRC Energy Efficiency Scheme (CRC Scheme) which requires qualifying companies to report their energy use annually and purchase and surrender allowances to offset their emissions. In the UK, Hilton has seen average energy utility costs increase by 15% as a result of CRC and other environmental taxes. Similar situations can be seen elsewhere in the western world.

Time horizon

Short-term

Likelihood

Very likely

Magnitude of impact

Medium-low

Are you able to provide a potential financial impact figure?

Yes, a single figure estimate

Potential financial impact figure (currency)

2500000

Potential financial impact figure – minimum (currency)

<Not Applicable>

Potential financial impact figure – maximum (currency)

<Not Applicable>

Explanation of financial impact figure

Cost of carbon taxes are estimated to add 15% to total energy utility costs in the UK.

Cost of response to risk

100000

Description of response and explanation of cost calculation

We use LightStay, our proprietary sustainability measurement system, as the primary management method to mitigate risk and drive energy efficiency and savings across our global portfolio of hotels. At a regional and local hotel level, we provide team members with information about the direct impact of carbon taxes on the hotel's utility costs and bottom line. Additionally, Hilton includes potential carbon and CRC savings in energy efficiency improvement projects. By increasing awareness of these impacts, we see greater opportunity to drive energy efficiency and renewable energy projects in order to offset these additional costs. LightStay includes the following features: (1) Global performance tracking for ALL hotels, with reporting at the individual hotel, global region, Brand and Corporate level; (2) Environmental impact tracking of energy, water, waste, building and property operations, and improvement projects; (3) Calculates carbon footprint of any meeting or conference (4) Measures sustainability indicators across 200+ operational, design and construction practices; (5) Benchmarks peer performance between similar Hilton properties; (6) Utilizes data-driven modeling to predict and analyze utility consumption and costs; (7) Aligns with the requirements of ISO 14001 (Environmental Management), ISO 50001 (Energy Management), and the Global Sustainable Tourism Council (GSTC); and (8) Environmental data verified annually by an independent third party.

Comment

The cost of management of Hilton's emissions reporting obligations in the UK, including staff hours and consultant costs, is estimated to be \$100,000.

Identifier

Risk 4

Where in the value chain does the risk driver occur?

Upstream

Risk type & Primary climate-related risk driver

Please select

Primary potential financial impact

Increased direct costs

Climate risk type mapped to traditional financial services industry risk classification

<Not Applicable>

Company-specific description

In order to meet our long term Travel with Purpose targets to cut our environmental footprint in half and double our social impact investment by 2030 (including our science-based greenhouse gas targets), we will need to continue to identify products that will help us reduce our carbon emissions and overall environmental footprint. Given the size and scale of our company, we note that available supply of reasonable substitutes can be a challenge. For example, in May 2018 we committed to remove plastic straws from all of our managed hotels, and we are already finding it a challenge to source enough paper straws from our suppliers to meet our demand. We expect that new

technologies and suppliers will continue to join the marketplace as the transition to a low carbon economy continues, but we recognize that sourcing substitute lower emissions products can represent a challenge and a risk for an organization of our size.

Time horizon

Long-term

Likelihood

More likely than not

Magnitude of impact

Low

Are you able to provide a potential financial impact figure?

No, we do not have this figure

Potential financial impact figure (currency)

<Not Applicable>

Potential financial impact figure – minimum (currency)

<Not Applicable>

Potential financial impact figure – maximum (currency)

<Not Applicable>

Explanation of financial impact figure

At this time we are not able to publish an estimate for the potential financial impact of this risk.

Cost of response to risk

0

Description of response and explanation of cost calculation

We continually challenge our suppliers to find more innovative solutions to our environmental challenges. As part of our Travel with Purpose 2030 Goals, we have committed to work closely with our suppliers to ensure that we are sustainably sourcing. We have also committed to encouraging our suppliers to set their own environmental and social goals, which we plan to validate through an auditing and incentive program. For example, we have committed to encouraging our suppliers to set their own greenhouse gas reduction targets. We believe that this supplier engagement will help us to mitigate the risks in our supply chain.

Comment

Hilton has incorporated the management of supply chain continuity risks into our overall enterprise risk management framework.

Identifier

Risk 5

Where in the value chain does the risk driver occur?

Direct operations

Risk type & Primary climate-related risk driver

Please select

Primary potential financial impact

Increased indirect (operating) costs

Climate risk type mapped to traditional financial services industry risk classification

<Not Applicable>

Company-specific description

Hilton is subject to certain compliance costs and potential liabilities under various foreign and U.S. federal, state and local environmental, health and safety laws and regulations. These laws and regulations govern actions including air emissions, the use, storage and disposal of hazardous and toxic substances, and wastewater disposal. Our failure to comply with such laws, including any required permits or licenses, could result in substantial fines or possible revocation of our authority to conduct some of our operations. New or revised laws and regulations or new interpretations of existing laws and regulations, such as those related to climate change, could affect the operation of our properties or result in significant additional expense and operating restrictions on us. This applies specifically to Hilton's financial exposure for owned and managed properties, where Hilton is responsible for compliance as manager, but any required capital upgrades would be an owner expense. For franchised properties, Hilton is subject to reputation risk because of the global nature of our brands and the broad expanse of our business and hotel locations. Events occurring in one location could negatively affect the reputation and operations of otherwise successful individual locations.

Time horizon

Long-term

Likelihood

More likely than not

Magnitude of impact

Medium-low

Are you able to provide a potential financial impact figure?

No, we do not have this figure

Potential financial impact figure (currency)

<Not Applicable>

Potential financial impact figure – minimum (currency)

<Not Applicable>

Potential financial impact figure – maximum (currency)

<Not Applicable>

Explanation of financial impact figure

The exact figure is unknown given the high level of uncertainty, but we estimate new regulations could increase total energy utility costs by 15%-20% based on our experience in the UK.

Cost of response to risk

500000

Description of response and explanation of cost calculation

Hilton reduces non-compliance risk and ensures consistent quality in our through our Brand Standards and enterprise-wide ISO certifications: 1) Brand Standards: At Hilton, sustainability measurement and continuous improvement is a Brand Standard for all of our hotels (including managed and franchised). We conduct periodic inspections to ensure that Brand Standards are maintained; typically, these quality assurance audits are conducted twice annually at all hotels. Using our LightStay platform, all hotels are required to report monthly utilities including energy, water and waste; set annual reduction targets; maintain active energy, water and waste improvement projects; and complete benchmarking surveys across all operating departments, consisting of over 200 sustainability best practices and performance indicators. Brand Standards require that all hotels comply with applicable environmental laws and regulatory requirements. (2) ISO Management Systems Standard: Hilton has achieved ISO 50001 (Energy Management System) and ISO 14001 (Environmental Management System) certification for every hotel in our portfolio, the largest ISO certified portfolio in the world.

Comment

The cost of management of this risk, including our global ISO certification program, is estimated to be approximately \$500,000.

Identifier

Risk 6

Where in the value chain does the risk driver occur?

Direct operations

Risk type & Primary climate-related risk driver

Please select

Primary potential financial impact

Please select

Climate risk type mapped to traditional financial services industry risk classification

<Not Applicable>

Company-specific description

Climate change will likely increase humanitarian demands in third-world countries as well as localities impacted by severe weather events and natural disasters. Food and water shortages, competition for resources and political instability will likely impact the supply chain as well as the ability of local communities to meet basic human needs. Changes in ownership or management practices, the occurrence of accidents or injuries, natural disasters, crime, individual guest notoriety or similar events at our hotels and resorts can harm our reputation, create adverse publicity and cause a loss of consumer confidence in our business. Because of the global nature of our brands and the broad expanse of our business and hotel locations, events occurring in one location could negatively affect the reputation and operations of otherwise successful individual locations. We have a rich history of community investment, and our founder's legacy of generosity permeates throughout our organization; it is our responsibility to support our Team Members and the communities where we live, work and travel in times of crisis. Hilton sees increased future opportunity to make a difference globally with our Travel with Purpose commitment to responsible tourism and our 2030 Goals.

Time horizon

Medium-term

Likelihood

About as likely as not

Magnitude of impact

Medium-low

Are you able to provide a potential financial impact figure?

No, we do not have this figure

Potential financial impact figure (currency)

<Not Applicable>

Potential financial impact figure – minimum (currency)

<Not Applicable>

Potential financial impact figure – maximum (currency)

<Not Applicable>

Explanation of financial impact figure

At this time we are not able to publish an estimate for the potential financial impact of this risk.

Cost of response to risk

1500000

Description of response and explanation of cost calculation

Managed through Travel with Purpose and our commitment to community service. Current initiatives include: (1) Our Team Members extend our hospitality beyond the walls of our hotels through our global volunteering programs. With the combined power of 363,605 team members across 6,400 communities, we contribute our time and expertise to strengthen the communities where we work, live. Since 2017, Hilton team members have contributed over 1.6 million volunteer hours, including 184,425 hours in 2020. (2) In 2019, we launched the Hilton Effect Foundation as a vehicle to double our investment in social impact. Recognizing the severe impact the pandemic had on marginalized communities, in 2020 the Hilton Effect Foundation awarded 23 Hilton Effect Grants to organizations addressing some of the most urgent humanitarian needs: food security, sanitation/hygiene, economic security, and clean air and water. Through these grants and other donations made in 2020, the Foundation awarded more than \$1 million in COVID-19 community response efforts. (3) The Hilton Team Member Assistance Fund provides assistance to Hilton employees who are impacted by disaster, and acts as a vehicle for Hilton to match the generosity of our employees' voluntary contributions. In 2020 we distributed over \$500,000 to Team Members impacted by disaster, including both natural disasters and the COVID-19 pandemic. (4) Over 88% of our hotels globally participate in our industry-leading soap recycling program, including all hotels in the U.S. and Canada. To date, we have worked with our global soap recycling partners to distributed more than 16 million bars of recycled soap to those in need in 127 countries and have diverted millions of pounds of soap and plastic bottles from landfill, contributing to a 60% reduction in hygiene-related disease. (5) In partnership with American Express, we donated up to 1 million hotel room nights across the United States to frontline medical professionals leading the fight against COVID-19. Additionally, the Hilton Effect Foundation invested in grants to support organizations fighting the spread of infection and aiding communities in need. World Central Kitchen, Direct Relief, and Project Hope, are among the charities whose work will directly help those harmed by the pandemic. Our hotels around the world have also taken action to directly support their local communities, including through housing first responders and donating food and hygiene items.

Comment

Hilton has incorporated the management of this risk into our overall enterprise risk management framework. The estimated cost of management provided here includes charitable contributions made through the Hilton Effect Foundation.

C2.4

(C2.4) Have you identified any climate-related opportunities with the potential to have a substantive financial or strategic impact on your business?

Yes

C2.4a

(C2.4a) Provide details of opportunities identified with the potential to have a substantive financial or strategic impact on your business.

Identifier

Opp1

Where in the value chain does the opportunity occur?

Direct operations

Opportunity type

Resource efficiency

Primary climate-related opportunity driver

Move to more efficient buildings

Primary potential financial impact

Reduced direct costs

Company-specific description

One of the largest opportunities that we have realized through our sustainability efforts has been significant reductions in operating costs as our hotels continually seek to improve their efficiency in energy, carbon, waste and water. Since 2008, Hilton has reduced carbon emissions intensity by 56%, waste intensity by 73%, energy use intensity by 42% and water use intensity by 47% per square meter across our global managed portfolio. While we note that improvements in environmental measures during the year ended December 31, 2020 are primarily attributable to the reduction in system-wide occupancy as a result of the COVID-19 pandemic, prior to 2020 we had estimated that our environmental reductions have saved our owners over a cumulative \$1 billion in utility costs. These savings are significant to our bottom line and demonstrate that a continual focus on sustainability and resource efficiency can result in huge value to a business.

Time horizon

Short-term

Likelihood

Virtually certain

Magnitude of impact

Medium-high

Are you able to provide a potential financial impact figure?

Yes, a single figure estimate

Potential financial impact figure (currency)

1000000000

Potential financial impact figure – minimum (currency)

<Not Applicable>

Potential financial impact figure – maximum (currency)

<Not Applicable>

Explanation of financial impact figure

To date we have achieved over \$1 billion in cumulative savings across our global portfolio from operating sustainably (2008 baseline).

Cost to realize opportunity

0

Strategy to realize opportunity and explanation of cost calculation

We have achieved significant reductions through our focus on operating our hotels as efficiently as possible. However, we know that we still have work to do. We plan to continue to manage this opportunity through our new science-based targets, which will enable us to track our carbon emissions and ensure that we are remaining aligned with our carbon budget as defined by the Sectoral Decarbonization Approach. Significantly, we will also increase our engagement with our suppliers, as defined in our new Travel with Purpose targets around supplier engagement. We will encourage our suppliers to set their own environmental goals, including carbon emissions goals, in order to continue to decrease our Scope 3 emissions.

Comment

The cost to manage this opportunity is negligible and is built into the job responsibilities of the Hilton Operations and Engineering teams across the global regions.

Identifier

Opp2

Where in the value chain does the opportunity occur?

Downstream

Opportunity type

Products and services

Primary climate-related opportunity driver

Shift in consumer preferences

Primary potential financial impact

Increased revenues resulting from increased demand for products and services

Company-specific description

We face competition for individual guests, group reservations and conference business. We compete for these customers based primarily on brand name recognition and reputation, as well as location, room rates, property size and availability of rooms and conference space, quality of the accommodations, customer satisfaction, amenities and the ability to earn and redeem loyalty program points. According to a survey of 72,000 Hilton guests, social, environmental and ethical considerations are central to their buying preferences, especially those younger than 25 years old. The survey found that 33% of guests actively seek environmental and social information before booking. We also see an increasing need by our corporate clients to track and minimize the environmental impact of their events in connection with their overall corporate responsibility goals and reporting obligations. To ensure our competitive position and to realize the opportunity to meet the needs of this important customer segment, we created our Meet with Purpose sustainable meeting offering in 2015. Through Meet with Purpose, we partner with our guests and corporate clients to reduce greenhouse gas emissions and other environmental impacts from guest nights, meetings and events. Using our LightStay system, Meet with Purpose provides meeting planners with a quantified report of the projected carbon emissions from their meeting, as well as with options to reduce emissions, waste and other environmental impacts customized to the group's specific conference needs. Through Meet with Purpose we also offer our clients high quality, verified Gold Standard or VCS carbon offsets to reduce the impact of our meetings and events. Through these programs we are able to differentiate ourselves from our competitors and adapt to shifting consumer preferences. We expect consumers to continue to demand more transparent sustainability initiatives from their hotel companies, and we will continue to adapt to these changing preferences.

Time horizon

Short-term

Likelihood

Very likely

Magnitude of impact

Medium

Are you able to provide a potential financial impact figure?

No, we do not have this figure

Potential financial impact figure (currency)

<Not Applicable>

Potential financial impact figure – minimum (currency)

<Not Applicable>

Potential financial impact figure – maximum (currency)

<Not Applicable>

Explanation of financial impact figure

We estimate that at this time, our Meet with Purpose program may account for approximately 25% of meeting and event sales.

Cost to realize opportunity

50000

Strategy to realize opportunity and explanation of cost calculation

Hilton's Meet with Purpose program is designed to make it easier for meeting professionals to reduce waste and incorporate health and wellness into their meetings and events. Meet with Purpose provides meeting professionals with sustainable choices to incorporate into events that not only enhance the experiences of attendees, but also align with many customers' corporate responsibility goals. Inspired by Hilton's corporate responsibility strategy, Travel with Purpose, Hilton gathered feedback from customers and sales Team Members to identify the most pressing sustainability issues for meetings and events. Through LightStay, we help our group clients meet their corporate responsibility goals and minimize the environmental impact of their events. LightStay's Meeting Impact Calculator enables all Hilton Sales and Marketing teams to calculate the carbon footprint of any event at one of our hotels. The tool also provides our customers and hotels with specific recommendations and actions to minimize our customers' footprint during their stay. Through Meet with Purpose we also offer our clients high quality, verified Gold Standard or VCS carbon offsets to reduce the impact of our meetings and events, in partnership with South Pole Group.

Comment

The cost of our Meet with Purpose carbon offset program is estimated to have been \$50,000 in 2020.

Identifier

Opp3

Where in the value chain does the opportunity occur?

Direct operations

Opportunity type

Resource efficiency

Primary climate-related opportunity driver

Use of recycling

Primary potential financial impact

Reduced direct costs

Company-specific description

Changes in physical climate parameters (such as sea level rise or changes in natural resources) may create stresses on human carrying capacity in certain areas by removing valuable land from its most productive use. Landfills not only take up valuable land, they also discharge significant CO2 emissions (methane) and cause soil and water pollution. The World Bank estimates that global urban populations create 1.6 billion tons of solid waste per year, and more than half of that ends up in landfills. In the United States, the hospitality industry alone produces 1.9 billion pounds of waste annually. We see this area as an opportunity to leverage relevant partner organizations and unlock our Team Members' creative minds to rethink our approach to materials and provide innovative solutions to recycle and redefine waste. Moreover, we know that food waste comprises approximately 40% of the landfill waste at a hotel, and globally 30% of food gets wasted - enough to feed more than three times the total number of malnourished in the world. We see reducing food waste as a huge opportunity for us to make a positive environmental and social impact while also benefiting our bottom line.

Time horizon

Short-term

Likelihood

Likely

Magnitude of impact

Medium-low

Are you able to provide a potential financial impact figure?

Yes, a single figure estimate

Potential financial impact figure (currency)

14000000

Potential financial impact figure – minimum (currency)

<Not Applicable>

Potential financial impact figure – maximum (currency)

<Not Applicable>

Explanation of financial impact figure

Based on our analysis, we estimate that reducing food waste at our managed properties by just 2% would save us \$14,000,000 in annual food costs.

Cost to realize opportunity

0

Strategy to realize opportunity and explanation of cost calculation

We leverage LightStay, our proprietary corporate responsibility performance measurement platform, to understand how our hotels are managing waste and driving improvements over time. Since launching LightStay, we've gathered over ten years of data across our hotel portfolio and have used this information to drive greater efficiencies and to create best practices and training for our hotels worldwide. As a Brand Standard, managed and franchised hotels are required to set annual diversion goals and complete improvements to their waste management practices. In addition, we create resources and innovative partnerships that help our hotels improve their waste reduction and diversion from landfill. For food waste in particular, we have partnered with WWF to launch food waste reduction pilots to understand how we can reduce food waste in our hotels. We have also partnered with innovative food technology companies, such as food reduction scale and software providers, food digester companies, and food supply chain optimization organizations to reduce food waste across our business. We have set the goal to reduce our food waste to landfill by 50%, and we will use this goal to continue to drive better drive the adoption of food waste diversion and donation programs across our portfolio. In 2020, we continued to improve our measurement capabilities around food waste, including partnering with WWF and our industry peers to develop a standardized waste measurement methodology for the hotel industry. Once finalized, this methodology will enable hotels around the world to better quantify food waste, in order to measure and report progress against reduction targets.

Comment

We have found that our food waste initiatives either create cost savings or to be cost neutral, further demonstrating the value of such a program to our business.

C3. Business Strategy

C3.1

(C3.1) Have climate-related risks and opportunities influenced your organization's strategy and/or financial planning?

Yes, and we have developed a low-carbon transition plan

C3.1a

(C3.1a) Is your organization's low-carbon transition plan a scheduled resolution item at Annual General Meetings (AGMs)?

	Is your low-carbon transition plan a scheduled resolution item at AGMs?	Comment
Row 1	No, but we intend it to become a scheduled resolution item within the next two years	

C3.2

(C3.2) Does your organization use climate-related scenario analysis to inform its strategy?

Yes, qualitative and quantitative

C3.2a

(C3.2a) Provide details of your organization’s use of climate-related scenario analysis.

Climate-related scenarios and models applied	Details
2DS	Scenario used: Our science-based targets were developed using the sectoral decarbonization approach, which is based on the 2 degree scenario (2DS). Inputs, assumptions, and analytical methods used: We used the Service Buildings decarbonization pathway from the SDA, combined with the allocated Electric Power Grid decarbonization pathway from the SDA since most of our GHG emissions result from purchased electricity. Using a similar methodology used by the International Tourism Partnership to estimate the variance in hotel industry growth projections compared to overall commercial buildings, we adjusted the level of intensity and absolute reductions needed to stay within the allocated carbon budget from Service Buildings but representative of our portfolio’s growth. The calculations are based on estimated annual growth in room count, normalized by the average gross floor area of guestrooms in various segments of our portfolio to arrive at the growth projections of floor area to match the SDA intensity metric of Service Buildings. We set our base year of 2008, back-forecasted from the 2010 base of the SDA’s carbon budget. We set our primary target for 2030 within a 15-year horizon to align with the SBTi. We separated out the carbon budget, pathway, and reduction target into two sets, one for our Scope 1 & 2 emissions for which we have operational control, and our Scope 3 emissions from franchised properties. As a result, 100% of our current and projected portfolio is covered within the boundary for our target and carbon budget. Time horizon and organizational areas considered: Through our SBT setting process, we undertook quantitative and qualitative analysis of how the 2DS will impact all areas of our business over the next three decades, through 2050. We then aligned the target with the long-term decarbonization pathway of Service Buildings, setting interim milestones of 2030 and 2040. This timeframe was selected to align with the modelling of the 2DS and to align with our company’s long-term business strategy. Results of analysis: Our carbon budget and decarbonization pathway in 2030 equals a 61% reduction in GHG emissions per square meter from 2008 for our owned and managed properties, and a 52% reduction in GHG emissions per square meter from 2008 for our franchised properties. These figures are based on a projected decarbonization pathway of annual performance, similar to a peak-and-decline scenario. The intensity targets for 2030 reflect the reductions achieved when aligned with the pathway annually, and will be adjusted accordingly should our performance vary from the annual projections in order to stay within the allocated carbon budget for the portfolio within Service Buildings as an SDA sector. How analysis has informed business strategy: The results of the 2DS analysis directly informed our SBTs and our Travel with Purpose 2030 goals, which in turn have significantly influenced our objectives and strategy across nearly every aspect of our business. For example, our 2DS modelling has enabled us to truly integrate climate change into our business objectives, and to drive further engagement and focus across our business with respect to renewables procurement and climate change resilience.
RCP 2.6 RCP 4.5 RCP 8.5	Scenario used: This year we performed qualitative and quantitative climate-related scenario analysis against RCPs 2.6, 4.5 and 8.5. Inputs, assumptions, and analytical methods used: To specifically assess the physical risk of climate change across different climate-related scenarios, we mapped all of our hotels against a series of Verisk-Maplecroft risk indices related to climate change exposure and vulnerability, flood hazard, water stress, and temperature changes. The indices that we used included analysis of the current state of climate-related risk, as well as RCPs 2.6, 4.5 and 8.5, where risk data was available. This risk assessment includes an assessment of the physical risk for each of our hotels in our portfolio of properties, including franchised hotels (downstream operations). Time horizon and organizational areas considered: We mapped 100% our portfolio, including franchised hotels, against Verisk-Maplecroft risk indices related to climate change exposure and vulnerability, flood hazard, water stress, and temperature changes for the three climate scenarios, modelling the projected impacts of climate change on our portfolio in 2030 and 2045. This timeframe was selected to align with our SBTs and our company’s long-term business strategy. How analysis has informed business strategy: The results of the analysis will inform Hilton’s internal risk management and future external reporting.

C3.3

(C3.3) Describe where and how climate-related risks and opportunities have influenced your strategy.

	Have climate-related risks and opportunities influenced your strategy in this area?	Description of influence
Products and services	Yes	Description of strategy: As a global hospitality brand, we depend on our ability to offer safe, clean and comfortable accommodations to our guests, every time they stay with us. Risks related to climate change, including extreme weather events which could impact our operations, directly impact our ability to offer our products and services to our guests. That is why we continually evaluate our susceptibility to climate change risks. This is also why we took the step to implement our science-based targets to ensure we are doing our part to fight climate change. We also recognize the reduction in GHG emissions that we achieve through our own emissions reductions, including those we achieve through our science-based targets, provides a business opportunity. By reducing our own emissions, we are able to offer lower carbon products (hotel stays) to our guests and clients. In particular, this opportunity enables our corporate customers to reduce their Scope 3 emissions from business travel. The time horizon for our Travel with Purpose Goals is 2030, but initiatives are being implemented immediately to ensure we are prepared for future risks and capitalizing on current opportunities. Case study: Our Meet with Purpose program is an example of a strategic business decision that was influenced by climate-related opportunities. Through our Meet with Purpose sustainable meeting offering, we partner with our guests and corporate clients to reduce greenhouse gas emissions from room nights, meetings and events. Our LightStay Meeting Impact Calculator enables any meeting planner to understand a detailed estimate of the carbon emissions, energy, water and waste that will be produced by a meeting or event at one of our hotels. Using that data, our Sales teams work with our clients to identify and implement techniques to reduce that footprint, such as temperature control or food waste reduction programs. For any remaining unavoidable emissions, we also offer our clients high quality, verified Gold Standard or VCS carbon offsets to reduce the carbon footprint of meetings and events.
Supply chain and/or value chain	Yes	Description of strategy: In 2018 we undertook a detailed analysis of our environmental and social risks and opportunities, including those related to climate change. As a result of that assessment, we developed our Travel with Purpose 2030 Goals and our long-term commitment to cut our environmental footprint in half and double our social impact investment across our value chain by 2030. As part of our corporate responsibility strategy, we have committed to 23 value chain sub-targets, including our science-based targets to reduce our carbon emissions intensity by 61% (Scope 1 and 2 Managed hotels) and 52% (Scope 3 Franchised hotels) by 2030. We have also committed to working with our suppliers to set their own science-based targets. The time horizon for our Travel with Purpose Goals is 2030, but initiatives are being implemented immediately to ensure we are prepared for future risks and capitalizing on current opportunities. Case study: Driven by our need to mitigate climate-related risks to our business as well as our desire to publicly demonstrate our commitment to fighting climate change, our SBTs, which have been approved by the SBTi, are the most substantial example of a climate-related business decision that we have made to date that thoroughly integrates climate-related decision-making and the 2 degree scenario into our company’s strategy. Through our SBTs, we are working with our suppliers to set their own sustainability targets, including SBTs. All of our suppliers receive our Responsible Sourcing Policy, and we are currently in the process of integrating the EcoVadis supplier sustainability assessment platform into our spend management platform.
Investment in R&D	Yes	Description of strategy: While Hilton does not have any investments that we classify as R&D expenses (based on our business model, and reflecting that we don’t manufacture products), our global Brand Innovation and Planning department is focused on driving innovation across the business. Our BIP team has been looking closely at the increased customer demand for more sustainable offerings in our hotels, including the need to address climate-related innovation opportunities to differentiate Hilton from our competition. The time horizon for our Travel with Purpose Goals is 2030, but initiatives are being implemented immediately to ensure we are prepared for future risks and capitalizing on current opportunities. Case study: In 2020 the BIP team re-established a cross-functional Plastics Working Group focused on finding innovative solutions to reduce single use plastics in our hotels around the world. The Working Group is comprised of leaders from across the global business, from Sustainability, Operations, Engineering, Guest Satisfaction, Marketing, and other relevant departments, working together to identify, test and implement solutions to reduce plastic packaging waste and increase recycling rates across our global portfolio. One of the Working Group’s mandates is to ensure that alternative projects that are identified and tested are assessed for carbon reduction, as well as waste reduction, potential. This Working Group is an example of a substantial strategic R&D decision influenced by climate-related risks and opportunities.
Operations	Yes	Description of strategy: Hilton has integrated climate-related issues such as energy and water management into our business objectives for years through our continual focus on improving the environmental performance of our hotels and driving responsible travel and tourism across our industry. In 2018 we undertook a detailed analysis of our environmental and social risks and opportunities, including those related to climate change. As a result of that assessment, we developed our Travel with Purpose 2030 Goals and our long-term commitment to cut our environmental footprint in half and double our social impact investment across our value chain by 2030. As part of our corporate responsibility strategy, we have committed to 23 value chain sub-targets, including our science-based targets. The integration of our SBTs into our business model will drive significant amounts of new investment in energy efficiency and renewable energy across our global hotel portfolio. The time horizon for our Travel with Purpose Goals is 2030, but initiatives are being implemented immediately to ensure we are prepared for future risks and capitalizing on current opportunities. Case study: Along with our science-based carbon targets, our new Travel with Purpose goals also include our commitment to reduce our water use intensity and waste intensity by 50% by 2030. Our goal to reduce the amount of food waste being sent to landfill from our managed hotels by 50% by 2030 is another example of a significant climate-related business decision that is a focus for the business. By reducing food waste in our hotels, we will be able to significantly contribute to a reduction in our Scope 3 GHG emissions, and we will also be able to increase our positive impact in the communities in which we operate. To date we have made significant progress towards our food waste targets, with all of our managed hotels in the Americas implementing the Hotel Kitchen toolkit, implementing food waste diversion programs for inedible food waste, and participating in food donation programs for excess edible food.

C3.4

(C3.4) Describe where and how climate-related risks and opportunities have influenced your financial planning.

	Financial planning elements that have been influenced	Description of influence
Row 1	Revenues Indirect costs Assets	Influence on revenues and assets: Climate-related risks are integrated into our overall financial planning processes, including the potential impact on revenue and assets. Hilton's Global Risk Management team regularly assesses our sensitivity to changes in risk profiles across a series of prioritized financial and non-financial risks. This analysis helps us to inform our Board of Directors as they assess management's risk tolerance levels and determine what constitutes an appropriate level of risk for the company. Case study: Climate change risks are explicitly included in Hilton's annual Enterprise Risk Management assessment processes. We define climate change risks as "Shifts in global or regional climate patterns, leading to an increase in the severity/frequency of extreme weather events, rising sea levels, and sustained higher temperatures, all of which may result in risk to current operations and future development in at-risk markets." In addition to climate change, our ERM processes cover Social Impact (including human rights and labor strikes), Environmental Impact (including water scarcity, pollution and biodiversity degradation) and Strategic Sourcing (including social and environmental factors in sourcing). The results of the annual Enterprise Risk Assessment, including climate-related results, are reviewed by the Board and used to inform enterprise-wide strategic planning. The time horizon for this is immediate. Influence on indirect costs: Climate-related opportunities have influenced our financial planning for indirect costs related to operational efficiency of our buildings, including utility costs. We recognize that by operating our hotels more efficiently we can reduce our impact on the environment, contribute to our 2030 Goals and science-based targets, and significantly reduce our utility costs. Utilities are the second highest spend at a hotel after labor, so any steps that we can take to reduce our utility consumption has the potential to significantly benefit us financially. Case study: We use our LightStay system to measure and manage our hotels' utility costs and sustainability investments. Through the use of LightStay, we have achieved significant reductions in operating costs as our hotels continually seek to improve their efficiency in energy, carbon, waste and water. Since 2008, Hilton has reduced carbon emissions intensity by 56%, waste intensity by 73%, energy use intensity by 42% and water use intensity by 47% per square meter across our global managed portfolio. We estimate that our reductions have saved over a cumulative \$1 billion in utility costs. These savings are significant to our bottom line and demonstrate how integration of climate-related opportunities into our financial planning has resulted in value to our bottom line and that of our owners. The time horizon for integration of climate-related opportunities into our financial planning is immediate: we continuously use LightStay to drive efficiencies across our portfolio and ensure that we are taking steps to reduce our environmental footprint in line with our 2030 Goals and science-based targets.

C3.4a

(C3.4a) Provide any additional information on how climate-related risks and opportunities have influenced your strategy and financial planning (optional).

C4. Targets and performance

C4.1

(C4.1) Did you have an emissions target that was active in the reporting year?

Intensity target

C4.1b

(C4.1b) Provide details of your emissions intensity target(s) and progress made against those target(s).

Target reference number

Int 1

Year target was set

2018

Target coverage

Company-wide

Scope(s) (or Scope 3 category)

Scope 1+2 (market-based)

Intensity metric

Metric tons CO2e per square meter

Base year

2008

Intensity figure in base year (metric tons CO2e per unit of activity)

0.156697

% of total base year emissions in selected Scope(s) (or Scope 3 category) covered by this intensity figure

100

Target year

2030

Targeted reduction from base year (%)

61

Intensity figure in target year (metric tons CO2e per unit of activity) [auto-calculated]

0.06111183

% change anticipated in absolute Scope 1+2 emissions

% change anticipated in absolute Scope 3 emissions

0

Intensity figure in reporting year (metric tons CO2e per unit of activity)

0.0689

% of target achieved [auto-calculated]

91.8521147161218

Target status in reporting year

Underway

Is this a science-based target?

Yes, and this target has been approved by the Science Based Targets initiative

Target ambition

2°C aligned

Please explain (including target coverage)

In May 2018, Hilton became the first major hotel brand to have its science-based targets approved by the Science Based Targets initiative (SBTi). We have committed to reduce our Scope 1 and 2 carbon emissions by 61% by 2030, using a 2008 baseline. Our target is based on progress against time elapsed between our 2008 base year and our 2030 target year to reduce Scope 1 and 2 emissions by 61% per square meter. In 2020, our market-based greenhouse gas emissions intensity was 0.0689 metric tons per square meter, representing a 56.0% decrease in our Scope 1 and 2 emissions intensity over our 2008 Baseline. Reduced emissions during the year ended December 31, 2020 are primarily attributable to the reduction in system-wide occupancy as a result of the COVID-19 pandemic, which included the complete or partial suspensions of hotel operations at approximately 380 of our managed, owned and leased hotels at some point during the period. In 2020, occupied room nights decreased by approximately 56% compared to 2019, which significantly reduced emissions from energy consumption across the portfolio.

Target reference number

Int 2

Year target was set

2018

Target coverage

Company-wide

Scope(s) (or Scope 3 category)

Scope 3: Franchises

Intensity metric

Metric tons CO2e per square meter

Base year

2008

Intensity figure in base year (metric tons CO2e per unit of activity)

0.136316

% of total base year emissions in selected Scope(s) (or Scope 3 category) covered by this intensity figure

100

Target year

2030

Targeted reduction from base year (%)

52

Intensity figure in target year (metric tons CO2e per unit of activity) [auto-calculated]

0.06543168

% change anticipated in absolute Scope 1+2 emissions

0

% change anticipated in absolute Scope 3 emissions

22

Intensity figure in reporting year (metric tons CO2e per unit of activity)

0.0749

% of target achieved [auto-calculated]

86.6425748317823

Target status in reporting year

Underway

Is this a science-based target?

Yes, and this target has been approved by the Science Based Targets initiative

Target ambition

2°C aligned

Please explain (including target coverage)

In May 2018 Hilton became the first major hotel brand to have its science-based targets approved by the Science Based Targets initiative (SBTi). In addition to reducing our Scope 1 and 2 emissions by at least 61% from our 2008 base year, Hilton has also committed to reduce its Scope 3 emissions from energy use by our independently owned franchises. To do so, Hilton will seek to reduce emissions from franchises by 52% per square meter by 2030 from a 2008 base year and will encourage our suppliers to set emissions reduction targets. In 2020, our Scope 3 emissions from franchise hotel operations was .0749 metric tons per square meter, representing 45.0% decrease over our 2008 Baseline. Reduced emissions during the year ended December 31, 2020 are primarily attributable to the reduction in system-wide occupancy as a result of the COVID-19 pandemic. In 2020, occupied room nights decreased by approximately 44% compared to 2019, which significantly reduced emissions from energy

consumption across the franchised.

C4.2

(C4.2) Did you have any other climate-related targets that were active in the reporting year?

Other climate-related target(s)

C4.2b

(C4.2b) Provide details of any other climate-related targets, including methane reduction targets.

Target reference number

Oth 1

Year target was set

2018

Target coverage

Company-wide

Target type: absolute or intensity

Intensity

Target type: category & Metric (target numerator if reporting an intensity target)

Waste management	metric tons of waste generated
------------------	--------------------------------

Target denominator (intensity targets only)

square meter

Base year

2008

Figure or percentage in base year

0.0094

Target year

2030

Figure or percentage in target year

0.0047

Figure or percentage in reporting year

0.0026

% of target achieved [auto-calculated]

144.68085106383

Target status in reporting year

Underway

Is this target part of an emissions target?

This target is a separate waste reduction target, which directly contributes to reducing carbon emissions and support our company's climate strategy and Travel with Purpose 2030 Goals. As one of 23 sub-targets, explained below, Hilton has set the goal to reduce landfilled waste by 50% for managed properties under Hilton's operational control. In 2020, our landfill waste intensity was .0026 metric tons per square meter, representing a 72.8% decrease over our 2008 Baseline. Waste reductions for the year ended December 31, 2020 are primarily attributable to the decrease in system-wide occupancy as a result of the COVID-19 pandemic, which included the complete or partial suspensions of hotel operations at approximately 380 of our managed, owned and leased hotels at some point during the period. In 2020, occupied room nights decreased by approximately 56% compared to 2019, which significantly reduced emissions from landfilled waste disposal across the portfolio.

Is this target part of an overarching initiative?

Other, please specify (Hilton Travel with Purpose 2030 Goals)

Please explain (including target coverage)

In May 2018, Hilton announced its Travel with Purpose 2030 Goals and commitment to double our investment in social impact and cut our environmental footprint in half through responsible hospitality across our value chain. As one of 23 sub-targets, Hilton has set the goal to reduce landfilled waste by 50% for owned and managed properties under Hilton's operational control. Hilton has also set an underlying waste target to reduce food waste to landfill by 50% and to reduce single use plastics across the business. Additionally, Hilton is the first major hotel company to set the goal to send zero soap to landfill by 2030.

C4.3

(C4.3) Did you have emissions reduction initiatives that were active within the reporting year? Note that this can include those in the planning and/or implementation phases.

Yes

C4.3a

(C4.3a) Identify the total number of initiatives at each stage of development, and for those in the implementation stages, the estimated CO2e savings.

	Number of initiatives	Total estimated annual CO2e savings in metric tonnes CO2e (only for rows marked *)
Under investigation	37	
To be implemented*	85	7055
Implementation commenced*	126	13212
Implemented*	171	12407
Not to be implemented	33	

C4.3b

(C4.3b) Provide details on the initiatives implemented in the reporting year in the table below.

Initiative category & Initiative type

Energy efficiency in buildings	Lighting
--------------------------------	----------

Estimated annual CO2e savings (metric tonnes CO2e)

8900

Scope(s)

Scope 2 (location-based)

Voluntary/Mandatory

Voluntary

Annual monetary savings (unit currency – as specified in C0.4)

2257323

Investment required (unit currency – as specified in C0.4)

3946111

Payback period

1-3 years

Estimated lifetime of the initiative

Ongoing

Comment

Data is included for 130 lighting upgrade projects, which were reported in LightStay as in-process or completed in 2020 by Hilton's owned and managed hotels. The vast majority of projects are new LED installations and retrofit lighting throughout the hotel including lobbies and public areas, guest rooms, ballrooms and meeting space, restaurants, back of house, exterior and parking lighting. Overall, the lighting projects analyzed reflect a 57% ROI and an average payback of 1.7 years. The average project cost was \$30,355, with a minimum cost of \$1,000 and a maximum cost of \$1.4 million. CO2e savings are based on estimated electricity savings, using location-based emissions factors.

Initiative category & Initiative type

Energy efficiency in buildings	Other, please specify (HVAC and Energy Management Systems)
--------------------------------	--

Estimated annual CO2e savings (metric tonnes CO2e)

12944

Scope(s)

Scope 1
Scope 2 (location-based)

Voluntary/Mandatory

Voluntary

Annual monetary savings (unit currency – as specified in C0.4)

3325707

Investment required (unit currency – as specified in C0.4)

10315537

Payback period

1-3 years

Estimated lifetime of the initiative

Ongoing

Comment

Data is included for 131 HVAC and building systems upgrade projects which were reported in LightStay as in-process or completed in 2020 by Hilton's owned and managed hotels. Projects includes energy efficient upgrades and replacements to chiller plants, HVAC equipment and ventilation systems, boiler and domestic hot water systems, waste heat recovery systems, energy management systems and controls upgrades for building and guest rooms, installation of VFDs/VSDs on fans and pumps and other upgrades beyond normal maintenance activities. Projects analyzed reflect an average ROI of 32% and an average payback of 3.1 years. The average project cost was \$78,800, with a minimum cost of \$100,000 and a maximum cost of \$2 million. CO2e savings include both Scope 1 and 2, based on estimated electricity and natural gas savings, using location-based emissions factors.

Initiative category & Initiative type

Energy efficiency in buildings	Other, please specify (Building envelope and insulation)
--------------------------------	--

Estimated annual CO2e savings (metric tonnes CO2e)

1121

Scope(s)

Scope 1

Scope 2 (location-based)

Voluntary/Mandatory

Voluntary

Annual monetary savings (unit currency – as specified in C0.4)

284155

Investment required (unit currency – as specified in C0.4)

2719954

Payback period

4-10 years

Estimated lifetime of the initiative

Ongoing

Comment

Data is included for 3 projects, which were reported in LightStay as in-process or completed in 2020 by Hilton's owned and managed hotels. Reported projects include upgrades for energy efficient cool roofs and high performance window installations. Overall, projects analyzed reflect an average ROI of 10% and an average payback of 10 years. The average project cost was \$907,000, with a minimum cost of \$1,000 and a maximum cost of \$2.4 million. CO2e savings include both Scope 1 and 2, based on estimated electricity and gas savings, using location-based emissions factors.

Initiative category & Initiative type

Energy efficiency in buildings	Other, please specify (Energy efficient equipment and processes)
--------------------------------	--

Estimated annual CO2e savings (metric tonnes CO2e)

2655

Scope(s)

Scope 1

Scope 2 (location-based)

Voluntary/Mandatory

Voluntary

Annual monetary savings (unit currency – as specified in C0.4)

685176

Investment required (unit currency – as specified in C0.4)

1309730

Payback period

1-3 years

Estimated lifetime of the initiative

Ongoing

Comment

Data is included for 33 projects, which were reported in LightStay as in-process or completed in 2020 by Hilton's owned and managed hotels. Energy-efficient equipment upgrades were reported for guest room televisions, laundry equipment; pool and spa, kitchen refrigeration, dishwashing equipment, and kitchen hood exhaust control systems. Overall, projects analyzed reflect a 52% ROI with average payback of 1.9 years. The average project cost was \$83,500, with a minimum cost of \$1,000 and a maximum cost of \$340,000.

C4.3c

(C4.3c) What methods do you use to drive investment in emissions reduction activities?

Method	Comment
Compliance with regulatory requirements/standards	Hilton uses energy and emissions reporting requirements to drive emissions reduction improvements based on requirements in the individual global regions. For example, the CRC Energy Efficiency Scheme in the UK requires hotels to report their energy use annually and purchase and surrender allowances to offset their emissions. Considering a shorter payback period with combined energy and carbon tax cost savings, the Hilton manager is more likely to obtain owner's approval for recommended energy efficiency upgrades.
Employee engagement	Through LightStay, we educate and actively engage employees in implementing best practices that reduce energy, water and waste impacts across all hotel operations. All departments (property operations/engineering, housekeeping, sales, food and beverage, management and front desk operations) participate annually in LightStay's Operations Survey, which consists of over 200 best practices and improvement opportunities in the areas of energy efficiency, renewable energy, water efficiency, waste reduction, procurement, food and beverage, and more. We also continually engage with all of our Team Members on sustainability topics using our internal Hilton electronic newsletters. Additionally, over 1,250 Hilton employees serve as Travel with Purpose Champions and/or serve on sustainability committees at our hotels and corporate offices around the world.
Financial optimization calculations	Financial calculators are built into LightStay to help drive investment in energy efficiency and other emissions reduction activities. LightStay upgrades launched in 2017 utilize data-driven modeling to predict and analyze utility consumption and costs. LightStay's Project module calculates energy, emissions and utility cost savings based on estimated project costs and anticipated payback, which helps inform and drive project implementation.
Internal incentives/recognition programs	Bonus potential for Directors of Property Operations for Hilton managed properties is tied to the attainment of sustainability goals, including reduction in energy consumption and carbon emissions for their hotel's respective operations. Performance indicators are defined based on previous year consumption for each region. Measures used are hotels' energy intensity (kBtu per square foot) and CO2e in pounds per square meter. In addition, regional programs are in place that reward engineering teams with the best overall sustainability results, including energy year-over-year consumption reductions, waste efforts, sustainability related training, etc.
Dedicated budget for other emissions reduction activities	Hilton has a dedicated corporate responsibility budget, which is used for ongoing management and expansion of LightStay, research and development, stakeholder engagement and other activities that we utilize to help drive emissions reductions across Hilton's global portfolio. Individual regions have dedicated budgets for emissions reduction activities to support their managed hotels in compliance, financial evaluation of capital improvements, stakeholder engagement, innovation projects and other initiatives.

C4.5

(C4.5) Do you classify any of your existing goods and/or services as low-carbon products or do they enable a third party to avoid GHG emissions?

Yes

C4.5a

(C4.5a) Provide details of your products and/or services that you classify as low-carbon products or that enable a third party to avoid GHG emissions.

Level of aggregation

Company-wide

Description of product/Group of products

The reductions in GHG emissions that we achieve through our own emissions reductions, including those that will be achieved through our SBTs, help our owners using the financial control boundary to reduce their own Scope 1 and 2 emissions. Additionally, the emissions reductions that we achieve enable our corporate customers to reduce their Scope 3 emissions.

Are these low-carbon product(s) or do they enable avoided emissions?

Avoided emissions

Taxonomy, project or methodology used to classify product(s) as low-carbon or to calculate avoided emissions

Other, please specify (GHG Protocol)

% revenue from low carbon product(s) in the reporting year

100

% of total portfolio value

<Not Applicable>

Asset classes/ product types

<Not Applicable>

Comment

Our efforts to reduce our carbon emissions result in avoided emissions for our owners and our corporate clients across all of our hotels, representing 100% in revenue from managed properties.

Level of aggregation

Product

Description of product/Group of products

Through our Meet with Purpose sustainable meeting offering, we partner with our guests and corporate clients to reduce greenhouse gas emissions from guest nights, meetings and events. Using our LightStay system, Meet with Purpose provides meeting planners with a quantified report of the projected carbon emissions from their meeting, as well as with options to reduce emissions, waste and other environmental impacts customized to the group's specific conference needs. Over 1,000 of our hotels - the majority of our Full Service and Luxury properties - offer our Meet with Purpose program. Through Meet with Purpose we also offer our clients high quality, verified Gold Standard or VCS carbon offsets to reduce the impact of our meetings and events.

Are these low-carbon product(s) or do they enable avoided emissions?

Avoided emissions

Taxonomy, project or methodology used to classify product(s) as low-carbon or to calculate avoided emissions

Other, please specify (GHG Protocol)

% revenue from low carbon product(s) in the reporting year

10

% of total portfolio value

<Not Applicable>

Asset classes/ product types

<Not Applicable>

Comment

At this time we estimate that approximately 10% of meetings and events are Meet with Purpose events and/or are offset through our carbon offset emissions offering. However, we are working closely with our Sales team to increase uptake of these products and services.

C5. Emissions methodology

C5.1

(C5.1) Provide your base year and base year emissions (Scopes 1 and 2).

Scope 1

Base year start

January 1 2008

Base year end

December 31 2008

Base year emissions (metric tons CO2e)

437087

Comment

Scope 2 (location-based)

Base year start

January 1 2008

Base year end

December 31 2008

Base year emissions (metric tons CO2e)

1562544

Comment

Scope 2 (market-based)

Base year start

January 1 2008

Base year end

December 31 2008

Base year emissions (metric tons CO2e)

1562544

Comment

C5.2

(C5.2) Select the name of the standard, protocol, or methodology you have used to collect activity data and calculate emissions.

IEA CO2 Emissions from Fuel Combustion

The Greenhouse Gas Protocol: A Corporate Accounting and Reporting Standard (Revised Edition)

US EPA Emissions & Generation Resource Integrated Database (eGRID)

C6. Emissions data

C6.1

(C6.1) What were your organization's gross global Scope 1 emissions in metric tons CO2e?

Reporting year

Gross global Scope 1 emissions (metric tons CO2e)

329570

Start date

<Not Applicable>

End date

<Not Applicable>

Comment

C6.2

(C6.2) Describe your organization's approach to reporting Scope 2 emissions.

Row 1

Scope 2, location-based

We are reporting a Scope 2, location-based figure

Scope 2, market-based

We are reporting a Scope 2, market-based figure

Comment

We report both location-based and market-based Scope 2 emissions.

C6.3

(C6.3) What were your organization's gross global Scope 2 emissions in metric tons CO2e?

Reporting year

Scope 2, location-based

1419705

Scope 2, market-based (if applicable)

1388664

Start date

<Not Applicable>

End date

<Not Applicable>

Comment

C6.4

(C6.4) Are there any sources (e.g. facilities, specific GHGs, activities, geographies, etc.) of Scope 1 and Scope 2 emissions that are within your selected reporting boundary which are not included in your disclosure?

No

C6.5

(C6.5) Account for your organization's gross global Scope 3 emissions, disclosing and explaining any exclusions.

Purchased goods and services

Evaluation status

Relevant, calculated

Metric tonnes CO2e

330000

Emissions calculation methodology

As part of our science-based target setting process, we used the WRI Scope 3 Evaluator tool to estimate our emissions from our most material categories of purchased.

Percentage of emissions calculated using data obtained from suppliers or value chain partners

25

Please explain

We note that we face significant complexity in calculating the environmental impact of our supply chain, which extend beyond 100 countries and span multiple industries, legal contexts and infrastructure challenges. We are addressing emissions reduction in our supply chain through our Responsible Sourcing Policy and initiatives that encourage the use of products and services that minimize greenhouse gas emissions and other environmental impacts.

Capital goods

Evaluation status

Relevant, calculated

Metric tonnes CO2e

14850

Emissions calculation methodology

As part of our science-based target setting process, we used the WRI Scope 3 Evaluator tool to estimate our emissions from capital goods.

Percentage of emissions calculated using data obtained from suppliers or value chain partners

50

Please explain

As noted above, we face significant complexity in calculating the environmental impact of our supply chain. We are addressing emissions reduction in our supply chain through our Responsible Sourcing Policy and initiatives that encourage the use of products and services that minimize greenhouse gas emissions and other environmental impacts.

Fuel-and-energy-related activities (not included in Scope 1 or 2)

Evaluation status

Relevant, calculated

Metric tonnes CO2e

83191

Emissions calculation methodology

As outlined in the "Reference Materials and Data Sources" of CDP's Accounting of Scope 2 Emissions and as described in the GHG Protocol Corporate Standard, end users should report electricity transmission and distribution losses under Scope 3 and should report electricity physically delivered to their facilities under Scope 2. Following the updated Standard, electricity emission factors and grid loss data obtained from global emissions data sources (i.e., eGRID, IEA, DEFRA and individual countries) were used to calculate transmission and distribution losses.

Percentage of emissions calculated using data obtained from suppliers or value chain partners

95

Please explain

Consistent with our approach for the Scope 2 emissions, Scope 3 emissions from grid loss were grossed up to 100% of the owned and managed portfolio. Our results reflect an average grid loss of 6% for the owned and managed properties under Hilton's operational control.

Upstream transportation and distribution

Evaluation status

Not relevant, explanation provided

Metric tonnes CO2e

<Not Applicable>

Emissions calculation methodology

<Not Applicable>

Percentage of emissions calculated using data obtained from suppliers or value chain partners

<Not Applicable>

Please explain

Emissions from upstream transportation and distribution of purchased goods and services are included in our supply chain assessment per "Purchased Goods and Services" above.

Waste generated in operations

Evaluation status

Relevant, calculated

Metric tonnes CO2e

59986

Emissions calculation methodology

We have calculated our emissions from waste generated in operations using the U.S. Environmental Protection Agency Climate Change Emissions Index. Per the EPA, each pound of trash thrown away will emit approximately 0.94 pounds of CO2e in the form of methane.

Percentage of emissions calculated using data obtained from suppliers or value chain partners

78

Please explain

Emissions are based on primary reported waste data for approximately 78% of owned and managed hotels under Hilton's operational control as of December 2020. From this reference group, landfill waste totals are extrapolated to include 100% of the Hilton owned and managed portfolio. Estimates for excluded or new hotels are based on the brand average landfill waste intensity, with totals then converted to GHG emissions.

Business travel

Evaluation status

Relevant, calculated

Metric tonnes CO2e

6449

Emissions calculation methodology

Hilton calculates its Scope 3 Air Travel emissions using the Greenhouse Gas Protocol methodology. Flight distance is used to calculate total air mileage, which is multiplied by emission factors for short, medium or long haul flights according to definitions and factors provided by GHG Protocol. Scope 3 Rental Car emissions are calculated by using the average combined MPG for each car class to calculate gallons of fuel consumed by dividing the total miles driven for each vehicle in the class by the average combined MPG for that car class. The gallons of fuel consumed for each vehicle is then multiplied by the US EPA CO2 emissions factor of 19.357 lbs of CO2 per gallon to obtain CO2 emissions for each vehicle. CO2 emissions for each vehicle are then summed together to obtain total CO2 emissions.

Percentage of emissions calculated using data obtained from suppliers or value chain partners

90

Please explain

Hilton's employees generate Scope 3 emissions when traveling by air and road. Corporate Policy requires that all business travel must be booked through Hilton Global Travel Services or its approved travel partners who track mileage and GHG emissions. Hilton works to decrease business travel emissions through encouraging use of video-conferencing and selecting more carbon efficient travel options as available. In addition, Hilton partners with Lyft to encourage use of Lyft's carbon neutral ride sharing.

Employee commuting

Evaluation status

Relevant, calculated

Metric tonnes CO2e

Emissions calculation methodology

As part of our science-based target setting process, we used the WRI Scope 3 Evaluator tool to estimate our emissions from employee commuting.

Percentage of emissions calculated using data obtained from suppliers or value chain partners

Please explain

Emissions from employee commuting were estimated based on the number of Hilton employees working at our corporate offices and our owned and managed properties worldwide. We note that we also collect and analyze information on average alternative transportation use and employee transit incentives in place at all managed and franchised hotels worldwide through LightStay, which provides valuable insights and helps us encourage emissions reductions from employee commuting.

Upstream leased assets

Evaluation status

Not relevant, explanation provided

Metric tonnes CO2e

<Not Applicable>

Emissions calculation methodology

<Not Applicable>

Percentage of emissions calculated using data obtained from suppliers or value chain partners

<Not Applicable>

Please explain

Leased office space is estimated at approximately 90,000 m2 worldwide, including leased Corporate and Brand offices, development, sales and reservation centers. These upstream leased assets not included in our reported emissions represent less than 0.4% of real estate under Hilton's operational control and are deemed not relevant.

Downstream transportation and distribution

Evaluation status

Not relevant, explanation provided

Metric tonnes CO2e

<Not Applicable>

Emissions calculation methodology

<Not Applicable>

Percentage of emissions calculated using data obtained from suppliers or value chain partners

<Not Applicable>

Please explain

Not applicable. Hilton provides guest accommodations and services at the hotel and does not transport or distribute products for sale or use outside of the hotel.

Processing of sold products

Evaluation status

Not relevant, explanation provided

Metric tonnes CO2e

<Not Applicable>

Emissions calculation methodology

<Not Applicable>

Percentage of emissions calculated using data obtained from suppliers or value chain partners

<Not Applicable>

Please explain

Not applicable. Hilton provides guest accommodations and services at the hotel and does not sell products for processing by others.

Use of sold products

Evaluation status

Not relevant, explanation provided

Metric tonnes CO2e

<Not Applicable>

Emissions calculation methodology

<Not Applicable>

Percentage of emissions calculated using data obtained from suppliers or value chain partners

<Not Applicable>

Please explain

Not applicable. Hilton does not manufacture or sell products that would generate emissions in the actual use of the product, such as gas-powered equipment.

End of life treatment of sold products

Evaluation status

Not relevant, explanation provided

Metric tonnes CO2e

<Not Applicable>

Emissions calculation methodology

<Not Applicable>

Percentage of emissions calculated using data obtained from suppliers or value chain partners

<Not Applicable>

Please explain

Not applicable. Hilton provides guest accommodations and services at the hotel and does not sell products for use outside of the hotel as its core business. Any end of life treatment for guest amenities and furniture, fixtures and equipment is handled through the hotel's solid waste management program.

Downstream leased assets

Evaluation status

Not relevant, explanation provided

Metric tonnes CO2e

<Not Applicable>

Emissions calculation methodology

<Not Applicable>

Percentage of emissions calculated using data obtained from suppliers or value chain partners

<Not Applicable>

Please explain

As a hotel operator and franchisor, Hilton does not own any real estate property that is leased and operated by others. However, many of the full-service hotels have space within the hotel that may be leased and operated by others (retail gift shop, spa, restaurant, etc.). At least 95% of this space is not separately metered and related energy use is already included in our reported Scope 1 and 2 Emissions. Emissions from any excluded leased space within the hotel is deemed insignificant.

Franchises

Evaluation status

Relevant, calculated

Metric tonnes CO2e

3189909

Emissions calculation methodology

The methodology used to calculate emissions from franchised hotels is The Greenhouse Gas Protocol: A Corporate Accounting and Reporting Standard (Revised Edition). Reported emissions are based on primary data for approximately 75% of franchised hotels with complete LightStay energy data deemed accurate for reporting purposes. Total emissions have been extrapolated to include 100% of the total franchised building area enrolled in LightStay during the reporting year. Estimates for hotels with incomplete data are based on the brand average emissions intensity. (MT/m²), with prorated estimates for new hotels based on the date of opening or conversion to Hilton.

Percentage of emissions calculated using data obtained from suppliers or value chain partners

75

Please explain

Franchised hotels are an integral part of our business model and environmental footprint. In 2020 about 5,300 of our 6,000 properties, or 87% were franchised and owned and operated by others. Since 2012, all Hilton hotels globally have been required to report utility data on a monthly basis through Hilton's LightStay sustainability management system. Hilton uses the data reported in LightStay to calculate, manage and report CO2e emissions from franchised hotel operations.

Investments

Evaluation status

Not relevant, explanation provided

Metric tonnes CO2e

<Not Applicable>

Emissions calculation methodology

<Not Applicable>

Percentage of emissions calculated using data obtained from suppliers or value chain partners

<Not Applicable>

Please explain

Hilton's investments are primarily in the form of hotel ownership, whether wholly-owned or in joint venture/partnership with others. These emissions have already been included in our reported Scope 1 and Scope 2 emissions.

Other (upstream)

Evaluation status

Not relevant, explanation provided

Metric tonnes CO2e

<Not Applicable>

Emissions calculation methodology

<Not Applicable>

Percentage of emissions calculated using data obtained from suppliers or value chain partners

<Not Applicable>

Please explain

No other relevant Scope 3 upstream emissions identified.

Other (downstream)

Evaluation status

Not relevant, explanation provided

Metric tonnes CO2e

<Not Applicable>

Emissions calculation methodology

<Not Applicable>

Percentage of emissions calculated using data obtained from suppliers or value chain partners

<Not Applicable>

Please explain

No other relevant Scope 3 upstream emissions identified.

C6.7

(C6.7) Are carbon dioxide emissions from biogenic carbon relevant to your organization?

No

C6.10

(C6.10) Describe your gross global combined Scope 1 and 2 emissions for the reporting year in metric tons CO2e per unit currency total revenue and provide any additional intensity metrics that are appropriate to your business operations.

Intensity figure

0.0004

Metric numerator (Gross global combined Scope 1 and 2 emissions, metric tons CO2e)

1718234

Metric denominator

unit total revenue

Metric denominator: Unit total

4307000000

Scope 2 figure used

Market-based

% change from previous year

56

Direction of change

Increased

Reason for change

Due to significantly reduced revenues and hotel occupancy, along with energy and emissions reduction initiatives implementing during the 2020 COVID-19 pandemic, gross global emissions per USD (\$) total revenue increased by approximately 56%. In 2020, total occupied room nights decreased by approximately 56% and total revenues decreased by 54%. However, 2020 total energy consumptions and CO2e emissions only decreased by 31.6% and 27.4%, respectively. While our hotels around the world took significant steps to reduce consumption during 2020, our analysis indicates that there is a baseload of approximately 40% of typical energy consumption required to maintain base building systems and lighting under minimum occupancy conditions.

Intensity figure

12.2

Metric numerator (Gross global combined Scope 1 and 2 emissions, metric tons CO2e)

1718234

Metric denominator

full time equivalent (FTE) employee

Metric denominator: Unit total

141000

Scope 2 figure used

Market-based

% change from previous year

12.4

Direction of change

Decreased

Reason for change

Due to significantly reduced hotel occupancy and staffing levels, along with energy reduction initiatives implementing during the 2020 COVID-19 pandemic, gross global emissions per full-time employee decreased by 12.4%. The total full time employee count decreased by 18.5% due to COVID-19 impacts, from 173,000 in 2019 to 141,000 in 2020. However, total CO2e emissions decreased by 28.6%, which explains the intensity reduction.

C7. Emissions breakdowns

C7.1

(C7.1) Does your organization break down its Scope 1 emissions by greenhouse gas type?

Yes

C7.1a

(C7.1a) Break down your total gross global Scope 1 emissions by greenhouse gas type and provide the source of each used greenhouse warming potential (GWP).

Greenhouse gas	Scope 1 emissions (metric tons of CO2e)	GWP Reference
CO2	329043	IPCC Fifth Assessment Report (AR5 – 100 year)
CH4	231	IPCC Fifth Assessment Report (AR5 – 100 year)
N2O	297	IPCC Fifth Assessment Report (AR5 – 100 year)

C7.2

(C7.2) Break down your total gross global Scope 1 emissions by country/region.

Country/Region	Scope 1 emissions (metric tons CO2e)
Americas	133521
Asia, Australasia	113529
Europe, Middle East and Africa (EMEA)	82519

C7.3

(C7.3) Indicate which gross global Scope 1 emissions breakdowns you are able to provide.

By business division

C7.3a

(C7.3a) Break down your total gross global Scope 1 emissions by business division.

Business division	Scope 1 emissions (metric ton CO2e)
Hilton Hotels & Resorts	222768
DoubleTree by Hilton	33281
Embassy Suites by Hilton	13282
Hampton by Hilton	3303
Hilton Garden Inn	8582
Homewood Suites by Hilton	1252
Conrad Hotels & Resorts	24705
Curio Collection by Hilton	2202
Waldorf Astoria Hotels & Resorts	19564
Canopy by Hilton	481
Home2 Suites	150

C7.5

(C7.5) Break down your total gross global Scope 2 emissions by country/region.

Country/Region	Scope 2, location-based (metric tons CO2e)	Scope 2, market-based (metric tons CO2e)	Purchased and consumed electricity, heat, steam or cooling (MWh)	Purchased and consumed low-carbon electricity, heat, steam or cooling accounted for in Scope 2 market-based approach (MWh)
Americas	474758	474758	1218122	0
Asia, Australasia	578824	576093	1038928	3732
Europe, Middle East and Africa (EMEA)	366124	337814	949932	111412

C7.6

(C7.6) Indicate which gross global Scope 2 emissions breakdowns you are able to provide.

By business division

C7.6a

(C7.6a) Break down your total gross global Scope 2 emissions by business division.

Business division	Scope 2, location-based (metric tons CO2e)	Scope 2, market-based (metric tons CO2e)
Hilton Hotels & Resorts	844242	818870
DoubleTree by Hilton	215002	213956
Embassy Suites by Hilton	49749	49749
Hampton by Hilton	21529	21323
Hilton Garden Inn	61634	61237
Homewood Suites by Hilton	3250	3250
Conrad Hotels & Resorts	119719	118416
Curio Collection by Hilton	24065	23788
Waldorf Astoria Hotels & Resorts	78801	76362
Canopy by Hilton	133	1333
Home2 Suites	380	380

C7.9

(C7.9) How do your gross global emissions (Scope 1 and 2 combined) for the reporting year compare to those of the previous reporting year?

Decreased

C7.9a

(C7.9a) Identify the reasons for any change in your gross global emissions (Scope 1 and 2 combined), and for each of them specify how your emissions compare to the previous year.

	Change in emissions (metric tons CO2e)	Direction of change	Emissions value (percentage)	Please explain calculation
Change in renewable energy consumption	13552	Decreased	0.6	Gross global emissions decreased by approximately 0.6% due to the increase in green electricity procurement in the UK and Europe. (Calculation: 13,552 MT decrease/2,407,870 MT prior year gross global emissions x 100).
Other emissions reduction activities		<Not Applicable >		
Divestment		<Not Applicable >		
Acquisitions	96315	Increased	4	Gross global emissions are estimated to have increased by approximately 4% due to the growth of Hilton's managed portfolio in 2020. (Calculation: 96,315 MT increase/2,407,097 MT prior year gross global emissions x 100).
Mergers		<Not Applicable >		
Change in output	700921	Decreased	29	2020 gross global emissions decreased by approximately 29% due to reduced occupancy and energy efficiency measures implemented by the managed hotels during the COVID-19 pandemic. In 2020, total occupied room nights decreased by approximately 56%, including the complete or partial suspension of hotel operations at approximately 380 of our managed portfolio at some point during the period. (Calculation: 700,921 MT decrease/2,407,097 MT prior year gross global emissions x 100).
Change in methodology		<Not Applicable >		
Change in boundary		<Not Applicable >		
Change in physical operating conditions		<Not Applicable >		
Unidentified		<Not Applicable >		
Other	71478	Decreased	3	Gross global emissions decreased by approximately 3% due to grid efficiency and reductions in 2020 electricity CO2e emissions factors compared to the prior year as per our referenced sources (i.e., eGRID, IEA, DEFRA). (Calculation: 71,478 MT decrease/2,407,870 MT prior year gross global emissions x 100).

C7.9b

(C7.9b) Are your emissions performance calculations in C7.9 and C7.9a based on a location-based Scope 2 emissions figure or a market-based Scope 2 emissions figure?

Market-based

C8. Energy

C8.1

(C8.1) What percentage of your total operational spend in the reporting year was on energy?

More than 5% but less than or equal to 10%

C8.2

(C8.2) Select which energy-related activities your organization has undertaken.

	Indicate whether your organization undertook this energy-related activity in the reporting year
Consumption of fuel (excluding feedstocks)	Yes
Consumption of purchased or acquired electricity	Yes
Consumption of purchased or acquired heat	Yes
Consumption of purchased or acquired steam	Yes
Consumption of purchased or acquired cooling	Yes
Generation of electricity, heat, steam, or cooling	Yes

C8.2a

(C8.2a) Report your organization's energy consumption totals (excluding feedstocks) in MWh.

	Heating value	MWh from renewable sources	MWh from non-renewable sources	Total (renewable and non-renewable) MWh
Consumption of fuel (excluding feedstock)	Unable to confirm heating value	2286	1746949	1749235
Consumption of purchased or acquired electricity	<Not Applicable>	115144	2675524	2790668
Consumption of purchased or acquired heat	<Not Applicable>	0	113560	113560
Consumption of purchased or acquired steam	<Not Applicable>	0	101964	101964
Consumption of purchased or acquired cooling	<Not Applicable>	0	189658	189658
Consumption of self-generated non-fuel renewable energy	<Not Applicable>	11133	<Not Applicable>	11133
Total energy consumption	<Not Applicable>	128563	4827654	4956217

C8.2b

(C8.2b) Select the applications of your organization's consumption of fuel.

	Indicate whether your organization undertakes this fuel application
Consumption of fuel for the generation of electricity	No
Consumption of fuel for the generation of heat	No
Consumption of fuel for the generation of steam	No
Consumption of fuel for the generation of cooling	No
Consumption of fuel for co-generation or tri-generation	Yes

C8.2c

(C8.2c) State how much fuel in MWh your organization has consumed (excluding feedstocks) by fuel type.

Fuels (excluding feedstocks)

Natural Gas

Heating value

Unable to confirm heating value

Total fuel MWh consumed by the organization

1531905

MWh fuel consumed for self-generation of electricity

<Not Applicable>

MWh fuel consumed for self-generation of heat

1484881

MWh fuel consumed for self-generation of steam

<Not Applicable>

MWh fuel consumed for self-generation of cooling

<Not Applicable>

MWh fuel consumed for self-cogeneration or self-trigeneration

47024

Emission factor

0.1812

Unit

metric tons CO2e per MWh

Emissions factor source

Environmental Protection Agency's "Emissions Factors for Greenhouse Gas Inventories"

Comment

Fuels (excluding feedstocks)

Diesel

Heating value

Unable to confirm heating value

Total fuel MWh consumed by the organization

128417

MWh fuel consumed for self-generation of electricity

<Not Applicable>

MWh fuel consumed for self-generation of heat

128417

MWh fuel consumed for self-generation of steam

<Not Applicable>

MWh fuel consumed for self-generation of cooling

<Not Applicable>

MWh fuel consumed for self-cogeneration or self-trigeneration

0

Emission factor

0.255

Unit

metric tons CO2e per MWh

Emissions factor source

Environmental Protection Agency's "Emissions Factors for Greenhouse Gas Inventories"

Comment

Fuels (excluding feedstocks)

Wood Pellets

Heating value

Unable to confirm heating value

Total fuel MWh consumed by the organization

2286

MWh fuel consumed for self-generation of electricity

<Not Applicable>

MWh fuel consumed for self-generation of heat

2286

MWh fuel consumed for self-generation of steam

<Not Applicable>

MWh fuel consumed for self-generation of cooling

<Not Applicable>

MWh fuel consumed for self-cogeneration or self-trigeneration

0

Emission factor

0.324

Unit

Please select

Emissions factor source

Environmental Protection Agency's "Emissions Factors for Greenhouse Gas Inventories"

Comment

Fuels (excluding feedstocks)

Liquefied Natural Gas (LNG)

Heating value

Unable to confirm heating value

Total fuel MWh consumed by the organization

5626

MWh fuel consumed for self-generation of electricity

<Not Applicable>

MWh fuel consumed for self-generation of heat

5626

MWh fuel consumed for self-generation of steam

<Not Applicable>

MWh fuel consumed for self-generation of cooling

<Not Applicable>

MWh fuel consumed for self-cogeneration or self-trigeneration

0

Emission factor

0.1812

Unit

metric tons CO2e per MWh

Emissions factor source

Environmental Protection Agency's "Emissions Factors for Greenhouse Gas Inventories"

Comment**Fuels (excluding feedstocks)**

Liquefied Petroleum Gas (LPG)

Heating value

Unable to confirm heating value

Total fuel MWh consumed by the organization

81001

MWh fuel consumed for self-generation of electricity

<Not Applicable>

MWh fuel consumed for self-generation of heat

81001

MWh fuel consumed for self-generation of steam

<Not Applicable>

MWh fuel consumed for self-generation of cooling

<Not Applicable>

MWh fuel consumed for self-cogeneration or self-trigeneration

0

Emission factor

0.2153

Unit

metric tons CO2e per MWh

Emissions factor source

Environmental Protection Agency's "Emissions Factors for Greenhouse Gas Inventories"

Comment**C8.2d****(C8.2d) Provide details on the electricity, heat, steam, and cooling your organization has generated and consumed in the reporting year.**

	Total Gross generation (MWh)	Generation that is consumed by the organization (MWh)	Gross generation from renewable sources (MWh)	Generation from renewable sources that is consumed by the organization (MWh)
Electricity	26845	26845	11133	11133
Heat	16696	16696	0	0
Steam	0	0	0	0
Cooling	1740	1740	0	0

C8.2e**(C8.2e) Provide details on the electricity, heat, steam, and/or cooling amounts that were accounted for at a zero emission factor in the market-based Scope 2 figure reported in C6.3.****Sourcing method**

Green electricity products (e.g. green tariffs) from an energy supplier, not supported by energy attribute certificates

Low-carbon technology type

Low-carbon energy mix

Country/area of consumption of low-carbon electricity, heat, steam or cooling

United Kingdom of Great Britain and Northern Ireland

MWh consumed accounted for at a zero emission factor

74261

Comment

New 100% green electricity contracts were implemented in 2020 for the majority of Hilton managed hotels in the UK.

Sourcing method

Unbundled energy attribute certificates, Guarantees of Origin

Low-carbon technology type

Low-carbon energy mix

Country/area of consumption of low-carbon electricity, heat, steam or cooling

Portugal

MWh consumed accounted for at a zero emission factor

2469

Comment

Sourcing method

Unbundled energy attribute certificates, Guarantees of Origin

Low-carbon technology type

Low-carbon energy mix

Country/area of consumption of low-carbon electricity, heat, steam or cooling

Italy

MWh consumed accounted for at a zero emission factor

13886

Comment

Sourcing method

Unbundled energy attribute certificates, Guarantees of Origin

Low-carbon technology type

Low-carbon energy mix

Country/area of consumption of low-carbon electricity, heat, steam or cooling

Spain

MWh consumed accounted for at a zero emission factor

4321

Comment

Sourcing method

Unbundled energy attribute certificates, Guarantees of Origin

Low-carbon technology type

Low-carbon energy mix

Country/area of consumption of low-carbon electricity, heat, steam or cooling

Czechia

MWh consumed accounted for at a zero emission factor

7764

Comment

Sourcing method

Unbundled energy attribute certificates, Guarantees of Origin

Low-carbon technology type

Low-carbon energy mix

Country/area of consumption of low-carbon electricity, heat, steam or cooling

Austria

MWh consumed accounted for at a zero emission factor

6657

Comment

Sourcing method

Unbundled energy attribute certificates, Guarantees of Origin

Low-carbon technology type

Low-carbon energy mix

Country/area of consumption of low-carbon electricity, heat, steam or cooling

Sweden

MWh consumed accounted for at a zero emission factor

2054

Comment**Sourcing method**

Unbundled energy attribute certificates, Guarantees of Origin

Low-carbon technology type

Low-carbon energy mix

Country/area of consumption of low-carbon electricity, heat, steam or cooling

Australia

MWh consumed accounted for at a zero emission factor

1878

Comment**Sourcing method**

Power purchase agreement (PPA) with on-site/off-site generator owned by a third party with no grid transfers (direct line)

Low-carbon technology type

Wind

Country/area of consumption of low-carbon electricity, heat, steam or cooling

India

MWh consumed accounted for at a zero emission factor

1854

Comment

C9. Additional metrics

C9.1

(C9.1) Provide any additional climate-related metrics relevant to your business.

C-CE9.6/C-CG9.6/C-CH9.6/C-CN9.6/C-CO9.6/C-EU9.6/C-MM9.6/C-OG9.6/C-RE9.6/C-ST9.6/C-TO9.6/C-TS9.6

(C-CE9.6/C-CG9.6/C-CH9.6/C-CN9.6/C-CO9.6/C-EU9.6/C-MM9.6/C-OG9.6/C-RE9.6/C-ST9.6/C-TO9.6/C-TS9.6) Does your organization invest in research and development (R&D) of low-carbon products or services related to your sector activities?

	Investment in low-carbon R&D	Comment
Row 1	Yes	

C-CN9.6a/C-RE9.6a

(C-CN9.6a/C-RE9.6a) Provide details of your organization's investments in low-carbon R&D for real estate and construction activities over the last three years.**Technology area**

Other, please specify (Low-carbon products used within hotels)

Stage of development in the reporting year

Full/commercial-scale demonstration

Average % of total R&D investment over the last 3 years

0%

R&D investment figure in the reporting year (optional)**Comment**

While Hilton does not have any investments that we classify as R&D expenses (based on our business model, and reflecting that we don't manufacture products), our global Customer Experience & Innovation (CE&I) department is focused on driving innovation across the business. In 2019 the CE&I team established a cross-functional Plastics Working Group focused on finding innovative solutions to reduce single use plastics in our hotels around the world. The Working Group is comprised of leaders from across the global business, from Sustainability, Operations, Engineering, Guest Satisfaction, Marketing, and other relevant departments, working together to identify, test and implement solutions to reduce plastic packaging waste and increase recycling rates across our global portfolio. One of the Working Group's mandates is to ensure that alternative projects that are identified and tested are assessed for carbon reduction, as well as waste reduction, potential.

C-RE9.9

(C-RE9.9) Does your organization manage net zero carbon buildings?

No, but we plan to in the future

C-CN9.11/C-RE9.11

(C-CN9.11/C-RE9.11) Explain your organization's plan to manage, develop or construct net zero carbon buildings, or explain why you do not plan to do so.

Hilton only has ownership interest in only 61 of our nearly 6,500 hotels globally. However, all of our managed and franchised owners are required to build and operate hotels that align with our Brand Standards, which include minimum guidelines for energy and water efficiency, and all of our hotels are required to operate in compliance with ISO 14001 (Environmental Management) and ISO 50001 (Energy Management). We also encourage our owners to build or renovate hotels to the highest green building standards as applicable in the hotel's location. We continually identify and implement opportunities to continue to increase the standards to which our hotels are built, and we are currently considering how to incorporate incentives for net-zero building into our new hotel development practices.

C10. Verification

C10.1

(C10.1) Indicate the verification/assurance status that applies to your reported emissions.

	Verification/assurance status
Scope 1	Third-party verification or assurance process in place
Scope 2 (location-based or market-based)	Third-party verification or assurance process in place
Scope 3	Third-party verification or assurance process in place

C10.1a

(C10.1a) Provide further details of the verification/assurance undertaken for your Scope 1 emissions, and attach the relevant statements.

Verification or assurance cycle in place

Annual process

Status in the current reporting year

Complete

Type of verification or assurance

Limited assurance

Attach the statement

Hilton 2020 Corporate Responsibility Assurance Report.pdf

Page/ section reference

Pages 2-3

Relevant standard

ISO14064-3

Proportion of reported emissions verified (%)

95

C10.1b

(C10.1b) Provide further details of the verification/assurance undertaken for your Scope 2 emissions and attach the relevant statements.

Scope 2 approach

Scope 2 location-based

Verification or assurance cycle in place

Annual process

Status in the current reporting year

Complete

Type of verification or assurance

Limited assurance

Attach the statement

Hilton 2020 Corporate Responsibility Assurance Report.pdf

Page/ section reference

Pages 2-3

Relevant standard

ISO14064-3

Proportion of reported emissions verified (%)

95

Scope 2 approach

Scope 2 market-based

Verification or assurance cycle in place

Annual process

Status in the current reporting year

Complete

Type of verification or assurance

Limited assurance

Attach the statement

Hilton 2020 Corporate Responsibility Assurance Report.pdf

Page/ section reference

Pages 2-3

Relevant standard

ISO14064-3

Proportion of reported emissions verified (%)

95

C10.1c

(C10.1c) Provide further details of the verification/assurance undertaken for your Scope 3 emissions and attach the relevant statements.

Scope 3 category

Scope 3: Franchises

Verification or assurance cycle in place

Annual process

Status in the current reporting year

Complete

Type of verification or assurance

Limited assurance

Attach the statement

Hilton 2020 Corporate Responsibility Assurance Report.pdf

Page/section reference

Pages 2-3

Relevant standard

ISO14064-3

Proportion of reported emissions verified (%)

77

Scope 3 category

Scope 3: Waste generated in operations

Verification or assurance cycle in place

Annual process

Status in the current reporting year

Complete

Type of verification or assurance

Limited assurance

Attach the statement

Hilton 2020 Corporate Responsibility Assurance Report.pdf

Page/section reference

Page 2-3.

Relevant standard

ISO14064-3

Proportion of reported emissions verified (%)

78

Scope 3 category

Scope 3: Business travel

Verification or assurance cycle in place

Annual process

Status in the current reporting year

Complete

Type of verification or assurance

Limited assurance

Attach the statement

Hilton 2020 Corporate Responsibility Assurance Report.pdf

Page/section reference

Pages 2-3.

Relevant standard

ISO14064-3

Proportion of reported emissions verified (%)

90

C10.2

(C10.2) Do you verify any climate-related information reported in your CDP disclosure other than the emissions figures reported in C6.1, C6.3, and C6.5?

Yes

C10.2a

(C10.2a) Which data points within your CDP disclosure have been verified, and which verification standards were used?

Disclosure module verification relates to	Data verified	Verification standard	Please explain
C7. Emissions breakdown	Year on year emissions intensity figure	ISO 14064-3	Year on year change in Scope 1 emissions intensity is independently verified as part of our annual data assurance process, Hilton 2020 Corporate Responsibility Assurance Report.pdf
C7. Emissions breakdown	Year on year emissions intensity figure	ISO 14064-3	Year on year change in Scope 2 emissions intensity is independently verified as part of our annual data assurance process, Hilton 2020 Corporate Responsibility Assurance Report.pdf
C6. Emissions data	Year on year emissions intensity figure	ISO 14064-3	Year on year change in Scope 3 Franchise emissions intensity is independently verified as part of our annual data assurance process, Hilton 2020 Corporate Responsibility Assurance Report.pdf
C8. Energy	Energy consumption	ISO 14064-3	Total energy consumption is independently verified as part of our annual data assurance process, Hilton 2020 Corporate Responsibility Assurance Report.pdf
C8. Energy	Energy consumption	ISO 14064-3	Year on year change in energy use intensity is independently verified as part of our annual data assurance process, Hilton 2020 Corporate Responsibility Assurance Report.pdf
C6. Emissions data	Year on year change in emissions (Scope 3)	ISO 14064-3	Year on year change in Scope 3 emissions intensity from landfilled waste is independently verified as part of our annual data assurance process, Hilton 2020 Corporate Responsibility Assurance Report.pdf
C6. Emissions data	Year on year change in emissions (Scope 3)	ISO 14064-3	Year on year change in Scope 3 emissions from business travel is independently verified as part of our annual data assurance process, Hilton 2020 Corporate Responsibility Assurance Report.pdf

Hilton 2020 Corporate Responsibility Assurance Report.pdf

C11. Carbon pricing

C11.1

(C11.1) Are any of your operations or activities regulated by a carbon pricing system (i.e. ETS, Cap & Trade or Carbon Tax)?

Yes

C11.1a

(C11.1a) Select the carbon pricing regulation(s) which impacts your operations.

UK carbon price floor

C11.1c

(C11.1c) Complete the following table for each of the tax systems you are regulated by.

UK carbon price floor

Period start date

January 1 2020

Period end date

December 31 2021

% of total Scope 1 emissions covered by tax

Total cost of tax paid

1532300

Comment

This is based on the total unit rate of Climate Change Levy Rates, rather than carbon price floor. Following the completion and closure of the UK CRC Energy Efficiency Scheme ("CRC"), there is no longer a separate carbon emissions pricing scheme in the UK or elsewhere in Europe. Costs related to carbon are recovered as part of the existing energy rates through the electricity and gas invoices. Reported taxes are included for 48 owned and managed properties in the UK under Hilton's operational control.

C11.1d

(C11.1d) What is your strategy for complying with the systems you are regulated by or anticipate being regulated by?

Following the completion and closure of the UK CRC Energy Efficiency Scheme ("CRC"), there is no longer a separate carbon emissions pricing scheme in the UK or elsewhere in Europe. Costs related to carbon are being recovered as part of the existing energy rates through the electricity and gas invoices.

In the UK Streamlined Energy and Carbon Reporting ("SECR") replaced the reporting requirements under the CRC Energy Efficiency Scheme ("CRC"). It came into effect on 1 April, 2019 for hotels in the U.K.

Subject to meeting the qualifying criteria under the 2018 Regulations, it is the responsibility of the legal entity to comply with the Companies (Directors' Report) and Limited Liability Partnerships (Energy and Carbon Report) Regulations 2018 ("the 2018 Regulations"). This represents a change from the reporting requirements under the CRC, where Hilton undertook the responsibility of collating and submitting data for most hotels. There is no direct cost for SECR. From 1st April 2019 costs related to carbon are recovered through the increased rate of CCL that is paid on the electricity and gas invoice. As such the cost comparison to previous reports should not be considered.

Our EMEA sustainability and operations team members only support leased hotels with data collection and reporting. All other management arrangements are required handle the process themselves. However, in the United Kingdom, the team works with the hotels to focus on targeted emissions reduction projects and educates hotel staff on further environmental efficiency measures.

We have identified other managed hotels with current or planned ETS or carbon tax systems, that are not tracked by Hilton at the corporate level and we are assessing for inclusion in next year's CDP reporting. Our overall strategy for compliance across our global portfolio includes:

(1) Using our proprietary LightStay environmental management systems, we require that our hotels and regional property operations teams: (a) set annual energy reduction goals; (b) monitor progress toward our energy reduction targets at the hotel and regional level; and (c) implement energy improvement projects and best practices that reduce energy use and greenhouse gas emissions.

(2) We also use our portfolio-wide ISO 50001 Energy Management System certification to provide a consistent system focused on continuous improvement across our global enterprise.

(3) We will continue to coordinate with regional property operations teams to capture accurate ETS/carbon tax reporting and compliance data for their hotels at the country/system level.

C11.2

(C11.2) Has your organization originated or purchased any project-based carbon credits within the reporting period?

Yes

C11.2a

(C11.2a) Provide details of the project-based carbon credits originated or purchased by your organization in the reporting period.

Credit origination or credit purchase

Credit purchase

Project type

Other, please specify (Boreholes)

Project identification

Rwanda Borehole Project

Verified to which standard

Gold Standard

Number of credits (metric tonnes CO2e)

3575

Number of credits (metric tonnes CO2e): Risk adjusted volume

3575

Credits cancelled

Yes

Purpose, e.g. compliance

Voluntary Offsetting

Credit origination or credit purchase

Credit purchase

Project type

Geothermal

Project identification

Dora II

Verified to which standard

Gold Standard

Number of credits (metric tonnes CO2e)

3575

Number of credits (metric tonnes CO2e): Risk adjusted volume

3575

Credits cancelled

Yes

Purpose, e.g. compliance

Voluntary Offsetting

Credit origination or credit purchase

Credit purchase

Project type

Biomass energy

Project identification

Bachu

Verified to which standard

Gold Standard

Number of credits (metric tonnes CO2e)

2341

Number of credits (metric tonnes CO2e): Risk adjusted volume

2341

Credits cancelled

Yes

Purpose, e.g. compliance

Voluntary Offsetting

Credit origination or credit purchase

Credit purchase

Project type

Other, please specify (Wastewater treatment)

Project identification

General Starch (Kornburi)

Verified to which standard

VCS (Verified Carbon Standard)

Number of credits (metric tonnes CO2e)

7151

Number of credits (metric tonnes CO2e): Risk adjusted volume

7151

Credits cancelled

Yes

Purpose, e.g. compliance

Voluntary Offsetting

Credit origination or credit purchase

Credit purchase

Project type

Wind

Project identification

Crow Lake

Verified to which standard

VCS (Verified Carbon Standard)

Number of credits (metric tonnes CO2e)

3575

Number of credits (metric tonnes CO2e): Risk adjusted volume

3575

Credits cancelled

Yes

Purpose, e.g. compliance

Voluntary Offsetting

Credit origination or credit purchase

Credit purchase

Project type

Wind

Project identification

Mytrah

Verified to which standard

VCS (Verified Carbon Standard)

Number of credits (metric tonnes CO2e)

11036

Number of credits (metric tonnes CO2e): Risk adjusted volume

11036

Credits cancelled

Yes

Purpose, e.g. compliance

Voluntary Offsetting

Credit origination or credit purchase

Credit purchase

Project type

Wind

Project identification

Renewable Power Project By Animala Wind Power (Or other Indian Wind)

Verified to which standard

VCS (Verified Carbon Standard)

Number of credits (metric tonnes CO2e)

1800

Number of credits (metric tonnes CO2e): Risk adjusted volume

1800

Credits cancelled

Yes

Purpose, e.g. compliance

Voluntary Offsetting

Credit origination or credit purchase

Credit purchase

Project type

Biomass energy

Project identification

Longan Biomass Power

Verified to which standard

VCS (Verified Carbon Standard)

Number of credits (metric tonnes CO2e)

2700

Number of credits (metric tonnes CO2e): Risk adjusted volume

2700

Credits cancelled

Yes

Purpose, e.g. compliance

Voluntary Offsetting

Credit origination or credit purchase

Please select

Project type

Please select

Project identification

Verified to which standard

Please select

Number of credits (metric tonnes CO2e)

Number of credits (metric tonnes CO2e): Risk adjusted volume

Credits cancelled

Please select

Purpose, e.g. compliance

Please select

C11.3

(C11.3) Does your organization use an internal price on carbon?

Yes

C11.3a

(C11.3a) Provide details of how your organization uses an internal price on carbon.

Objective for implementing an internal carbon price

Navigate GHG regulations
Stakeholder expectations
Change internal behavior
Drive energy efficiency
Drive low-carbon investment
Identify and seize low-carbon opportunities

GHG Scope

Scope 1
Scope 2
Scope 3

Application

We have developed an internal price on carbon as part of our science-based target model. Our pricing was developed by considering pricing in existing carbon markets such as the EU and California, and World Bank research on the true price of carbon. Our internal price on carbon is applicable to our Scope 1, 2 and 3 emissions.

Actual price(s) used (Currency /metric ton)

Variance of price(s) used

Type of internal carbon price

Implicit price

Impact & implication

We use our internal carbon pricing to help us understand the costs and opportunities associated with our Scope 1, 2 and 3 carbon targets, navigate current and future carbon regulations, meet our stakeholder expectations, and change internal behavior (including driving energy efficiency and low-carbon investments/opportunities). We are also considering how we can better leverage our internal price on carbon to stress test investments and engage with our suppliers.

C12. Engagement

C12.1

(C12.1) Do you engage with your value chain on climate-related issues?

Yes, our suppliers
Yes, our customers

C12.1a

(C12.1a) Provide details of your climate-related supplier engagement strategy.

Type of engagement

Compliance & onboarding

Details of engagement

Included climate change in supplier selection / management mechanism
Code of conduct featuring climate change KPIs

% of suppliers by number

% total procurement spend (direct and indirect)

% of supplier-related Scope 3 emissions as reported in C6.5

Rationale for the coverage of your engagement

With global operations spanning 119 countries and territories, we recognize the immense economic, environmental and social impact we have through our supply chain. We are focused on integrating leading environmental and social considerations into our sourcing practices. This includes increasing our sourcing of certified sustainable products, identifying and implementing services and technologies that contribute to our Travel with Purpose objectives, and working with our suppliers to improve their environmental and social practices in line with our own expectations. To achieve our responsible sourcing goals, we engage closely with our suppliers and encourage our business partners to adopt their own sustainable practices, including setting science-based carbon reduction targets and conducting human rights due diligence. All suppliers are encouraged to observe and abide by Hilton's Responsible Sourcing Policy, which is included in all property contracts. In 2020, we entered into a partnership with EcoVadis to assess our suppliers' sustainability risk and performance, including climate-related risks. Additionally, through our science-based targets we have committed to encourage our suppliers to set goals around reducing their environmental and social impact.

Impact of engagement, including measures of success

Comment

C12.1b

(C12.1b) Give details of your climate-related engagement strategy with your customers.

Type of engagement

Other, please specify (Carbon neutral meetings for corporate customers)

Details of engagement

% of customers by number

% of customer - related Scope 3 emissions as reported in C6.5

Portfolio coverage (total or outstanding)

<Not Applicable>

Please explain the rationale for selecting this group of customers and scope of engagement

Through our Meet with Purpose program, we partner with our guests and corporate clients to reduce greenhouse gas emissions and other environmental impacts from guest nights, meetings and events. Using our LightStay system, Meet with Purpose provides meeting planners with a quantified report of the projected carbon emissions from their meeting, as well as with options to reduce emissions, waste and other environmental impacts customized to the group's specific conference needs. Through Meet with Purpose we also offer our clients high quality, verified Gold Standard or VCS carbon offsets to reduce the impact of our meetings and events.

Impact of engagement, including measures of success

C12.3

(C12.3) Do you engage in activities that could either directly or indirectly influence public policy on climate-related issues through any of the following?

- Direct engagement with policy makers
- Trade associations
- Funding research organizations
- Other

C12.3a

(C12.3a) On what issues have you been engaging directly with policy makers?

Focus of legislation	Corporate position	Details of engagement	Proposed legislative solution
Other, please specify (WTTC Global Climate Change Accord)	Support	Under our CEO's leadership as chairman of the World Travel and Tourism Council (WTTC), a common agenda between the WTTC and the UN Framework Convention on Climate Change has been developed. Citing the need to transform dialogue into action, our CEO has advocated for the industry to exceed its 30% reduction target by 2020.	The WTTC and the UN Framework Convention on Climate Change will work to achieve carbon neutrality and reduce the contribution of the travel and tourism industry to climate change and support quantitative industry targets and reductions, including science-based targets.
Other, please specify (Paris Climate Agreement)	Support	In 2019 Hilton joined over 70 major businesses and U.S. labor unions in issuing a joint statement calling for accelerated action on climate change and urging the U.S. to remain in the Paris Climate Agreement.	The statement can be found here: https://www.unitedforparisagreement.com .
Other, please specify (EU 2030 GHG Emissions Targets)	Support	In 2020 Hilton joined more than 200 businesses and investors in calling on EU leaders to raise EU 2030 GHG emissions targets and endorse the ambitious goals set out in the European Green Deal.	The statement can be found here: https://www.corporateleadersgroup.com/reports-evidence-and-insights/ceos-urge-eu-to-raise-emissions-targets .

C12.3b

(C12.3b) Are you on the board of any trade associations or do you provide funding beyond membership?

Yes

C12.3c

(C12.3c) Enter the details of those trade associations that are likely to take a position on climate change legislation.

Trade association

World Travel and Tourism Council (WTTC)

Is your position on climate change consistent with theirs?

Consistent

Please explain the trade association's position

The WTTC works to raise awareness of travel and tourism as one of the world's largest industries. The WTTC Climate Change Task Force works to identify industry priority action areas for the future and to evaluate industry progress against climate change commitments.

How have you influenced, or are you attempting to influence their position?

In 2017, our Chief Executive Officer was elected to serve as the WTTC's Chairman for the next two years. Under our CEO's leadership, a common agenda between the WTTC and the UN Framework Convention on Climate Change has been developed. Citing the need to transform dialogue into action, our CEO has advocated for the industry to exceed its 30% reduction target by 2020.

Trade association

American Hotel and Lodging Association (AHLA)

Is your position on climate change consistent with theirs?

Consistent

Please explain the trade association's position

To advocate, communicate and educate on behalf of the lodging industry in order to create business value through sustainability strategies defined as social responsibility and environmental protection. From a public advocacy perspective, this group aims to identify sustainability legislative ideas and develop industry position and work with the U.S. General Services Administration on its federal travel program policies.

How have you influenced, or are you attempting to influence their position?

Hilton is a member of the American Hotel and Lodging Association (AHLA) and chairs the AHLA's Sustainability Committee, which focuses on environment, engineering and corporate responsibility for the hotel and lodging industry. Our CFO serves on the Executive Committee of the AHLA.

Trade association

Sustainable Hospitality Alliance

Is your position on climate change consistent with theirs?

Consistent

Please explain the trade association's position

The Sustainable Hospitality Alliance brings together the world's leading international hotel companies to provide a voice for environmental and social responsibility in the industry.

How have you influenced, or are you attempting to influence their position?

Hilton is a founding member of this travel industry consortium and participates in various working groups, including the Hotel Carbon Measurement Initiative, the Hotel Water Measurement Initiative, and the Youth Career Initiative. In 2017, we co-created and supported the launch of the Sustainable Hospitality Alliance's goals on carbon, water, youth and human rights. We also assisted with the creation of the Business Case for Sustainable Hotels white paper, which was published in October 2019.

C12.3d

(C12.3d) Do you publicly disclose a list of all research organizations that you fund?

Yes

C12.3e

(C12.3e) Provide details of the other engagement activities that you undertake.

Since 2012, Hilton has been a signatory to the United Nations (UN) Global Compact, a voluntary initiative based on a CEO-led commitment to implement ten sustainability principles supporting the goals of the UN. Hilton participates in the following UN initiatives that directly relate to our climate change strategy and Travel with Purpose 2030 Goals: (1) Signatory to the United Nations CEO Water Mandate, demonstrating our commitment to furthering the global dialogue on water stewardship; (2) Official partner for the UN World Tourism Organization (UNWTO)'s International Year of Sustainable Development; (3) Our corporate responsibility strategies and objectives directly align with and support the UN Sustainable Development Goals.

C12.3f

(C12.3f) What processes do you have in place to ensure that all of your direct and indirect activities that influence policy are consistent with your overall climate change strategy?

The Senior Vice President of Public Policy and ESG has oversight responsibility for indirect and indirect activities to ensure consistency with Hilton's sustainability principles and climate change strategy. Direct and indirect activities that influence policy are conducted by Hilton's Public Policy and ESG staff, along with regional sustainability managers and regional VPs of Property Operations, who are most familiar with Hilton's overall climate change strategy. Regular meetings and ongoing communications between the ESG team and global regions are conducted to track sustainability activities inside and outside of the Hilton organization.

Since 2012, Hilton has been a signatory to the United Nations (UN) Global Compact, a voluntary initiative based on a CEO-led commitment to implement ten sustainability principles supporting the goals of the UN. We have also aligned our corporate responsibility strategies and objectives to support the UN Sustainable Development Goals.

C12.4

(C12.4) Have you published information about your organization's response to climate change and GHG emissions performance for this reporting year in places other than in your CDP response? If so, please attach the publication(s).

Publication

In mainstream reports

Status

Complete

Attach the document

Hilton 2020 10-K Report.pdf

Page/Section reference

Hilton 2020 Form 10-K, pages 14-15

Content elements

Strategy
Emissions figures
Emission targets

Comment

Publication

In voluntary sustainability report

Status

Complete

Attach the document

Hilton-2020-ESG-Report.pdf

Page/Section reference

Hilton 2020 Environmental, Social and Governance Report pages 8-24

Content elements

Governance
Strategy
Risks & opportunities
Emissions figures
Emission targets

Comment

C15. Signoff

C-FI

(C-FI) Use this field to provide any additional information or context that you feel is relevant to your organization's response. Please note that this field is optional and is not scored.

C15.1

(C15.1) Provide details for the person that has signed off (approved) your CDP climate change response.

	Job title	Corresponding job category
Row 1		Chief Sustainability Officer (CSO)

SC. Supply chain module

SC0.0

(SC0.0) If you would like to do so, please provide a separate introduction to this module.

Travel with Purpose is Hilton's ESG strategy to redefine and advance sustainable travel globally. By 2030, we plan to double our social impact investment and cut our environmental footprint by half. Hilton recognizes climate change to be a critical threat to our planet, our communities and our business, and we were proud to be the first major hotel brand to set science-based carbon reduction targets aligned with the Paris Climate Agreement. We track, analyze and report our environmental and social impact at each of Hilton's 6,400 hotels through [LightStay](#), our award-winning performance measurement system. Travel with Purpose capitalizes on Hilton's global scale to catalyze local economic growth, promote human rights, invest in people and local communities, and preserve our planet by reducing our impact on natural resources. Our strategy aligns with the United Nations Sustainable Development Goals. Visit cr.hilton.com to learn more and to download our 2020 ESG Report.

SC0.1

(SC0.1) What is your company's annual revenue for the stated reporting period?

	Annual Revenue
Row 1	

SC0.2

(SC0.2) Do you have an ISIN for your company that you would be willing to share with CDP?

No

SC1.1

(SC1.1) Allocate your emissions to your customers listed below according to the goods or services you have sold them in this reporting period.

Requesting member

Accenture

Scope of emissions

Scope 3

Allocation level

Company wide

Allocation level detail

<Not Applicable>

Emissions in metric tonnes of CO₂e

4634

Uncertainty (±%)

5

Major sources of emissions

Emissions from 2020 room nights as captured in Hilton Sales platforms.

Verified

Yes

Allocation method

Allocation not necessary due to type of primary data available

Please explain how you have identified the GHG source, including major limitations to this process and assumptions made

Hilton's Sales system captures data on hotel stays booked through client's corporate account. Each of our hotels is required to use our LightStay sustainability management system to report all energy, water and waste utility data, enabling us to provide actual emissions data for these room nights. Emissions are calculated in accordance with the GHG Protocol and our emissions data is externally verified by our third party assurance provider.

Requesting member

Advance Auto Parts Inc

Scope of emissions

Scope 3

Allocation level

Company wide

Allocation level detail

<Not Applicable>

Emissions in metric tonnes of CO₂e

241

Uncertainty (±%)

5

Major sources of emissions

Emissions from 2020 room nights as captured in Hilton Sales platforms.

Verified

Yes

Allocation method

Allocation not necessary due to type of primary data available

Please explain how you have identified the GHG source, including major limitations to this process and assumptions made

Hilton's Sales system captures data on hotel stays booked through client's corporate account. Each of our hotels is required to use our LightStay sustainability management system to report all energy, water and waste utility data, enabling us to provide actual emissions data for these room nights. Emissions are calculated in accordance with the GHG Protocol and our emissions data is externally verified by our third party assurance provider.

Requesting member

Arm Ltd.

Scope of emissions

Scope 3

Allocation level

Company wide

Allocation level detail

<Not Applicable>

Emissions in metric tonnes of CO2e

14

Uncertainty (±%)

5

Major sources of emissions

Verified

Yes

Allocation method

Allocation not necessary due to type of primary data available

Please explain how you have identified the GHG source, including major limitations to this process and assumptions made

Requesting member

AstraZeneca

Scope of emissions

Scope 3

Allocation level

Company wide

Allocation level detail

<Not Applicable>

Emissions in metric tonnes of CO2e

767

Uncertainty (±%)

5

Major sources of emissions

Verified

Yes

Allocation method

Allocation not necessary due to type of primary data available

Please explain how you have identified the GHG source, including major limitations to this process and assumptions made

Requesting member

AT&T Inc.

Scope of emissions

Scope 3

Allocation level

Company wide

Allocation level detail

<Not Applicable>

Emissions in metric tonnes of CO2e

2073

Uncertainty (±%)

5

Major sources of emissions

Verified

Yes

Allocation method

Allocation not necessary due to type of primary data available

Please explain how you have identified the GHG source, including major limitations to this process and assumptions made

Requesting member

Autodesk, Inc.

Scope of emissions

Scope 3

Allocation level

Company wide

Allocation level detail

<Not Applicable>

Emissions in metric tonnes of CO2e

53

Uncertainty (±%)

5

Major sources of emissions

Verified

Yes

Allocation method

Allocation not necessary due to type of primary data available

Please explain how you have identified the GHG source, including major limitations to this process and assumptions made

Requesting member

Bank of America

Scope of emissions

Scope 3

Allocation level

Company wide

Allocation level detail

<Not Applicable>

Emissions in metric tonnes of CO2e

1132

Uncertainty (±%)

5

Major sources of emissions

Verified

Yes

Allocation method

Allocation not necessary due to type of primary data available

Please explain how you have identified the GHG source, including major limitations to this process and assumptions made

Requesting member

CBRE Group, Inc.

Scope of emissions

Scope 3

Allocation level

Company wide

Allocation level detail

<Not Applicable>

Emissions in metric tonnes of CO2e

203

Uncertainty (±%)

5

Major sources of emissions

Verified

Yes

Allocation method

Allocation not necessary due to type of primary data available

Please explain how you have identified the GHG source, including major limitations to this process and assumptions made

Requesting member

Cisco Systems, Inc.

Scope of emissions

Scope 3

Allocation level

Company wide

Allocation level detail

<Not Applicable>

Emissions in metric tonnes of CO2e

1784

Uncertainty (±%)

5

Major sources of emissions

Verified

Yes

Allocation method

Allocation not necessary due to type of primary data available

Please explain how you have identified the GHG source, including major limitations to this process and assumptions made

Requesting member

Deloitte Touche Tohmatsu Limited

Scope of emissions

Scope 3

Allocation level

Company wide

Allocation level detail

<Not Applicable>

Emissions in metric tonnes of CO2e

3827

Uncertainty (±%)

5

Major sources of emissions

Verified

Yes

Allocation method

Allocation not necessary due to type of primary data available

Please explain how you have identified the GHG source, including major limitations to this process and assumptions made

Requesting member

KPMG UK

Scope of emissions

Scope 3

Allocation level

Company wide

Allocation level detail

<Not Applicable>

Emissions in metric tonnes of CO2e

2039

Uncertainty (±%)

5

Major sources of emissions

Verified

Yes

Allocation method

Allocation not necessary due to type of primary data available

Please explain how you have identified the GHG source, including major limitations to this process and assumptions made

Requesting member

L'Oréal

Scope of emissions

Scope 3

Allocation level

Company wide

Allocation level detail

<Not Applicable>

Emissions in metric tonnes of CO2e

100

Uncertainty (±%)

5

Major sources of emissions

Verified

Yes

Allocation method

Allocation not necessary due to type of primary data available

Please explain how you have identified the GHG source, including major limitations to this process and assumptions made

Requesting member

TD Bank Group

Scope of emissions

Scope 3

Allocation level

Company wide

Allocation level detail

<Not Applicable>

Emissions in metric tonnes of CO2e

367

Uncertainty (±%)

5

Major sources of emissions

Verified

Yes

Allocation method

Allocation not necessary due to type of primary data available

Please explain how you have identified the GHG source, including major limitations to this process and assumptions made

Requesting member

VMware, Inc

Scope of emissions

Scope 3

Allocation level

Company wide

Allocation level detail

<Not Applicable>

Emissions in metric tonnes of CO2e

254

Uncertainty (±%)

5

Major sources of emissions

Verified

Yes

Allocation method

Allocation not necessary due to type of primary data available

Please explain how you have identified the GHG source, including major limitations to this process and assumptions made

Requesting member

Wells Fargo & Company

Scope of emissions

Scope 3

Allocation level

Company wide

Allocation level detail

<Not Applicable>

Emissions in metric tonnes of CO2e

2081

Uncertainty (±%)

5

Major sources of emissions

Verified

Yes

Allocation method

Allocation not necessary due to type of primary data available

Please explain how you have identified the GHG source, including major limitations to this process and assumptions made

Requesting member

The Allstate Corporation

Scope of emissions

Scope 3

Allocation level

Company wide

Allocation level detail

<Not Applicable>

Emissions in metric tonnes of CO2e

324

Uncertainty (±%)

5

Major sources of emissions

Verified

Yes

Allocation method

Allocation not necessary due to type of primary data available

Please explain how you have identified the GHG source, including major limitations to this process and assumptions made

Requesting member

HP Inc

Scope of emissions

Scope 3

Allocation level

Company wide

Allocation level detail

<Not Applicable>

Emissions in metric tonnes of CO2e

3894

Uncertainty (±%)

5

Major sources of emissions

Verified

Yes

Allocation method

Allocation not necessary due to type of primary data available

Please explain how you have identified the GHG source, including major limitations to this process and assumptions made

Requesting member

Goldman Sachs Group Inc.

Scope of emissions

Scope 3

Allocation level

Company wide

Allocation level detail

<Not Applicable>

Emissions in metric tonnes of CO2e

1296

Uncertainty (±%)

5

Major sources of emissions

Verified

Yes

Allocation method

Allocation not necessary due to type of primary data available

Please explain how you have identified the GHG source, including major limitations to this process and assumptions made

SC1.2

(SC1.2) Where published information has been used in completing SC1.1, please provide a reference(s).

SC1.3

(SC1.3) What are the challenges in allocating emissions to different customers, and what would help you to overcome these challenges?

Allocation challenges	Please explain what would help you overcome these challenges
Please select	

SC1.4

(SC1.4) Do you plan to develop your capabilities to allocate emissions to your customers in the future?

No

SC1.4b

(SC1.4b) Explain why you do not plan to develop capabilities to allocate emissions to your customers.

At this time we are able to allocate emissions to our customers using our sales system and our LightStay sustainability data reporting system. We do not need to further develop capabilities around this type of emissions tracking.

SC2.1

(SC2.1) Please propose any mutually beneficial climate-related projects you could collaborate on with specific CDP Supply Chain members.

SC2.2

(SC2.2) Have requests or initiatives by CDP Supply Chain members prompted your organization to take organizational-level emissions reduction initiatives?

No

SC4.1

(SC4.1) Are you providing product level data for your organization's goods or services?

Yes, I will provide data

SC4.1a

(SC4.1a) Give the overall percentage of total emissions, for all Scopes, that are covered by these products.

100

SC4.2a

(SC4.2a) Complete the following table for the goods/services for which you want to provide data.

SC4.2b

(SC4.2b) Complete the following table with data for lifecycle stages of your goods and/or services.

SC4.2c

(SC4.2c) Please detail emissions reduction initiatives completed or planned for this product.

Name of good/ service	Initiative ID	Description of initiative	Completed or planned	Emission reductions in kg CO2e per unit
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SC4.2d

(SC4.2d) Have any of the initiatives described in SC4.2c been driven by requesting CDP Supply Chain members?

No

Submit your response

In which language are you submitting your response?

English

Please confirm how your response should be handled by CDP

	I am submitting to	Public or Non-Public Submission	Are you ready to submit the additional Supply Chain questions?
I am submitting my response	Investors Customers	Public	Yes, I will submit the Supply Chain questions now

Please confirm below

I have read and accept the applicable Terms