HILTON 2021 ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT HIGHLIGHTS



Fravel with Purpose

At Hilton, we're committed to driving responsible travel and tourism globally. **Our environmental, social, and governance (ESG) strategy is called Travel with Purpose**, and it is integrated through every aspect of our business, including our operations, our supply chain, and our engagement with our communities.

OUR ESG STRATEGIC FRAMEWORK

CHECK OUT Our 2021 ESG Report

LEARN MORE About our 2030 Goals

In 2021, we conducted a strategic review of our Travel with Purpose 2030 Goals to ensure that Hilton continues to evolve its ESG strategy in line with climate science and best-in-class programs. Looking to the future, we have developed a framework that will expand and deepen our commitments to our Team Members, our communities and our planet:





LightStay, our award-winning ESG management system, helps us track, analyze, and report our environmental and social impact at each of our hotels, as well as our progress towards our 2030 Goals.

\$1B+

cumulative savings in energy costs since 2009 by measuring and monitoring our demand-side energy management in LightStay

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2021 ESG Highlights

SUBMITTED APPLICATION TO THE SCIENCE BASED TARGETS INITIATIVE (SBTI) with more ambitious environmental targets to further reduce our greenhouse gas (GHG) emissions.	JOINED THE U.S. DEPARTMENT OF ENERGY BETTER CLIMATE CHALLENGE as the first hospitality company to commit to their GHG reduction targets and to share best practices with government leaders.	LAUNCHED CARBON NEUTRAL MEETINGS PROGRAM to support our customers in reducing the carbon footprint of their meetings and events and facilitate carbon credits through our partners at South Pole.
COMPLETED ISO 14001, ISO 9001 AND ISO 50001 RECERTIFICATION OF OUR PORTFOLIO OF HOTELS continuing as one of the largest portfolio of hotels in the world to complete the certifications.	HOSTED WORLD LEADERS AND ENVIRONMENTAL EXPERTS AT COP26 in Glasgow, Scotland, and showcased our Travel with Purpose efforts.	LAUNCHED NEW ELECTRIC VEHICLE SEARCH FEATURE on Hilton website to allow guests to easily search for the 1,400+ Hilton properties that offer electric vehicle charging stations.
REDUCED SINGLE-USE PLASTICS by continuing to eliminate the use of miniature toiletry bottles at all hotels by the end of 2023.	PARTICIPATED AS A U.S. FOOD LOSS AND WASTE 2030 CHAMPION at the U.S. Department of Agriculture's first-ever Food Loss and Waste Innovation Fair.	RELEASED ETHNIC AND GENDER DVERSITY COMMITMENTS and shared detailed demographic data on our <u>new diversity website</u> .
RECEIVED 100% RATING ON THE HUMAN RIGHTS CAMPAIGN'S CORPORATE EQUALITY INDEX for eight years in a row.	JOINED THE TENT COALITION FOR AFGHAN REFUGEES commitment to provide job opportunities for Afghan nationals displaced by the 2021 humanitarian crisis.	RELAUNCHED MEET WITH PURPOSE PROGRAM that integrates sustainability and community impact activities into meetings and events.
HELD 10TH ANNUAL HILTON EFFECT WEEK to inspire social and environmental volunteer efforts from our Team Members around the world.	AWARDED NEARLY \$2M IN HILTON EFFECT GRANTS to support organizations leading recovery and resiliency projects for our communities and our planet.	DISTRIBUTED \$750,000+ FROM OUR TEAM MEMBER ASSISTANCE FUND to provide assistance grants to Team Members impacted by COVID-19 and other crises or disasters.
ESG LEADING RECOGNITION		
Recognized as a global sustainability leaderReceived20222022	Named to Ranked in 21 countries, and Newsweek's certified in 19 others, named	Ranked #1 inThe onlyAwardedDiversityInc'shotel brandEcoVadisTag 50brandbrand

Recognized as a global sustainability leader by being included on the Dow Jones Sustainability Indices for the 5th year in a row

Member of Dow Jones Sustainability Indices Received 2022 Gold Class distinction in the S&P Global Sustainability Yearbook

list of

Most

Americas

Responsible

Companies

Sustainability Award Gold Class 2022 S&P Global Ranked in 21 countries, and certified in 19 others, named by Fortune and GPTW the #1 Best Big Company To Work For in the U.S., #1 Best Workplace For Women in the U.S., and #3 World's Best Workplace



named DiversityInc's V the Top 50 Companies for Diversity r d



The only hotel brand named to **3BL Media's 100 Best Corporate Citizens List**

Awarded EcoVadis silver medal in recognition of sustainability achievement

ecovadis

ENVIRONMENTAL IMPACT

Paving the way to net zero

Climate change poses a critical threat to the growth and resiliency of the travel and tourism industry. We believe it is critically important to the long-term success of our business to build and operate sustainable, efficient hotels and to serve as good stewards of the beautiful destinations where we operate.

Guests at the Conrad Maldives Rangali Island have the opportunity to support the local marine life by planting coral "babies" in the coral nursery.

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EV CHARGING STATIONS FOR GUESTS

Hilton launched a new website feature that allows guests driving electric vehicles (EVs) to search for our 1,400+ hotels with EV charging stations. Through the establishment of partnerships with EV charging providers in the U.S. and the U.K., Hilton is facilitating more sustainable travel for our guests.



NATTS

49%

reduction in CO₂ emissions intensity per square meter from 2008 baseline¹ 2030 GOAL: 61% REDUCTION

100%

offset of Scope 3 emissions from Hilton corporate air travel and rental cars

Our newly launched Carbon Neutral Meeting offering leverages the LightStay Meeting Impact Calculator to help guests understand and mitigate the environmental footprint of meetings and events. This program is a part of Meet with Purpose, which allows customers to integrate social and environmental considerations into their meetings and events.

1/3

of all managed hotels in EMEA powered with 100% certified renewable electricity

Completed ISO 14001, ISO 9000, and ISO 5001 recertification of our portfolio of hotels, continuing as one of the largest portfolio of hotels in the world to complete the certifications.



OUR SCIENCE-BASED TARGETS

SCIENCE BASED TARGETS

WATER

Invested in community water

stewardship efforts through the

World Wildlife Fund, WaterAid Sungai Watch, and Clean the World.

100%

Risk Atlas

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Hilton Effect Foundation, including

partnerships with organizations like

of hotels mapped against

WWF's Water Risk Filter

AQUEDUCT and WRI's Aqueduct Water

reduction in water consumption per

square meter from 2008 baseline¹

2030 GOAL: 50% REDUCTION

39%

Hilton was the first major hospitality company to set science-based targets to reduce our greenhouse gas emissions in line with climate science (2°C scenario). In 2021, we evolved our strategy to set more ambitious targets (1.5°C scenario), which are currently under review with the Science Based Targets initiative (SBTi).

View Hilton's latest greenhouse gas emissions data on page 47 of our 2021 ESG Report.



70%



reduction in landfilled waste per square meter from 2008 baseline¹ 2030 GOAL: 50% REDUCTION

Hilton participated in the U.S. Department of Agriculture's first ever Food Loss and Waste Innovation Fair as a U.S. Food Loss and Waste 2030 Champion.

> 1.6M+ bars of soap donated in 2021

We continued to expand **Digital Key** and transition hotels to **bulk amenities**, reducing plastic waste from key cards and miniature toiletry bottles.

"EXTENDING OUR STAY" ECO-TRAVEL DOCUSERIES

Focused on sustainable travel, Hilton's "Extending Our Stay" series takes the virtual traveler to beautiful destinations around the world to explore how they can engage in responsible and sustainable travel.

WATCH "Extending Our Stay" 🛽

Reflects data from Hilton's managed hotels as of December 31, 2021. This data has been <u>reviewed by an independent third party</u>. Continued progress in these measures during the year ended December 31, 2021 is attributable to occupancy fluctuations during the ongoing COVID-19 pandemic. Although consumption and waste generation 1 were higher in 2021 than in 2020, correlated with the increase in occupancy, they remain below 2019 levels.

SOCIAL IMPACT

Creating an engine of opportunity

We view our company as a global business that operates on a local level, building strong ties in our communities, partnering with local businesses and nonprofits, and creating a positive impact in the lives of our neighbors, through good jobs and other opportunities.



The Hilton Buenos Aires partners with Vivera Organica, an urban communal garden that is cared for by 14 local families, and most of the producers are migrant women.

CONDUCT



CAREERS

OUR COMMITMENT TO DIVERSITY

50%

Gender Parity at our global corporate leadership levels by 2027

25% Ethnic Diversity at our corporate leadership levels

OUR PROGRESS

39%

Women¹ +2% vs 2020

in the U.S. by 2027

19%

+2% vs. 2020

Ethnically diverse²

in grants awarded to 70 NGOs & community-based organizations since 2019

COMMUNITIES

2021 HOTEL ACTION IN LOCAL COMMUNITIES

total volunteer hours from

190.000+

Team Members

123.848

HILTON EFFECT FOUNDATION (HEF)

meals donated

S5M+

The Foundation is our primary international philanthropic arm and an integral expression of our century-old values, our ESG strategy, and our ambitious Travel with Purpose 2030 Goals. In 2021, the Foundation focused on the theme of restoring our communities and our planet for future generations of travelers.

TEAM MEMBERS SUPPORTED BY **TEAM MEMBER ASSISTANCE FUND IN 2021**





In 2021, we responded to crises and disasters across the globe, including Winter Storm Uri, Hurricane Ida, Malaysian Floods, tornadoes in Kentucky, the Afghan humanitarian crisis, and the continued impacts of the global COVID-19 pandemic.

IN 2021, WE SOURCED FROM 2,508

Supplier Diversity Program partners accounting for

S220M of our supplier spend

In 2021, we advanced our partnership with EcoVadis to assess our suppliers' sustainability risk and performance,

ecovadis and to encourage continuous improvement. All suppliers are encouraged to observe and abide by Hilton's Responsible Sourcing Policy.

94%



54 (8%)

EMEA

APAC

266 (42%)

of managed hotels in the U.S., as well as 90% of managed hotels globally, have completed Diversity & Inclusion/ Unconscious Bias and creating a Harassment-Free Workplace training

100%

of hotels mapped for modern slavery and Women's & Girls' Rights

During Super Bowl LVI in Los Angeles, we partnered with It's a Penalty to educate our Team Members and ITS A PENALTY guests at all of our hotels in the greater Los Angeles area on recogniz-

ing and reporting human trafficking.

7.000



Corporate and Operations Team Members trained to date with focus on procurement roles, in Key Risks of Modern Slavery in Labor Sourcing

Data is based on self-identified gender. Hilton recognizes and supports Team Members who identify as non-binary.

2 Using race/ethnicity categories defined by the Equal Employment Opportunity Commission.



of U.S. Team Members have been with Hilton for 10+ years

Hilton was the first company in our industry to partner with Guild Education to provide

GUIL₽ Team Members the opportunity for debt-free continuing educational opportunities.

Hilton made big strides in Team Member health and wellness in 2021, partnering with Amazon Care to increase access to healthcare, providing Team Members with COVID-19 vaccine education, and launching a Mental Wellness Hub.



Joined the Tent Coalition for Afghan Refugees to provide employment opportunities to individuals displaced by the humanitarian crisis in Afghanistan.

Advancing and measuring our goals

Governance is the stabilizing force that strengthens the core of our business. Cascading from our Board and executive leadership, we are committed to best-in-class governance practices, ensuring we operate with accountability, integrity and transparency in everything we do.



Front desk Team Member of the Hilton Garden Inn Cusco, Peru.



PUBLIC AFFAIRS

Hilton is actively engaged in several industry associations that share common goals. We work closely with these groups to exercise industry leadership, shape public policies that advance our agenda, and lobby for legislation and regulation that supports our Travel with Purpose Goals, such as anti-human trafficking, immigration and visa reform, plastics elimination, skills training and DE&I.











Named a Trendsetter in political disclosure and accountability on the CPA-Zicklin Index.





PARTNERSHIPS

We continually build and maintain strong cross-industry partnerships with global nonprofit organizations, local community groups and other organizations to help us advance our Travel with Purpose Goals.

Examples of work with our partners in 2021 include:

In partnership with the International Youth Foundation (IYF), we launched Passport to Success Concierge to provide free soft-skills training to young people interested in exploring careers in travel and tourism.



We partner with South Pole to purchase carbon credits that support environmental projects around the world.



Hilton joined the U.S. Department of Energy Better Climate Challenge as the first hospitality company to commit to their GHG reduction targets and to share best practices with government leaders.



POLICIES AND REPORTING

To ensure accountability throughout our business, we hold ourselves and our partners to the highest ethical standards. We are committed to pursuing the most responsible business practices, acting with integrity, and managing risk, with appropriate Board oversight.



100%

of our hotels mapped against a series of environmental and social risks

Our Board oversees our company and conducts its business through meetings and its three standing committees: the Audit Committee; the Compensation Committee; and the Nominating & ESG Committee.

Our ethics and compliance program underpins our entire organization. Our Code of Conduct is applicable to all Team Members, and they are expected to report suspected misconduct through the Hilton Hotline.

HILTON ENTERPRISE **RISK MANAGEMENT PROCESS**

Hilton

leaders



Risk Survey

Informs enterprise-wide strategic planning



Results shared with Executive Committee, **Board of Directors** and Audit Committee

take survey

