

W0. Introduction

W0.1

(W0.1) Give a general description of and introduction to your organization.

Hilton is one of the largest hospitality companies in the world, with 6,837 properties comprising 1,074,791 rooms in 122 countries and territories as of December 31, 2021.

Founded in 1919, Hilton has been an innovator in the industry for more than 100 years, driven by the vision of founder Conrad Hilton, "to fill the earth with the light and warmth of hospitality." Our premier brand portfolio includes: our luxury hotel brands, Waldorf Astoria Hotels & Resorts, LXR Hotels & Resorts and Conrad Hotels & Resorts; our emerging lifestyle hotel brands, 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 and Tapestry Collection by Hilton; our focused service hotel brands, Hilton Garden Inn, Hampton by Hilton and Tru by Hilton; our all-suites hotel brands, Embassy Suites by Hilton, Homewood Suites by Hilton and Home2 Suites by Hilton; and our timeshare brand, Hilton Grand Vacations. We drive customer loyalty, engagement and online sales through Hilton Honors, our award-winning guest loyalty program. Through the Hilton Honors program, we reached more than 128 million members in 2021, a 13% annual increase from the prior year. We further drive increased use and loyalty within our Hilton Honors program through innovative partnerships, including Hilton's partnerships with American Express, Lyft and Live Nation.

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, 2021, there were 745 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 54 hotels worldwide. Franchised properties, which are controlled by Hilton's development and operating standards for the respective Brands, account for approximately 87% of our global portfolio by hotel count. 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 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 strategy, 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 366,000 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 in 2021, named to the Dow Jones Sustainability Indices ("DJSI") for the fifth consecutive year, scoring in the 100th percentile in our industry, reflecting Hilton's continuous investment in building a leading ESG strategy.

In 2018, we were the first in our industry to set science-based targets and in 2021, we submitted an application to the Science Based Targets initiative (SBTi) to raise the bar on our ambition as climate science has evolved. In 2021, we continued to advance our partnership with EcoVadis to assess our suppliers' sustainability risk and performance. All suppliers are required to observe and abide by Hilton's Responsible Sourcing Policy, which is included in all supplier contracts. As part of our 2030 Goals, we have also committed to driving water stewardship across our value chain by achieving a 50% reduction in water use intensity by 2030.

W0.2

(W0.2) State the start and end date of the year for which you are reporting data.

	Start date	End date
Reporting year	January 1 2021	December 31 2021

W0.3

(W0.3) Select the countries/areas in which you operate.

- Albania
- Algeria
- Anguilla
- Argentina
- Armenia
- Aruba
- Australia

Austria
Azerbaijan
Bahamas
Bahrain
Barbados
Belarus
Belgium
Belize
Bermuda
Bolivia (Plurinational State of)
Botswana
Brazil
Bulgaria
Cabo Verde
Cameroon
Canada
Cayman Islands
Chile
China
China, Macao Special Administrative Region
Colombia
Congo
Costa Rica
Croatia
Curaçao
Cyprus
Czechia
Democratic Republic of the Congo
Dominican Republic
Ecuador
Egypt
El Salvador
Equatorial Guinea
Estonia
Eswatini
Ethiopia
Faroe Islands
Fiji
Finland
France
French Polynesia
Georgia
Germany
Greece
Guam
Guatemala
Haiti
Honduras
Hong Kong SAR, China
Hungary
Iceland
India
Indonesia
Ireland
Israel
Italy
Jamaica
Japan
Jordan
Kazakhstan
Kenya
Kuwait
Latvia
Lebanon
Lithuania
Luxembourg
Malaysia
Maldives
Malta
Mauritius
Mexico
Montenegro
Morocco
Myanmar
Namibia
Netherlands
New Caledonia
New Zealand
Nicaragua
Nigeria
North Macedonia

Oman
 Panama
 Papua New Guinea
 Paraguay
 Peru
 Philippines
 Poland
 Portugal
 Puerto Rico
 Qatar
 Republic of Korea
 Romania
 Russian Federation
 Saint Kitts and Nevis
 Saint Lucia
 Saint Martin (French Part)
 Saudi Arabia
 Serbia
 Seychelles
 Singapore
 Slovakia
 South Africa
 Spain
 Sri Lanka
 Sweden
 Switzerland
 Taiwan, China
 Thailand
 Trinidad and Tobago
 Turkey
 Uganda
 Ukraine
 United Arab Emirates
 United Kingdom of Great Britain and Northern Ireland
 United States of America
 Uruguay
 Viet Nam
 Zambia

W0.4

(W0.4) Select the currency used for all financial information disclosed throughout your response.

USD

W0.5

(W0.5) Select the option that best describes the reporting boundary for companies, entities, or groups for which water impacts on your business are being reported.

Companies, entities or groups over which operational control is exercised

W0.6

(W0.6) Within this boundary, are there any geographies, facilities, water aspects, or other exclusions from your disclosure?

No

W0.7

(W0.7) Does your organization have an ISIN code or another unique identifier (e.g., Ticker, CUSIP, etc.)?

Indicate whether you are able to provide a unique identifier for your organization.	Provide your unique identifier
Yes, a Ticker symbol	HLT

W1. Current state

W1.1

(W1.1) Rate the importance (current and future) of water quality and water quantity to the success of your business.

	Direct use importance rating	Indirect use importance rating	Please explain
Sufficient amounts of good quality freshwater available for use	Vital	Important	<p>Direct use of freshwater: Good quality freshwater is used for cooking, drinking water and guest services such as laundry and cleaning. It is also essential for guest hygiene.</p> <p>Availability of fresh water is important to ensure continued operations.</p> <p>Indirect use of freshwater: Within our value chain freshwater is used by our suppliers to enable production of goods and produce. Its availability for indirect use is important given global stresses on water for agricultural products. Hilton's diverse global supply chain which extends across over 122 countries and territories does allow some reduction in risk from water shortages in specific geographic areas.</p> <p>Dependency on freshwater is likely to increase with growth at an absolute level, although as we have set per occupied room intensity targets, we do not anticipate much change over time for both direct and indirect uses.</p>
Sufficient amounts of recycled, brackish and/or produced water available for use	Important	Have not evaluated	<p>Direct use of recycled, brackish and/or produced water: Water recycled by hotels within their boundary reduces potable water use and may be used for landscape irrigation, toilet flushing, cooling tower makeup and other non-potable water uses. While none of these is directly required for hotel operations, dependency on recycled water is likely to increase over time to reduce risk from water shortages.</p> <p>Indirect use of recycled, brackish and/or produced water: Water may be used and recycled within the operations of some of our suppliers, however because our global supply chain is large and extensive, we have not yet evaluated the importance of this type of water. Demand for this water is likely to increase over time particularly within areas facing freshwater stress.</p>

W1.2

(W1.2) Across all your operations, what proportion of the following water aspects are regularly measured and monitored?

	% of sites/facilities/operations	Please explain
Water withdrawals – total volumes	100%	Hilton is reporting water withdrawals for 100% of its global portfolio of owned, managed, and franchised hotels fully operating and enrolled in LightStay as of December 31, 2021. Calendar year 2021 water totals include primary data for approximately 70% of Hilton properties worldwide, by building area, based on metered water use data entered in LightStay deemed accurate and complete. Annual water totals have been extrapolated to include 100% of the global portfolio, with consumption estimates based on the brand average per square meter. We have included a prorated water estimate for newly enrolled properties based on the hotel opening or conversion date. In 2021, we estimate that the total prorated floor area of Hilton's owned, managed, and franchised portfolio increased over the prior year by approximately 17.9%.
Water withdrawals – volumes by source	100%	Hilton is reporting water withdrawals for 100% of its global portfolio of owned, managed, and franchised hotels fully operating and enrolled in LightStay as of December 31, 2021. Calendar year 2021 water totals include primary data for approximately 70% of Hilton enrolled properties worldwide, by building area, based on metered water use data entered in LightStay deemed accurate and complete. Annual water totals have been extrapolated to include 100% of the global portfolio, with consumption estimates based on the brand average per square meter. We have included prorated water estimate for newly enrolled properties based on the hotel opening or conversion date. In 2021, we estimate that the total prorated floor area of Hilton's owned, managed, and franchised portfolio increased over the prior year by approximately 17.9%.
Entrained water associated with your metals & mining sector activities - total volumes [only metals and mining sector]	<Not Applicable>	<Not Applicable>
Produced water associated with your oil & gas sector activities - total volumes [only oil and gas sector]	<Not Applicable>	<Not Applicable>
Water withdrawals quality	Not monitored	
Water discharges – total volumes	100%	Hilton is reporting water discharge for 100% of its global portfolio of owned, managed, and franchised hotels fully operating and enrolled in LightStay as of December 31, 2021. Calendar year 2021 water totals include primary data for approximately 70% of Hilton enrolled properties worldwide, by building area, based on metered water use data entered in LightStay deemed accurate and complete. Annual water totals have been extrapolated to include 100% of the global portfolio, with consumption estimates based on the brand average per square meter. We have included prorated water estimate for newly enrolled properties based on the hotel opening or conversion date. In 2021, we estimate that the total prorated floor area of Hilton's owned, managed and franchised portfolio increased over the prior year by approximately 17.9%.
Water discharges – volumes by destination	Not monitored	
Water discharges – volumes by treatment method	Not monitored	
Water discharge quality – by standard effluent parameters	Not monitored	
Water discharge quality – temperature	Not monitored	
Water consumption – total volume	100%	Hilton is reporting water consumption for 100% of its global portfolio of owned, managed, and franchised hotels fully operating and enrolled in LightStay as of December 31, 2021. Calendar year 2021 water totals include primary data for approximately 70% of Hilton enrolled properties worldwide, by building area, based on metered water use data entered in LightStay deemed accurate and complete. Annual water totals have been extrapolated to include 100% of the global portfolio, with consumption estimates based on the brand average per square meter. We have included prorated water estimate for newly enrolled properties based on the hotel opening or conversion date. In 2021, we estimate that the total prorated floor area of Hilton's owned, managed, and franchised portfolio increased over the prior year by approximately 17.9%.
Water recycled/reused	1-25	As part of our annual LightStay survey, sent to all properties across our managed and franchised portfolio, we ask questions about water measurement and management. Currently, 12.8% of properties have systems in place to recycle and reuse water.
The provision of fully-functioning, safely managed WASH services to all workers	100%	

W1.2b

(W1.2b) What are the total volumes of water withdrawn, discharged, and consumed across all your operations, and how do these volumes compare to the previous reporting year?

	Volume (megaliters/year)	Comparison with previous reporting year	Please explain
Total withdrawals	138887.4	Much higher	<p>Absolute water withdrawals from all sources increased by 27% in 2021. Reported totals are based on an analysis of primary data for 91% of hotels open as of January 2020, with complete 2020-2021 water data entered in LightStay deemed accurate for reporting purposes. Total withdrawals have been extrapolated to include 100% of the Hilton O&M portfolio, including prorated amounts for new hotels.</p> <p>Year-on-year increases water consumption during the year ended December 31, 2021 are primarily attributable to an increase in system-wide occupancy as the economy and systems recover. As a result of the COVID-19 pandemic, in 2020, we were forced to completely or partially suspend hotel operations at many of our hotels at some point during the period. The decrease in occupancy resulted in reduced water withdrawal at our owned and managed hotels around the world.</p>
Total discharges	103920.5	Much higher	<p>Absolute water discharges are estimated to have increased by approximately 27% in 2021 as compared to 2020. Year-on-year increases water discharges during the year ended December 31, 2021, are primarily attributable to an increase in system-wide occupancy as the economy and systems recover. As a result of the COVID-19 pandemic, in 2020, we were forced to completely or partially suspend hotel operations at many of our hotels at some point during the period. The decrease in occupancy resulted in reduced water discharges at our owned and managed hotels around the world.</p>
Total consumption	34966.9	Much higher	<p>Absolute water consumption is estimated to have increased by approximately 27% in 2021. For CDP reporting purposes, hotel water consumption is calculated as reported water withdrawals less estimated water discharges by hotels to municipal treatment plants in accordance with local regulations.</p> <p>Year-on-year increases water consumption during the year ended December 31, 2021, are primarily attributable to an increase in system-wide occupancy as the economy and systems recover. As a result of the COVID-19 pandemic, in 2020, we were forced to completely or partially suspend hotel operations at many of our hotels at some point during the period. The decrease in occupancy resulted in reduced consumption water at our owned and managed hotels around the world.</p>

W1.2d

(W1.2d) Indicate whether water is withdrawn from areas with water stress and provide the proportion.

	Withdrawals are from areas with water stress	% withdrawn from areas with water stress	Comparison with previous reporting year	Identification tool	Please explain
Row 1	Yes	26-50	About the same	WWF Water Risk Filter	

W1.2h

(W1.2h) Provide total water withdrawal data by source.

	Relevance	Volume (megaliters/year)	Comparison with previous reporting year	Please explain
Fresh surface water, including rainwater, water from wetlands, rivers, and lakes	Relevant	326.75	About the same	Fresh surface water and rainwater withdrawals collectively represent approximately 0.7% of total water withdrawals from all sources at Hilton owned and managed properties worldwide. Rainwater withdrawals are estimated based on water data reported for one resort in Seychelles with 100% of its water sourced from rainwater.
Brackish surface water/Seawater	Relevant	1512.66	This is our first year of measurement	Seawater withdrawals represent approximately 3.1% of total water withdrawals from all sources at Hilton owned and managed properties worldwide. Total includes 14 hotels and out of which, 6 have 100% seawater source.
Groundwater – renewable	Relevant	1079.72	Higher	Groundwater withdrawals represent approximately 2.2% of total water withdrawals from all sources at Hilton owned and managed properties worldwide.
Groundwater – non-renewable	Not relevant	<Not Applicable>	<Not Applicable>	We are not aware of any withdrawals from non-renewable groundwater sources.
Produced/Entrained water	Not relevant	<Not Applicable>	<Not Applicable>	Hilton does not engage in any activities involving the extraction, processing, or use of any raw material that would potentially result in produced water.
Third party sources	Relevant	137481	Higher	<p>Municipal supply represents approximately 94% of total water withdrawals from all sources at Hilton owned and managed properties worldwide. Total municipal withdrawals have been extrapolated to include 100% of the O&M portfolio including prorated amounts for new hotels. Reported totals are based on an analysis of primary data for 91% of hotels, as of January 2020, with complete 2020-21 municipal water data entered into LightStay and deemed accurate for reporting purposes.</p> <p>Year-on-year increases water consumption during the year ended December 31, 2021, are primarily attributable to an increase in system-wide occupancy as the economy and systems recover. As a result of the COVID-19 pandemic, in 2020, we were forced to completely or partially suspend hotel operations at approximately 380 of our managed, owned and leased hotels at some point during the period. The decrease in occupancy resulted in reduced consumption water at our managed and franchised hotels around the world.</p>

W1.3

(W1.3) Provide a figure for your organization's total water withdrawal efficiency.

	Revenue	Total water withdrawal volume (megaliters)	Total water withdrawal efficiency	Anticipated forward trend
Row 1	5788000	138887.4	41674.046745781	Hilton has a goal of reducing water in our managed operations by 50% (liters/m ² , 2008 baseline). As our future growth relies on engaging new franchises, we anticipate that our water consumption will increase overall. To manage and ultimately reduce water consumption, Hilton integrates our environmental policies and best practices into our business through our Brand Standards which govern the development, renovation, and operation of every Hilton-branded hotel property.

W1.4

(W1.4) Do you engage with your value chain on water-related issues?

Yes, our suppliers

Yes, our customers or other value chain partners

W1.4a

(W1.4a) What proportion of suppliers do you request to report on their water use, risks and/or management information and what proportion of your procurement spend does this represent?

Row 1

% of suppliers by number

Less than 1%

% of total procurement spend

1-25

Rationale for this coverage

Hilton uses tender evaluation to reward bids for products that have improved environmental performance, taking into account the whole life-cycle costs (including energy, water, waste and consumables). Our use of the EcoVadis program allows us to determine among different suppliers their environmental risks and management.

Impact of the engagement and measures of success

Using EcoVadis, we can provide suppliers with a customized corrective action plan to improve their score. For a few suppliers, we have completed an assessment of how they have increased their scores year on year including those whose scores have increased due to the implementation of corrective action plans.

Comment

As part of our 2030 Travel with Purpose Goals, Hilton has increased its supply chain commitments in areas that have the greatest impact to our business and the environment.

W1.4b

(W1.4b) Provide details of any other water-related supplier engagement activity.

Type of engagement

Onboarding & compliance

Details of engagement

Inclusion of water stewardship and risk management in supplier selection mechanism
Requirement to adhere to our code of conduct regarding water stewardship and management

% of suppliers by number

76-100

% of total procurement spend

76-100

Rationale for the coverage of your engagement

Recognizing the need to engage our supply chain in order to meet the ambitious 2030 Travel with Purpose targets we have set; we encourage all suppliers to adhere to our Responsible Sourcing Policy Statement. This includes a commitment to seek operational processes that result in water efficiency and to identify, monitor and minimize the environmental impacts of their operations.

Impact of the engagement and measures of success

In late 2021, Hilton introduced EcoVadis as a tool to assess the sustainability risks in our supply chain. We immediately began assessments with our critical and Tier 1 suppliers and set a goal that 100% of our highest risk suppliers would be assessed through EcoVadis platform by 2023.

Comment

W1.4c

(W1.4c) What is your organization's rationale and strategy for prioritizing engagements with customers or other partners in its value chain?

Hotel guests

Rationale: Our guests can have a measurable impact on our water consumption during their stay with us, and our goal is to educate and help our guests reduce the impacts of their stay. Engagement with our guests is of great importance in areas of high-water risk as we need to raise awareness to encourage guests to join in with our efforts and understand why we would tailor services in crisis situations.

Engagement strategy: We are continually identifying new ways to engage with our guests around our environmental impacts, including around our water stewardship through guest-facing communication both in-property and online.

Success measures: Simple messaging in just one of our San Francisco hotels was found to decrease water consumption by nearly 20% during a historic drought. We believe that this kind of customer information can be adapted to make a greater impact.

Franchises

Rationale: We directly manage 745 properties around the world and Hilton has nearly 6,092 franchised properties globally. We believe that it is our responsibility to ensure that our franchise partners are provided with information and resources to manage their impacts across their value chains in a responsible way.

Strategy: To engage with our franchisees, our ESG strategy and LightStay requirements for measurement and improvement in water efficiency extend to all hotels, including franchised operations. We also engage with franchised properties in areas of high-water risk to ensure they can benefit from our learnings and the resources we create. In 2021, we refreshed our Energy and Water Efficient Design Companion Guide to guide hotels on design decisions that can improve properties' energy and water efficiency and are already seeing results.

Success measures: Our franchised hotels have significantly reduced their water use through use of the LightStay system. Portfolio-wide we have reduced water use intensity by 43% since 2008, though this progress was accelerated by the pandemic.

W2. Business impacts

W2.1

(W2.1) Has your organization experienced any detrimental water-related impacts?

Yes

W2.1a

(W2.1a) Describe the water-related detrimental impacts experienced by your organization, your response, and the total financial impact.

W2.2

(W2.2) In the reporting year, was your organization subject to any fines, enforcement orders, and/or other penalties for water-related regulatory violations?

No

W3. Procedures

W3.3

(W3.3) Does your organization undertake a water-related risk assessment?

Yes, water-related risks are assessed

W3.3a

(W3.3a) Select the options that best describe your procedures for identifying and assessing water-related risks.

Value chain stage

Direct operations

Coverage

Full

Risk assessment procedure

Water risks are assessed as part of other company-wide risk assessment system

Frequency of assessment

More than once a year

How far into the future are risks considered?

3 to 6 years

Type of tools and methods used

Tools on the market

Enterprise risk management

International methodologies and standards

Tools and methods used

WWF Water Risk Filter

ISO 31000 Risk Management Standard

Alliance for Water Stewardship Standard

Other, please specify (Hilton LightStay Tool)

Contextual issues considered

Water availability at a basin/catchment level

Water quality at a basin/catchment level

Stakeholder conflicts concerning water resources at a basin/catchment level

Implications of water on your key commodities/raw materials

Water regulatory frameworks

Status of ecosystems and habitats

Access to fully-functioning, safely managed WASH services for all employees

Stakeholders considered

Customers

Employees

Investors

Local communities

NGOs

Regulators

Suppliers

Water utilities at a local level

Other water users at the basin/catchment level

Comment

Hilton utilizes the WWF-DEG Water Risk Filter given the tool's extensive coverage of over 40 risk drivers and contextual issues at the river basin level. Each hotel's water risk is assessed using the tool, and the findings of this assessment (along with recommendations and tips) are shared with the hotel via our LightStay platform. The risk analysis is updated twice per year. We also leverage our LightStay tool and hotel data, including monthly water withdrawals by source, water costs, occupancy and weather data, and other profile data.

Value chain stage

Supply chain

Coverage

Partial

Risk assessment procedure

Water risks are assessed as part of other company-wide risk assessment system

Frequency of assessment

Annually

How far into the future are risks considered?

3 to 6 years

Type of tools and methods used

Tools on the market

Databases

Tools and methods used

EcoVadis

Maplecroft Global Water Security Risk Index

Contextual issues considered

Water availability at a basin/catchment level

Water quality at a basin/catchment level

Stakeholder conflicts concerning water resources at a basin/catchment level

Implications of water on your key commodities/raw materials

Water regulatory frameworks

Status of ecosystems and habitats

Access to fully-functioning, safely managed WASH services for all employees

Stakeholders considered

Customers

Employees

Investors

Local communities
NGOs
Regulators
Suppliers
Water utilities at a local level
Other water users at the basin/catchment level

Comment

Hilton's supply chain risk assessment procedures for water risk use the water risk indicators within the Verisk-Maplecroft indices, mapped against our operating areas. Risk assessments are updated yearly, enabling us to continually assess sustainability risks. We also use the EcoVadis platform to identify and address environmental risks, including water (and other ESG) risks in our supply chain.

Value chain stage

Other stages of the value chain

Coverage

Full

Risk assessment procedure

Water risks are assessed as part of other company-wide risk assessment system

Frequency of assessment

More than once a year

How far into the future are risks considered?

3 to 6 years

Type of tools and methods used

Tools on the market

Tools and methods used

WWF Water Risk Filter
Other, please specify (Hilton LightStay Tool)

Contextual issues considered

Water availability at a basin/catchment level
Water quality at a basin/catchment level
Stakeholder conflicts concerning water resources at a basin/catchment level
Implications of water on your key commodities/raw materials
Water regulatory frameworks
Status of ecosystems and habitats
Access to fully-functioning, safely managed WASH services for all employees

Stakeholders considered

Customers
Employees
Investors
Local communities
NGOs
Regulators
Suppliers
Water utilities at a local level
Other water users at the basin/catchment level

Comment

Hilton utilizes the WWF-DEG Water Risk Filter given the tool's extensive coverage of over 40 risk drivers and contextual issues at the river basin level. Hilton also utilizes the Verisk Maplecroft Global Water Risk Security index tool to assess water risk and water stress across our global regions. The risk analysis is updated twice per year. Consistent with our Travel with Purpose ESG strategy and water stewardship commitments, our water risk assessment also includes franchised hotels, which are not under Hilton's direct operational control. Each franchised hotel's water risk is assessed using the tool, and the findings of this assessment (along with recommendations and tips) are shared with the hotel via our LightStay platform. We also leverage our LightStay tool and data, including monthly water withdrawals by source, water costs, occupancy and weather data, and other hotel profile data to assess risk across our global portfolio.

W3.3b

(W3.3b) Describe your organization’s process for identifying, assessing, and responding to water-related risks within your direct operations and other stages of your value chain.

Hilton’s property management teams, including engineers and facility managers, evaluate water availability and risks at the local level and take all actions necessary to ensure the safe and efficient operation of a hotel. For hotels being developed, Hilton will assess environmental resources, including feasibility studies during site development or refurbishment and the choice of construction materials during design. Our Energy and Water Efficient Design Companion Guide that we refreshed in 2021 is a tool used to guide hotels on design decisions that can improve properties’ energy and water efficiency.

Tools used: We use the WWF Water Risk Filter to comprehensively review the relevant water risks associated with each of our managed and franchised properties around the world, allowing us to take each property’s specific context into account. We map our water risks against water consumption and cost information from our sustainability data management platform, LightStay, as well as any knowledge about the properties themselves, to add an internal lens about the activities occurring at the property level.

Risk-response decision making process: In response to the assessed risks, Hilton coordinated with WWF and the hotels deemed at-risk to put together a list of recommendations. The recommendations include guest engagement and training for all locations, as well as strengthening links with community-based water action groups. Best practices are also shared with all hotels through LightStay.

Timescale: Our detailed water risk analysis is updated at least annually.

Supply Chain: The identification, assessment, and response to water-related risks in our supply chain is being addressed. Using the WWF Water Risk Filter, we evaluate supplier water risk in the local context (basin level).

Community stakeholders: WWF’s Water Risk Filter was used to review relevant risks to local community stakeholders. In addition to this, we have held discussions with the local hotel teams and some of their stakeholders to gather further information about the local context. Our hotels in areas of high risk are joining water action groups to engage with local stakeholders and help respond to the risks.

W4. Risks and opportunities

W4.1

(W4.1) Have you identified any inherent water-related risks with the potential to have a substantive financial or strategic impact on your business?

Yes, both in direct operations and the rest of our value chain

W4.1a

(W4.1a) How does your organization define substantive financial or strategic impact on your business?

Definition of water risk-related substantive financial or strategic impact on our business: (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: based on potential for legal non-compliance or negative cost impacts through remediation or recovery efforts. (3) Social high risk: based on potential negative impact on brand, reputation, and stakeholder relationships as well as potential for legal non-compliance.

Using the WWF Water Risk Filter, we align and evaluate the factors that may potentially impact our current global hotel operations and expansion in specific geographic markets. We also seek to identify specific areas and river basins where Hilton's water stewardship initiatives and engagement would have the greatest value.

Measures used to identify substantive change: In our screening of hotels for further analysis and potential inclusion, we initially consider those hotels with an overall WWF basin risk of 3.5 or greater (med high to high). We then evaluate all hotels (managed/direct operations and franchised/value chain) within that river basin over other key risk indicators to determine the primary driver within each basin and to identify priority areas for collective action:

- (1) Economic high risk is aligned with WWF Physical Risk indicators
- (2) Environmental high risk is aligned with Regulatory Risk indicators
- (3) Social high risk is aligned with Reputation Risk indicators

Threshold indicating a substantive change: Typically, the primary risk type and risk driver will have an average basin risk of at least 4.0. We consider any scores greater than 3.5 to be substantive.

Application: The above definition applies to our direct operations and our supply chain.

W4.1b

(W4.1b) What is the total number of facilities exposed to water risks with the potential to have a substantive financial or strategic impact on your business, and what proportion of your company-wide facilities does this represent?

	Total number of facilities exposed to water risk	% company-wide facilities this represents	Comment
Row 1	359	1-25	The number of facilities exposed to water risk includes our managed (direct operations) and franchised hotels (rest of value chain) properties assessed through the WWF Water Risk Filter across our global portfolio.

W4.1c

(W4.1c) By river basin, what is the number and proportion of facilities exposed to water risks that could have a substantive financial or strategic impact on your business, and what is the potential business impact associated with those facilities?

Country/Area & River basin

China	Yangtze River (Chang Jiang)
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Number of facilities exposed to water risk

43

% company-wide facilities this represents

Less than 1%

Production value for the metals & mining activities associated with these facilities

<Not Applicable>

% company's annual electricity generation that could be affected by these facilities

<Not Applicable>

% company's global oil & gas production volume that could be affected by these facilities

<Not Applicable>

% company's total global revenue that could be affected

Less than 1%

Comment

Data has been aggregated for 43 hotels in the Yangtze River Basin, located in Shanghai and surrounding area. The hotels all report 100% water use from municipal supply and an average overall basin risk of 3.3 (medium risk). All hotels are third-party owned and Hilton-managed. While the facilities in the Yangtze River Basin represent less than 1% of Hilton's operations and global revenues, these water risks are relevant to Hilton's planned growth and success in the Greater China and Mongolia Area.

Country/Area & River basin

China	Yongding He
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Number of facilities exposed to water risk

10

% company-wide facilities this represents

Less than 1%

Production value for the metals & mining activities associated with these facilities

<Not Applicable>

% company's annual electricity generation that could be affected by these facilities

<Not Applicable>

% company's global oil & gas production volume that could be affected by these facilities

<Not Applicable>

% company's total global revenue that could be affected

Less than 1%

Comment

Data has been aggregated for 10 hotels in the Yongding He River Basin, located in Beijing and surrounding area. The hotels all report 100% water use from municipal supply and an average overall basin risk of 3.5 (medium-high risk). All hotels are third-party owned and Hilton-managed. While the facilities in the Yongding He River Basin represent less than 1% of Hilton's operations and global revenues, these water risks are relevant to Hilton's planned growth and success in the Greater China and Mongolia Area.

Country/Area & River basin

Egypt	Nile
-------	------

Number of facilities exposed to water risk

9

% company-wide facilities this represents

Less than 1%

Production value for the metals & mining activities associated with these facilities

<Not Applicable>

% company's annual electricity generation that could be affected by these facilities

<Not Applicable>

% company's global oil & gas production volume that could be affected by these facilities

<Not Applicable>

% company's total global revenue that could be affected

Less than 1%

Comment

Data has been aggregated for 9 hotels in the Nile River Basin, located in Cairo and surrounding area. The hotels have similar operations and an average overall basin risk of 3.7 (medium-high risk). All hotels operating in this area are third-party owned and Hilton-managed, with Hilton controlling day to day hotel operations. While these facilities represent less than 1% of Hilton's operations and global revenues, attention to water risks and stewardship is important to Hilton's operations, reputation and business success in Egypt and greater Middle East region.

Country/Area & River basin

India	Other, please specify (India)
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Number of facilities exposed to water risk

12

% company-wide facilities this represents

Less than 1%

Production value for the metals & mining activities associated with these facilities

<Not Applicable>

% company's annual electricity generation that could be affected by these facilities

<Not Applicable>

% company's global oil & gas production volume that could be affected by these facilities

<Not Applicable>

% company's total global revenue that could be affected

Less than 1%

Comment

Data has been aggregated for 12 hotels in India located in cities or coastal regions. The hotels have similar operations and an average overall basin risk of 3.8 (high risk). All hotels operating in this area are third-party owned and Hilton-managed, with Hilton controlling day to day hotel operations. While these facilities represent less than 1% of Hilton's operations and global revenues, attention to water risks and stewardship is important to Hilton's operations and business success in India region.

Country/Area & River basin

Mexico	Bravo
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Number of facilities exposed to water risk

10

% company-wide facilities this represents

Less than 1%

Production value for the metals & mining activities associated with these facilities

<Not Applicable>

% company's annual electricity generation that could be affected by these facilities

<Not Applicable>

% company's global oil & gas production volume that could be affected by these facilities

<Not Applicable>

% company's total global revenue that could be affected

Less than 1%

Comment

Data has been aggregated for 10 hotels in Monterrey, Chihuahua, Juarez, and surrounding area. All hotels have 100% municipal water supply, with an average basin risk of 3.3 (medium-high risk). All hotels are franchised and are owned and operated by third parties. While these facilities represent less than 1% of Hilton's operations and global revenues, attention to water stewardship is important to Hilton's operations, reputation, and business expansion in Mexico.

Country/Area & River basin

Mexico	Panuco
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Number of facilities exposed to water risk

9

% company-wide facilities this represents

Less than 1%

Production value for the metals & mining activities associated with these facilities

<Not Applicable>

% company's annual electricity generation that could be affected by these facilities

<Not Applicable>

% company's global oil & gas production volume that could be affected by these facilities

<Not Applicable>

% company's total global revenue that could be affected

Less than 1%

Comment

Data has been aggregated for 9 hotels in Mexico City and surrounding area. All hotels have 100% municipal water supply, with an average basin risk of 3.3 (medium-high risk). Four hotels are managed by Hilton and five hotels are franchised. While these facilities represent less than 1% of Hilton's operations and global revenues, attention to water stewardship is important to Hilton's operations, reputation, and business expansion in Mexico.

Country/Area & River basin

Mexico	Santiago
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Number of facilities exposed to water risk

16

% company-wide facilities this represents

Less than 1%

Production value for the metals & mining activities associated with these facilities

<Not Applicable>

% company's annual electricity generation that could be affected by these facilities

<Not Applicable>

% company's global oil & gas production volume that could be affected by these facilities

<Not Applicable>

% company's total global revenue that could be affected

Less than 1%

Comment

Data has been aggregated for 16 hotels in Guadalajara, Queretaro, and surrounding area. All hotels have 100% municipal water supply, with an average basin risk of 3.3 (medium-high risk). Four hotels are managed by Hilton and twelve hotels are franchised. While these facilities represent less than 1% of Hilton's operations and global revenues, attention to water stewardship is important to Hilton's operations, reputation, and business expansion in Mexico.

Country/Area & River basin

Turkey	Tigris & Euphrates
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Number of facilities exposed to water risk

5

% company-wide facilities this represents

Less than 1%

Production value for the metals & mining activities associated with these facilities

<Not Applicable>

% company's annual electricity generation that could be affected by these facilities

<Not Applicable>

% company's global oil & gas production volume that could be affected by these facilities

<Not Applicable>

% company's total global revenue that could be affected

Less than 1%

Comment

Data has been aggregated for 5 hotels in Turkey. All hotels have 100% municipal water supply, with an average overall basin risk of 3.1 a medium risk, but a pollution risk of 5 (highest risk). Three hotels are managed by Hilton and two hotels are franchised. While these facilities represent less than 1% of Hilton's operations and global revenues, attention to water stewardship is important to Hilton's operations, reputation, and business expansion in Turkey.

Country/Area & River basin

United States of America	Other, please specify (All California)
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Number of facilities exposed to water risk

217

% company-wide facilities this represents

1-25

Production value for the metals & mining activities associated with these facilities

<Not Applicable>

% company's annual electricity generation that could be affected by these facilities

<Not Applicable>

% company's global oil & gas production volume that could be affected by these facilities

<Not Applicable>

% company's total global revenue that could be affected

1-10

Comment

Data has been aggregated for 217 hotels in California. All hotels have 100% municipal water supply, with an average basin risk of 3.5 (medium-high risk). This total is comprised of 33 managed hotels and 184 franchised hotels across locations in the California River Basin. This represents approximately 5% of Hilton's global portfolio and stewardship is important to Hilton's operations, reputation, and business expansion in California.

Country/Area & River basin

United States of America	St. Lawrence
--------------------------	--------------

Number of facilities exposed to water risk

29

% company-wide facilities this represents

Less than 1%

Production value for the metals & mining activities associated with these facilities

<Not Applicable>

% company's annual electricity generation that could be affected by these facilities

<Not Applicable>

% company's global oil & gas production volume that could be affected by these facilities

<Not Applicable>

% company's total global revenue that could be affected

Less than 1%

Comment

Data has been aggregated for 30 hotels in the Chicago area, located in the St. Lawrence River Basin. All hotels have 100% municipal water supply, with an average basin risk of 3.5 (medium-high risk). This total is comprised of 7 managed hotels and 23 franchised hotels. While these facilities represent less than 1% of Hilton's operations and global revenues, attention to water stewardship is important to Hilton's operations, reputation, and business expansion in Chicago.

Country/Area & River basin

India	Ganges - Brahmaputra
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Number of facilities exposed to water risk

6

% company-wide facilities this represents

Less than 1%

Production value for the metals & mining activities associated with these facilities

<Not Applicable>

% company's annual electricity generation that could be affected by these facilities

<Not Applicable>

% company's global oil & gas production volume that could be affected by these facilities

<Not Applicable>

% company's total global revenue that could be affected

Less than 1%

Comment

Data has been aggregated for 6 hotels in the Ganges River Basin, located in New Delhi, Gurgaon, and surrounding area. Two hotels report 100% ground/well water use and the others are 100% municipal water supply, with an average basin risk of 3.9 (high risk). All hotels are third-party owned and Hilton-managed. While these facilities represent less than 1% of Hilton's operations and global revenues, attention to water risks and stewardship is important to Hilton's operations, reputation, and business expansion in India.

Country/Area & River basin

China	Other, please specify (China)
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Number of facilities exposed to water risk

51

% company-wide facilities this represents

1-25

Production value for the metals & mining activities associated with these facilities

<Not Applicable>

% company's annual electricity generation that could be affected by these facilities

<Not Applicable>

% company's global oil & gas production volume that could be affected by these facilities

<Not Applicable>

% company's total global revenue that could be affected

1-10

Comment

Data has been aggregated for 51 hotels across China outside of the Yangtze (Chang Jiang) and Yongding He basins. The hotels have an average basin risk of 3.4 overall (medium-high risk) but a pollution risk of 3.8 and a reputation risk of 4.2. 49 of the hotels operating in the country are third-party owned and Hilton-managed, with Hilton controlling day to day hotel operations. Two are franchised. Attention to water risks and stewardship is important to Hilton's operations and business success in China.

W4.2

(W4.2) Provide details of identified risks in your direct operations with the potential to have a substantive financial or strategic impact on your business, and your response to those risks.

Country/Area & River basin

China	Yangtze River (Chang Jiang)
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Type of risk & Primary risk driver

Chronic physical	Declining water quality
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Primary potential impact

Constraint to growth

Company-specific description

Method of impact identification: The WWF Water Risk filter identifies the highest water risk in the Yangtze River basin as pollution/water quality with an average score of 4.4. Increased population and demand on municipal supply may contribute to higher risk for our hotels in this basin in terms of water availability and water quality for drinking, cooking, bathing, and other potable water needs.

Effect on direct operations: While our current hotel operations in the Yangtze River basin represent less than 1% of Hilton's operations and global revenues, these water risks are relevant to Hilton's planned growth and success in the Greater China and Mongolia Area. Should there be declining water issues, this could lead to increased costs for required mitigation practices to be put in place or it could slow down future development opportunities.

Timeframe

More than 6 years

Magnitude of potential impact

Low

Likelihood

Likely

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

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

Primary response to risk

Engage with NGOs/special interest groups

Description of response

WWF has a water stewardship team in Shanghai that focuses on the Yangtze. Through our work with WWF, we know that significant collective action is underway in the basin. The largest threats include pollution, 105 large dams planned or under construction, inter-basin water transfer and other water infrastructure, over-fishing, and illegal fishing. WWF are also focused on mitigating risks around climate change and storm water runoff, and identifying supply chain opportunities.

Cost of response

Explanation of cost of response

Costs are incorporated into ongoing operational expenditure at both the hotel and corporate level. At this time, we are not able to publish the cost of response.

Country/Area & River basin

United States of America	Other, please specify (All California)
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Type of risk & Primary risk driver

Chronic physical	Water scarcity
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Primary potential impact

Upfront costs to adopt/deploy new practices and processes

Company-specific description

Method of impact identification: The WWF Water Risk filter identifies the highest water risk in California as scarcity with an average score of 3.8.

Impact on operations: Increased population and demand on municipal supply may contribute to higher long-term risk for our hotels in this basin in terms of water availability and quality for drinking, cooking, bathing and other potable water needs, leading to the need for higher investment in mitigation strategies such as new practices and processes. Additionally, if overall water availability declines due to continued drought, hotels in this river basin may face significant cuts in their water allotment or face increases in water costs making it more expensive to operate and reducing returns.

Timeframe

More than 6 years

Magnitude of potential impact

Medium-low

Likelihood

Virtually certain

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

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

Primary response to risk

Adopt water efficiency, water reuse, recycling and conservation practices

Description of response

Due to the risks and the ongoing local awareness of water-related issues, California was selected as one of Hilton's initial pilot locations. So far, an in-depth risk analysis has been carried out, including gathering information about actions taken to date, local stakeholders and impacts seen from the local water crisis. This information has been used to create a set of recommendations for actions which is being reviewed to determine priorities for activation.

Cost of response

Explanation of cost of response

Costs are incorporated into ongoing operational expenditure at both the hotel and corporate level. Currently, we are not able to publish the cost of response.

Country/Area & River basin

India	Ganges - Brahmaputra
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Type of risk & Primary risk driver

Chronic physical	Declining water quality
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Primary potential impact

Reduced demand for products and services

Company-specific description

Method of impact identification: The WWF Water Risk filter identifies the highest water risk in the Ganges River basin as pollution/water quality with an average score of 4.6. According to WWF, the Ganges River basin occupies 30% of the land area of India and is heavily populated, increasing in population density downstream to Bangladesh, which is the most densely populated country in the world.

Impact on operations: Increased population and demand on municipal supply may contribute to higher long-term risk for our hotels in this basin in terms of water availability and quality for drinking, cooking, bathing and other potable water needs, leading to the need for higher investment in mitigation strategies such as new practices and technologies. Declining water quality could also lead to increased costs for water treatment and increased water prices, making it more expensive to operate in the country and reducing returns.

Timeframe

More than 6 years

Magnitude of potential impact

Medium-low

Likelihood

Likely

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

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

Primary response to risk

Adopt water efficiency, water reuse, recycling and conservation practices

Description of response

Our hotels are required to demonstrate continuous improvement around water management. Through LightStay, every hotel in our portfolio is required to regularly report and monitor all sources of water use against an improvement goal. In addition to this, hotels are required to always have an active water-related sustainability improvement project registered. We have created resources, which are available to all, to engage hotels in more efficient water management. These are re-launched each year through Hilton's 'Earth Week', a week in which all hotels are encouraged to raise awareness with their teams and review their plans to reduce their environmental impacts. The resources include tips on how to reduce water use, a training course about both the importance of water and what Team Members can do to conserve it, as well as a video which explains water stewardship. Hilton's long-term strategy to address high-risk geographic regions is addressed in our 2030 Travel with Purpose Goals. We will achieve these goals through a comprehensive and coordinated water stewardship strategy that focuses on the following areas of our value chain: (1) hotels and guests, (2) suppliers and services, and (3) communities and watersheds.

Cost of response

Explanation of cost of response

Costs are incorporated into ongoing operational expenditure at both the hotel and corporate level. This is expected to remain constant in future years unless this basin is selected for future water stewardship pilot opportunities.

Country/Area & River basin

Mexico	Panuco
--------	--------

Type of risk & Primary risk driver

Chronic physical	Declining water quality
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Primary potential impact

Reduced demand for products and services

Company-specific description

Method of impact identification: The WWF Water Risk filter identifies the highest water risk in the Panuco River basin as pollution/water quality with an average score of 4.7.

Impact on operations: Increased population and demand on municipal supply may contribute to higher long-term risk for our hotels in this basin in terms of water availability and quality for drinking, cooking, bathing and other potable water needs, leading to the need for higher investment in mitigation strategies such as new practices and technologies. Declining water quality could also lead to reduced demands for products and services and increased costs for water treatment and increased water prices, making it more expensive to operate in the country and reducing returns.

Timeframe

More than 6 years

Magnitude of potential impact

Medium-low

Likelihood

Likely

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

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

Primary response to risk

Adopt water efficiency, water reuse, recycling and conservation practices

Description of response

Our hotels are required to demonstrate continuous improvement around water management. Through LightStay, every hotel in our portfolio is required to regularly report and monitor all sources of water use against an improvement goal. In addition to this, hotels are required to always have an active water-related sustainability improvement project registered. We have created resources, which are available to all, to engage hotels in more efficient water management. These are re-launched each year through Hilton's 'Earth Week', a week in which all hotels are encouraged to raise awareness with their teams and review their plans to reduce their environmental impacts. The resources include tips on how to reduce water use, a training course about both the importance of water and what Team Members can do to conserve it, as well as a video which explains water stewardship. Hilton's long-term strategy to address high-risk geographic regions is addressed in our 2030 Travel with Purpose Goals. We will achieve these goals through a comprehensive and coordinated water stewardship strategy that focuses on the following areas of our value chain: (1) hotels and guests, (2) suppliers and services, and (3) communities and watersheds.

Cost of response

Explanation of cost of response

Costs are incorporated into ongoing operational expenditure at both the hotel and corporate level. This is expected to remain constant in future years unless this basin is selected for future water stewardship pilot opportunities.

Country/Area & River basin

Mexico	Santiago
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Type of risk & Primary risk driver

Chronic physical	Declining water quality
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Primary potential impact

Reduced demand for products and services

Company-specific description

Method of impact identification: The WWF Water Risk filter identifies the highest water risk in the Santiago River basin as pollution/water quality with an average score of 5.0 (the highest possible risk).

Impact on operations: Increased population and demand on municipal supply may contribute to higher long-term risk for our hotels in this basin in terms of water availability and quality for drinking, cooking, bathing and other potable water needs, leading to the need for higher investment in mitigation strategies such as new practices and technologies. Declining water quality could also lead to reduced demand for products and services and increased costs for water treatment and increased water prices, making it more expensive to operate in the country and reducing returns.

Timeframe

More than 6 years

Magnitude of potential impact

Medium-low

Likelihood

Likely

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

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

Primary response to risk

Adopt water efficiency, water reuse, recycling and conservation practices

Description of response

Our hotels are required to demonstrate continuous improvement around water management. Through LightStay, every hotel in our portfolio is required to regularly report and monitor all sources of water use against an improvement goal. In addition to this, hotels are required to always have an active water-related sustainability improvement project registered. We have created resources, which are available to all, to engage hotels in more efficient water management. These are re-launched each year through Hilton's 'Earth Week', a week in which all hotels are encouraged to raise awareness with their teams and review their plans to reduce their environmental impacts. The resources include tips on how to reduce water use, a training course about both the importance of water and what Team Members can do to conserve it, as well as a video which explains water stewardship. Hilton's long-term strategy to address high-risk geographic regions is addressed in our 2030 Travel with Purpose Goals. We will achieve these goals through a comprehensive and coordinated water stewardship strategy that focuses on the following areas of our value chain: (1) hotels and guests, (2) suppliers and services, and (3) communities and watersheds.

Cost of response

Explanation of cost of response

Costs are incorporated into ongoing operational expenditure at both the hotel and corporate level. This is expected to remain constant in future years unless this basin is selected for future water stewardship pilot opportunities.

Country/Area & River basin

Turkey	Tigris & Euphrates
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Type of risk & Primary risk driver

Chronic physical	Declining water quality
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Primary potential impact

Reduced demand for products and services

Company-specific description

Method of impact identification: The WWF Water Risk filter identifies the highest water risk in the Tigris and Euphrates river basin as pollution/water quality with an average score of 5.0 (the highest possible risk score).

Impact on operations: Increased population and demand on municipal supply may contribute to higher long-term risk for our hotels in this basin in terms of water availability and quality for drinking, cooking, bathing, and other potable water needs, leading to the need for higher investment in mitigation strategies such as new practices and technologies. Declining water quality could also lead to increased costs for water treatment and increased water prices, making it more expensive to operate in the country and reducing returns.

Timeframe

More than 6 years

Magnitude of potential impact

Medium-low

Likelihood

Likely

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

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

Primary response to risk

Adopt water efficiency, water reuse, recycling and conservation practices

Description of response

Our hotels are required to demonstrate continuous improvement around water management. Through LightStay, every hotel in our portfolio is required to regularly report and monitor all sources of water use against an improvement goal. In addition to this, hotels are required to always have an active water-related sustainability improvement project registered. We have created resources, which are available to all, to engage hotels in more efficient water management. These are re-launched each year through Hilton's 'Earth Week', a week in which all hotels are encouraged to raise awareness with their teams and review their plans to reduce their environmental impacts. The resources include tips on how to reduce water use, a training course about both the importance of water and what Team Members can do to conserve it, as well as a video which explains water stewardship. Hilton's long-term strategy to address high-risk geographic regions is addressed in our Travel with Purpose 2030 Goals. We will achieve these goals through a comprehensive and coordinated water stewardship strategy that focuses on the following areas of our value chain: (1) hotels and guests, (2) suppliers and services, and (3) communities and watersheds.

Cost of response

Explanation of cost of response

Costs are incorporated into ongoing operational expenditure at both a hotel and corporate level. This is expected to remain constant in future years unless this basin is selected for future water stewardship pilot opportunities.

Country/Area & River basin

United States of America	St. Lawrence
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Type of risk & Primary risk driver

Chronic physical	Declining water quality
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Primary potential impact

Upfront costs to adopt/deploy new practices and processes

Company-specific description

Method of impact identification: The WWF Water Risk filter identifies the highest water risk in the St. Lawrence river basin as pollution/water quality with an average score of 5.0, the highest possible risk score.

Impact on operations: Increased population and demand on municipal supply may contribute to higher long-term risk for our hotels in this basin in terms of water availability and quality for drinking, cooking, bathing, and other potable water needs, leading to the need for higher investment in mitigation strategies such as new practices and technologies. Declining water quality could also lead to increased costs for water treatment and increased water prices, making it more expensive to operate in the country and reducing returns.

Timeframe

More than 6 years

Magnitude of potential impact

Medium-low

Likelihood

Likely

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

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

Primary response to risk

Adopt water efficiency, water reuse, recycling and conservation practices

Description of response

Our hotels are required to demonstrate continuous improvement around water management. Through LightStay, every hotel in our portfolio is required to regularly report and monitor all sources of water use against an improvement goal. In addition to this, hotels are required to always have an active water-related sustainability improvement project registered. We have created resources, which are available to all, to engage hotels in more efficient water management. These are re-launched each year through Hilton's 'Earth Week', a week in which all hotels are encouraged to raise awareness with their teams and review their plans to reduce their environmental impacts. The resources include tips on how to reduce water use, a training course about both the importance of water and what Team Members can do to conserve it, as well as a video which explains water stewardship. Hilton's long-term strategy to address high-risk geographic regions is addressed in our Travel with Purpose 2030 Goals. We will achieve these goals through a comprehensive and coordinated water stewardship strategy that focuses on the following areas of our value chain: (1) hotels and guests, (2) suppliers and services, and (3) communities and watersheds.

Cost of response

Explanation of cost of response

Costs are incorporated into ongoing operational expenditure at both the hotel and corporate level. This is expected to remain constant in future years unless this basin is selected for future water stewardship pilot opportunities.

Country/Area & River basin

Egypt	Other, please specify (Egypt)
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Type of risk & Primary risk driver

Chronic physical	Water scarcity
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Primary potential impact

Upfront costs to adopt/deploy new practices and processes

Company-specific description

Method of impact identification: Nine hotels labelled as Egypt-Other were identified as high risk based on WWF Water Risk filter results and Hilton's water stewardship priorities. These properties are coastal properties not designated with a specific river basin, with pollution risk of 3.8 and the highest water risk as water scarcity with an average score of 4.8. Additionally, the UN have predicted that they will face severe water scarcity by 2025.

Impact on operations: Increased population and demand on municipal supply may contribute to higher long-term risk for our hotels in this basin in terms of water availability and quality for drinking, cooking, bathing, and other potable water needs, leading to the need for higher investment in mitigation strategies such as new practices and technologies. This could also increase water costs making it more expensive to operate in the country and reducing returns.

Timeframe

More than 6 years

Magnitude of potential impact

Medium-low

Likelihood

Likely

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

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

Primary response to risk

Adopt water efficiency, water reuse, recycling and conservation practices

Description of response

Our hotels are required to demonstrate continuous improvement around water management. Through LightStay, every hotel in our portfolio is required to regularly report and monitor all sources of water use against an improvement goal. In addition to this, hotels are required to always have an active water-related sustainability improvement project registered. We have created resources, which are available to all, to engage hotels in more efficient water management. These are re-launched each year through Hilton's 'Earth Week', a week in which all hotels are encouraged to raise awareness with their teams and review their plans to reduce their environmental impacts. The resources include tips on how to reduce water use, a training course about both the importance of water and what Team Members can do to conserve it, as well as a video which explains water stewardship. Hilton's long-term strategy to address high-risk geographic regions is addressed in our Travel with Purpose 2030 Goals. We will achieve these goals through a comprehensive and coordinated water stewardship strategy that focuses on the following areas of our value chain: (1) hotels and guests, (2) suppliers and services, and (3) communities and watersheds.

Cost of response

Explanation of cost of response

Costs are incorporated into ongoing operational expenditure at both the hotel and corporate level. This is expected to remain constant in future years unless this basin is selected for future water stewardship pilot opportunities.

Country/Area & River basin

China	Yongding He
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Type of risk & Primary risk driver

Chronic physical	Declining water quality
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Primary potential impact

Constraint to growth

Company-specific description

Method for impact identification: The WWF Water Risk filter identifies the highest basin related risks as pollution, ecosystem impacts and reputation risk, with an average basin risk score of 3.5 and a pollution risk score of 5.0, the highest possible. Increased population and demand on municipal supply may contribute to higher risk for our hotels in this basin in terms of water availability and water quality for drinking, cooking, bathing, and other potable water needs.

Impact on operations: While our current hotel operations in the Yongding He River basin represent less than 1% of Hilton's operations and global revenues, these water risks are relevant to Hilton's growth strategy in the Greater China and Mongolia Area. Should there be declining water issues, this could lead to increased costs for required mitigation practices to be put in place or it could slow down future development opportunities.

Timeframe

More than 6 years

Magnitude of potential impact

Low

Likelihood

Likely

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

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

Primary response to risk

Adopt water efficiency, water reuse, recycling and conservation practices

Description of response

Our hotels are required to demonstrate continuous improvement around water management. Through LightStay, every hotel in our portfolio is required to regularly report and monitor all sources of water use against an improvement goal. In addition to this, hotels are required to always have an active water-related sustainability improvement project registered. We have created resources, which are available to all, to engage hotels in more efficient water management. These are re-launched each year through Hilton's 'Earth Week', a week in which all hotels are encouraged to raise awareness with their teams and review their plans to reduce their environmental impacts. The resources include tips on how to reduce water use, a training course about both the importance of water and what Team Members can do to conserve it, as well as a video which explains water stewardship. Hilton's long-term strategy to address high-risk geographic regions is addressed in our Travel with Purpose 2030 Goals. We will achieve these goals through a comprehensive and coordinated water stewardship strategy that focuses on the following areas of our value chain: (1) hotels and guests, (2) suppliers and services, and (3) communities and watersheds.

Cost of response

Explanation of cost of response

Costs are incorporated into ongoing operational expenditure at both the hotel and corporate level. This is expected to remain constant in future years unless this basin is selected for future water stewardship pilot opportunities.

Country/Area & River basin

Egypt	Nile
-------	------

Type of risk & Primary risk driver

Chronic physical	Water scarcity
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Primary potential impact

Upfront costs to adopt/deploy new practices and processes

Company-specific description

Method for impact identification: The WWF Water Risk filter identifies the highest water risk in the Nile River basin as scarcity with an average score of 4.8 and a pollution score of 5.0. Additionally, the UN have predicted that they will face severe water scarcity by 2025.

Impact on operations: Increased population and demand on municipal supply may contribute to higher long-term risk for our hotels in this basin in terms of water availability and quality for drinking, cooking, bathing, and other potable water needs, leading to the need for higher investment in mitigation strategies such as new practices and processes. Additionally, if overall water availability declines due to continued drought, hotels in this river basin may face significant cuts in their water allotment or may have to turn to more costly technology.

Timeframe

More than 6 years

Magnitude of potential impact

Low

Likelihood

Likely

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

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

Primary response to risk

Adopt water efficiency, water reuse, recycling and conservation practices

Description of response

Our hotels are required to demonstrate continuous improvement around water management. Through LightStay, every hotel in our portfolio is required to regularly report and monitor all sources of water use against an improvement goal. In addition to this, hotels are required to always have an active water-related sustainability improvement project registered. We have created resources, which are available to all, to engage hotels in more efficient water management. These are re-launched each year through Hilton's 'Earth Week', a week in which all hotels are encouraged to raise awareness with their teams and review their plans to reduce their environmental impacts. The resources include tips on how to reduce water use, a training course about both the importance of water and what Team Members can do to conserve it, as well as a video which explains water stewardship. Hilton's long-term strategy to address high-risk geographic regions is addressed in our Travel with Purpose 2030 Goals. We will achieve these goals through a comprehensive and coordinated water stewardship strategy that focuses on the following areas of our value chain: (1) hotels and guests, (2) suppliers and services, and (3) communities and watersheds.

Cost of response

Explanation of cost of response

Costs are incorporated into ongoing operational expenditure at both the hotel and corporate level. This is expected to remain constant in future years unless this basin is selected for future water stewardship pilot opportunities.

Country/Area & River basin

Mexico	Bravo
--------	-------

Type of risk & Primary risk driver

Chronic physical	Declining water quality
------------------	-------------------------

Primary potential impact

Reduced demand for products and services

Company-specific description

Method of impact identification: The WWF Water Risk filter identifies the highest water risk in the Bravo River basin as pollution/water quality with an average score of 4.8.

Impact on operations: Increased population and demand on municipal supply may contribute to higher long-term risk for our hotels in this basin in terms of water availability and quality for drinking, cooking, bathing and other potable water needs, leading to the need for higher investment in mitigation strategies such as new practices and technologies. Declining water quality could also lead to reduced demand for products and services and increased costs for water treatment and increased water prices, making it more expensive to operate in the country and reducing returns.

Timeframe

More than 6 years

Magnitude of potential impact

Medium-low

Likelihood

Likely

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

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

Primary response to risk

Adopt water efficiency, water reuse, recycling and conservation practices

Description of response

Our hotels are required to demonstrate continuous improvement around water management. Through LightStay, every hotel in our portfolio is required to regularly report and monitor all sources of water use against an improvement goal. In addition to this, hotels are required to always have an active water-related sustainability improvement project registered. We have created resources, which are available to all, to engage hotels in more efficient water management. These are re-launched each year through Hilton's 'Earth Week', a week in which all hotels are encouraged to raise awareness with their teams and review their plans to reduce their environmental impacts. The resources include tips on how to reduce water use, a training course about both the importance of water and what Team Members can do to conserve it, as well as a video which explains water stewardship. Hilton's long-term strategy to address high-risk geographic regions is addressed in our 2030 Travel with Purpose Goals. We will achieve these goals through a comprehensive and coordinated water stewardship strategy that focuses on the following areas of our value chain: (1) hotels and guests, (2) suppliers and services, and (3) communities and watersheds.

Cost of response

Explanation of cost of response

Costs are incorporated into ongoing operational expenditure at both the hotel and corporate level. This is expected to remain constant in future years unless this basin is selected for future water stewardship pilot opportunities.

W4.2a

(W4.2a) Provide details of risks identified within your value chain (beyond direct operations) with the potential to have a substantive financial or strategic impact on your business, and your response to those risks.

Country/Area & River basin

Mexico	Bravo
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Stage of value chain

Other, please specify (Franchised hotels)

Type of risk & Primary risk driver

Chronic physical	Declining water quality
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Primary potential impact

Reduced demand for products and services

Company-specific description

Method for impact identification: The WWF Water Risk filter identifies the highest water risk in the Bravo River basin as pollution/water quality with an average score of 4.8. Impact on operations: Increased population and demand on municipal supply may contribute to higher long-term risk for our hotels in this basin in terms of water availability and quality for drinking, cooking, bathing and other potable water needs, leading to the need for higher investment in mitigation strategies such as new practices and

technologies. Declining water quality could also lead to increased costs for water treatment and increased water prices, making it more expensive to operate in the country and reducing returns.

Timeframe

More than 6 years

Magnitude of potential impact

Low

Likelihood

Likely

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

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

Primary response to risk

Direct operations	Other, please specify (Brand Standards for water measurement and reduction goals)
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Description of response

Our franchised hotels are also required to demonstrate continuous improvement around water management. Through LightStay, every hotel in our portfolio is required to regularly report and monitor all sources of water use against an improvement goal as a Brand Standard. In addition to this, hotels are required to always have an active water-related sustainability improvement project registered. We have created resources, which are available to all, to engage hotels in more efficient water management. These are re-launched each year through Hilton's 'Earth Week', a week in which all hotels are encouraged to raise awareness with their teams and review their plans to reduce their environmental impacts. The resources include tips on how to reduce water use, a training course about both the importance of water and what Team Members can do to conserve it, as well as a video which explains water stewardship. Hilton's long-term strategy to address high-risk geographic regions is addressed in our Travel with Purpose 2030 Goals. We will achieve these goals through a comprehensive and coordinated water stewardship strategy that focuses on the following areas of our value chain: (1) hotels and guests, (2) suppliers and services, and (3) communities and watersheds.

Cost of response

Explanation of cost of response

Costs are incorporated into ongoing operational expenditure at both the hotel and corporate level. This is expected to remain constant in future years unless this basin is selected for future water stewardship pilot opportunities.

Country/Area & River basin

Mexico	Panuco
--------	--------

Stage of value chain

Other, please specify (Franchised hotels)

Type of risk & Primary risk driver

Chronic physical	Declining water quality
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Primary potential impact

Reduced demand for products and services

Company-specific description

Method of impact identification: The WWF Water Risk filter identifies the highest water risk in the Panuco River basin as pollution/water quality with an average score of 4.7. Impact on operations: Increased population and demand on municipal supply may contribute to higher long-term risk for our hotels in this basin in terms of water availability and quality for drinking, cooking, bathing and other potable water needs, leading to the need for higher investment in mitigation strategies such as new practices and technologies. Declining water quality could also lead to increased costs for water treatment and increased water prices, making it more expensive to operate in the country and reducing returns.

Timeframe

More than 6 years

Magnitude of potential impact

Low

Likelihood

Likely

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

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

Primary response to risk

Direct operations	Other, please specify (Brand Standards for water measurement and reduction goals)
-------------------	---

Description of response

Our hotels are required to demonstrate continuous improvement around water management. Through LightStay, every hotel in our portfolio is required to regularly report and monitor all sources of water use against an improvement goal. In addition to this, hotels are required to always have an active water-related sustainability improvement project registered. We have created resources, which are available to all, to engage hotels in more efficient water management. These are re-launched each year through Hilton's 'Earth Week', a week in which all hotels are encouraged to raise awareness with their teams and review their plans to reduce their environmental impacts. The resources include tips on how to reduce water use, a training course about both the importance of water and what Team Members can do to conserve it, as well as a video which explains water stewardship. Hilton's long-term strategy to address high-risk geographic regions is addressed in our Travel with Purpose 2030 Goals. We will achieve these goals through a comprehensive and coordinated water stewardship strategy that focuses on the following areas of our value chain: (1) hotels and guests, (2) suppliers and services, and (3) communities and watersheds.

Cost of response

Explanation of cost of response

Costs are incorporated into ongoing operational expenditure at both the hotel and corporate level. This is expected to remain constant in future years unless this basin is selected for future water stewardship pilot opportunities.

Country/Area & River basin

Mexico	Santiago
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Stage of value chain

Other, please specify (Franchised hotels)

Type of risk & Primary risk driver

Chronic physical	Declining water quality
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Primary potential impact

Reduced demand for products and services

Company-specific description

Method of impact identification: The WWF Water Risk filter identifies the highest water risk in the Santiago River basin as pollution/water quality with an average score of 5.0, the highest level of risk.

Impact on operations: Increased population and demand on municipal supply may contribute to higher long-term risk for our hotels in this basin in terms of water availability and quality for drinking, cooking, bathing and other potable water needs, leading to the need for higher investment in mitigation strategies such as new practices and technologies. Declining water quality could also lead to increased costs for water treatment and increased water prices, making it more expensive to operate in the country and reducing returns.

Timeframe

More than 6 years

Magnitude of potential impact

Medium-low

Likelihood

Likely

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

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

Primary response to risk

Direct operations	Other, please specify (Brand Standards for water measurement and reduction goals)
-------------------	---

Description of response

Our hotels are required to demonstrate continuous improvement around water management. Through LightStay, every hotel in our portfolio is required to regularly report and monitor all sources of water use against an improvement goal. In addition to this, hotels are required to always have an active water-related sustainability improvement project registered. We have created resources, which are available to all, to engage hotels in more efficient water management. These are re-launched each year through

Hilton's 'Earth Week', a week in which all hotels are encouraged to raise awareness with their teams and review their plans to reduce their environmental impacts. The resources include tips on how to reduce water use, a training course about both the importance of water and what Team Members can do to conserve it, as well as a video which explains water stewardship. Hilton's long-term strategy to address high-risk geographic regions is addressed in our Travel with Purpose 2030 Goals. We will achieve these goals through a comprehensive and coordinated water stewardship strategy that focuses on the following areas of our value chain: (1) hotels and guests, (2) suppliers and services, and (3) communities and watersheds.

Cost of response

Explanation of cost of response

Costs are incorporated into ongoing operational expenditure at both the hotel and corporate level. This is expected to remain constant in future years unless this basin is selected for future water stewardship pilot opportunities.

Country/Area & River basin

Turkey	Tigris & Euphrates
--------	--------------------

Stage of value chain

Other, please specify (Franchised hotels)

Type of risk & Primary risk driver

Chronic physical	Declining water quality
------------------	-------------------------

Primary potential impact

Reduced demand for products and services

Company-specific description

Method of impact identification: The WWF Water Risk filter identifies the highest water risk in the Tigris and Euphrates river basins as pollution/water quality with an average score of 5.0, the highest level of risk. Impact on operations: Increased population and demand on municipal supply may contribute to higher long-term risk for our hotels in this basin in terms of water availability and quality for drinking, cooking, bathing, and other potable water needs, leading to the need for higher investment in mitigation strategies such as new practices and technologies. Declining water quality could also lead to increased costs for water treatment and increased water prices, making it more expensive to operate in the country and reducing returns.

Timeframe

More than 6 years

Magnitude of potential impact

Medium-low

Likelihood

Likely

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

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

Primary response to risk

Direct operations	Other, please specify ((Brand Standards for water measurement and reduction goals)
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Description of response

Our hotels, including franchises, are required to demonstrate continuous improvement around water management. Through LightStay, every hotel in our portfolio is required to regularly report and monitor all sources of water use against an improvement goal. In addition to this, hotels are required to always have an active water-related sustainability improvement project registered. We have created resources, which are available to all, to engage hotels in more efficient water management. These are relaunched each year through Hilton's 'Earth Week', a week in which all hotels are encouraged to raise awareness with their teams and review their plans to reduce their environmental impacts. The resources include tips on how to reduce water use, a training course about both the importance of water and what Team Members can do to conserve it, as well as a video which explains water stewardship. Hilton's long-term strategy to address high-risk geographic regions is addressed in our Travel with Purpose 2030 Goals. We will achieve these goals through a comprehensive and coordinated water stewardship strategy that focuses on the following areas of our value chain: (1) hotels and guests, (2) suppliers and services, and (3) communities and watersheds.

Cost of response

Explanation of cost of response

Costs are incorporated into ongoing operational expenditure at both the hotel and corporate level. This is expected to remain constant in future years unless this basin is selected for future water stewardship pilot opportunities.

Country/Area & River basin

United States of America	St. Lawrence
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Stage of value chain

Other, please specify (Franchised hotels)

Type of risk & Primary risk driver

Chronic physical	Declining water quality
------------------	-------------------------

Primary potential impact

Upfront costs to adopt/deploy new practices and processes

Company-specific description

Method of impact identification: The WWF Water Risk filter identifies the highest water risk in the St. Lawrence river basins as pollution/water quality with an average score of 5.0, the highest level of risk.

Impact on operations: Increased population and demand on municipal supply may contribute to higher long-term risk for our hotels in this basin in terms of water availability and quality for drinking, cooking, bathing and other potable water needs, leading to the need for higher investment in mitigation strategies such as new practices and technologies. Declining water quality could also lead to increased costs for water treatment and increased water prices, making it more expensive to operate in the country and reducing returns.

Timeframe

More than 6 years

Magnitude of potential impact

Medium-low

Likelihood

Likely

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

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

Primary response to risk

Direct operations	Other, please specify (Brand Standards for water measurement and reduction goals)
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Description of response

Our hotels, including franchises, are required to demonstrate continuous improvement around water management. Through LightStay, every hotel in our portfolio is required to regularly report and monitor all sources of water use against an improvement goal. In addition to this, hotels are required to always have an active water-related sustainability improvement project registered. We have created resources, which are available to all, to engage hotels in more efficient water management. These are relaunched each year through Hilton's 'Earth Week', a week in which all hotels are encouraged to raise awareness with their teams and review their plans to reduce their environmental impacts. The resources include tips on how to reduce water use, a training course about both the importance of water and what Team Members can do to conserve it, as well as a video which explains water stewardship. Hilton's long-term strategy to address high-risk geographic regions is addressed in our Travel with Purpose 2030 Goals. We will achieve these goals through a comprehensive and coordinated water stewardship strategy that focuses on the following areas of our value chain: (1) hotels and guests, (2) suppliers and services, and (3) communities and watersheds.

Cost of response

Explanation of cost of response

Costs are incorporated into ongoing operational expenditure at both the hotel and corporate level. This is expected to remain constant in future years unless the basin is selected for future water stewardship pilot opportunities.

Country/Area & River basin

United States of America	Other, please specify (All California)
--------------------------	--

Stage of value chain

Other, please specify (Franchised hotels)

Type of risk & Primary risk driver

Chronic physical	Water scarcity
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Primary potential impact

Upfront costs to adopt/deploy new practices and processes

Company-specific description

Method of impact identification: The WWF Water Risk filter identifies the highest water risk in California as scarcity with an average score of 3.8.

Impact on operations: Increased population and demand on municipal supply may contribute to higher long-term risk for our hotels in this basin in terms of water availability and quality for drinking, cooking, bathing and other potable water needs, leading to the need for higher investment in mitigation strategies such as new practices and processes. Additionally, if overall water availability declines due to continued drought, hotels in this river basin may face significant cuts in their water allotment or face increases in water costs making it more expensive to operate and reducing returns.

Timeframe

More than 6 years

Magnitude of potential impact

Medium-low

Likelihood

Very likely

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

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

Primary response to risk

Direct operations	Other, please specify (Brand Standards for water measurement and reduction goals)
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Description of response

Due to the risks and the ongoing local awareness of water-related issues, California was selected as one of Hilton's initial pilot locations. So far, an in-depth risk analysis has been carried out, including gathering information about actions taken to date, local stakeholders and impacts seen from the local water crisis. This information has been used to create a set of recommendations for actions which is being reviewed to determine priorities for activation.

Cost of response

Explanation of cost of response

Costs are incorporated into ongoing operational expenditure at both the hotel and corporate level. Currently we are not able to publish the cost of response.

W4.3

(W4.3) Have you identified any water-related opportunities with the potential to have a substantive financial or strategic impact on your business?

Yes, we have identified opportunities, and some/all are being realized

W4.3a

(W4.3a) Provide details of opportunities currently being realized that could have a substantive financial or strategic impact on your business.

Type of opportunity

Efficiency

Primary water-related opportunity

Improved water efficiency in operations

Company-specific description & strategy to realize opportunity

Through our global footprint and operations, we see an opportunity through technologies, more efficient equipment, and behavioral changes to improve water conservation and efficiencies across several areas of the business. These including hotel laundry, dishwashing and water use in our kitchens and restaurants, water in our spas, pools and on the golf courses, in our hotel bathrooms through low-flow showers, toilets and faucets and through leak detection systems. More of our hotels are also capturing grey water for landscaping or to use in cooling towers or other water-intensive operations. Hilton leverages its global footprint to promote investment and adoption of water efficient products and innovative technologies through various channels and vendor partnerships.

Estimated timeframe for realization

1 to 3 years

Magnitude of potential financial impact

Medium

Are you able to provide a potential financial impact figure?

Please select

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

Financial implications will vary significantly depending on the hotel's operations, but we estimate that implementation just of low-water laundry technologies could save us 10% in total water consumption across our hotels. Please note this figure represents potential water cost savings to be realized by the owners of hotels that we manage (Operational Control) and does not represent savings realized directly by Hilton on its financial statements. Hilton derives most of its revenues (excluding reimbursable employee costs) from long-term hotel management, franchise and related fees paid by third-party owners and franchisees. The added value and reduced risk we provide to our owners through our global commitment to sustainability enhances our fee revenues and client relationships.

Type of opportunity

Markets

Primary water-related opportunity

Increased brand value

Company-specific description & strategy to realize opportunity

Our corporate strategy and culture are purpose-driven, and Hilton is committed to responsible travel and tourism. We believe that our 2030 Travel with Purpose Goals support our mission and ultimately contributes to Hilton's brand value, reputation, financial success and attractiveness as an employer. Our water efficiency efforts are being advanced by Hilton's ESG team, in partnership with WWF and other key stakeholders. Our team members are passionate and engaged about driving sustainability and social impact in the communities where we operate.

Estimated timeframe for realization

More than 6 years

Magnitude of potential financial impact

Medium-high

Are you able to provide a potential financial impact figure?

Please select

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

The financial impact is presented in terms of potential management and franchise fees resulting from this opportunity, in terms of both retention and new business. We depend on our long-term management and franchise contracts with third-party owners and franchisees for a significant portion of our management and franchise fee revenues. The success and sustainability of our management and franchise business depends on our ability to perform under our management and franchise contracts and maintain good relationships with third-party owners and franchisees.

W5. Facility-level water accounting

W5.1

(W5.1) For each facility referenced in W4.1c, provide coordinates, water accounting data, and a comparison with the previous reporting year.

Facility reference number

Facility 1

Facility name (optional)

Yangtze River hotels

Country/Area & River basin

Please select

Latitude

31.19

Longitude

121.39

Located in area with water stress

Please select

Primary power generation source for your electricity generation at this facility

<Not Applicable>

Oil & gas sector business division

<Not Applicable>

Total water withdrawals at this facility (megaliters/year)

3277.37

Comparison of total withdrawals with previous reporting year

Lower

Withdrawals from fresh surface water, including rainwater, water from wetlands, rivers and lakes**Withdrawals from brackish surface water/seawater****Withdrawals from groundwater - renewable****Withdrawals from groundwater - non-renewable****Withdrawals from produced/entrained water****Withdrawals from third party sources****Total water discharges at this facility (megaliters/year)**

2458.03

Comparison of total discharges with previous reporting year

Lower

Discharges to fresh surface water**Discharges to brackish surface water/seawater****Discharges to groundwater****Discharges to third party destinations****Total water consumption at this facility (megaliters/year)**

819.34

Comparison of total consumption with previous reporting year

Lower

Please explain

Facility reference number

Facility 2

Facility name (optional)

Yongding He hotels

Country/Area & River basin

Please select

Latitude

39.91

Longitude

116.41

Located in area with water stress

Please select

Primary power generation source for your electricity generation at this facility

<Not Applicable>

Oil & gas sector business division

<Not Applicable>

Total water withdrawals at this facility (megaliters/year)

705.74

Comparison of total withdrawals with previous reporting year

About the same

Withdrawals from fresh surface water, including rainwater, water from wetlands, rivers and lakes

Withdrawals from brackish surface water/seawater

Withdrawals from groundwater - renewable

Withdrawals from groundwater - non-renewable

Withdrawals from produced/entrained water

Withdrawals from third party sources

Total water discharges at this facility (megaliters/year)

529.3

Comparison of total discharges with previous reporting year

About the same

Discharges to fresh surface water

Discharges to brackish surface water/seawater

Discharges to groundwater

Discharges to third party destinations

Total water consumption at this facility (megaliters/year)

176.43

Comparison of total consumption with previous reporting year

About the same

Please explain

Facility reference number

Facility 3

Facility name (optional)

Nile hotels

Country/Area & River basin

Please select

Latitude

30.05

Longitude

31.23

Located in area with water stress

Please select

Primary power generation source for your electricity generation at this facility

<Not Applicable>

Oil & gas sector business division

<Not Applicable>

Total water withdrawals at this facility (megaliters/year)

902.17

Comparison of total withdrawals with previous reporting year

About the same

Withdrawals from fresh surface water, including rainwater, water from wetlands, rivers and lakes

Withdrawals from brackish surface water/seawater

Withdrawals from groundwater - renewable

Withdrawals from groundwater - non-renewable

Withdrawals from produced/entrained water

Withdrawals from third party sources

Total water discharges at this facility (megaliters/year)

676.63

Comparison of total discharges with previous reporting year

About the same

Discharges to fresh surface water

Discharges to brackish surface water/seawater

Discharges to groundwater

Discharges to third party destinations

Total water consumption at this facility (megaliters/year)

225.54

Comparison of total consumption with previous reporting year

About the same

[Please explain](#)

Facility reference number

Facility 4

Facility name (optional)

Ganges hotels

Country/Area & River basin

Please select

Latitude

28.42

Longitude

77.1

Located in area with water stress

Please select

Primary power generation source for your electricity generation at this facility

<Not Applicable>

Oil & gas sector business division

<Not Applicable>

Total water withdrawals at this facility (megaliters/year)

196.58

Comparison of total withdrawals with previous reporting year

About the same

Withdrawals from fresh surface water, including rainwater, water from wetlands, rivers and lakes

Withdrawals from brackish surface water/seawater

Withdrawals from groundwater - renewable

Withdrawals from groundwater - non-renewable

Withdrawals from produced/entrained water

Withdrawals from third party sources

Total water discharges at this facility (megaliters/year)

147.44

Comparison of total discharges with previous reporting year

About the same

Discharges to fresh surface water

Discharges to brackish surface water/seawater

Discharges to groundwater

Discharges to third party destinations

Total water consumption at this facility (megaliters/year)

49.15

Comparison of total consumption with previous reporting year

About the same

[Please explain](#)

Facility reference number

Facility 5

Facility name (optional)

Bravo hotels

Country/Area & River basin

Please select

Latitude

25.78

Longitude

-100.11

Located in area with water stress

Please select

Primary power generation source for your electricity generation at this facility

<Not Applicable>

Oil & gas sector business division

<Not Applicable>

Total water withdrawals at this facility (megaliters/year)

125.45

Comparison of total withdrawals with previous reporting year

About the same

Withdrawals from fresh surface water, including rainwater, water from wetlands, rivers and lakes

Withdrawals from brackish surface water/seawater

Withdrawals from groundwater - renewable

Withdrawals from groundwater - non-renewable

Withdrawals from produced/entrained water

Withdrawals from third party sources

Total water discharges at this facility (megaliters/year)

94.09

Comparison of total discharges with previous reporting year

About the same

Discharges to fresh surface water

Discharges to brackish surface water/seawater

Discharges to groundwater

Discharges to third party destinations

Total water consumption at this facility (megaliters/year)

31.36

Comparison of total consumption with previous reporting year

About the same

Please explain

Facility reference number

Facility 6

Facility name (optional)

Panuco hotels

Country/Area & River basin

Please select

Latitude

19.44

Longitude

-99.15

Located in area with water stress

Please select

Primary power generation source for your electricity generation at this facility

<Not Applicable>

Oil & gas sector business division

<Not Applicable>

Total water withdrawals at this facility (megaliters/year)

105.77

Comparison of total withdrawals with previous reporting year

About the same

Withdrawals from fresh surface water, including rainwater, water from wetlands, rivers and lakes

Withdrawals from brackish surface water/seawater

Withdrawals from groundwater - renewable

Withdrawals from groundwater - non-renewable

Withdrawals from produced/entrained water

Withdrawals from third party sources

Total water discharges at this facility (megaliters/year)

79.32

Comparison of total discharges with previous reporting year

About the same

Discharges to fresh surface water

Discharges to brackish surface water/seawater

Discharges to groundwater

Discharges to third party destinations

Total water consumption at this facility (megaliters/year)

26.44

Comparison of total consumption with previous reporting year

About the same

Please explain

Facility reference number

Facility 7

Facility name (optional)

Santiago hotels

Country/Area & River basin

Please select

Latitude

20.65

Longitude

-103.39

Located in area with water stress

Please select

Primary power generation source for your electricity generation at this facility

<Not Applicable>

Oil & gas sector business division

<Not Applicable>

Total water withdrawals at this facility (megaliters/year)

160.01

Comparison of total withdrawals with previous reporting year

About the same

Withdrawals from fresh surface water, including rainwater, water from wetlands, rivers and lakes

Withdrawals from brackish surface water/seawater

Withdrawals from groundwater - renewable

Withdrawals from groundwater - non-renewable

Withdrawals from produced/entrained water

Withdrawals from third party sources

Total water discharges at this facility (megaliters/year)

120.01

Comparison of total discharges with previous reporting year

About the same

Discharges to fresh surface water

Discharges to brackish surface water/seawater

Discharges to groundwater

Discharges to third party destinations

Total water consumption at this facility (megaliters/year)

40

Comparison of total consumption with previous reporting year

About the same

Please explain

Facility reference number

Facility 8

Facility name (optional)

Tigris and Euphrates hotels

Country/Area & River basin

Please select

Latitude

37.15

Longitude

38.78

Located in area with water stress

Please select

Primary power generation source for your electricity generation at this facility

<Not Applicable>

Oil & gas sector business division

<Not Applicable>

Total water withdrawals at this facility (megaliters/year)

55.77

Comparison of total withdrawals with previous reporting year

About the same

Withdrawals from fresh surface water, including rainwater, water from wetlands, rivers and lakes

Withdrawals from brackish surface water/seawater

Withdrawals from groundwater - renewable

Withdrawals from groundwater - non-renewable

Withdrawals from produced/entrained water

Withdrawals from third party sources

Total water discharges at this facility (megaliters/year)

41.83

Comparison of total discharges with previous reporting year

About the same

Discharges to fresh surface water

Discharges to brackish surface water/seawater

Discharges to groundwater

Discharges to third party destinations

Total water consumption at this facility (megaliters/year)

13.94

Comparison of total consumption with previous reporting year

About the same

Please explain

Facility reference number

Facility 9

Facility name (optional)

St. Lawrence (Chicago) hotels

Country/Area & River basin

Please select

Latitude

41.88

Longitude

-87.63

Located in area with water stress

Please select

Primary power generation source for your electricity generation at this facility

<Not Applicable>

Oil & gas sector business division

<Not Applicable>

Total water withdrawals at this facility (megaliters/year)

1235.5

Comparison of total withdrawals with previous reporting year

About the same

Withdrawals from fresh surface water, including rainwater, water from wetlands, rivers and lakes

Withdrawals from brackish surface water/seawater

Withdrawals from groundwater - renewable

Withdrawals from groundwater - non-renewable

Withdrawals from produced/entrained water

Withdrawals from third party sources

Total water discharges at this facility (megaliters/year)

926.63

Comparison of total discharges with previous reporting year

Lower

Discharges to fresh surface water

Discharges to brackish surface water/seawater

Discharges to groundwater

Discharges to third party destinations

Total water consumption at this facility (megaliters/year)

308.87

Comparison of total consumption with previous reporting year

Lower

Please explain

Facility reference number

Facility 10

Facility name (optional)

California hotels

Country/Area & River basin

Please select

Latitude

33.69

Longitude

-116.31

Located in area with water stress

Please select

Primary power generation source for your electricity generation at this facility

<Not Applicable>

Oil & gas sector business division

<Not Applicable>

Total water withdrawals at this facility (megaliters/year)

6247.72

Comparison of total withdrawals with previous reporting year

About the same

Withdrawals from fresh surface water, including rainwater, water from wetlands, rivers and lakes

Withdrawals from brackish surface water/seawater

Withdrawals from groundwater - renewable

Withdrawals from groundwater - non-renewable

Withdrawals from produced/entrained water

Withdrawals from third party sources

Total water discharges at this facility (megaliters/year)

4685.79

Comparison of total discharges with previous reporting year

About the same

Discharges to fresh surface water

Discharges to brackish surface water/seawater

Discharges to groundwater

Discharges to third party destinations

Total water consumption at this facility (megaliters/year)

1561.93

Comparison of total consumption with previous reporting year

About the same

Please explain

Facility reference number

Facility 11

Facility name (optional)

Egypt: Other hotels

Country/Area & River basin

Please select

Latitude

27.08

Longitude

33.86

Located in area with water stress

Please select

Primary power generation source for your electricity generation at this facility

<Not Applicable>

Oil & gas sector business division

<Not Applicable>

Total water withdrawals at this facility (megaliters/year)

561.33

Comparison of total withdrawals with previous reporting year

About the same

Withdrawals from fresh surface water, including rainwater, water from wetlands, rivers and lakes

Withdrawals from brackish surface water/seawater

Withdrawals from groundwater - renewable

Withdrawals from groundwater - non-renewable

Withdrawals from produced/entrained water

Withdrawals from third party sources

Total water discharges at this facility (megaliters/year)

421

Comparison of total discharges with previous reporting year

About the same

Discharges to fresh surface water

Discharges to brackish surface water/seawater

Discharges to groundwater

Discharges to third party destinations

Total water consumption at this facility (megaliters/year)

140.33

Comparison of total consumption with previous reporting year

About the same

Please explain

W5.1a

(W5.1a) For the facilities referenced in W5.1, what proportion of water accounting data has been third party verified?

Water withdrawals – total volumes

% verified

76-100

Verification standard used

DEKRA's approach for water verification followed ANSI-ASQ National Accreditation Board (ANAB) standards, including LightStay data review and on-site verification of municipal water billing data for the required sample size.

DEKRA Certification Inc. provides annual independent validation services for our ESG reporting, including annual verification of LightStay sustainability results and hotel data used for reporting of GHG emissions, energy use, water use, and waste disposal. A copy of DEKRA's 2021 Assurance Report can be found here: <https://cr.hilton.com/our-reporting/#assurance>.

Please explain

<Not Applicable>

Water withdrawals – volume by source

% verified

76-100

Verification standard used

DEKRA's approach for water verification followed ANSI-ASQ National Accreditation Board (ANAB) standards, including LightStay data review and on-site verification of municipal water billing data for the required sample size.

DEKRA Certification Inc. provides annual independent validation services for our ESG reporting, including annual verification of LightStay sustainability results and hotel data used for reporting of GHG emissions, energy use, water use, and waste disposal. A copy of DEKRA's 2021 Assurance Report can be found here: <https://cr.hilton.com/our-reporting/#assurance>

Please explain

<Not Applicable>

Water withdrawals – quality by standard water quality parameters

% verified

Not verified

Verification standard used

<Not Applicable>

Please explain

Water discharges – total volumes

% verified

76-100

Verification standard used

DEKRA's approach for water verification followed ANSI-ASQ National Accreditation Board (ANAB) standards, including LightStay data review and on-site verification of municipal water billing data for the required sample size.

DEKRA Certification Inc. provides annual independent validation services for our ESG reporting, including annual verification of LightStay sustainability results and hotel data used for reporting of GHG emissions, energy use, water use, and waste disposal. A copy of DEKRA's 2021 Assurance Report can be found here: <https://cr.hilton.com/our-reporting/#assurance>

Please explain

<Not Applicable>

Water discharges – volume by destination

% verified

Not verified

Verification standard used

<Not Applicable>

Please explain

Water discharges – volume by final treatment level

% verified

Not verified

Verification standard used

<Not Applicable>

Please explain

Water discharges – quality by standard water quality parameters

% verified

Not verified

Verification standard used

<Not Applicable>

Please explain

Water consumption – total volume

% verified

76-100

Verification standard used

DEKRA's approach for water verification followed ANSI-ASQ National Accreditation Board (ANAB) standards, including LightStay data review and on-site verification of municipal water billing data for the required sample size.

DEKRA Certification Inc. provides annual independent validation services for our ESG reporting, including annual verification of LightStay sustainability results and hotel data used for reporting of GHG emissions, energy use, water use, and waste disposal. A copy of DEKRA's 2021 Assurance Report can be found here: <https://cr.hilton.com/our-reporting/#assurance>

Please explain

<Not Applicable>

W6. Governance

W6.1

(W6.1) Does your organization have a water policy?

Yes, we have a documented water policy that is publicly available

W6.1a

(W6.1a) Select the options that best describe the scope and content of your water policy.

Row	Scope	Content	Please explain
1	Company-wide	<p>Description of business dependency on water</p> <p>Description of business impact on water</p> <p>Description of water-related performance standards for direct operations</p> <p>Description of water-related standards for procurement</p> <p>Reference to international standards and widely-recognized water initiatives</p> <p>Company water targets and goals</p> <p>Commitment to align with public policy initiatives, such as the SDGs</p> <p>Commitments beyond regulatory compliance</p> <p>Commitment to water-related innovation</p> <p>Commitment to stakeholder awareness and education</p> <p>Commitment to water stewardship and/or collective action</p> <p>Commitment to safely managed Water, Sanitation and Hygiene (WASH) in the workplace</p> <p>Commitment to safely managed Water, Sanitation and Hygiene (WASH) in local communities</p> <p>Acknowledgement of the human right to water and sanitation</p> <p>Recognition of environmental linkages, for example, due to climate change</p>	<p>Hilton's environmental policy statement, responsible sourcing policy statement and water stewardship commitments are company-wide and apply to all managed and franchised properties worldwide. These guide our strategy to manage, measure and minimize any actual or potential negative impacts that relate to water risk issues for all of our properties. The details our policy and commitments and are publicly available on Hilton's ESG website (https://cr.hilton.com/ and https://esg.hilton.com/environment/):</p> <ol style="list-style-type: none"> 1. Environmental and ESG Policies: Addresses water dependency and impact; performance standards for direct operations, construction and renovation; water targets/goals; commitments beyond compliance; stakeholder engagement and employee training; sustainable supply chains, communities and watersheds. 2. 2021 ESG Report, Water section (p. 21-22): summarizing water stewardship strategy, commitment to the UN CEO Water Mandate, water-related innovations, progress towards 2030 Goals, training and our focus on WASH in local communities. 3. 2021 ESG Report, Waste section (p. 23-24): Details our focus on our zero soap to landfill goal and our work with soap recycling partners such as Clean the World.

W6.2

(W6.2) Is there board level oversight of water-related issues within your organization?

Yes

W6.2a

(W6.2a) Identify the position(s) (do not include any names) of the individual(s) on the board with responsibility for water-related issues.

Position of individual	Please explain
Chief Executive Officer (CEO)	Our President and CEO is the member of Hilton's Board of Directors with responsibility for sustainability-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 water stewardship. 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 annual updates and the Nominating and ESG Committee receives quarterly updates from our CEO, General Counsel & Chief ESG Officer, and ESG leadership on the Company's ESG strategy and initiatives. These reports outline Hilton's progress towards our Travel with Purpose 2030 Goals.
Board-level committee	The Board's Nominating and ESG Committee is tasked with overseeing and evaluating Hilton's ESG 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 water stewardship strategy is a component of our ESG program as overseen by the Board's Nominating and ESG Committee.

W6.2b

(W6.2b) Provide further details on the board’s oversight of water-related issues.

	Frequency that water-related issues are a scheduled agenda item	Governance mechanisms into which water-related issues are integrated	Please explain
Row 1	Scheduled - some meetings	Monitoring implementation and performance Overseeing acquisitions and divestiture Overseeing major capital expenditures Providing employee incentives Reviewing and guiding annual budgets Reviewing and guiding business plans Reviewing and guiding major plans of action Reviewing and guiding risk management policies Reviewing and guiding strategy Reviewing and guiding corporate responsibility strategy Reviewing innovation/R&D priorities Setting performance objectives	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. Environmental risks (including natural disasters such as droughts – water scarcity – hurricanes, wildfires) are included in Hilton’s annual Enterprise Risk Management assessment processes. In addition, our ERM processes cover Climate Change risks (defined 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”), Social Impact (including human rights and labor strikes), 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 our General Counsel & 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 water stewardship targets), other key sustainability programs and partnerships, and the direct results of these investments.

W6.2d

(W6.2d) Does your organization have at least one board member with competence on water-related issues?

	Board member(s) have competence on water-related issues	Criteria used to assess competence of board member(s) on water-related issues	Primary reason for no board-level competence on water-related issues	Explain why your organization does not have at least one board member with competence on water-related issues and any plans to address board-level competence in the future
Row 1	Not assessed	<Not Applicable>	<Not Applicable>	<Not Applicable>

W6.3

(W6.3) Provide the highest management-level position(s) or committee(s) with responsibility for water-related issues (do not include the names of individuals).

Name of the position(s) and/or committee(s)

Other C-Suite Officer, please specify (General Counsel & Chief ESG Officer)

Responsibility

Assessing water-related risks and opportunities
 Managing water-related risks and opportunities

Frequency of reporting to the board on water-related issues

Quarterly

Please explain

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 water stewardship. The General Counsel & Chief ESG Officer reports to the President and CEO. The ESG department is led by the Chief Sustainability Officer (Updates on Hilton's ESG activities, including water-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 water stewardship targets), other key sustainability programs and partnerships, and the direct results of these investments.

W6.4

(W6.4) Do you provide incentives to C-suite employees or board members for the management of water-related issues?

	Provide incentives for management of water-related issues	Comment
Row 1	No, and we do not plan to introduce them in the next two years	

W6.5

(W6.5) Do you engage in activities that could either directly or indirectly influence public policy on water through any of the following?

No

W6.6

(W6.6) Did your organization include information about its response to water-related risks in its most recent mainstream financial report?

No, and we have no plans to do so

W7. Business strategy

W7.1

(W7.1) Are water-related issues integrated into any aspects of your long-term strategic business plan, and if so how?

	Are water-related issues integrated?	Long-term time horizon (years)	Please explain
Long-term business objectives	Yes, water-related issues are integrated	5-10	Water issues integrated: Our emphasis is on integrating issues related to SDG 6 Clean Water and Sanitation, such as (1) Sustainable water withdrawals; and (2) Equal, affordable, and safe, access to water access, sanitation, and hygiene. Method of integration: Water-related issues are integrated and highly relevant to our Company's four key strategic priorities to (1) align culture and organization, (2) strengthen brands and commercial services platform, (3) expand global footprint and (4) maximize performance. Our corporate strategy and culture is purpose-driven. As such, our ESG platform is branded as "Travel with Purpose" with a strategic framework that articulates our overarching goals, focus areas, and how we will achieve our targets using both a measurable and memorable approach. Rationale for timescale: We have aligned our ESG strategies and time horizon of all related efforts to support the UN Sustainable Development Goals, a global framework for coordinated action to address critical topics by 2030.
Strategy for achieving long-term objectives	Yes, water-related issues are integrated	5-10	Water issues integrated: Our emphasis is on integrating issues related to SDG 6 Clean Water and Sanitation, such as (1) Sustainable water withdrawals; (2) Equal, affordable, and safe, access to water access, sanitation, and hygiene for employees and communities; (3) Protection of water-related ecosystems and biodiversity. Method of integration: Our 2030 Goals, which form part of our long-term business objectives, are directly aligned to the SDGs. 2030 Value Chain Target: Specific Water-related issues integrated include (1) Reduce water use in our managed operations by 50% liters/m2 - 2008 baseline). We have aligned our ESG strategies and time horizon of all related efforts to support the UN Sustainable Development Goals, a global framework for coordinated action to address critical topics by 2030.
Financial planning	Yes, water-related issues are integrated	5-10	Water issues integrated: Impacts that water availability and quality-related issues may have on costs of water is considered in financial planning. Method of integration: Hilton has incorporated its Water Stewardship activities into its financial planning at the corporate level and has dedicated members of its ESG team focused on water stewardship initiatives. Individual regions and hotels also plan their capital budgets to address water efficiency upgrades that will reduce water consumption at the hotels. Rationale for timescale: Financial planning is carried out on this timescale to ensure future risks can be accounted for.

W7.2

(W7.2) What is the trend in your organization's water-related capital expenditure (CAPEX) and operating expenditure (OPEX) for the reporting year, and the anticipated trend for the next reporting year?

Row 1

Water-related CAPEX (+/- % change)

Anticipated forward trend for CAPEX (+/- % change)

Water-related OPEX (+/- % change)

Anticipated forward trend for OPEX (+/- % change)

Please explain

W7.3

(W7.3) Does your organization use scenario analysis to inform its business strategy?

	Use of scenario analysis	Comment
Row 1	Yes	Hilton used climate-related scenario analysis to inform our business strategy and 2030 Goals. Hilton was the first major hotel company to set science-based targets validated by SBTi in 2018. In June 2022, we revised our SBTs with even more ambitious climate targets as we progressed to the 1.5C scenario by 2030 for our managed estate and the "well below 2-degree" scenario for our franchised properties. Through our SBT setting process, we undertook quantitative and qualitative analysis of how the scenario would impact all areas of our business.

W7.3a

(W7.3a) Provide details of the scenario analysis, what water-related outcomes were identified, and how they have influenced your organization's business strategy.

	Type of scenario analysis used	Parameters, assumptions, analytical choices	Description of possible water-related outcomes	Influence on business strategy
Row 1	Water-related Climate-related	1.5DS	<p>Examples of possible water-related outcomes would include water restrictions in certain regions due to drought or water quality issues.</p> <p>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, we will experience a drop in sales and in corresponding revenue. Using data from external sources including Verisk-Maplecroft and WWF's Water Risk Filter, we have assessed physical climate change risk at each of our properties around the world.</p>	<p>Our thorough annual enterprise risk assessment process assesses transition risks in addition to physical risks internally. Each risk is looked at in terms of its exposure and our management's capability to deal with the issue and a mitigation plan is put in place to deal with each of the risks. Our thorough annual enterprise risk assessment process assesses transition risks in addition to physical risks internally. Each risk is looked at in terms of its exposure and our management's capability to deal with the issue and a mitigation plan is put in place to deal with each of the risks. Risk updates are provided on a quarterly basis to the Audit Committee and on an annual basis to the full Board. In addition, ESG leadership provides an update on Travel with Purpose including initiatives to address water, on a quarterly basis to the Board Nominating + ESG Committee.</p> <p>Hilton is addressing potential water-related outcomes through our 2030 Goals</p> <p>In regular discussions with our property owners, Hilton also evaluates vulnerabilities of our hotels against different risk scenarios with an acknowledgement of specific adaptation and resilience planning initiatives.</p>

W7.4

(W7.4) Does your company use an internal price on water?

Row 1

Does your company use an internal price on water?

No, but we are currently exploring water valuation practices

Please explain

We are currently evaluating water valuation practices that go beyond the price of water to incorporate other externalities at the hotel level. Hilton may potentially link to Water Risk Filter and ongoing WWF work to create a new enhanced water valuation module that would engage hotel Team Members, inform decision making and highlight intersection of energy and water sustainability work streams.

W7.5

(W7.5) Do you classify any of your current products and/or services as low water impact?

	Products and/or services classified as low water impact	Definition used to classify low water impact	Primary reason for not classifying any of your current products and/or services as low water impact	Please explain
Row 1	No, and we do not plan to address this within the next two years	<Not Applicable>	Lack of internal resources	Due to the impact of the COVID-19 pandemic and our reduction in workforce, Hilton has been unable to dedicate the resources needed to conduct this work.

W8. Targets

W8.1

(W8.1) Describe your approach to setting and monitoring water-related targets and/or goals.

	Levels for targets and/or goals	Monitoring at corporate level	Approach to setting and monitoring targets and/or goals
Row 1	Company-wide targets and goals Business level Goals are monitored at the corporate level Site/facility specific targets and/or goals Country level targets and/or goals Basin specific targets and/or goals	Targets are monitored at the corporate level	Company-wide targets and goals: We have aligned our ESG targets and goals to support the UN Sustainable Development Goals, a global framework for coordinated action to address critical topics by 2030. Our emphasis is on integrating water-related issues related to SDG 6 Clean Water and Sanitation through our 2030 Travel with Purpose Value Chain Targets. Our Travel with Purpose 2030 commitment includes environmental and social impact targets. Our 2030 Value Chain Targets are comprised of sub-targets and goals, including a 50% reduction in water use intensity for managed operations (2008 Baseline). Progress is tracked through our ESG department and through LightStay, which we use to track water consumption and other import metrics across our global portfolio. Business-level targets: Annual water reduction targets are set by the individual regions (EMEA, Americas, Asia Pacific) to support achievement of our long-term targets. Progress is monitored by regional and area Property Operations management staff, based on LightStay reporting and direct coordination with the hotels. Facility-level targets: As a global Brand Standard, Hilton requires that all hotels set annual water use reduction targets and complete improvement projects that will increase efficiency. Progress is monitored through LightStay reporting and dashboard displays that apprise hotels of their progress against their annual reduction targets.

W8.1a

(W8.1a) Provide details of your water targets that are monitored at the corporate level, and the progress made.

Target reference number

Target 1

Category of target

Water withdrawals

Level

Company-wide

Primary motivation

Reduced environmental impact

Description of target

As one of our Travel with Purpose 2030 Goals to cut our environmental footprint in half, we have committed to reduce water consumption intensity in our managed operations by 50% (liters/m²) by 2030 (2008 baseline). Given the continued growth of the Hilton global family of hotels, we have found this water use intensity metric to be most relevant in measuring performance over time. The per floor area metric is also the most commonly used sustainability metric in the built environment and helps Hilton better understand and compare performance between brands, regions and other variables. Hilton's reduction target for water use intensity is also highly relevant to the goal of achieving water security, and drives water conservation, efficiency projects and awareness at the corporate, regional and hotel level.

Quantitative metric

Other, please specify (% reduction per hotel floor area (m²).

Baseline year

2008

Start year

2018

Target year

2030

% of target achieved

Please explain

Our 2021 water use intensity was 436 liters per square meter, representing an increase 11.2% from the prior year. While our overall trend is a reduction of water, the hotel closures and reduction in occupancy due to the Covid-19 pandemic had a significant impact on our use of water. For its owned and managed operations, Hilton has reduced its total water use intensity by 39% since 2008. Progress to target is calculated at 78% (39/50) for the period 2008-2021 although we acknowledge that this figure is skewed by the events of the past two years.

Anticipated progress: We believe that significant efficiency lessons have been learned during the pandemic and will be able to make greater progress on reductions with this new information. Original target: No revisions made to the 50% reduction target set in 2018.

Target reference number

Target 2

Category of target

Other, please specify (Water stewardship)

Level

Company-wide

Primary motivation

Corporate social responsibility

Description of target

Quantitative metric

Other, please specify (# watershed remediation activities)

Baseline year

2017

Start year

2017

Target year

2030

% of target achieved

Please explain

In 2021, Hilton and WWF completed two water projects. 1) Supported a project in the Kwando Basin in central south Africa. The Kwando basin is well known for its wildlife, being home to numerous nature reserves. Threats to the basin include urbanization and climate change. WWF implemented a project covering the entire Kwando basin. Through this partnership WWF could monitoring of water flows that in turn will facilitate sustainable and resilient management of the basin. 2) Conducted wetland conservation to maintain and restore biodiversity and critical ecosystem services. This has been done through engaging the various Central and State Governments. The Keshopur-Miani and Kokkarebellur Community Reserves are two key wetlands that WWF-India supports. Hilton also partnered with ProNatura in Mexico to contribute to improvements in community water access including improve and optimize water distribution systems, and installing 16 communal water storage tanks.

W8.1b

(W8.1b) Provide details of your water goal(s) that are monitored at the corporate level and the progress made.

Goal

Promotion of water data transparency

Level

Company-wide

Motivation

Reduced environmental impact

Description of goal

Ensure that key Hilton programs such as LightStay not only provide and assess best-in-class water-related data, but also provide guidance to implement best practices in water efficiency as a way of documenting and monitoring efforts of our water stewardship program. We have integrated our water stewardship messaging and water basin risk analysis in LightStay and our eLearning platform (Hilton University) to drive awareness and collective action across our hotels, particularly in areas of high-water stress. As a brand standard, all managed and franchised hotels are required to utilize LightStay, so this program is companywide. Given our scale and operations in over 100 countries globally, implementing transparent water basin-specific guidance to our hotels around the world has the potential to significantly contribute to water security in the regions in which we operate. Achieving this goal is critical to achieve our water target to reduce water use by 50% by 2030. Implementation: For the past decade LightStay has been used to measure hotels' water consumption, set hotel-level water reduction goals and measure progress. In 2019, data from the WWF Water Risk Filter was added to LightStay to enable hotels to understand the water risk specific to their water basin. Hotels in areas of highest water risk are encouraged to undertake water stewardship activities.

Baseline year

2016

Start year

2017

End year

2030

Progress

Indicators of success: Water stewardship messaging available to all hotels on LightStay, water risk information available to all hotels on LightStay, water-related training course available.

Progress: We continue to build water stewardship into our LightStay sustainability platform and are on track to meet our goal of 50% water reduction (based on 2008 levels) by 2030.

Goal

Engaging with local community

Level

Company-wide

Motivation

Water stewardship

Description of goal

Empowerment of Hilton Team Members to work with community partners to drive local implementation. This is an ongoing initiative that is company-wide but focused on areas with the highest water risk. This goal is monitored at the corporate level as required to track activities related to our public commitments. Given our scale and operations in over 100 countries globally, engagement with our Team Members and local stakeholders to promote water stewardship and conservation has the potential to significantly contribute to water security in the regions in which we operate while also engage our team and community stakeholders. The goal was established as part of Hilton's Water Stewardship Commitment.

Starting with the pilot locations and driven through our global programs such as Earth Week and Global Week of Service, Hilton is mobilizing Team Members around the world to work with local partners to drive water stewardship in our communities. In addition, Hilton uses the water risk data that has been added into LightStay to engage our hotel teams around water stewardship and conservation. Hotels located in water basins of highest water risk are prompted to focus especially on water stewardship, and all hotels receive "improvement tips" prompting them to work with local stakeholders to promote water stewardship and conservation.

Baseline year

2017

Start year

2017

End year

2025

Progress

Indicators of success: Number of local watershed stewardship projects implemented with community partners. Progress: In progress. Activities completed in 2021 in support of this goal include: (1) Initiated pilot water programs in collaboration with WWF to promote stewardship in high water risk areas in the US, South Africa and India; (3) Continued to promote community engagement through our global Team Member activation programs such as Earth Week, Global Week of Service and the Hilton Global Foundation Grant program.

Goal

Providing access to safely managed Water, Sanitation and Hygiene (WASH) in local communities

Level

Company-wide

Motivation

Commitment to the UN Sustainable Development Goals

Description of goal

This goal is to drive access to Water, Sanitation and Hygiene (WASH) in local communities in alignment with SDG 6 and our Travel with Purpose goal to send zero soap to landfill by 2030. This goal applies company wide. Given our scale and operations in over 100 countries globally, driving WASH in our local communities has the potential to save a significant number of lives and contribute to achieving water security in the regions in which we operate. Hilton was the first company in the hospitality industry to set the goal to send zero soap to landfill by recycling all used soap bars in our hotels into new soap bars that are donated to people in need around the world. Soap recycling is being adopted across all of our hotels through the use of our brand standards. We have also joined the UN Water Action Platform and the UN CEO Water Mandate, which

specifically commits us to advancing the water and sanitation agenda in the local communities in which we operate.

Baseline year

2017

Start year

2017

End year

2030

Progress

Indicators of success: Number of hotels participating in soap recycling and driving WASH standards; engagement in initiatives and collaboration projects that advance access to WASH at a local, regional and global level.

Progress: In progress. Hilton's 2021 activities and accomplishments that support this goal include: (1) Collaborating with hotel teams and soap recycling partners to increase soap recycling from 75% to 86% of our global portfolio of managed and franchised hotels. Soap is collected from our guest rooms, then sanitized and recycled into new soap bars by our partners including Clean the World and Soap 4 Hope. Recycled soap is donated to people in need around the world, and soap is distributed along with education around the importance of regular handwashing in preventing the spread of hygiene-related diseases.

(2) In 2021, we recycled our soap into more than 1.6 million bars that have been donated to those in need, diverting over 175,000 pounds from landfill.

W9. Verification

W9.1

(W9.1) Do you verify any other water information reported in your CDP disclosure (not already covered by W5.1a)?

Yes

W9.1a

(W9.1a) Which data points within your CDP disclosure have been verified, and which standards were used?

Disclosure module	Data verified	Verification standard	Please explain
W1 Current state	2021 water withdrawals and Consumption in: year over year comparison	Other, please specify (ANSI-ANAB Standard (ISO))	DEKRA Certification Inc. provides annual independent validation services for our ESG reporting, including annual verification of LightStay sustainability results and hotel data used for reporting of GHG emissions, energy use, water use, and waste disposal. The validation is a systematic application of verification procedures by knowledgeable reviewers for evaluating and reviewing a subset of reported data, calculations, and data management systems. The validation involved a thorough review of meter reads, billing data, calculations and methodologies. This approach, which follows ANSI-ASQ National Accreditation Board (ANAB) standards, is intended to provide a level of assurance and credibility to meet the needs associated with voluntary non-financial public reporting. Based on their review and on-site verification audits, DCI provides reasonable assurance that the reported 2021 water use (withdrawals) are accurate. A copy of DEKRA's 2021 Assurance Report can be found here: https://esg.hilton.com/wp-content/uploads/sites/3/2022/04/2021-Assurance-Statement.pdf

W10. Sign off

W-FI

(W-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.

W10.1

(W10.1) Provide details for the person that has signed off (approved) your CDP water response.

	Job title	Corresponding job category
Row 1	Senior Vice President, Global Head of Public Affairs & ESG	Chief Sustainability Officer (CSO)

W10.2

(W10.2) Please indicate whether your organization agrees for CDP to transfer your publicly disclosed data on your impact and risk response strategies to the CEO Water Mandate's Water Action Hub [applies only to W2.1a (response to impacts), W4.2 and W4.2a (response to risks)].

No

SW. Supply chain module

SW0.1

(SW0.1) What is your organization's annual revenue for the reporting period?

	Annual revenue
Row 1	5788000000

SW1.1

(SW1.1) Could any of your facilities reported in W5.1 have an impact on a requesting CDP supply chain member?

We do not have this data and have no intentions to collect it

SW1.2

(SW1.2) Are you able to provide geolocation data for your facilities?

	Are you able to provide geolocation data for your facilities?	Comment
Row 1	No, this is confidential data	

SW2.1

(SW2.1) Please propose any mutually beneficial water-related projects you could collaborate on with specific CDP supply chain members.

SW2.2

(SW2.2) Have any water projects been implemented due to CDP supply chain member engagement?

No

SW3.1

(SW3.1) Provide any available water intensity values for your organization's products or services.

Submit your response

In which language are you submitting your response?

English

Please confirm how your response should be handled by CDP

	I understand that my response will be shared with all requesting stakeholders	Response permission
Please select your submission options	Yes	Non-public

Please confirm below

I have read and accept the applicable Terms