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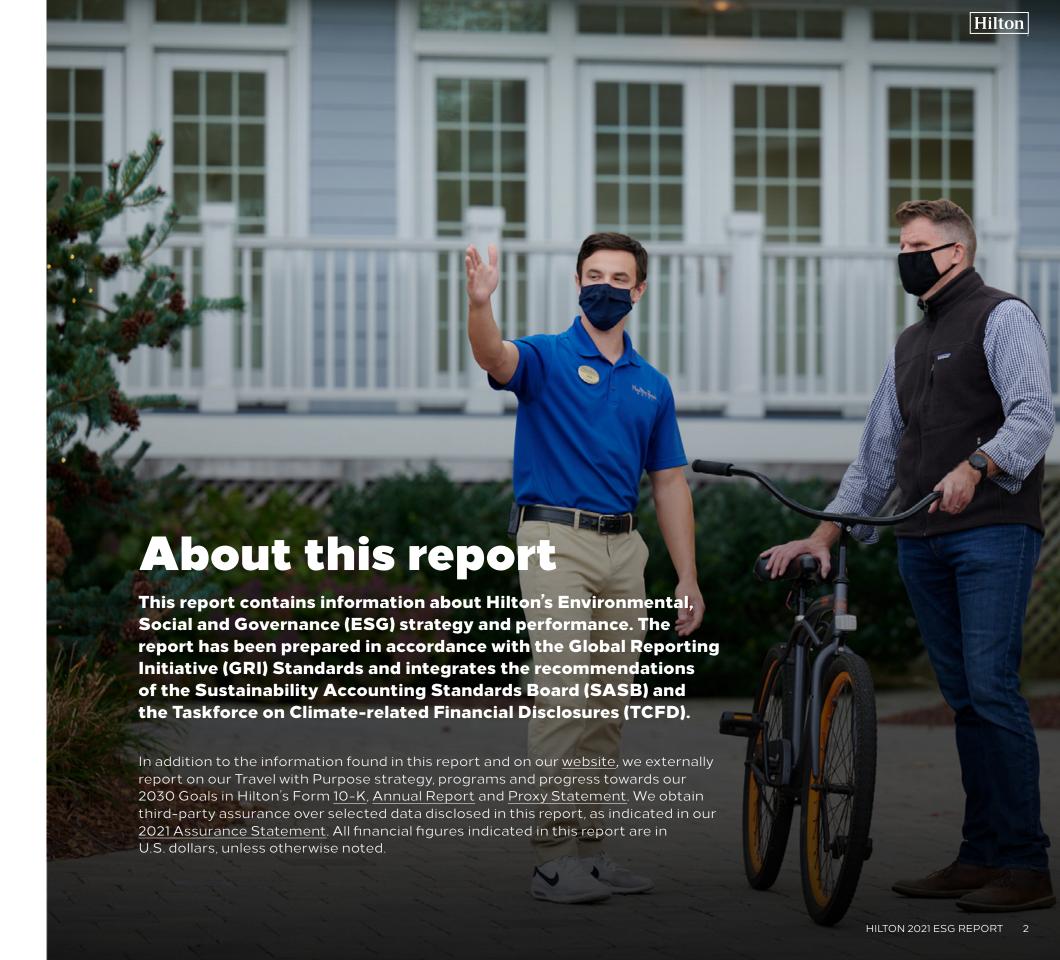
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Hilton CEO Christopher J. Nassetta speaking at the World Travel and Tourism Council Summit.

"Now more than ever. it's our responsibility to preserve the destinations we call home and create truly inclusive growth in our communities."

### **Christopher J. Nassetta**

President and Chief Executive Officer Through another year of change and challenges, what united our Hilton family was our shared purpose—to fill the earth with the light and warmth of hospitality.

The pandemic made clear that our hospitality is a force for good in this world, and we are committed to making that a reality each and every day for all of our stakeholders across our 18 award-winning brands and more than 6,800 hotels. Now more than ever, it's our responsibility to preserve the destinations we call home and create truly inclusive growth in our communities. That's why we have remained committed to our Travel with Purpose strategy, and in 2021 we made exciting progress against our goals.

As we focused on our business' recovery from the COVID-19 pandemic, we never lost sight of supporting our communities as they recovered too. In collaboration with our Team Members, owners, and community partners, we were the first hospitality company to sign the U.S. Department of Energy Better Climate Challenge, launched our carbon neutral meetings program to make sustainable events simple for our customers, and awarded nearly \$2 million in grants through the Hilton Effect Foundation, investing in groups leading the charge in building resiliency and recovery around the world.

There's no doubt that our Team Members—who are truly at the heart of everything we do-rose to the occasion, volunteering more than 190,000 hours, and bringing to life our environmental and social programs in the thousands of communities we serve. Thanks to their tremendous dedication, I am proud to share highlights of the recognition we received for our environmental and social efforts, including being named:

- A global sustainability leader on the Dow Jones Sustainability Indices for the fifth consecutive year and the only hotel company to earn Gold Class distinction in S&P Global's Sustainability Yearbook;
- DiversityInc's #1 Company for Diversity; and
- The #1 Best Big Company to Work For in the U.S. and the #3 World's Best Workplace by Great Place to Work Institute and Fortune Magazine.

There has never been a more important time to double down on our commitments and raise the bar on our environmental and social goals. In the coming year, as climate science and best practices continue to evolve, we will set more ambitious environmental targets that will help preserve the destinations where we live, work and travel, and pave the way to a net-zero future. We are also expanding our social goals, focusing on creating career opportunities, meaningfully impacting our community members, and promoting responsible, inclusive conduct across our operations.

I am so proud of all that we accomplished in 2021, and even prouder of the course we are charting for the future. Together, our Hilton family is defining the next golden age of travel, anchored in sustainability and inclusivity. Thank you to all our Team Members, owners, guests and other partners around the globe who bring Travel with Purpose to life every day—thanks to you, we have a truly bright future ahead.

### Christopher J. Nassetta

President and Chief Executive Officer April 8, 2022



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# **Hilton At-A-Glance**

Hilton is one of the largest and most recognized hospitality companies in the world. Since 1919, we have been an innovator in the industry, driven by the vision of our founder Conrad Hilton, "to fill the earth with the light and warmth of hospitality."



18



6,837



156,500,000+



countries and territories



1,074,791



Team Members globally, including

216,681 in the U.S.

Includes corporate, owned, managed and franchised Team Members.

Our mission is to be the most hospitable company in the world-by creating heartfelt experiences for guests, meaningful opportunities for Team Members, strong value for owners and positive impact in our communities.

### **Our business model**

We organize our operations into three distinct and separately managed operating segments:

- 1. Our managed segment, comprising hotels that are managed by Hilton on behalf of third-party hotel owners
- 2. Our franchised segment, comprising hotels owned and operated by third-party owners and management companies
- 3. Our ownership segment, comprising hotels that are owned or leased by Hilton or our affiliates

A more detailed description of our business model can be found in our public filings. 2

### **OPERATING HOTELS**

**745** (11%) Managed by Hilton

Franchised



**54** (1%) Owned/Leased/ Joint Venture by Hilton

**60** (1%) Timeshare

### **Our greatest asset:** our Team Members

Our Hilton Team Members are at the heart of our business. We foster a culture of inclusivity for our Team Members and are committed to offering a workplace where they can grow, thrive and reach their full potential. We define Team Members as employees at Hilton corporate offices and owned and managed properties, and employees of franchisees who work on-property at independently owned and operated hotels in the Hilton portfolio.

### **Hilton Supply Management**

Our global procurement and supply chain arm, Hilton Supply Management (HSM), develops relationships and negotiates with suppliers around the world to source goods and services at the best combination of price, quality and service. HSM works with more than 85,000 Tier 1 suppliers to source over 482,000 products for hotels around the world, servicing over 14,000 properties, including more than 6,600 non-Hilton branded hotels. Learn more at 

### **Our brands**







CONRAD











TAPESTRY COLLECTION





MOTTO















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### **About Travel with Purpose**

Travel with Purpose is Hilton's ESG strategy to drive responsible travel and tourism globally. Through Travel with Purpose, we seek to create positive environmental and social impact across our operations, supply chain and communities. We pursue best-in-class operational excellence and governance, engage our guests, owners and Team Members, and use our innovation and influence to make meaningful differences in the destinations and communities in which we operate.

While social and environmental impact has long been a priority for Hilton, in 2018 we set our ambitious Travel with Purpose 2030 Goals to hold ourselves accountable for the environmental and social progress we aim to create in our business. Our 2030 Goals are underpinned by targets which closely align with the United Nation's Sustainable Development Goals (SDGs). To achieve these goals, our hotels use LightStay, our industry-leading ESG measurement and management platform. We also leverage our numerous partners and the Hilton Effect Foundation, Hilton's primary international philanthropic arm, to invest in programs and partnerships that will drive progress on our 2030 Goals.

These best-in-class ESG programs, combined with the incredible work of our Team Members around the world to put Travel with Purpose into action, have made Hilton an industry leader in driving social and environmental impact. Yet we are continuously pushing to advance our ESG strategy and evolve our programs to do better-for our guests, our communities and the world.

### **Materiality assessment**

We periodically reevaluate our programs to ensure we are aligning with the issues that matter most to our business and stakeholders. In 2020, we worked with a third party to conduct a thorough ESG materiality assessment, leveraging guidance from the GRI, SASB, and the World Economic Forum. The results of this assessment can be found in our Materiality Assessment Report. 2

### View Our 2030 Goals 🗵

A pledge to travel lighter–we are paving the way toward a net zero world and creating an engine of opportunity in the communities we serve around the globe.





"We don't look at ESG in isolation or silos, but as an intrinsic part of our enduring strategy. Not only is it a top priority for our business, but it's ingrained in our culture and founding values. Creating a positive impact on the planet and our communities empowers everyone across the organization to find a deeper purpose in our daily work. **Our Team Members, everywhere.** are taking that to heart."

### **Kristin Campbell** General Counsel and Chief ESG Officer



# Our new ESG strategic framework

**LEARN MORE** About our Travel with Purpose 2030 Goals 🗵

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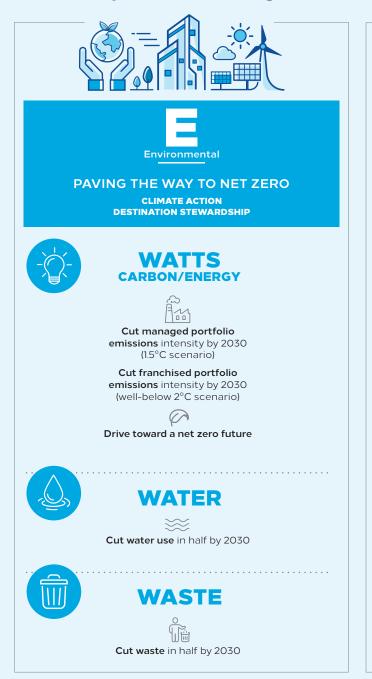
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In 2021, we conducted a strategic review of our Travel with Purpose 2030 Goals to ensure that Hilton continues to evolve its ESG strategy in line with climate science and best-in-class programs.

# TRAVEL

Looking to the future, we have developed a framework that will expand and deepen our commitments to our Team Members, our communities and our planet. It serves as a way to focus and communicate our efforts and will be accompanied by specific targets later this year. As climate science has continued to evolve, we have reevaluated our goals, and will reveal more ambitious environmental targets in alignment with the Science Based Targets Initiative (SBTi) that will help preserve the destinations where we operate and set us on the path to a net-zero future. We will also announce expanded social goals that refocus us on driving meaningful impact and creating an engine of opportunity for our Team Members and community members. Finally, we formally incorporated our governance priorities into our Travel with Purpose strategy, including our work in public affairs, partnerships, and policies and reporting.

### Here is our path forward at a glance:







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### **SUBMITTED APPLICATION TO** THE SCIENCE BASED TARGETS **INITIATIVE (SBTI)**

with more ambitious environmental targets to further reduce our greenhouse gas (GHG) emissions.



### **COMPLETED ISO 14001. ISO 9000 AND ISO 50001 RECERTIFICATION** OF OUR PORTFOLIO OF HOTELS

continuing as one of the largest ISO-certified portfolio of hotels in the world.

### **JOINED THE U.S. DEPARTMENT OF ENERGY BETTER CLIMATE CHALLENGE**

as the first hospitality company to commit to their GHG reduction targets and to share best practices with government leaders.

AND ENVIRONMENTAL EXPERTS

in Glasgow, Scotland, and showcased

**HOSTED WORLD LEADERS** 

our Travel with Purpose efforts.

AT COP26

### **LAUNCHED CARBON NEUTRAL MEETINGS PROGRAM**

LAUNCHED NEW ELECTRIC

**VEHICLE SEARCH FEATURE** 

charging stations.

on Hilton website to allow guests to

properties that offer electric vehicle

easily search for the 1,400+ Hilton

to support our customers in reducing the carbon footprint of their meetings and events and facilitate carbon credits through our partners at South Pole.

### **AWARDED NEARLY**

### **IN HILTON EFFECT GRANTS**

to support organizations leading recovery and resiliency projects for our communities and our planet.



### **REDUCED SINGLE-USE PLASTICS**

by continuing to eliminate the use of miniature toiletry bottles at all hotels by the end of 2023.



## PARTICIPATED AS A U.S. FOOD

at the U.S. Department of Agriculture's first-ever Food Loss and Waste Innovation Fair.

LOSS AND WASTE 2030 CHAMPION

### **RELEASED ETHNIC AND GENDER DIVERSITY COMMITMENTS**

and shared detailed demographic data on our new diversity website.



### **HELD 10TH ANNUAL HILTON EFFECT WEEK**

to inspire social and environmental volunteer efforts from our Team Members around the world.

### **RECEIVED 100% RATING ON THE HUMAN RIGHTS CAMPAIGN'S CORPORATE EQUALITY INDEX**

for eight years in a row.

### JOINED THE TENT COALITION **FOR AFGHAN REFUGEES**

commitment to provide job opportunities for Afghan nationals displaced by the 2021 humanitarian crisis.

### **RELAUNCHED MEET WITH PURPOSE PROGRAM**

that integrates sustainability and community impact activities into meetings and events.

### **DISTRIBUTED \$750,000+ FROM OUR** TEAM MEMBER ASSISTANCE FUND

to provide assistance grants to Team Members impacted by COVID-19 and other crises or disasters.

### "EXTENDING OUR STAY"

**ECO-TRAVEL DOCUSERIES** 

Focused on sustainable travel, our "Extending Our Stay" series takes the virtual traveler to beautiful destinations around the world to explore how they can engage in responsible and sustainable travel. The series highlights Travel with Purpose and the actions our hotels and our community partners are taking to make a positive social and environmental impact. Topics include sustainable food and beverage, food waste, and plastic pollution, among others.



WATCH "EXTENDING OUR STAY"

### **ESG LEADING RECOGNITION**

Recognized as a global sustainability leader by being included on the Dow Jones Sustainability Indices for the

**Dow Jones** 

Received 2022 Gold Class distinction in the S&P Global Sustainability Yearbook

Sustainability Award

Gold Class 2022

S&P Global

Ranked in 21 countries, and certified in 19 others, named by Fortune and GPTW the

For Women in the U.S., and #3 World's Best Workplace



Ranked #1 in DiversityInc's Top 50 Companies for Diversity



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



Named to Newsweek's list of America's Most Responsible

accountability on the Companies CPA-Zicklin Index

TICAL ACCOUNTABILITY

Named a

**Trendsetter** 

in political

disclosure and

5th year in a row

Sustainability Indices

#1 Best Big Company To Work For in the U.S., #1 Best Workplace

The only Awarded **EcoVadis** silver medal in recognition of sustainability

ecovadis

# **Engaging with our key stakeholders**

While Hilton is a global business, the nature of our work is local when it comes to the operations of our 6,800+ hotels. We have built relationships with a global network of stakeholders, whom we regularly consult to better understand and inform our business decisions, including on ESG issues. Their feedback and priorities refine our focus and ultimately improve our initiatives.

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### **Our internal stakeholders keep** a finger on the pulse.

### **Hilton Leadership**

Within the Board of Directors, our Nominating & ESG Committee oversees our ESG strategy and receives quarterly updates on progress towards our 2030 Goals. Similarly, the Board receives annual updates on our strategy. Our CEO and Executive Committee review progress toward those goals during quarterly business reviews, and share with other business leaders and internal stakeholders as appropriate.

### **Team Members**

Team Member feedback is collected year-round via our ESG Inbox and Hilton Team Member Hotline. We also collaborate with a global network of Travel with Purpose Champions-Team Members across the business and at our hotels who are committed to advancing our Travel with Purpose 2030 Goals.

### **Owners and Developers**

We continuously engage with our Owner community on relevant Travel with Purpose programs, and we collaborate closely with owners and developers to pilot new sustainability initiatives and achieve mutual goals.

### **External stakeholders broaden our perspectives** and help focus our actions.

### **External stakeholders**

### **INVESTORS**

We regularly meet with our investors to discuss ESG programs and progress towards our 2030 Goals. We provide transparent, third-party assured ESG information in our Form 10-K, Proxy Statement, Annual Report, and in ESG questionnaires and ratings indices.

### **GUESTS**

We monitor guest feedback, including from nearly 128 million Hilton Honors members, and address questions related to our ESG programs. We seek to exceed guest expectations as we refine our efforts.

### **CORPORATE CUSTOMERS**

We engage with corporate customers to solicit their feedback on our Travel with Purpose programs and endeavor to align our efforts with their own sustainability objectives, such as reducing the environmental footprint of business travel and meetings and events.

### **SUPPLIERS**

We work with suppliers to help us identify innovative, local and sustainable sourcing options, foster a diverse supply chain, and conduct due diligence that assesses human rights and other ESG factors.

### NGOs AND INTERNATIONAL ORGANIZATIONS

Hilton and the Hilton Effect Foundation partner with leading NGOs and international organizations to advance our Travel with Purpose goals and provide Hilton Effect Grants to amplify the impact of our community-based partner organizations around the world.

### **COMMUNITY MEMBERS**

Through our partnerships with NGOs and local organizations, we engage community members to understand the issues of greatest importance to them and to align our programs and innovations with their needs.

### **POLICYMAKERS**

Our global Government Affairs team engages with legislators, regulators and key government decision makers on ESG-related issues.

### **INDUSTRY**

We collaborate with our peers in the travel and tourism industry to advance collective action on environmental and social issues, including driving policy agendas that advance our mutual goals. With them, we co-create industry commitments and initiatives related to human rights, carbon, water, food waste and other critical topics.

**LEARN MORE** 

our ESG strategy

About how we leverage partnerships to advance



"As the Travel with Purpose champion in Egypt, I advise on Hilton's 2030 **Goals. The network facilitates hotel** leaders to share ideas and inspire each other to always go one step further to minimize our environmental impact and increase our contribution in communities across the region."

### **Florian Gruhl** General Manager HILTON LUXOR RESORT & SPA [2]





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# **Measuring and managing our** environmental and social performance

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



Launched in 2009, LightStay is a pioneering, industry-leading technology for measuring and managing the environmental and social impact of hotels. We have continuously evolved and enhanced its capabilities to deliver stronger data and drive greater impact in our portfolio of properties.

LightStay is a Global Brand Standard, which means both Hilton's managed and franchised hotels are required to use the platform to track their environmental and social performance, assess progress toward their goals, and learn from the actions and performance of their peers.

### **Gaining recognition**

LightStay is aligned with the globally recognized criteria of the UN-founded Global Sustainable Tourism Council (GSTC), the most respected seal of approval for sustainable travel and tourism practices. In 2021, LightStay was also recognized by Google as an approved program for their initiative to label eco-certified hotels. When searching for hotels on Google, consumers can now find the green leaf beside all Hilton properties, indicating their commitment to sustainability practices.



cumulative savings in energy costs since 2009

by measuring and monitoring our demand-side energy management in LightStay

### **LightStay features**

### **ENVIRONMENTAL IMPACT TRACKING**

Tracking energy and water consumption, monitoring carbon and waste generation, sourcing practices and improvement projects, and providing peer performance benchmarking.

### **SOCIAL IMPACT TRACKING**

Measuring the impact of volunteer activities, donations, and engagement with local partners.

### **BEST-PRACTICE SHARING**

Tracking operational, design and construction sustainability practices, and enabling hotels to share best practices across our portfolio.

### **CONTEXT-BASED DATA**

Analyzing and predicting utility consumption and costs through data-driven models that leverage local data, such as weather reports, and alerting hotel teams of consumption spikes in real time.

### **RISK MITIGATION**

Mapping all hotels against external risk indices including disaster, climate, water and human rights risks, to inform local strategy and priorities.

### **ENGAGEMENT TOOLS**

Connecting with our hotel teams via recognition, guidance, trainings and customized reports, including reports that can be shared with owners and clients.

### **CLIENT REPORTING**

Enabling us to accurately measure our clients' Scope 3 emissions from meetings and events.

### **THIRD-PARTY VERIFIED**

Externally verified to ensure the accuracy and completeness of our data.



"Our ability to track progress against our ESG goals hinges on our ability to capture and report data in LightStay. This proprietary system not only measures our progress, it allows us to demonstrate real cost savings and business efficiencies from the most impactful improvement projects across our portfolioincluding over \$1 billion in utility cost savings alone since 2009."

**Danny Hughes EVP and President, Americas** 

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# **Meeting with Purpose**

Meet with Purpose demonstrates how Hilton incorporates our customers' priorities and feedback into our business offerings and supports customers to make progress toward their ESG goals.

In 2021, we refreshed and relaunched our Meet with Purpose program, which allows customers to integrate social and environmental considerations into their meetings and events, to assist them in achieving their own ESG goals. Meet with Purpose offers meeting planners and travel managers a set of tools to help their attendees Gather, Nourish and Impact. For **Gather**, our proprietary LightStay Meeting Calculator helps guests convene in a more sustainable way, calculating the environmental profile of their stay so they can make informed, low-waste choices and obtain carbon credits to mitigate the carbon footprint of their gatherings. For **Nourish**, we offer climate-conscious menus featuring locally sourced and sustainably grown meals designed to boost energy and minimize leftovers, while also nourishing others in the local community by donating remaining food, where permitted. For **Impact**, we offer rewarding social impact opportunities important to our customers, ranging from packing hygiene kits to hosting a skills workshop for local youth, that align with the guests' own ESG goals.



Our goal is to work with our customers to impact the destinations where they host business travel and meetings. leaving them better because they visited.



"The power of connection-bringing people together-is more important than ever as businesses reconvene. That's why we created Meet with Purpose, which empowers our customers to convene sustainably and advance environmental and social impact goals. Our clients can even offset the carbon emissions of their event and volunteer to make an impact in the local community."

### **Chris Silcock EVP & Chief Commercial Officer**

### **NEW IN 2021 CARBON NEUTRAL MEETINGS**

By leveraging the robust, propertyspecific data in LightStay, we are able to offer a new Carbon Neutral Meeting/ Event offering to our customers at participating hotels. In a Carbon Neutral Meeting, the CO<sub>2</sub> emissions created from the meeting activities are offset by carbon credits, which contribute to projects that reduce greenhouse gas emissions.

LightStay's Meeting Calculator facilitates the offset of the carbon footprint of meetings by using each property's unique consumption data to create a custom report detailing the predicted carbon, energy, water and waste generated by a meeting or event. The proprietary tool helps meeting planners and guests convene in a more sustainable way, reducing the environmental profile of their stay by making informed, low-waste choices and providing options for offsetting any remaining carbon impact.

We work with our partner, South Pole, to purchase the carbon credits for our Carbon Neutral Meeting offering. These credits fund projects that are located across the globe, including nature-based climate solutions and clean energy and community projects.

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# Creating a better world to travel

Established in 2019, the Hilton Effect Foundation (HEF) is our primary international philanthropic arm that seeks to advance our ambitious Travel with Purpose 2030 goals.

The Foundation seeks to have a positive impact on the communities Hilton serves, with the mission to create a better world to travel for generations to come. HEF awards grants within three focus areas—annual Hilton Effect Grants, disaster response and resiliency, and signature partnerships. In 2021, the Foundation focused on the theme of restoring our communities and our planet for future generations of travelers.

As our communities began to recover from the initial impacts of the COVID-19 pandemic, we focused our 2021 annual Hilton Effect Grants on two key urgent needs:

 Restoring opportunities for underrepresented groups and those who were disproportionately impacted by the pandemic.

• **Restoring the planet**, with a focus on programs that combat climate change and drive environmental stewardship.

To advance these restoration efforts, the Hilton Effect Foundation distributed nearly \$2 million in Hilton Effect Grants, a 50% increase in HEF grant awards from the prior year. These funds supported 12 grantees across six continents. An overview of the 2021 grantees can be found on the map below, and throughout this report we will acquaint you with stories of specific Hilton Effect Grantees and the important work they're doing to impact communities across the world. For more information about the grantees and their projects, visit hiltoneffect.org 🗵





Nearly

distributed in Hilton Effect grants



50%

increase in HEF Grant awards from the prior year



**SUPPORTING OUR** 

international

youth Y

**SIGNATURE PARTNERSHIPS** 

Since established in 2019

in grants awarded to more than

70 NGOs and community-based organizations



"The Hilton Effect Foundation empowers us to support missiondriven organizations all around the world that advance our Travel with **Purpose objectives. Supporting** inspiring organizations that improve communities enables us, together, to make a difference."

### **Simon Vincent**

President, Europe, Middle East & Africa



Two HEF grantee projects in action: The Bread & Butter Project and WaterAid

### **HILTON EFFECT FOUNDATION 2021 ANNUAL GRANTS**





WaterAid

**South Africa** 

**O** WaterAid

Tanzania

O The Nature Conservancy China

Rise Against Hunger **Philippines** 

Sungai Watch Indonesia

> The Bread & **Butter Project** Australia



support their environmental stewardship and

The Hilton Effect Foundation also supports

conservation efforts.





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# **2030 Goal Tracking**

Our 2030 Goals align with the UN's Sustainable Development Goals (SDGs) and targets. The corresponding









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On track

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### SDG for each of Hilton's 2030 Goals is included below, as well as an update on our progress. **Environmental** Paving the way to net zero **HILTON'S 2030 GOALS SDGs PROGRESS TO DATE WATTS** Science-based targets: Developed new, more ambitious science-based targets, which are currently under review with the Science Based Targets initiative (SBTi) Reduce Scope 1 and 2 carbon intensity from managed hotels by 61%, and work with franchisees 50% reduction in carbon emissions intensity (managed hotels)\* to reduce Scope 3 carbon intensity from franchised 7.2 12.2 13.1 hotels by 52% (MT CO<sub>2</sub>e/m<sup>2</sup>, 2008 baseline) 7.3 13.3 43% reduction in carbon emissions intensity (all hotels)\* 7.a Adopt a global standard for responsible travel Signed on as the first hospitality company to commit to the U.S. Department of Energy Better Climate Challenge

**WATER** Reduce water use in our managed operations by 50% (liters/m<sup>2</sup>, 2008 baseline)

and tourism, complementing our existing

environmental certifications

Activate 20 context-based water projects in our communities and watersheds of top water risk





6.3 6.4 6.6 6.b

39% reduction in water intensity (managed hotels)\*

environmental footprint of meetings and events

43% reduction in water intensity (all hotels)\*

100% of hotels mapped against climate risks

3 context-based water pilots completed

Mapped 100% of hotels against WRI and WWF water risk indices

Continued investment in community water stewardship efforts through the Hilton Effect Foundation

Sourced 100% renewable electricity for one-third of our owned, managed and leased hotels in the EMEA region, as well as our Watford and Glasgow offices, and offered renewable energy option for U.S. managed hotels

Continued to enhance LightStay, including the addition of a Meeting Impact Calculator to calculate the

Achieved Global Sustainable Tourism Council (GSTC)-Recognized Standard status for LightStay

Refreshed Energy and Water Efficient Design Companion Guide to guide hotels on design decisions that can improve properties' energy and water efficiency

**WASTE** 

Reduce landfilled waste in our managed operations by 50% (MT/m², 2008 baseline)

Reduce food waste sent to landfill by 50% in our managed operations (MT/m², 2017 baseline)

Send zero soap to landfill by recycling all used guest soap bars, where available









70% reduction in landfilled waste intensity (managed hotels)\*

62% reduction in landfilled waste intensity (all hotels)\*

Established global food waste reduction program

Collaborated with WWF and the hotel industry to develop a standardized waste measurement methodology

Continued to expand Digital Key and transition hotels to bulk amenities, reducing plastic waste from key cards and miniature toiletry bottles

5,500+ hotels partnered with soap recycling organizations to donate soap to those in need



### **Social** Creating an Engine of Opportunity

**HILTON'S 2030 GOALS** 

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### **CAREERS**

Double our investment in youth opportunity programs in countries with lowest youth well-being (2017 baseline)

Fulfill Hilton's commitment to achieve global gender parity and 25% US ethnic representation at our corporate leadership levels by 2027



5.5



8.6,

8.b





10.2. 10.3

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



Continued to provide Hilton Effect Foundation grant support to partners supporting youth opportunity. including IYF. The Memorial Foundation, and Springboard

39% women at global corporate leadership levels (+2 vs YE2020)

19% ethnically diverse at corporate leadership levels in the US (+2 vs YE2020)

In 2021, training on Diversity & Inclusion/Unconscious Bias and creating a Harassment-Free Workplace was completed by 94% of managed hotels in the U.S., as well as 90% of managed hotels globally

### COMMUNITIES

Double our investment in programs that contribute to sustainable solutions and economic opportunity for all (2017 baseline)

Contribute 10 million volunteer hours

Double our monetary response, empowerment efforts and investment in resiliency against natural disasters (2017 baseline)

Support our Team Members affected by disasters

Participate in food donation programs, where allowed by law (managed hotels)

Double Action Grants for hotel-led social and environmental impact projects in our communities

Promote environmental awareness and open our LightStay technology in school educational programs



1.1,

1.2,

1.5





12.3

11.5

Since established in 2019, awarded \$5M+ in Hilton Effect Foundation grants to more than 50 NGOs and community-based organizations



On track

1,810,744 hours volunteered since 2017, including 197,824 hours in 2021

Distributed more than \$2.5M in critical financial support to more than 2,500 Team Members impacted by disasters and crises since 2014

Positively impacted more than 25,000 refugees since 2015 through volunteering, in-kind donations, purchasing, training and employment

Committed to the TENT Partnership for Afghan Refugees, expanding on existing commitments to hire refugees and mentor LGBTQ+ refugees

All managed hotels in North America are required to have food donation programs in place

### CONDUCT

Sustainably source (e.g., certified) all meat and poultry, produce, seafood and cotton at managed hotels (where available)

Double our sourcing spend from local, small and medium-sized enterprises and minority-owned suppliers for managed hotels and corporate offices (2017 baseline)

Create framework for collaboration program with top-tier suppliers

Train employees at Hilton-managed hotels on relevant environmental and social issues

Engage guests in supporting responsible travel in destination hot spots



12.2,

12.5.

12.6





We continue to make incremental progress on sourcing 25% of our global seafood volume for managed properties from Marine Stewardship Council (MSC) fisheries and Aquaculture Stewardship Council (ASC) farms



Prior to the pandemic, cage free eggs represented 88% of egg volume in our managed hotels in the Americas and decreased to 53% in 2021. We are working toward reaching pre-pandemic levels globally moving forward

Sourced from more than 2,500 women-, minority-, veteran-, disabled- and LGBTQ-owned businesses in 2021

50% of brands have at least one brand standard requiring local sourcing

54% of hotel leaders report their Team Members have completed our anti-human trafficking training

Launched "Extending Our Stay" series to engage guests in our Travel with Purpose strategy and inspire them to travel responsibly

Launched refreshed Meet with Purpose program to incorporate environmental and social impact into customer meetings and events



### **ESG STRATEGY**

Our Strategy and Framework

2021 ESG Highlights

Stakeholder Engagement

LightStay

Meet With Purpose

Hilton Effect Foundation

**2030 Goal Tracking** 

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HILTON'S 2030 GOALS		SDGs	PROGRESS TO DATE	STATUS
PUBLIC AFFAIRS	Shape ESG legislation and regulation to advance Hilton's Travel with Purpose 2030 Goals		Led advocacy efforts on behalf of our Team Member and owner community to support COVID-related relief and recovery	Making
	Advocate for policies that support and advance climate action, destination stewardship, human rights, and diversity, equity and inclusion		Advocated to advance legislation related to anti-human trafficking, immigration reform, climate action, plastic elimination, skills training and apprenticeships programs, and diversity, equity and inclusion	progress
			Monitoring forthcoming government regulations related to ESG disclosure requirements	
PARTNERSHIPS	Create and partner with cross-industry networks to advance Travel with Purpose goals, including advancing international human rights and a low-carbon future	8 ECCENT HORK AND 12 DESPENSEMENT DOMESTICS AND THE PROJECTION AND	Participated in Sustainable Hospitality Alliance and World Travel & Tourism Council committees and working groups and contributed to the development of the industry's "Net Positive Pathway"	On track
		8.7, 12.2 1:	Signed UN Global Compact  .1.	
		8.8	.2, Collaborated with expert partners on human rights topics, including ECPAT and It's a Penalty .3	
		1,	Led engagement with key industry trade organizations	
			Continued to work with partners, such as World Wildlife Fund, on sustainable destination management	

### **POLICIES & REPORTING**

Encourage suppliers to set goals and validate through auditing and incentive program

Increase data visibility by incorporating social and environmental criteria into supplier registration and inquiry processes

Embed human rights due diligence across our global operations and in our supply chain, and partner with suppliers to address any form of forced labor or trafficking



8.7, 8.8

Progressed partnership with EcoVadis to track and validate supplier sustainability performance

Collaborate with corporate partners on shared ESG goals and values, including partnership with American Express on distributing 1 million rooms to medical professionals at the frontlines of the battle against COVID-19

All suppliers are encouraged to observe and abide by Hilton's Responsible Sourcing Policy, which is included in all property contracts

and partnership with Lyft to sponsor rides to increase access to vaccines

Where relevant, routinely incorporate sustainability criteria into our sourcing exercises, catalogs and purchasing data

100% of hotels mapped against human rights risks, and 100+ country-level human rights briefs and mitigation plans developed



**ESG STRATEGY** 

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**PAVING THE WAY TO NET ZERO** 

# Environmental Impact

Through climate action and destination stewardship, we intend to pave the way to a net-zero future for our company and the global travel and tourism industry.

With the help of the resort's in-house marine biologist, guests at the Conrad Maldives Rangali Island have the opportunity to place coral "babies" onto a rope where they will be rehabilitated in the coral nursery. Participants will even receive updates from the resort over the next one to two years, so guests can keep an eye on how their baby coral is growing and learn when they get transplanted into their

CONRAD MALDIVES RANGALI ISLAND

# Paving the way to net zero

Reducing our environmental footprint is vital to our business and the world we love to travel.

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Climate change poses a critical threat to the growth and resiliency of the travel and tourism industry. We believe it is important to the long-term success of our business to build and operate sustainable, efficient hotels and to serve as good stewards of the beautiful destinations where we operate. We also aim to meet the expectations of the growing number of consumers who prioritize sustainability considerations when they travel. For these reasons, Hilton is committed to conserving the environment and working to reduce the environmental footprint of our hotels and our operations.

Hilton was the first major hospitality company to set science-based targets to reduce our greenhouse gas emissions in line with climate science. In 2021, we evolved our strategy to set more ambitious targets guided by the Science Based Target Initiative (SBTi). These targets are currently under review with the SBTi, a key body helping the global corporate community define and promote best practices in emissions reductions and net-zero targets in line with climate science.

We also participate in cross-sector sustainability initiatives through our collaboration in the Sustainable Hospitality Alliance, the World Travel & Tourism Council, and our status as a signatory to the U.S. Department of Energy Better Climate Challenge. We view such participation as a business imperative.

### To lead our industry, we follow the data

Our primary source of emissions comes from the operation of our hotels. In 2020, as a result of the COVID-19 pandemic, we experienced a significant decrease in utility consumption across our global portfolio, primarily due to reduced occupancy and complete or partial suspensions of hotel operations.

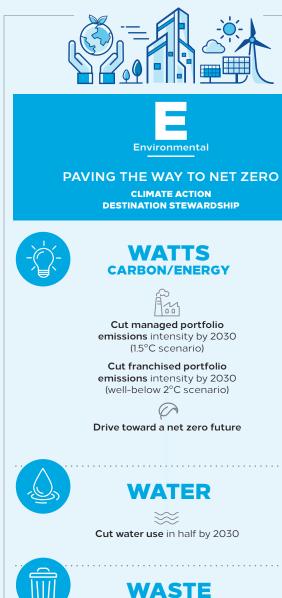
During 2021, we began to recover from the impacts of the pandemic and the majority of hotels reopened and began to build back occupancy, in some cases reaching pre-pandemic levels. As such, we experienced an increase in consumption of energy, water and waste throughout 2021 as occupancy rates increased. As the business continues to recover, we aim to

remain below pre-pandemic consumption levels and to stay on track to achieve our 2030 emissions targets.

The pandemic also allowed us to collect valuable information on how we can optimize the efficiency of hotel operations in times of reduced occupancy, including partial building shutdowns, variable plant load operation, and implementation of enhanced building controls. We will use this knowledge to inform our operations going forward.

### **Better Climate Challenge**

In 2021, Hilton was the first hospitality company to sign on to the U.S. Department of Energy's Better Climate Challenge, a national leadership initiative of organizations committed to reducing greenhouse gas (GHG) emissions, creating jobs, and promoting healthy, safe and thriving communities. As a Better Climate Challenge partner, Hilton has made a public commitment to a more than 50% reduction in GHG emissions across our managed hotel operations over the next 10 years.



### PROVIDING SUSTAINABLE HOSPITALITY TO THE WORLD LEADERS AT COP26

Our Glasgow hotels hosted attendees of the 2021 United Nations Climate Change Conference, also known as COP26, at which heads of state from around the world reported on progress since the Paris Agreement and discussed the most recent report by the Intergovernmental Panel on Climate Change.

The Hilton Glasgow hosted a senior UN delegation and held a major two-day event attended by the CEOs of some of the world's largest businesses. Hosting this event created a great deal of attention to worthwhile sustainability projects, such as equipping refurbished rooms with technology to minimize electrical and water waste, and donating old furniture for upcycling. They also completed an installation of a state-of-the-art building management control system, which drives energy savings. The hotel took this opportunity to serve as a catalyst for the hotel's behavioral change toward sustainable practices, such as carbon offset meetings and plumbed water fountains.



HILTON GLASGOW [2]

Cut waste in half by 2030

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### SOUTH POLE IS HILTON'S PARTNER IN THE PURCHASE OF CARBON CREDITS

Take a look at some of the 2021 projects supported by Hilton's partnership with South Pole. The credits supporting these projects were purchased as part of our Carbon Neutral Meeting Program and to offset unavoidable emissions. All of the projects selected are either Gold Standard Verified Emissions Reductions or Verified Carbon Standard projects to ensure their additionality and environmental integrity.

### MYTRAH WIND POWER, INDIA

This wind energy project in the Indian states of Rajasthan, Andhra Pradesh, Madhya Pradesh and Telangana tackles climate change by providing a renewable source of electricity to the Indian grid. The project also benefits surrounding villages, providing employment and boosting access to education and clean water.

### SAFE COMMUNITY WATER SUPPLY, RWANDA

Lack of safe water, along with poor sanitation and hygiene, is among the greatest causes of poverty in Africa. Without access to clean drinking water, breaking the poverty cycle is incredibly difficult. The Rwanda Safe Water Project both provides local communities with clean water and reduces CO<sub>2</sub> emissions.





### **Preserving destinations**

Hilton recognizes that we have a responsibility to conserve the environment and protect the communities in which we operate. We are taking steps to assess our biodiversity risk as well as our exposure to physical climate risks, in accordance with guidance from the Sustainability Accounting Standards Board (SASB) and the Taskforce for Climate-related Financial Disclosures (TCFD).

We have mapped all of our hotels against the World Database of Protected Areas and the International Union for Conservation of Nature's Red List of Threatened Species, and against Verisk-Maplecroft's Climate Change Vulnerability Index. We have also mapped our U.S. hotels against 100-year flood zone areas, as designated by the U.S. Federal Emergency Management Agency. We are working to develop mitigation plans for existing properties, as well as for new developments in high-risk areas, leveraging our established human rights due diligence process.

We also work with World Wildlife Fund to identify key destinations that might be experiencing higher social and environmental stress to help us prioritize our destination stewardship efforts. In addition, we map 100% of our hotels and pipeline countries against a series of 26 risk indicators, from modern slavery to deforestation.



HILTON SEYCHELLES NORTHOLME RESORT & SPA [2]

### **PROFILE ON LOCATION**

HILTON SEYCHELLES NORTHOLME RESORT & SPA

The Hilton Seychelles Northolme Resort & Spa is a heavenly hideaway that invites guests to help protect and restore Mahé's coral marine life. The hotel's wellestablished coral nursery, developed in partnership with Marine Conservation Society Seychelles, helps regrow coral on land. Guests can play their own part in the restoration journey by adopting a piece of coral to track its development after leaving the hotel and snorkeling along the 650-meter coral trail to see the positive impact of this work.



"Our brands and hotels have a unique responsibility to preserve and protect their local communities and surrounding environments to ensure their viability for future generations of travelers."

### Matthew Schuyler

Chief Brand & Communications Officer

# **Fighting Climate Change**

We believe we can achieve our energy goals through a relentless focus on energy efficiency, which will both reduce utility costs and greenhouse gas emissions from our hotels around the world.

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### Harnessing the power of renewable energy

We began project development for a pilot to install rooftop microgrids at select Americas properties. All of our managed hotels in the U.S. are encouraged to procure at least a portion of their electricity from renewable sources through our energy procurement services contract. A third of managed hotels across EMEA, as well as our Watford and Glasgow corporate offices, are currently powered with 100% certified renewable electricity.

### **Largest ISO-certified portfolio** in the world

In 2021, we officially recertified our portfolio of hotels with ISO, which marks 10 years of our properties certified for ISO 14001 and ISO 9000. a milestone in our long history of commitment to energy efficiency at our hotels. We are also certified to ISO 50001 (Energy Management).



### **Designing greener hotels**

In 2021, we relaunched our refreshed Energy and Water Efficient Design Companion Guide. This guide complements Hilton's Brand Standards by offering improvements that can be made during hotel development, refurbishment and maintenance to improve the environmental performance of the hotel.



100%

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



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



### **OUR SCIENCE-BASED TARGETS**

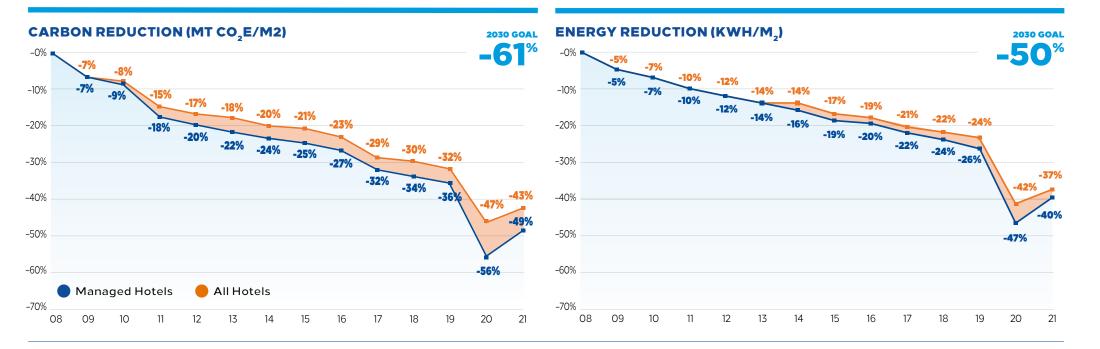
We recognize climate change to be a critical threat to our planet, our communities and our business. and we've made combatting it a top business priority.

In 2018, Hilton was the first major hospitality company to set science-based targets to reduce our greenhouse gas emissions.

### We committed to:

- Reduce Scope 1 and 2 carbon intensity from Hilton-managed hotels by 61%
- Work with our Franchisees to reduce Scope 3 carbon intensity by 52%
- Encourage suppliers to set goals around reducing their environmental and social impact

In 2021, we reviewed our commitments and moved to set more ambitious targets in line with the latest climate science. These new targets are currently under review with the Science Based Targets initiative (SBTi) and will be made public in 2022.



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### **ANTICIPATED TO BE FIRST NET-ZERO HOTEL IN THE U.S.**

HOTEL MARCEL NEW HAVEN, TAPESTRY **COLLECTION BY HILTON** 

Hotel Marcel New Haven, Tapestry Collection by Hilton, set to open this spring, is anticipated to be the first net-zero hotel in the U.S. Originally designed by famed architect Marcel Breuer in 1967, the thoroughly updated property runs entirely independent of fossil fuel, powered onsite primarily from solar panels that cover both the hotel rooftop and parking lot. State-of-the-art retrofits of triple-glazed glass and insulation contribute to the energy efficiency.

Bruce Becker, visionary owner, architect and developer of the remodeled landmark, says, "You have to reuse, recycle, and reinvent existing buildings to be truly sustainable. The culture we have of tearing down and building new is really inefficient. This structure was built to last for another century. Not to repurpose it would have been a real shame. Beauty, function, sustainability: You can't have a beautiful building without addressing all three."

ATHENEE PALACE HILTON BUCHAREST [2]



### **MODERN ENERGY MANAGEMENT IN A HISTORIC HOTEL**

ATHENEE PALACE HILTON BUCHAREST

Dating back to 1914, the Athenee Palace Hilton Bucharest has a long and storied history. However, thanks to a significant refurbishment project, the hotel's building systems are modern and efficient. In the first phase of the project, numerous improvements were implemented to improve the efficiency of the building and ensure guests have the most comfortable stay, including the installation of a new energy management system that adjusts A/C based on presence in the guest room, new energy-efficient chillers & boilers, a roof terrace hydro-insulation to reduce heating/cooling loss, and LED lighting in renovated guest rooms and corridors. Furniture that was replaced in the renovation was recycled to other hotels or retirement homes, and the old chillers were delivered to another hotel to be given a second life. The original style of the Athénée Palace Hilton Bucharest remains, but with the latest technologies and innovations for guests to stay comfortably and sustainably.



Taking eco-friendly cooking to the next level, Chef Josh Murray is working fine dining wonders at SUMMIT the Rooftop at Conrad Washington, D.C. From April to October, the inspired chefand now Director of Food and Beverage at the hotel-uses a solar oven to cook mouthwatering barbeque, and features locally grown produce, including herbs grown on the rooftop garden, in his artful dishes.

Conrad Washington D.C. has been making ecoconsciousness a priority since the hotel opened in 2019. The property received Gold LEED certification thanks to sustainable measures like an onsite stormwater management system that captures 97 percent of rainfall and use it to irrigate the hotel's outdoor terraces and to cool its air conditioning towers. The hotel also features complimentary electric vehicle chargers and in-room motion sensors that adjust a room's temperature when unoccupied.

CONRAD WASHINGTON, DC ☑



### **EV CHARGING STATIONS FOR GUESTS:** MORE THAN 1,400 HOTELS AND COUNTING

To make more sustainable road trips easier than ever. Hilton launched a new website feature that allows guests driving electric vehicles (EVs) to search for hotels with EV charging stations. With more than 1,400 hotels offering stations on property, Hilton is facilitating a sustainable energy transition and has a large portfolio of hotels with EV chargers, which will continue to grow through the establishment of new partnerships with five leading EV charging providers in the U.S. In the U.K., Hilton established an EV charging partnership with the nation's largest EV network provider in 2019.

Above, EV charging stations at the Hilton McLean Tyson's Corner demonstrate the hotel's commitment to sustainable transportation connectivity in the community, and are part of owner Park Hotels and Resorts' charging station program, which extends across 24 hotels, comprising 56% of their portfolio.

HILTON MCLEAN TYSON'S CORNER ☑

HOTEL MARCEL NEW HAVEN, TAPESTRY COLLECTION BY HILTON [2]

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# **Driving holistic water stewardship** across our value chain

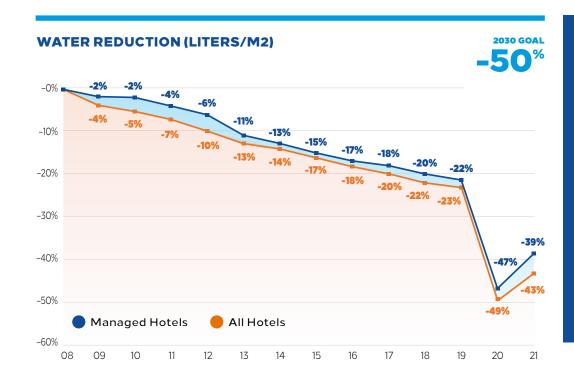
We embed water stewardship throughout our global operations. Our commitment to improving water availability and quality in all of our locations around the world requires we work closely with our hotels, our suppliers and our community partners to reduce water consumption.

Our water reduction targets have proven to be more challenging to achieve than our other environmental objectives. While significant reduction in global occupancy related to the pandemic resulted in a corresponding drop in our water consumption, we recognize that we have work to do to ensure we remain on track to hit our 2030 Goals when occupancy levels return to normal. We are committed to implementing best-in-class solutions to ensure we get there.

### **Elevating operational water efficiency**

We continually train our Team Members to take steps to save water, and many of our hotels in water-stressed regions also encourage our guests to join us in conserving water. Through studying consumption patterns in low-occupancy times, we have focused on further reducing water use in landscaping and building operations, and are seeking opportunities to drive water efficiency and recycling in our HVAC systems and legionella control measures.

We are committed to collective action around water stewardship, and we are proud to be an endorsing company to the CEO Water Mandate's UN Water Action Platform to fight the global water crisis.







WALDORF ASTORIA RAS AL KHAIMAH [2]

### **PRACTICE YOUR SWING AND** SUPPORT THE LOCAL ECOSYSTEM

Waldorf Astoria Ras Al Khaimah invites guests to practice their swing on the adjacent 18-hole championship golf course while helping to promote Ras Al Khaimah's marine life. The coastal driving range near the hotel offers guests the chance to hit "eco golf balls" into the sea. Made of biodegradable ingredients, the balls dissolve into fish food for the local marine life.





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### **Understanding and addressing** water risk

We continually map all of our hotels against WWF's Water Risk Filter and the WRI Aqueduct Water Risk Atlas, and use this mapping to analyze current and future water risks across our portfolio. We have incorporated the results of this analysis into LightStay so that our hotel teams can understand and address water risks specific to their geolocation.

100%

**....** AQUEDUCT of hotels mapped against WWF's Water Risk Filter and WRI's Aqueduct Water Risk Atlas

### **2021 HILTON EFFECT GRANTEES**

SUPPORTING COMMUNITY ACCESS TO CLEAN WATER



### WaterAid

WaterAid transforms lives in South Africa and Tanzania by improving access to clean water, hygiene and sanitation in the world's poorest communities. In South Africa, WaterAid installed community-owned solar-powered water kiosks to serve 30,000+ people. With the support of a 2021 HEF Annual Grant, WaterAid will be able to extend their solar-powered water kiosk project to two other regions in the country. In Tanzania, our grant allows WaterAid to provide climateresilient water, sanitation and hygiene services in the community, and increase local knowledge and skills on water resource management and hygiene behavior.



### Sungai Watch

Bali's waterway guardians, Sungai Watch, is a community river cleanup organization with a mission to protect waterways on the Indonesian island. The group is developing and testing simple trash barriers to prevent plastics from entering the ocean, as well as conducting mass cleanups of waterways. Following the cleanup, Sungai Watch documents and collects data on trash found in rivers to deepen the conversation with companies on how to use more environmentally friendly materials. The HEF grant will enable Sungai Watch to install more trash barriers to lessen the impact of plastics on the community. To pitch in to this effort, Team Members at Conrad Bali, alongside Hilton Bali Resort, took part in an island-wide cleanup initiative which cleared more than 30 tons of plastic waste. These collaborative community engagement efforts are an example of how the Hilton Effect can be amplified around the world.



### Clean the World

Clean the World is a social enterprise with the mission of saving millions of lives around the world by distributing recycled soap and hygiene products from more than 8,000+ hotel and resort partners to children and families. Through mobile shower units, Clean the World is providing WASH and wellness programming for individuals experiencing homelessness. During this multi-year partnership, this program will be a driving force towards a successful transition to housing, treatment and job placement services for this underserved community. Clean the World is restoring the community's access to hot showers, which directly affect individuals' health, wellness and ability to find employment.

# Preventing waste and contributing to a circular economy

Waste prevention, recycling, and food upcycling and donation are all key components of creating a greener hospitality industry.

Our waste reduction strategy seeks to decrease the overall amount of waste produced in our hotels, while taking steps to divert remaining waste from landfill through donation, recycling, composting, energy from waste incineration, and other opportunities. Waste is more closely linked to occupancy than energy or water, and the amount of waste produced by our hotels decreased dramatically due to the pandemic. As we look to the future, we are working with our partners, including waste haulers, suppliers and donation partners, to find innovative ways to continue that positive trend, even as

### **Ensuring that food is not wasted**

occupancy rises.

-70%

The pandemic resulted in disruptions to food supply and a significant increase in global food insecurity, making fighting food waste even more of a business and moral imperative.

**LANDFILLED WASTE REDUCTION (MT/M2)** 

We are committed to cutting our food waste by 50% by 2030. To achieve this ambitious target, we are driving a true culture shift in our hotels. We have deployed our comprehensive food waste reduction program to our hotels in the Americas and EMEA regions and piloted the program in Asia Pacific.

Our program, which leverages the Hotel Kitchen Toolkit, guides hotels through techniques for reducing food waste in every step of the Food & Beverage process: targeting the prevention of food loss and waste before it arises through thoughtful menu planning; recovery of wholesome, otherwise wasted food for donation, where possible; and recycling of food loss and waste to other uses such as animal feed and compost. In 2021, we participated in the U.S. Department of Agriculture's first ever Food Loss and Waste Innovation Fair as a U.S. Food Loss and Waste 2030 Champion to highlight the solutions used at our hotels.

-73%

### LEADING BY EXAMPLE IN THE UPCYCLING OF FOOD WASTE

According to 2021 reports from the United Nations, more than one billion tons of food is wasted around the world each year, contributing up to 10% of all greenhouse gas emissions. One-third of food produced for human consumption is wasted globally, due to waste from the supply chain, leftover meals, expired and stale foods, blemished fruits and vegetables, and more.

Taking a firm stand against food waste, Hilton's Team Members have embraced waste reduction and food upcycling strategies in creative ways, all over the world. Here are just a few examples:

### **ZERO WASTE CAFE**

### Waldorf Astoria, Los Cabos.

opened Neutral, a reducedwaste cafe which uses coffee grinds to fertilize soil. Neutral focuses on providing the freshest products from local coffee communities, offering guests the opportunity to experience culture-rich traditions in a sustainable environment

### PRESERVING PAPAYAS

Enterprising chefs at Hilton Sukhumvit Bangkok and **DoubleTree by Hilton** 

Sukhumvit Bangkok, found new ways to use fragile papayas that would otherwise have gone to waste, creating papaya jam as well as sweetand-sour mocktails to please their quests.

### **FINDING AN ECOFRIENDLY WAY**

### The Monsaraz San Diego. **Tapestry Collection by Hilton**

is home to Westerly Public House. This restaurant has a zero-waste kitchen, utilizing fresh-grown citrus from the hotel's courtyard in the food and beverage program and repurposing used espresso grounds as a garnish for cocktails.







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WALDORF ASTORIA PARK CITY 12 The on-site restaurant, Powder, guests can expect an almost completely plastic-free experience whilst enjoying farm-to-fork meats, cheeses and vegetables, all purchased through local farms.

Plastic pollution threatens communities,

environments, and the destinations in which

we operate. In 2021, we remained focused on

reducing unnecessary single-use items in our

hotels. In line with Hilton's Travel with Purpose

by 2030, we are replacing single-use toiletries

with full-size amenity bottles across our entire

global portfolio. We expect the majority of our

hotels to be miniature-free by the end of 2023.

expanded rapidly in 2021, as more guests chose

to bypass the front desk and check in virtually.

The technology is now available at more than

80% of Hilton's portfolio, or more than 5,600 of

Hilton's more than 6,800 properties worldwide.

It has been used to open more than 168 million

Many of our hotels around the world have implemented sustainable hydration solutions such as reusable drinking vessels, refill stations,

and closed-loop bottling systems.

guestroom doors and has reduced plastic waste

Hilton's app-based Digital Key program

2030 Goal to reduce waste output by 50%

Reducing our use of

single-use plastics

by an estimated 125 tons.

### **Keeping soap where it belongs-in** human hands, not landfills

We are proud to have been the first hotel brand to make soap recycling a brand standard, and the first to set the commitment to send zero soap to landfill. We operate the largest soap recycling program in the hotel industry, with over 88% of our portfolio participating in soap recycling, including all hotels in the U.S. and Canada. Used soap from guest rooms is collected by our housekeeping teams and sent to our soap recycling partners, including Clean the World, Soap Aid, Soap Cycling, and Sundara, who sanitize the soap and turn it into new bars for donation.

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. The COVID-19 pandemic resulted in this program becoming more important than ever before, and we are proud that our hotels around the world have continued to recycle soap-keeping waste from landfill and helping those who need it most.



HILTON BRISBANE ☑

### **CREATING OPPORTUNITY TO CLOSE THE LOOP**

Hilton Brisbane's comprehensive waste reduction initiatives include more than 23 waste streams and community partnerships. Every stay is an opportunity to close the loop, from the recycling of oral care items and other single-use plastics, to the reduction of single-use coffee cups and single-use containers. The hotel diverts up to 10,000 items a month from landfills and funds environmental and social justice projects.



**32%** of waste diverted from landfill (managed hotels only)



1.6M+ bars of soap donated in 2021



### **PARTNERING ON NEW METHODOLOGY TO MEASURE WASTE ACROSS HOTEL CHAINS**

Hilton has collaborated on an industrywide waste measurement methodology developed by World Wildlife Fund (WWF) and Greenview, a global sustainability consulting group. The Hotel Waste Measurement Methodology provides a common approach, building on robust existing strategies to track waste and set targets, harmonizing methods of data collection, and addressing common data gaps and challenges. This gives major brands and individual properties a consistent way to set meaningful goals to reduce waste, keep it out of landfills, and track progress against those goals over time.

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Creating an Engine of Opportunity

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# Creating an engine of opportunity

For more than one hundred years, Hilton has been an engine of opportunity for people and communities around the world.

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operates on a local level, building strong ties in **ESG STRATEGY** our communities, partnering with local businesses and nonprofits, and creating a positive impact

career growth, and other opportunities.

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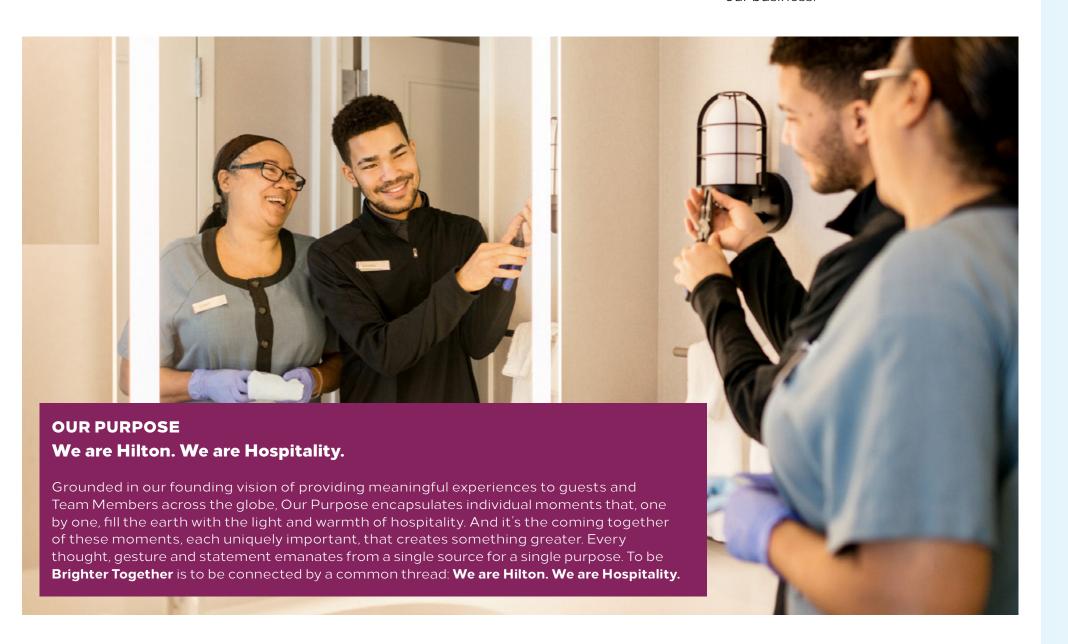
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We view our company as a global business that As the world recovers from the pandemic, our social impact work is more important than ever, and we take great pride in supporting our communities as they emerge from the crisis. in the lives of our neighbors, through learning,

In 2022, we will be enhancing our existing Travel with Purpose social goals to further commit to the areas where we can have the greatest impact, including supporting career opportunities, community impact, and responsible, inclusive conduct across our business.







Hilton

# **Enabling our Team Members to Thrive@Hilton**

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We know that when our Team Members thrive, so do our guests and our communities. That is why we are committed to providing industry-leading programs that empower Team Members to be their best selves in and outside of work, while creating meaningful personal and professional growth opportunities.

### **Investing in our Team Members' development**

We want the time Team Members spend at work to be one of the best, most meaningful parts of their lives, and that means creating opportunities for continuous growth and development for all. Through Hilton University, our Team Members have access to over 25,000 courses covering a wide variety of topics. All Team Members have the opportunity to grow their leadership skills and careers through our Lead@Hilton framework, which develops leaders at every step of their careers and features internal leaders-teaching-leaders videos as well as content from best-in-class partners such as Cornell and Harvard. Curricula were curated for each level of experience to ensure Team Members have the foundational tools to start as learners and the coaching, mentoring, and wellness resources to grow as leaders.

We are also the first company in our industry to partner with Guild Education to provide Team Members the opportunity for debt-free continuing education opportunities.

"Since I started working here, I've felt that someone believes in my skills and talent. I always felt free to test myself and put in practice what I learn every day. And this is the most important thing for me-being part of a working environment that supports you and your career development."

### Rafaella

WALDORF ASTORIA ROME CAVALIERI ☑

Beginning in the spring of 2022, Team Members will have access to a wide variety of educational credentials from leading universities and learning providers including high school completion. English language learning, college degrees, professional certifications, and more.

A catalog of options will be designed to help Team Members move into a variety of "destination roles." Whether they want to move from line level to supervisor, Heart of House to Guest Facing, we will have learning to support them moving towards their unique goals.

### **Prioritizing health and wellness**

At a time when health and well-being are at the forefront of society, we continued to innovate how we deliver medical care that is convenient. accessible and affordable for our Team Members. Hilton was the first hospitality company to partner with Amazon Care, allowing eligible U.S. Team Members and their dependents to speak virtually with a clinician when it is convenient for them. If additional care is needed, they can request to have a nurse come to their home for

"Working at Hilton means you get opportunities you wouldn't get elsewhere-to stretch and grow, try new things, and really make a difference."

### Humoyun

Front Office Manager, HILTON TASHKENT CITY, UZBEKISTAN ☐

in-person care (in select locations). This service will increase access to care, allowing for more timely treatment of acute conditions, and better management of chronic conditions.

Vaccine education is a key component of pandemic recovery. In 2021, we took action to ensure our Team Members had accesses to vaccine information, which included hosting a webinar with a panel of medical experts that was later available to re-watch on demand, and building a COVID-19 microsite to serve as a central source of information. In fact, 21% of webinar attendees said that the information made them more likely to receive their vaccination.

COVID-19 and the many other professional, personal and social stressors of the last two years further spotlighted the importance of mental wellness. In April 2021, we launched a mental wellness platform to reduce the stigma often associated with mental health issues, equip Team Members with effective resources, and continue building a healthy culture. Through our Mental Wellness Hub. Team Members have access to a variety of resources, including over 100 leader testimonials, tips on normalizing conversations around mental health, and ways to seek clinical support if needed. We also offer free counseling sessions through our employee assistance program and through a free, dedicated counselor at our global corporate headquarters. Additionally, we partnered with Thrive Global to provide all Team Members access to their app-based experience, loaded with practical micro-steps to address mental wellness and tools to track progress.

Many of the programs described in this careers section are only targeted to Team Members at our owned/managed hotels and corporate offices



"To build a great culture, we make a promise to our Team Members to create the best, most inclusive environment in which to learn and grow, and one that is connected to a broader purpose. We all want to be a part of something bigger than ourselves and part of a culture where work fits into a good life, and not the other way around. We deliver on that by providing an evolving suite of bestin-class flexible benefits, ranging from lifelong learning and development to mental wellness to discounted travel. to enable our Team Members to bring their whole selves to work each day."

### **Laura Fuentes**

EVP and Chief Human Resources Officer



WATCH "Thrive at Hilton" Mental Wellness 🗵



Almost

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

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### **Recognizing Team Members**

Our employees are at the core of our success. To show our appreciation, we celebrate and recognize them throughout the year with programs such as our annual "Team Member **Appreciation Week**"—a dedicated week to celebrate our employees around the worldand "Catch Me at My Best" which encourages guests, managers and peers to recognize employees whose actions and attitudes embody our values.

Two of our largest recognition programs are the CEO Light & Warmth Award and the Hospitality Heroes Award-both of which we expanded in 2021. The **CEO Light & Warmth Award** is our company's highest honor, recognizing employees who have brought the light and warmth of hospitality to life through sustained, significant and life-changing actions. New in 2021 a team award was added to recognize cross-functional teams who exhibited our Hilton values and demonstrated effective collaboration to deliver impactful results for our business. The **Hospitality Heroes Award**, which started

in 2020 to honor frontline workers, recognizes hotel employees who go above and beyond to bring Hilton hospitality to life-for guests or their Hilton teammates. In 2021, this award was expanded to also include employees at our call centers.

### **Creating time to recharge**

Recognizing the importance of encouraging our Team Members to take time away, last year we adapted our Thrive Sabbatical program and launched the Thrive Mini Sabbatical. Team Members were invited to tell us how the pandemic impacted them and who they would see or where they would go if given the opportunity to recharge and reconnect. We received more than 1,300 stories of perseverance, resilience and sacrifice. Fifteen Team Members were selected from around the world, each receiving a week of paid time off, seven free night stays at any of our hotels, and \$3,000.

WATCH

Winners" **Z** 

We also encourage our Team Members to recharge through our **Go Hilton** program, which offers Team Members as well as their family and friends significantly discounted hotel rates. Go Hilton gives Team Members the chance to meet fellow Team Members around the world, take dream trips that otherwise might have been out of reach, and create new memories while enjoying life-changing travel experiences. The popular travel program enables Team Members to focus on their physical, mental and emotional wellness-while fueling inspiration to deliver extraordinary hospitality.



"It's a wrap on another perfect Team **Member Appreciation Week! Thank you** to all Team Members for your passion and commitment to deliver exceptional guest experiences and support one another even during the most challenging times. I am privileged to work with such a fantastic team!"

One of Hilton's many team members participating in the TMAW fun

### SIGNATURE RECOGNITION PROGRAMS

### **CEO LIGHT & WARMTH AWARD**

Jose Rosado F&BMANAGER



Jose is a quick thinking and re-sourceful problem solver-making the impossible, possible at the Embassy Suites by Hilton she leads with a proactive manage-**Dorado del Mar Beach Resort**. Jose embraces opportunities to celebrate the planet, embracing dimmed lighting during Earth Hour, he initiated the idea of giving salsa lessons at the hotel during this time. He spends ample amounts of time giving back to the community as well, offering basic table etiquette to kids from a local shelter, inspiring them to pursue a career within the industry.

### Angel Cabusao FRONT OFFICE MANAGER



Angel is the epitome of hospitality and is teamwork personified, as ment style in a gentle and cheerful manner at the Conrad Manila, in the **Philippines**. In addition to her many economic and community-focused engagements, she also leads Travel with Purpose projects for indigenous communities, getting the hotel recognized on the Sustainable Travel Bucket List: 10 of the Best Eco-conscious Hiltons Around the World

### **HOSPITALITY HEROES**

### **Aleksandr Tsarenko**



"2021 CEO Light & Warmth Rasa Valentaite



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**Building a diverse, equitable and inclusive workplace** 

We believe diversity makes us stronger, more innovative, and more representative of the many guests and communities we serve around the world. We are proud to create a culture where all are welcomed and celebrated. To achieve our vision of Diversity, Equity & Inclusion (DE&I), we have set ambitious commitments, built accountability mechanisms into our business, established strong partnerships, and developed targeted training, hiring, and work culture development programs to cultivate diverse talent.

### A firm commitment to an ambitious agenda

As part of our DE&I efforts, and to encourage transparency and accountability, we are committed to creating an environment where every Team Member can thrive. As part of this commitment, our goal is to achieve global gender parity and 25% U.S. ethnic representation at our corporate leadership levels by the end

of 2027. Our leaders are committed to building an inclusive organization through effective talent management practices and compensation tied to progress against our diversity representation goals.

To ensure inclusivity and remove bias throughout our U.S. recruiting and hiring process, we track achieve external candidate slates representing 50% gender diversity and 33% ethnic diversity.

In April 2021, we released our ethnic and gender diversity commitments and share detailed demographic data for our Team Member population on our new diversity website jobs.hilton.com/diversity. Publicly sharing this data, to be updated annually, will ensure we remain focused on progress toward our stated commitments.

### 2021 GLOBAL WORKFORCE (Corporate offices, owned and managed hotels)

GENDER1

Women 56%

MANAGEMENT LEVEL



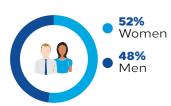
**Full-time employees** 

### **BOARD DIVERSITY<sup>2</sup>**



### 2021 U.S. WORKFORCE (Corporate offices, owned and managed hotels)

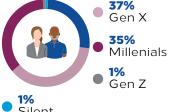
GENDER1



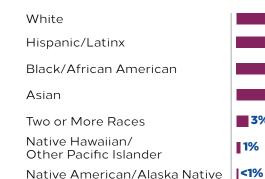
MANAGEMENT LEVEL



### **GENERATION**



### ETHNIC DIVERSITY<sup>3</sup>



3% 1% **Ethnically** diverse

+2

percentage points vs. 2020 **LEARN MORE** About careers at Hilton 🗵

Hilton



"In this time of real change, we're committed to taking the steps to create a diverse, equitable and inclusive workplace for all of our **Team Members-investing in our** diverse talent and providing a clearly defined path to growth."

### **DeShaun Wise Porter**

Vice President, Diversity, Equity and Inclusion and Recognition



+2 percentage points vs. 2020

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

2 Reflects the gender and ethnic diversity of our non-management directors.

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

- 4 General Managers and Hotel Managers at U.S. managed hotels.
- 5 Senior Directors and above at U.S. corporate offices







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### **Cultivating an inclusive work** culture in a kaleidoscopic world

We invest in a number of programs that honor diverse talent and help to create an environment where it can thrive. These include allyship training, our Team Member Resource Groups (TMRGs), Courageous Conversations, mentorship, and benefits that encourage diversity such as paid parental leave.

### **Elevating awareness and** allyship through training

A great place to work creates a sense of belonging and acceptance-regardless of background, ethnicity, age, ability, gender or sexual orientation We train for that.

All hotels and our corporate Team Members are required to complete annual training as part of Hilton's commitment to an inclusive and respectful environment for all. This includes:

### 1. DE&I/UNCONSCIOUS BIAS TRAINING

to build awareness of the implicit bias all humans have and how to overcome this to create an inclusive environment for all. This includes our Hilton-designed, bespoke training program, Creating an Intentionally Inclusive Guest Experience. Training is based around hospitality scenarios, so our Team Members are best prepared to relate and apply what they've learned.

### 2. ANTI-TRAFFICKING TRAINING

to learn the signs of human trafficking for sexual or labor exploitation and know how to take action.

### 3. CODE OF CONDUCT TRAINING

to commit to acting with our value of integrity and maintaining the highest ethical standards.

### 4. HARASSMENT-FREE WORKPLACE TRAINING

to create a positive environment for all, avoiding actions which create a hostile workplace

This work is never done. We remain committed to listening, learning and leading to create a welcoming and hospitable experience for all Team Members and our guests.

### **TEAM MEMBER RESOURCE GROUPS**

With more than **250 chapters worldwide** and **16,900 members**, our Team Member Resource Groups are voluntary groups that build communities across our workforce, provide professional opportunities to Team Members, and foster innovation in our business.



### **COURAGEOUS CONVERSATIONS**

We continued having conversations among Team Members on complex issues like racism and mental health through a program called Courageous Conversations, because we believe our team is stronger for the diverse experiences and perspectives each of us brings to the table. And a more inclusive workforce will make Hilton even more hospitable for all guests around the world. These live, frank conversations focus on a range of topics, including race, gender, age, physical and mental ability, allyship, and a host of other important issues. The program started in 2020 and has included conversations with Hilton Team Members as well as external thought leaders. Thousands of Team Members have taken advantage of the live and recorded sessions.

"During Global Week of Service, our clients said our work with Courageous Conversations far outweighs any other initiatives we've undertaken. Hilton is setting us apart and above the rest."

"This call was extremely inspiring and motivating and I know it will lead to incredibly meaningful conversations with teammates and leaders that are long overdue."

Two of Hilton's many Team Members participating in Courageous Conversations



### **RECOGNITION**

#1 ranking. 2021 DiversityInc Top 50 Companies for Diversity



**GPTW & Fortune** We are ranked in 21 countries and certified in 19 others by Great Place to Work.

#1 Best Place to Work for Women in the U.S.

Check out these rankings and more **2** 







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### SHARING THE DIVERSE PERSPECTIVES OF OUR TEAM MEMBERS

We amplify our Team Members' voices on our careers blog and social media channels to celebrate the rich diversity of our Hilton family and the inclusive environment our Team Members are fostering around the world.

Barbara, one of our deaf Team Members, taught how to sign the three most common phrases in hospitality: "Welcome," "How can I help you?" and "Thank you."





Creating a space to come out in the workplace, our Pride TMRG hosted a virtual conversation on inclusive language and gender pronouns.





To celebrate Hispanic Heritage month, our Hispanic/Latinx TMRG hosted a virtual discussion and live cocktail and salsa crafting class.





### **INTERNATIONAL WOMEN IN ENGINEERING DAY**

Engineering Operations EMEA recognizes the annual International Women in Engineering Day on June 23rd to reinforce the value of our diverse and inclusive culture. Senior executives and hotel functional leads celebrated the inspirational stories of women working in Engineering teams across the region during local events, personal messages, and posts on social media channels. We shared our stories to inspire and motivate other women to challenge the bias and follow their dreams in the engineering profession.



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# Hiring a workforce that mirrors the world

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Hilton has always strived to reflect the global communities where we live and work, and to attract the best talent in hospitality by building a culture that truly is "for all, by all."

Through partnerships with racial and social justice organizations, university **ESG STRATEGY** scholarship programs, and our referral initiative, we have established an array of channels to reach the most exceptional **ENVIRONMENTAL** candidates. We continue to expand our **IMPACT** partnerships with Hispanic-serving institutions (HSIs) and historically Black colleges and universities (HBCUs), as **SOCIAL IMPACT** well as with multicultural, LGTBQ+ and

> These "Pathway Programs" ensure we are attracting diverse talent. Around the world. a sampling of targeted partner and other initiatives includes:

### **MORRIS BROWN COLLEGE**

disability-focused organizations.

Partnering with the 140-year-old HBCU in Atlanta to develop a flagged Hilton property and training complex on its campus and help build its new hospitality management program. Students gain valuable, hands-on experience at the hotel.

### **OPERATION: OPPORTUNITY**

For U.S. military veterans, was founded in 2013. We remain committed to being an employer of choice for veterans and their families through several unique initiatives—to date we have hired more than 35,000 veterans and family members.



### **PROJECT SEARCH**

A U.S. organization serving adults with special needs, to help them earn valuable job skills and find meaningful employment. More than 150 program graduates have obtained full-time work at our hotels.

### **KENYA CHILDREN'S HOMES**

Partnered on a project to bridge hiring opportunities for young adults at properties in Africa and the Middle East. This new program, part of an initiative to help place refugees in the workforce, has employed its first candidates at Hilton hotels.

# **SRI LANKA**

**INVOKING FEMALE COURAGE IN** 

In 2021, we launched Hilton Liya Diriya in partnership with the Sri Lanka Institute of Tourism and Hotel Management (SLITHM) to provide opportunities for local women students who want to build a career in hospitality. The program, whose name translates to "female courage," trains local women students in the skills they need to realize their goals. In March, the first group of participants began the program, which includes two phases: a one-month course with the SLITHM and a six-month industrial traineeship at a Hilton property in Sri Lanka.

### JOINING THE TENT COALITION FOR **AFGHAN REFUGEES.**

Guided by our founder's vision to fill the world with the light and warmth of hospitality, we are committed to using our resources and tools to help support refugees-including recent Afghan refugees to the U.S. We are working with resettlement groups to offer Hilton employment opportunities to support these individuals as they build new lives in the U.S. To continue creating an inclusive workforce with refugees across the U.S. and U.K., we are partnering with the Tent Partnership for Refugees, a nonprofit organization launched in 2016 to mobilize the global business community to include refugees. Tent provides a network of major companies committed to integrating refugees in their host communities.



# Creating learning and career growth opportunities for all

One of the key ways we contribute to resiliency in our communities is through opportunities for career growth and skills training.

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### **Creating opportunities in the** communities around us

Many of our career opportunities programs extend beyond our own Team Member community. Hilton has long been committed to providing skills training and opportunity programs for populations that are traditionally underrepresented or undersupported in the workforce, such as youth, refugees, women, minorities, persons with disabilities, and other groups. These are a few examples of initiatives Hilton supported in 2021 that helped our community members to forge their own paths to success:

### **PASSPORT TO SUCCESS (PTS) CONCIERGE**

This free online course prepares young people with the critical life skills needed to succeed in the hospitality and tourism sector. Created by the International Youth Foundation (IYF) in collaboration with the Hilton Effect Foundation, the course launched in Arabic, English, French and Spanish on International Youth Day.

### **HELPING "SQUEEGEE KIDS" MOVE UP**

In partnership with the Canopy by Hilton **Baltimore Harbor Point**, the city of Baltimore has launched an employment program pairing former "squeegee kids" – young people who were previously cleaning windshields at intersections to earn money—with jobs in the hospitality industry. The Squeegee Action Plan provides job training for 10 city youths who will work at the Canopy hotel in Baltimore's Harbor Point neighborhood, rotating among jobs as bellhops, maintenance staff, and working in the hotel's restaurant, Cindy Lou's Fish House.

### SHE HAS A DEAL



Tracy Prigmore, founder of She Has a Deal and owner of Hampton Inn by Hilton Waldorf. 🗵

Increasing diversity and representation in hotel ownership has become a passion for Tracy Prigmore, owner of **Hampton Inn by Hilton Waldorf**. Tracy created the She Has a Deal program, which aims to educate and inspire future women hotel owners and developers in a traditionally male-dominated industry through education, networking and mentorship. Hilton is a proud sponsor of this innovative initiative and has hosted program events at our hotels over the past two years.

### **2021 HILTON EFFECT GRANTEES**



### Springboard is enhancing employability for youth in the UK

Springboard was established to support the hospitality industry and disadvantaged young people seeking employment within it. Springboard's Employability Program identifies positive career paths, providing opportunities to experience the world of work, and increase young people's future employment prospects. They engage youth organization members across London via neighborhood community centers, where long-standing and trusted relationships with youth counselors make them ideal places for young people to get information, advice and guidance.



### The Bread & Butter Project is helping asylum seekers learn job-worthy baking skills

Australia's The Bread & Butter Project trains asylum seekers and refugees in baking skills to support their resettlement and help them gain employment. Trainees undergo a 6- to 8-month apprenticeship which includes on-the-job training, English language tutoring, and job readiness support. The Bread & Butter Project then helps graduates identify work opportunities.

# Supporting those around us, every day, worldwide

Thinking globally. Acting locally. Always.

**LEARN MORE** About the Hilton Effect Foundation [2]

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As stewards of the thousands of communities in which we operate, we leverage our broad footprint and our passionate global community of Team Members to contribute to community development and resilience.

Hilton has a long and proud history of prioritizing the well-being of the communities in which we operate, and we continue to expand our social initiatives. We saw an outpouring of community support from our Team Members when the COVID-19 pandemic hit, and we witnessed countless acts of selfless service to support the most vulnerable populations and those severely impacted in our local communities.

### **2021 HOTEL ACTION** IN THEIR LOCAL COMMUNITIES



190,000+ total volunteer hours from Team Members



\$395,492 monetary gifts



\$360,080 in-kind donations



123,848 meals donated



bars of soap donated

### Local-level support to build stronger communities

Our Team Members around the world activate Travel with Purpose in their communities by opening their hearts and extending their hospitality beyond the walls of their hotels. Hotels lead a variety of local initiatives to meet their communities' needs, including volunteering, making donations, partnering with local organizations, and working swiftly to provide support in the wake of a disaster. Some examples include:

### **FEEDING FAMILIES DURING COVID-19**

When Supoj Suwanwong, Director of Food & Beverage at the Hilton Sukhumvit Bangkok, saw that people in his community were having trouble feeding their families during the pandemic, he created a drive-through food donation center where Team Members and community members could drop off canned foods donations. Partnering with Scholars of Sustenance Thailand, a local NGO and Hilton Effect Foundation grantee, this effort evolved into weekly donations to those in need.

The **Hilton London Metropole** delivered 50,000 meals to those in need through Open Kitchen and Project Felix in 2021.

### **DONATING REFURBISHED ITEMS**

Renovated items were donated to Richmond Doorways Hospital and Habitat for Humanity by the Hilton Richmond Downtown. Their towel shelves and mirrors stay out of the landfill and live to see another day.



Hilton Richmond Downtown donated to John Cario of Habitat for Humanity.

### Investing in restorative, resilient action

In this year of recovery, Hilton and the Hilton Effect Foundation together have doubled down on our charitable efforts to build resilient communities for future generations of travelers, particularly in the wake of the COVID-19 pandemic. Here are a few examples of these projects:

### **2021 HILTON EFFECT GRANTEES**



### Direct Relief across the Middle East

This international humanitarian aid organization's mission is to improve the lives of people affected by poverty or emergencies across the greater Middle East. With programming in countries such as Afghanistan, Turkey, and Lebanon-still recovering from the Beirut port explosion-Direct Relief is supporting individuals and families by delivering supplies, food and other essentials. With HEF's support, Direct Relief can continue to support the ongoing economic crisis in Lebanon, which has caused an increase in food prices and a shortage of essential goods. Additionally, Direct Relief is providing essential needs of Syrian refugee children and providing aid to refugees living in more than 20 formal camps in Turkey.



### Rise Against Hunger feeding the Philippines

This international hunger relief organization distributes food and life-changing aid to the world's most vulnerable, aiming to mobilize the necessary resources to end hunger by 2030. In the Philippines, its Good Food Farm project creates community organic farms in urban areas, a project dedicated to alleviating hunger through sustainable agriculture. With the support from the HEF, these urban demonstration farming projects will improve food security, address hunger and reduce malnutrition. The 4.5-hectare farm they are developing in Magdalena, Laguna, will also empower families in the community, especially the women, to earn a living through urban farming.





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### **Responding to disasters**

Market Relief

HOPE HOPE

With Hilton's broad global footprint around the world, when a disaster hits, there are often hotels in the community that are well-positioned to provide much-needed support. Through our Hilton Effect Foundation and strategic partnerships with organizations that are on the ground in the immediate aftermath of a disaster, we work to provide disaster relief support and rebuild so communities are more resilient.

In 2021, we responded to crises and disasters across the globe, including Winter Storm Uri, Hurricane Ida, Malaysian floods, tornadoes in Kentucky, the Afghan humanitarian crisis, and the continued impacts of the global COVID-19 pandemic. Since 2016, we have leveraged our Team Member Assistance Fund (TMAF) to provide urgent monetary support to our Team Members impacted by disaster and hardship.





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

BY REGION





"Every day we must ask ourselves how we will leave society in a better place. A focus on our people is essential to our response, especially during a pandemic. One of the many ways we supported our workforce through the pandemic was through our Team **Member Assistance Fund. where we** funded oxygen concentrators for **COVID** relief in India."

### **Alan Watts** President, Asia Pacific

### **2021 HILTON EFFECT GRANTEES**



### Team Rubicon: America's veterans lend a hand to Afghan refugees

Team Rubicon mobilizes veterans and other volunteers to continue their service, leveraging their skills and experience to help people prepare for, respond to, and recover from disasters and humanitarian crises. Through HEF's grant, Team Rubicon continues to serve as a critical source of on-the-ground support at bases where Afghan families are being received and housed. Their role includes supporting logistics, providing translation services, and coordinating donations and gear, such as COVID-19 safety and testing equipment. They will continue to support the refugees as they exit the bases and build new lives in the U.S.

Winter Storm Uri in 2021 left residents like Nola Jones with dangerous, damaged trees and branches on their homes and properties. Team Rubicon sawyers, all living within an hour of Ms. Jones's home, stepped in to remove the hazardous remnants of the storm and restore her property's safety following the devastating storm.

# Promoting universal respect for human rights

As a business of people serving people, respecting and protecting human rights is core to our mission.

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Our human rights strategy is informed by the United Nations Guiding Principles for Business and Human Rights. Our commitments and expectations are established in our Code of Conduct, Human Rights Principles, and Responsible Sourcing Policy, and include the prohibition of forced labor, bonded labor, child labor, slave labor, human trafficking, and recruitment fees. Our policies also prohibit the use of any Hilton property, product or service in any manner that supports or enables any form of abuse or exploitation. In 2021, we updated our Human Rights Policy.

We have created and piloted a human rights due diligence process for our operations and supply chain, and partner with suppliers to prevent forced labor or trafficking. We encourage all Team Members to report potential human rights recruitment issues and signs of trafficking, directly to hotel management or anonymously through the Hilton Hotline.

### **IN 2021**



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



100%

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



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

### **Combatting labor exploitation in** our supply chain

Our Responsible Sourcing Policy, which was refreshed in 2021, outlines Human Rights standards expected of Hilton suppliers. Suppliers are encouraged to have appropriate management systems in place and take steps to comply with this policy. We implemented a Human Rights due diligence process, supplemented by the use of EcoVadis scorecards, to further inform our risk assessments and ensure we partner with responsible suppliers. In 2021, we continued to advance our partnership with EcoVadis to assess our suppliers' sustainability risk and performance, educate on material impacts and provide best management practices to encourage continuous improvement. All suppliers are encouraged to observe and abide by Hilton's Responsible Sourcing Policy, which is included in all property contracts.

### **Addressing risks in our operations**

We recognize that hotels around the world are at risk of being used by traffickers for commercial sexual exploitation. To mitigate this risk, we are focused on educating stakeholders, maintaining updated policies, and collaborating with leading organizations. Since 2011, we have remained proud signatories to the ECPAT Tourism Child-Protection Code of Conduct, and all our hotel-based Team Members are required to complete ECPAT's anti-human trafficking training on an annual basis. Additionally, we sponsor ECPAT via their Partners in Protection program at the Leader in Protection Level. We continuously map all our operating hotels against external human risk indices that inform us on both operational and sourcing risks, leveraging our data analytics to support victim-centered anti-exploitation efforts across the U.S.

### It's a Penalty campaigns continue to educate and inspire action

Building on our partnership for the 2021 Super Bowl in Tampa, we partnered with It's a Penalty for the Super Bowl LVI in Los Angeles to educate our Team Members and guests at all of our hotels in the greater Los Angeles area on recognizing and reporting human trafficking. We also participated in the It's a Penalty launch event in advance of the Super Bowl to discuss how the hospitality industry can further our leadership on ending abuse, exploitation, and human trafficking. We continue to support activations around other major sporting events globally.



Nick Caine, CEO of A21, and staff members at It's a Penalty Launch Event. A21 is a nonprofit that fights against human trafficking, and a lead sponsor of It's a Penalty.

### FIGHTING UNCONSCIOUS BIAS WITH REAL-WORLD SCENARIOS

As part of our human rights agenda, we provide mandatory unconscious bias training for all guest-facing Team Members. Through this online training, they experience realistic scenarios in which guests may be subjected to unconscious bias based on their race, gender, religion, ability, or sexual orientation. The training includes de-escalation skills to help Team Members handle conflicts. Guided by thoughtful questions and real-life situations, they examine how guests feel when subjected to unconscious bias and how they can ensure all guests feel welcome. In 2021, training on Diversity & Inclusion/Unconscious Bias and creating a Harassment-Free Workplace was completed by 94% of managed hotels in the U.S., as well as 90% of managed hotels globally.

# **Advancing responsible sourcing**

**LEARN MORE** About our **Supplier Diversity** Report 🗵

With operations spanning 122 countries and territories, we recognize the immense economic, environmental and social impact we have through our supply chain.

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Hilton has committed to sustainably source meat, poultry, produce, seafood and cotton, and to collaborate with our suppliers to achieve strict responsible sourcing goals by 2030. We engage closely with our suppliers and encourage our business partners to adopt their own sustainable practices, including setting carbon reduction targets and conducting human rights due diligence. 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.

## A sea change in seafood procurement

Excessive fishing has begun to outpace reproduction within marine ecosystems, posing a serious challenge for the international community. Despite a challenging year of supply chain issues, Hilton continues to make incremental progress towards the goal of sourcing at least 25% of its total global seafood volume for managed properties from Marine Stewardship Council (MSC) fisheries and Aquaculture Stewardship Council (ASC) farms. This includes

banning the procurement of endangered species and ensuring the remaining portion of our seafood is working towards certification, sustainable improvement, or inclusion on WWF green lists.

Several exciting milestones were reached in our responsible sourcing journey. Hilton inked a Memorandum of Understanding with Seafood Legacy and UMITO Partners to procure more sustainable seafood for our properties in Japan and Korea, while Conrad Seoul and Hilton Tokyo Bay achieved MSC and ASC Chain of Custody certifications—the first hotel in Korea and the first Hilton hotel in Japan, respectively. to do so. MSC- and ASC-certified seafood procurement in Japan and Korea also surpassed 25% in the month of December 2021—a marked improvement on less than 1% in 2018.

# **Protecting animal welfare**

Hilton strives to work towards the legal, ethical, humane treatment of animals across our value chain. Our approach to animal welfare is informed by the "Five Freedoms" of care and codified in our Animal Welfare Statement. We are signatories to the World Travel & Tourism Council's Declaration

on Illegal Trade in Wildlife, committing to not knowingly purchase, use or facilitate the sale of illegally harvested wildlife products.

In addition to our efforts around sustainable seafood, Hilton Supply Management (HSM) is also investing in sustainably sourced meat, poultry, produce, cotton, and cage-free eggs for thousands of hotels around the globe. Utilizing our supplier relationships and procurement strategy to protect our planet and its animals, our HSM teams are helping properties worldwide to deliver dining experiences using responsibly sourced regional and local resources. From wild Georgia shrimp in Savannah to tofu pudding in Hong Kong, we strive to serve fresh, delicious and eco-friendly fare to guests today while we work to secure a sustainable future, continuing to obtain guidance from NGOs and other external experts as we progress towards our goals.



"Our partnerships with environmentally responsible businesses help redefine what hospitality means on a global scale. Throughout the pandemic and its supply chain disruptions, we continue to see a strong demand for locally curated and sustainably sourced products. In partnership with our suppliers, we continue to deliver quality products on time while significantly reducing our carbon footprint"

#### Anu Saxena

Senior Vice President, and Global Head, Hilton Supply Management



Hilton signed a Memorandum of Understanding for a collaborative partnership for sustainable seafood with Seafood Legacy Co., Ltd., and UMITO Partners Inc. in Japan.



Culinary cup challenge with sustainable seafood dishes at Hilton Japan.



Extending Our Stay video series traveled to Peru to meet with The Mountain Institute in an exploration of the mountain communities that depend on the ecosystem, farming and cattle raising.



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Conrad Seoul became the first hotel in South Korea to gain MSC and ASC certification in March 2021.

**Fostering supplier diversity** 

We have a responsibility to promote

inclusion, support and respect in a world

that is incredibly diverse. We've developed an

industry-leading Supplier Diversity Program

that plays a large role in that commitment, helping us partner with suppliers whose culture

and values align with our own. For the past

decade, we've cultivated relationships with

nearly 5,000 women-, minority-, veteran-,

supplier spend with these businesses has

disadvantaged, small businesses. Our annual

reached about \$220 million. Learn more about

LGBTQ-, and disabled-owned, as well as

our Supplier Diversity Program on our

Supplier Diversity site.



Extending Our Stay video series traveled to Portland, Oregon, to explore the importance of knowing where our food comes from.



WATCH "Extending Our Stay" Eating & Drinking More Sustainably [2]

We travel to see a world that is bigger than ourselves and to understand cultures that are different from our own. Increasing our commitment to diverse suppliers not only helps us be more representative of our community, it also helps Hilton be more representative of the world at large.

# IN 2021 WE SOURCED FROM MORE THAN



Supplier Diversity Program partners

accounting for



of our supplier spend.

Hilton Supply Management. our global procurement arm, won a 2021 World Sustainability Leaders Award in the Human Rights category.





CONRAD KOH SAMUI 🗵



CONRAD TULUM RIVIERA MAYA [2]

#### TAPPING LOCAL ENERGIES TO WORK TOWARD GLOBAL GOALS

Our hotels can have a powerful impact in their communities by sourcing products locally, empowering local artisans, farmers, and small businesses while enhancing the experience for their guests. Hotels may commission artwork from local artisans in their lobby, procure food & beverage ingredients from local farms or fisheries, or feature local products in hotel shops. Here are a few examples of local sourcing at our hotels:

#### LEADING THE FARM-TO-TABLE EXPERIENCE

Conrad Koh Samui launched the inspirational Iris Farm in the midst of the health pandemic to provide a wide range of organic herbs and vegetables for the hotel's bars and restaurants. They produce 1,200 kg of food per month, and they process around 3,400 kg of compostable waste per month. This benefits the environment by recycling organic resources while conserving landfill space. In addition, the hotel also practices eco-friendly farming techniques and offers meaningful quest engagement activities for young and seasoned travelers.

#### **EMBRACING TRADITION AT THE CONRAD SPA TULUM**

The spa at the new Conrad Tulum Riviera Maya is committed to celebrating the culture and art of Mexican traditions. The treatments are influenced by the Mayan culture, and many of the eco-friendly spa products are locally sourced. The spa garden offers a traditional Mexican dispensary of local herbs and roots to customize the massage oils and scrubs, and the spa boutique features products handcrafted by artisans using traditional techniques, including kaftans woven by Oaxacan artisans and bags produced by Yucatan women using the agave natural fiber 'henequen.'

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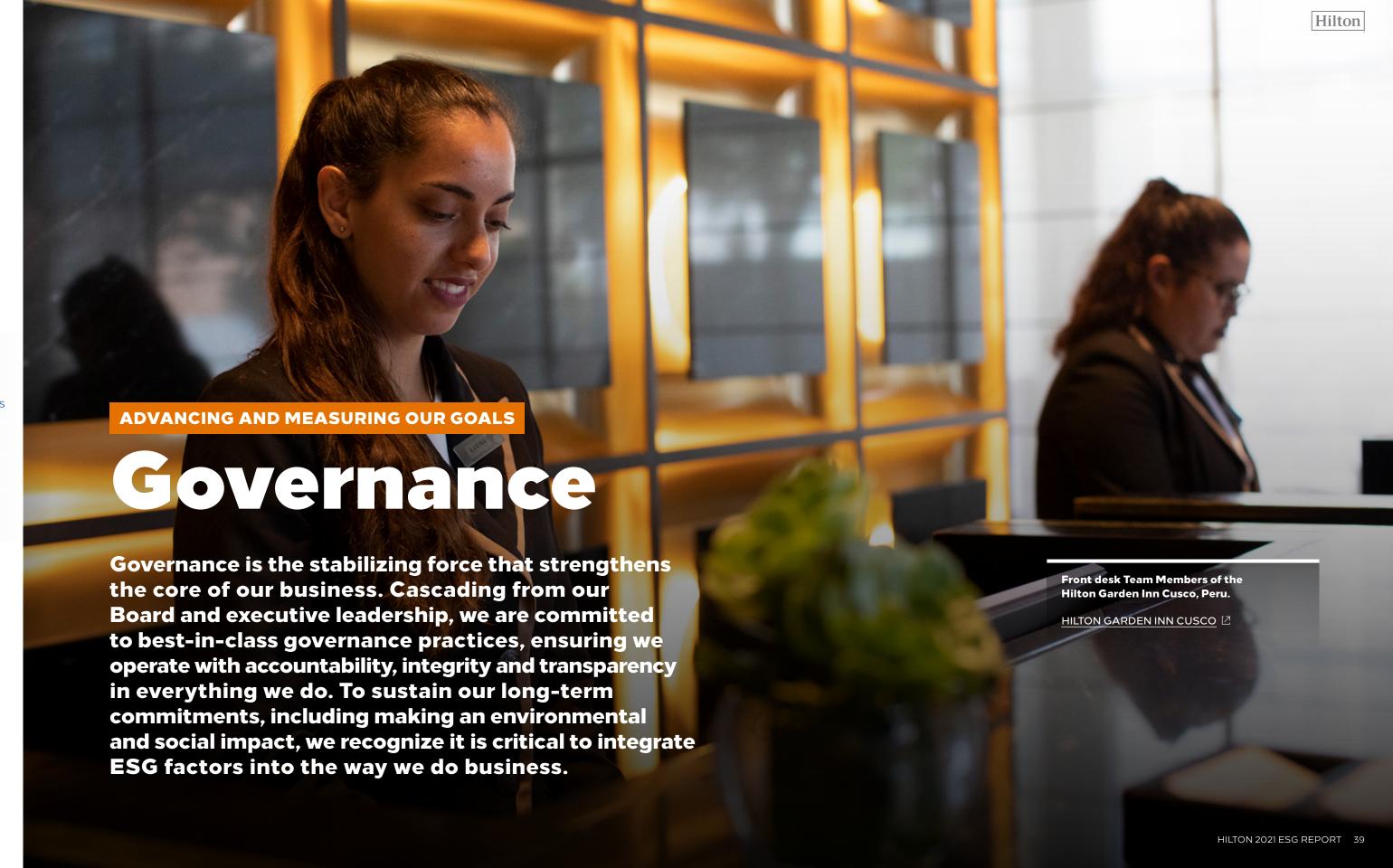
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# **Advancing and measuring our goals**

Our ESG efforts are supported by a robust corporate governance structure, designed to enhance the longevity of our business, and ensure our objectives are fully embedded in our priorities as we work toward our overall business objectives, including our 2030 environmental and social impact goals. We have also enhanced our measurement systems so we can track progress towards our goals and use that data to assess risk and drive decision making.

# **Board composition and independence**

Our Board oversees our company and conducts its business through meetings and its three standing committees: the Audit Committee; the Compensation Committee; and the Nominating & ESG Committee. Our Board has a majority (78%) of independent directors, and all of our Board's committees are fully independent. The only executive member of our Board is our CEO Christopher J. Nassetta.

Our Board's lead independent director serves as a liaison between the CEO and independent and non-management directors, including advising as to the scope and production of Board materials, managing our Board's self-evaluation process, providing input on meeting agendas, chairing executive sessions of independent directors, monitoring communications between stockholders and our Board, and consulting on corporate governance matters.

The Board conducts annual self-evaluations to determine whether it and its committees are functioning effectively as required by applicable law and the rules of the New York Stock Exchange (NYSE). The Board also periodically considers the mix of skills and experience that directors bring to the Board to assess whether the Board has the necessary tools to perform its oversight function effectively. Each committee conducts an annual self-evaluation that compares the performance of the committee with the requirements of its written charter, and the committees report the results of these assessments to the Board.

Further information on our Board composition can be found in the Governance section of our 2022 Proxy Statement and in our Corporate Governance Guidelines.



that empowers companies to mitigate risk and create long term value. This requires a strategic approach with accountability through measurement and reporting-as **Travel with Purpose demonstrates—which** is critical to ensure ESG programs are held to the highest standards."

Board Nominating & ESG Committee Chair





Elizabeth A. Smith







that advance our Travel with Purpose goals





Create and partner with cross-industry networks to advance Travel with Purpose objectives



**POLICIES &** 



Operate through **best-in-class** measurement (LightStay), governance and oversight

HILTON 2021 ESG REPORT 40 CANOPY BY HILTON PARIS TROCADERO

# **Corporate governance and ESG oversight**

**ESG GOVERNANCE STRUCTURE** 

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- Works with the business to set Hilton's strategic direction • Ensures the business is managed ethically and responsibly BOARD OF **DIRECTORS** 
  - Reviews and assesses the company's ESG strategy, practices and policies, and makes recommendations to the Board as appropriate
  - Executive Committee (EC) approves major ESG programs and monitors progress towards 2030 Goals
  - CEO is accountable for ESG-related issues and decisions
  - Establishes and oversees implementation of ESG and Hilton **Effect Foundation strategies, and serve** as subject matter experts on integration of ESG into overall business objectives
- Chief ESG Officer oversees Hilton's ESG strategy and reporting efforts, is a member of the EC and reports directly to the CEO
- Continually assess and report progress against 2030 Goals

• Oversees Hilton's ESG performance,

including reviewing the company's ESG strategy on an annual and

as-needed basis

Hilton integrates Travel with Purpose into our business using multiple governance mechanisms including:

- Policies
- Standards
- Requirements

- Committees
- Advisory Boards
- Networks

#### **INTEGRATING TRAVEL WITH PURPOSE INTO OUR BUSINESS**

**BOARD NOMINATING AND ESG COMMITTEE** 

**CEO AND** 

**ESG, HILTON EFFECT FOUNDATION,** 

AND PUBLIC AFFAIRS TEAMS

INTEGRATING ESG INTO OUR BUSINESS

**EXECUTIVE COMMITTEE** 

#### POLICIES AND BRAND REQUIREMENTS:

#### **Policies**

Our policy statements govern our ESG programs and establish our expectations for Team Members and business partners

Read our policies on our ESG website 2

#### **Brand Standards**

Our Brand Standards establish requirements for our hotels. including franchises; ESG-related requirements include use of LightStay, completing anti-trafficking training, recycling soap, purchasing locally sourced products and protecting endangered species

#### **COMMITTEES AND NETWORKS:**

Hilton's Executive Committee

is the HEF Board. The Advisory

leaders across the business to

provide input on the alignment

of Hilton's philanthropic efforts

with business priorities

Committee is composed of

#### **Hilton Effect Foundation ISO Governance Committee Board and Advisory Committee**

Hilton leaders across our ESG, Engineering, Operations, Brand and Internal Audit departments, responsible for overseeing global adherence to ISO 9001 (Quality Management), ISO 14001 (Environmental Management) and ISO 50001 (Energy Management)

#### **Travel with Purpose Champions Network**

Network of hotel and corporate office leaders that guide Hilton's ESG strategy and strategic implementation

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# Our approach to advocacy and public policy

Hilton is actively engaged in several industry associations that share common goals. We work closely with these groups to exercise industry leadership, shape public policies that advance our agenda, and lobby for legislation and regulation that supports our Travel with Purpose goals.

Hilton and our association partners monitor global legislative and regulatory issues related to ESG. In 2021, we participated in advocacy efforts to advance legislation related to ESG topics such as anti-human trafficking, immigration and visa reform, plastics elimination, skills training and apprenticeship programs and DE&I.

Throughout 2021, we continued to engage with our industry trade partners on COVID-19 relief and recovery efforts. This included advocating

for our owners and Team Members on topics such as the Paycheck Protection Program and other forms of liquidity for the industry, tax incentives and destination marketing funds to jumpstart travel and tourism and bring back hospitality jobs.

In 2021, Hilton paid \$154,719 in dues associated with lobbying in the U.S. to the trade associations in the below table. All payments are publicly disclosed, along with political activity, on Hilton's Investor Relations website and updated semiannually.

Hilton's President and CEO currently serves on the U.S. Travel and Tourism Advisory Board advising the Secretary of Commerce on government policies and programs that impact the U.S. travel and tourism industry, including the recovery from the COVID-19 pandemic.

Hilton also engages globally with our industry's trade associations, including as a member of the Hotel Association of Canada, UKHospitality, and the World Travel & Tourism Council, for which Hilton's President and CEO served as Chairman.



"As the ESG legislative and regulatory landscape continues to rapidly evolve, we remain steadfast in our commitment to advocate for public policies that advance our Travel with Purpose goals, support our Team Members and our communities, and protect the planet."

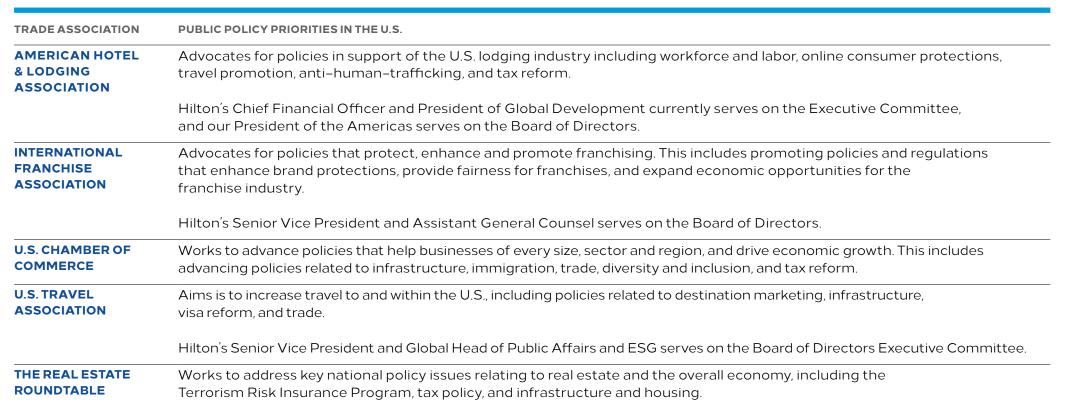
#### **Erica Gordon**

SVP and Global Head of Public Affairs & ESG

## Hilton was named a Trendsetter in the **2021 CPA-Zicklin Index of Corporate** Political Disclosure and Accountability,

a recognition reserved for companies that score 90 points or higher on the index. Released annually by the Center for Political Accountability (CPA) and the Zicklin Center for Business Ethics Research at The Wharton School at the University of Pennsylvania, the index measures political disclosure and accountability policies and practices for election-related spending by S&P 500 companies, including political spending policies and board oversight.





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# Working together to advance mutual goals

To advance our Travel with Purpose work, we continually build and maintain strong cross-industry partnerships, partnerships with global nonprofit organizations, and targeted partnerships with local groups and community NGOs.

Over the years, we have developed and nurtured countless relationships to achieve social and environmental progress. The organizations below served as key partners for Hilton's ESG work in 2021. Hilton has more initiatives with local partnerships as well, which are highlighted throughout this report



\*

HOTEL ASSOCIATION OF CANADA

JAG



(\$) IFA

**OPERATION:** 

**OPPORTUNITY** 

for U.S. Military

Veterans

Sustainable Hospitality Alliance



FEDERAL CITY

International Society

of Hotel Associations

HOPE



international youth

**GLOBAL IMPACT** 

Project | SEARCH'



GUILD

IT'S A PENALTY

SOIENCE BASED TARGETS





















#### **HILTON EFFECT FOUNDATION** 2021 GRANT RECIPIENTS



























**?** south pole





TENT



The Real Estate Roundtable











"Our partnerships with key trade associations, business coalitions

policy agenda and make collective

Hilton has a unique network effect

partnerships with local advocacy

Chief Financial Officer & President.

in the communities we serve, and our

and NGOs help to drive our

our impact."

**Kevin Jacobs** 

Global Development

progress on our shared goals.



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# **Ensuring accountability throughout** the business

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

# A culture of integrity

Our ethics and compliance program underpins our entire organization. Our <u>Code of Conduct</u> is applicable to all Team Members, officers and directors of Hilton. and to the Team Members of all hotels owned. operated or managed by Hilton. Our Code is intended to define our responsibilities to our stakeholders and guide our decisionmaking. All Team Members must complete training on the Code of Conduct and must adhere to following its principles and policies.

Team Members are expected to report suspected misconduct and are encouraged to do so through the Hilton Hotline, available online and by telephone 24/7. The Hotline is run by an independent company. Team Members are able to report concerns anonymously unless otherwise required by law. Hilton takes steps to protect the confidentiality of anyone who makes a good faith report of an actual or suspected violation to the extent reasonably possible. Any alleged failures to comply with the Code of Conduct are investigated and disciplinary action is taken as appropriate, up to and including termination.

# **Anti-corruption and bribery**

Our Code of Conduct explicitly prohibits bribery and corruption, and our Anti-Corruption Policy provides our Team Members with additional detailed guidance regarding the requirements of anti-bribery laws applicable to Hilton, bribery risk areas specific to Hilton business activities, and the responsibilities of Team Members to prevent and report potential bribery. Our Group Finance, Legal Compliance, Internal Audit, and Risk functions oversee compliance with our anti-corruption and bribery standards, including monitoring and investigating Hilton Hotline matters. Additionally, risk-based Internal Audits and other related governance activities are performed at hotels and corporate offices in the U.S., Asia Pacific, Europe, the Middle East, and Africa. Additionally, we conduct background checks on all prospective partners.

All Corporate Team Members, General Managers and senior Team Members are expected to actively support anti-corruption policies and practices at corporate offices and properties globally. Certifications of compliance with the Code of Conduct are obtained from all locations annually.

## **Evaluating and managing risk across** our business

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 for 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 Hilton.

The Audit Committee assists the Board in fulfilling its risk oversight responsibilities by regularly reviewing our accounting, reporting and financial practices, including the integrity of our financial statements, the oversight of administrative and financial controls, our compliance with legal and regulatory requirements, and our enterprise risk management program. Our Chief Accounting & Risk Officer updates the Audit Committee on a quarterly basis and the full Board on an annual basis and as needed.

The Compensation Committee assists the Board by overseeing and evaluating risks related to compensation structure and programs, including the formulation, administration, and regulatory compliance with respect to compensation matters, and coordinating, along with the Board's Chair, succession planning discussions.

The Nominating & ESG Committee assists the Board by overseeing and evaluating programs and risks associated with Board organization, membership and structure, corporate governance, and ESG matters. In addition, our Board receives regular detailed ESG performance reviews from management.

#### **HILTON VALUES**

Our vision is to fulfill our founder Conrad Hilton's ambition "to fill the earth with the light and warmth of hospitality," and all of our Team Members are expected to always act in a manner that is consistent with Hilton's values.

# **Hospitality**

We are passionate about delivering exceptional quest experiences.

# Integrity

We do the right thing, all the time.

## Leadership

We are leaders in our industry and in our communities.

### **Teamwork**

We are team players in everything we do.

# **Ownership**

We are owners of our actions and decisions.

### Now

We operate with a sense of urgency and discipline.



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## **Evaluating ESG-related risks**

To evaluate ESG-related risks, we map 100% of our hotels and pipeline countries against a series of external environmental and social risk indices that are updated at least annually. Information from these external indices is embedded in LightStay to help every hotel understand the key priority areas in its local operating environment and community.

Material ESG risks, including risks related to climate change, environmental impact, social impact, human rights, and ethics, fraud and corruption are integrated in Hilton's Enterprise Risk Management System. Questions on those issues are fully embedded in our internal Global Enterprise Risk Survey, which is distributed to more than 270 Hilton leaders. The survey results are shared with the Executive Committee, Board of Directors, and Audit Committee to inform

enterprise-wide strategic planning. Health and safety risks are managed through a global team, supported by tools and systems utilized across all managed hotels and corporate offices, and made available to franchised properties.

# Mitigating risk in our supply chain

Hilton is committed to promoting and protecting human rights across our supply chain and in countries where we operate. Hilton has developed and piloted an ESG and human rights due diligence program to encourage vendors to meet Hilton's standards and maintain those standards during the contract term. Vendors are expected to comply with Hilton's Responsible Sourcing Policy, which includes our Human Rights Principles. We are dedicated to eradicating any form of forced labor and human trafficking, and we partner with cross-industry networks to advance international human rights.

# **Data privacy and cybersecurity**

Hilton is committed to delivering the highest levels of customer service, which includes respecting our customers' privacy and protecting personal information. Our Global Privacy Statement describes how we collect, use and disclose personal information. As described in the statement, we have a Data Protection Officer dedicated to addressing privacy concerns. Our Data Protection Officer sits within Hilton's Legal Compliance and Privacy team.

To protect our customers' and Team Members' personal data, Hilton Team Members are required to complete annual Cybersecurity and Privacy training courses. We engage with third parties to conduct periodic assessments on Hilton's cybersecurity at both the corporate and property level, and to perform on-site breach simulation exercises. We also undergo audits to ensure our technology environment remains aligned with the ISO 27001 security control requirements.

As a service provider and merchant under the Payment Card Industry's (PCI) Data Security Standards (DSS), we undergo an annual comprehensive third-party audit to process billions of dollars in credit card payments. Additionally, the Audit Committee assists the Board in monitoring cybersecurity risk by receiving quarterly reports from our Technology team that cover, among other things, our information security framework, threat assessment, response readiness, and training efforts.

#### **HILTON ENTERPRISE RISK MANAGEMENT PROCESS**



Global Enterprise Risk Survey

Hilton leaders take survey



Informs enterprise-wide strategic planning



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



Rome Cavalieri, a Waldorf Astoria Hotel, has partnered with a local food waste reduction program to make its onsite food and beverage programs more sustainable. Another plus, anyone exploring Italy by car can recharge their electric vehicle at the property's charging stations.

ROME CAVALIERI 🗵

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# **Performance Tables**

At Hilton, we closely track and report on our environmental and social impact.

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# **Environmental impact** Hilton is committed to reducing our Scope 1 and 2 carbon intensity by **Energy and Carbon** 61% in our managed operations by 2030, in line with our science-based targets.

GREENHOUSE GAS EMISSIONS		2021	2020	2019	2008 (BASELINE)
SCOPE1	Emissions (MT CO <sub>2</sub> e)	415,034	329,570	476,036	437,087
DIRECT EMISSIONS	Emissions intensity (MT CO <sub>2</sub> e/m²)	0.0151	0.0132	0.0199	0.0307
SCOPE 2	Location-based emissions (MT CO <sub>2</sub> e)	1,778,303	1,419,705	1,949,324	1,562,544
INDIRECT EMISSIONS	Location-based emissions intensity (MT CO <sub>2</sub> e/m²)	0.0646	0.0569	0.0815	0.1098
	Market-based emissions (MT CO <sub>2</sub> e)	1,762,174	1,388,664	1,931,834	1,792,500
	Market-based emissions intensity (MT CO <sub>2</sub> e/m²)	0.0641	0.0557	0.0808	0.1260
TOTAL SCOPE 1+2	Location-based emissions (MT CO <sub>2</sub> e)	2,193,338	1,749,275	2,425,360	1,999,631
EMISSIONS	Location-based emissions intensity (MT CO <sub>2</sub> e/m²)	0.0797	0.0701	0.1014	0.1405
	Market-based emissions (MT CO <sub>2</sub> e)	2,177,208	1,718,234	2,407,870	2,229,587
	Market-based emissions intensity (MT CO <sub>2</sub> e/m²)	0.0792	0.0689	0.1007	0.1567
SCOPE 3 EMISSIONS	Franchises – emissions (MT CO <sub>2</sub> e)	4,087,530	3,189,909	3,884,715	3,019,210
	Franchises – emissions intensity (MT CO <sub>2</sub> e/m²)	0.0785	0.0749	0.0971	0.1363
	Emissions from business travel (MT CO <sub>2</sub> e)	7,616	6,449	26,754	_
	Emissions from waste (MT CO <sub>2</sub> e)	73,000	59,986	117,772	125,821
ENERGY					
ENERGY CONSUMPTION	Managed	6,164,255	4,956,217	6,828,225	5,289,613
(MWH)	Franchised	12,900,585	10,015,986	11,838,738	8,445,834
	Total	19,064,840	14,972,203	18,666,964	13,735,447
ENERGY USE INTENSITY	Managed	0.2241	0.1987	0.2856	0.3861
(MWH/M²)	Franchised	0.2479	0.2353	0.2960	0.3813
	Total	0.2396	0.2218	0.2921	0.3831

We use LightStay, our award-winning ESG performance measurement platform, to measure our hotels' impacts in the communities in which they operate. We believe that transparent external reporting allows us to better engage our stakeholders on the most material issues impacting our business and collaborate on solutions to address them. Accuracy of our data is important to us, which is why we have obtained independent external assurance over all of the data points listed in our performance tables.

#### **PLEASE NOTE**

Improvements in environmental measures during the year ended December 31, 2021 are primarily attributable to the reduction in system-wide occupancy as a result of the COVID-19 pandemic, which included the complete or partial suspensions of some hotel operations during the period. The decrease in occupancy resulted in reduced consumption of energy, water and waste at hotels around the world.

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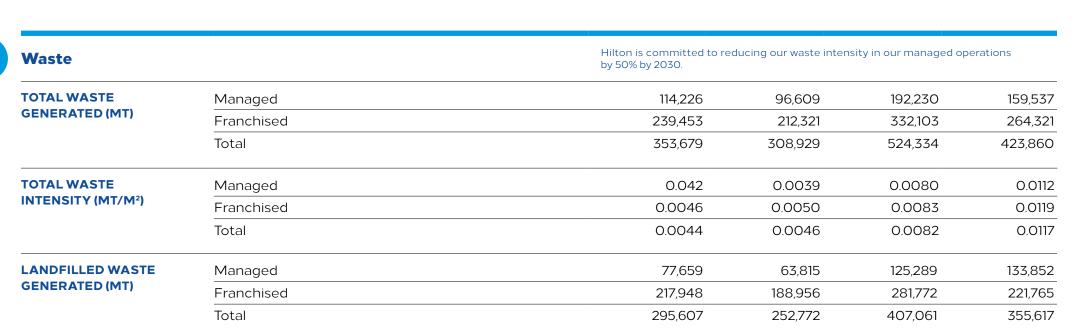
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		2021	2020	2019	2008 (BASELINE)
Water		Hilton is committed to red by 50% by 2030.	lucing our water use int	tensity in our manage	ed operations
WATER CONSUMPTION	Managed	12,287	9,672	14,026	10,335
(MEGALITERS)	Franchised	22,435	16,788	23,327	16,988
	Total	34,722	26,460	37,353	27,323
WATER CONSUMPTION	Managed	447	388	586	754
INTENSITY (LITERS/M²)	Franchised	431	394	583	767
	Total	436	392	585	762
WATER WITHDRAWAL	Managed	49,147	38,687	56,103	41,342
(MEGALITERS)	Franchised	89,740	67,154	93,309	67,951
	Total	138,887	105,841	149,412	109,293
WATER WITHDRAWAL	Managed	1,787	1,551	2,346	3,018
INTENSITY (LITERS/M²)	Franchised	1,724	1,578	2,333	3,068
(LITERS/MI-)	Total	1,756	1,568	2,338	3,049



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		2021	2020	2019	2008 (BASELINE)
LANDFILLED WASTE	Managed	0.0028	0.0026	0.0052	0.0094
INTENSITY (MT/m²)	Franchised	0.0042	0.0044	0.0070	0.0100
	Total	0.0037	0.0037	0.0064	0.0098
WASTE DIVERTED	Managed	36,566	32,794	66,941	25,686
FROM LANDFILL (MT)	Franchised	21,505	23,364	50,332	42,556
	Total	58,072	56,158	117,273	68,243
WASTE DIVERSION	Managed	32.0%	33.9%	34.8%	16.1%
RATE (%)	Franchised	9.0%	11.0%	15.2%	16.1%
	Total	16.42%	18.2%	22.4%	16.1%

Social Impact		2021	2020	2019
Communities		creating a positive impact o port, disaster relief, and ecc		ere we live and
VOLUNTEERING	Volunteering (number of hours) <sup>1</sup>	197,824	184,425	549,887
REFUGEE SUPPORT	Refugees impacted <sup>2</sup>	26,335	11,725	10,883
Conduct		nsible, inclusive conduct ac otnotes so they appear in c		perations.
SUPPLIER DIVERSITY	Supplier Diversity Program (number of women, minority, veteran and LGBTQ- owned businesses we have supported)	2,508	2,700	3,476
HUMAN RIGHTS	Mandatory Anti-Trafficking Training (% of General Managers who attest their full hotel team has completed)	54% <sup>3</sup>	71%	78%

<sup>1</sup> Reduction in logged 2020 and 2021 volunteer hours is primarily attributable to the temporary closing or suspension of hotels due to the pandemic.

<sup>2</sup> Figures provided are cumulative impact since 2015.

<sup>3 2021</sup> was an anomalous year. Many hotels faced significant challenges training staff as they continued to experience issues related to the business impacts of the pandemic, including closures, low-occupancy, staff shortages, and furloughed employees. As lean teams faced conflicting priorities, course completions suffered, as reflected in the data. We also expect some of the reduction to be attributable to under-reporting.

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Energy Managem	nent			
SASB CODE	METRIC	2021	2020	2019
SV-HL-130a.1	Total energy consumed, in gigajoules per square meter	0.807	0.720	1.030
	Total energy consumed, in million gigajoules	22.19	17.84	24.60
	Percent total energy from grid electricity	56.3%	56.3%	53.8%
	Percent total energy from renewables	3.0%	2.6%	1.4%
Water Manageme	ent			
SV-HL-140a.1	Amount withdrawn, in cubic meters per square meter	1.787	1.550	2.350
	Amount withdrawn, in million cubic meters (m³)	49.15	38.70	56.10
	Amount consumed, in cubic meters per square meter	0.447	0.388	0.586
	Amount consumed, in million cubic meters (m³)	12.29	9.68	14.00
	Percent in regions with high or extremely high baseline water stress <sup>1</sup>	36.9%	37.0%	32.0%
Ecological Impac	ts			
SV-HL-160a.2	Environmental management policies and practices to preserve	Hilton ESG Policy Statement		
	ecosystem services	Hilton Environmental Policy Statemen		<u>Statement</u>
Waste Manageme	en <b>t</b>			
FB-RN-150a.1	Amount generated, in metric tons per square meter	0.0042	0.0039	0.0080
	Amount generated, in million metric tons	O.11	0.10	0.19
	Percent food waste <sup>2</sup>	41%	41%	41%
	Percent diverted from landfills	32.0%	33.9%	34.8%
Labor Practices				
SV-HL-310a.1	Voluntary turnover rate for lodging facility employees (U.S. only, includes retirements)	26.2%	11.7%	19.0%
SV-HL-310a.4	Policies and programs to prevent worker harassment	Hilton Code	e of Conduct	
		Hilton Dive	rsity & Inclusion w	<u>rebsite</u>

We seek to provide material, decisionuseful sustainability information to our investors in line with the recommendations of the Sustainability Accounting Standards Board (SASB). We considered SASB's Hotel & Lodging and Restaurant Standards in developing the following table of key sustainability metrics for our managed, owned and leased properties. We also report selected SASB data in our 2021 Form 10-K.

#### **PLEASE NOTE**

Improvements in environmental measures during the year ended December 31, 2021 are primarily attributable to the reduction in system-wide occupancy as a result of the COVID-19 pandemic, which included the complete or partial suspensions of some hotel operations during the period. The decrease in occupancy resulted in reduced consumption of energy, water and waste at hotels around the world.

<sup>1</sup> While the percentage of hotels in regions with high or extremely high baseline water stress remained consistent at 34 percent between 2019 and 2020, we identified an increase in the percentage of water being consumed in areas of higher water stress. This is partially attributable to some of our larger properties being located in regions that experienced higher levels of occupancy during the COVID-19 pandemic.

<sup>2</sup> Approximately 41 percent of total waste is estimated to be food waste, based on a sample of approximately 50 food waste reduction pilots worldwide. Hilton continues to refine its food waste reporting in alignment with the WRI's Food Loss and Waste Protocol.

# **Global Reporting Initiative (GRI)**

**General disclosures** 

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INDICATOR	DESCRIPTION	RESPONSE AND/OR REFERENCES
102-1	Name of the organization	Hilton Worldwide Holdings Inc. ("Hilton")
102-2	Activities, brands, products, and services	Hilton (NYSE: HLT) is a leading global hospitality company with a portfolio of 18 world-class brands comprising 6,837 properties and more than one million rooms in 122 countries and territories. Dedicated to fulfilling our mission to be the world's most hospitable company, Hilton has welcomed more than 3 billion guests in its over 100-year history. In 2021, Hilton was 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.
		Our premier brand portfolio includes: our luxury and lifestyle hotel brands, Waldorf Astoria Hotels & Resorts, LXR Hotels & Resorts, Conrad Hotels & Resorts, Canopy by Hilton, Tempo by Hilton, and Motto by Hilton; our full service hotel brands, Signia by Hilton, Hilton Hotels & Resorts, Curio Collection by Hilton, DoubleTree by Hilton, Tapestry Collection by Hilton, and Embassy Suites by Hilton; our focused service hotel brands, Hilton Garden Inn, Hampton by Hilton, Tru by Hilton, Homewood Suites by Hilton and Home2 Suites by Hilton; and our timeshare brand, Hilton Grand Vacations.
		2021 ESG Report (" <u>Hilton At-A-Glance," p. 4</u> )
		2021 Annual Report
		<u>2021 Form 10-K</u> (Item 1. Business)
102-3	Location of headquarters	Our corporate headquarters is located at 7930 Jones Branch Drive, McLean, Virginia 22102 in the United States.
102-4	Location of operations	At year-end 2021, Hilton managed or franchised hotels and resorts in 122 countries and territories. Refer to " <u>Hilton At-A-Glance</u> " for more information.
102-5	Ownership and legal form	Hilton is a publicly traded company incorporated in the United States.
102-6	Markets served	<u>2021 Form 10-K</u> (Item 1. Business)
102-7	Scale of the organization	As reported in our <u>2021 Form 10-K</u> , at year-end 2021 Hilton managed or franchised 6,837 properties comprising 1,074,791 rooms in 122 countries and territories. We have over 365,000 Hilton Team Members worldwide: we employ over 142,000 people at our managed, owned and leased properties and at our corporate office locations, and more than 223,000 franchise employees work on-property at the independently owned and operated franchise properties in the Hilton Portfolio.
102-8	Information on employees	We disclose detailed information about our employees and other workers in the following:
	and other workers	2021 ESG Report ( <u>Careers, p. 30</u> )
		2021 Annual Report
		2021 Form 10-K (Item 1. Business – "Overview")
		Hilton Diversity & Inclusion Website

Our reporting follows the **Global Reporting** Initiative (GRI) disclosure framework, which is an internationally recognized set of indicators for economic, environmental and social aspects of business performance. The tables below set forth how the GRI framework has been applied to our ESG reporting process in alignment with global best practices.

In the GRI Index, we provide our stakeholders with references where they can locate content of interest. We also provide direct answers to specific indicators covered in the GRI framework.

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# **Organizational Profile (Continued)**

INDICATOR	DESCRIPTION	RESPONSE AND/OR REFERENCES
102-8-d	Information on employees and other workers (information on workers who are not employees)	223,000 people were employed by third-party owners and franchisees of our properties.  2021 Form 10-K
102-9	Supply chain	What we buy, source, use and serve every day are essential components of the exceptional experience that we aim to deliver to every hotel, every guest, every time. As such, Hilton manages a large global supply chain containing key components, which include food and beverage, information technology, furniture, fixtures, and equipment, linens and apparel.  Additional information on our supply chain and responsible sourcing efforts can be found in our 2021 ESG Report
		( <u>Conduct, p. 36–37</u> , <u>Governance p. 41</u> ), our <u>Responsible Sourcing Policy</u> and <u>Hilton's Slavery and Human Trafficking Statement 2020</u> .
102-10	Significant changes to the organization and its supply chain	There have been no significant changes to our organization or our supply chain during the reporting period.
102-11	Precautionary Principle or approach	In 2018, we established our 2030 Goals to enhance our social impact and significantly reduce our environmental footprint by 2030 at the hotels that we manage, including our owned and leased hotels. Our 2030 Goals, which align with the global Sustainable Development Goals ("SDGs") adopted by the United Nations in 2015, are guided by our evaluation of the social and environmental issues that are critical to our business and our long-term success. As our business recovers from the global pandemic, we have reaffirmed our commitment to these goals and taken further action to support these objectives. In 2018, Hilton became the first major hotel company to set science-based carbon targets approved by the Science Based Targets initiative (SBTi) and aligned with the Paris Climate Agreement. Hilton commits to reduce Scope 1 and 2 GHG emissions 61% per square meter by 2030 from a 2008 base-year. Hilton also commits to work with its franchisees to reduce Scope 3 GHG emissions from Franchises 52% per square meter by 2030 from a 2008 base-year. In 2021, we evolved our strategy to set more ambitious targets. These targets are currently under review with the Science Based Targets initiative (SBTi).
		Additional information on our management approach, programs, targets and performance can be found throughout our 2021 ESG Report and in our Environmental Policy Statement.
102-12	External initiatives	Since 2012, Hilton has been a signatory to the <u>United Nations (UN) Global Compact</u> , a voluntary initiative based on a CEO-led commitment to implement ten sustainability principles supporting the goals of the UN.
		As described on <u>p. 13–15 of our 2021 ESG Report</u> , we have aligned our ESG strategies and objectives to support the UN Sustainable Development Goals—a global framework for coordinated action to address critical topics by 2030. We have mapped each of our 2030 Goals against the SDGs and their specific sub-targets.
		We participate in leading industry initiatives designed to collaboratively advance sustainability across the travel and tourism industry, including our work with the <u>Sustainable Hospitality Alliance</u> , the <u>World Travel &amp; Tourism Council</u> , and the <u>U.S. Department of Energy Better Climate Challenge</u> .
		We are committed to fighting climate change and we are proud to have been the first major hotel company to set science-based carbon targets approved by the <u>Science Based Targets initiative (SBTi)</u> . We are also members of <u>The Climate Group's EP100 initiative</u> , and signatories to the <u>UN CEO Water Mandate</u> . In 2018, Hilton was the first hospitality company to join the <u>Tent Partnership for Refugees</u> , pledging to impact 16,000 refugees through employment, hospitality training programs and procurement from refugee-run businesses by 2030. We further extended our pledge in 2020 to support LGBTQ refugees, and in 2021 to support refugees displaced by the humanitarian crisis in Afghanistan. Please refer to our 2021 ESG Report for further detail.

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### **Organizational Profile (Continued)**

INDICATOR DESCRIPTION

102-13	Membership of	Hilton engages with trade associations, non-governmental organizations, and other stakeholders or
	associations	ongoing basis to inform them about our priorities, seek their views and expertise, inform our progra
		and create innovative partnerships to redefine sustainable travel. In 2021, we continued to engage w
		our stakeholders to seek their expertise, expectations, feedback and priorities. Please see our Stake
		Engagement Policy Statement and our 2021 ESG Report (Public Affairs, p. 42) for further detail on our

# GRI Continued

on an rams with keholder stakeholder engagement process.

In 2021, key memberships and affiliations included the following in the U.S.:

#### **American Hotel & Lodging Association:**

Hilton is a member of the American Hotel & Lodging Association (AHLA) and chairs the AHLA Sustainability Committee, which focuses on environment, engineering and corporate responsibility for the hotel and lodging industry. Our Chief Financial Officer and President of Global Development serves on the Executive Committee of the AHLA as a Brand Representative.

#### Real Estate Roundtable:

**RESPONSE AND/OR REFERENCES** 

Hilton is a member of the Real Estate Roundtable which works to address key national policy issues relating to real estate and the overall economy including the Terrorism Risk Insurance Program, tax policy, and infrastructure and housing.

#### **US Chamber of Commerce:**

Hilton is a member of the U.S. Chamber of Commerce. The Chamber works to advance policies that help businesses of every size, sector and region, and drive economic growth. This includes advancing policies related to infrastructure, immigration, trade, diversity and inclusion, and tax reform.

#### **US Travel Association:**

Hilton's Senior Vice President and Global Head of Public Affairs and ESG serves on the Board of Directors Executive Committee of the U.S. Travel Association whose purpose is to increase travel to and within the U.S., including policies related to destination marketing, infrastructure, visa reform, and trade.

Our memberships and affiliations at a global level include:

#### **International Franchise Association:**

Hilton's Senior Vice President and Assistant General Counsel serves on the Board of Directors of the International Franchise Association. The Association advocates for policies that protect, enhance and promote franchising. This includes promoting policies and regulations that enhance brand protections, provide fairness for franchises, and expand economic opportunities for the franchise industry.

#### **Sustainable Hospitality Alliance:**

The Sustainable Hospitality Alliance (SHA) brings together the world's leading international hotel companies to provide a voice for environmental and social responsibility in the industry. Hilton is a founding member of this travel industry consortium and participates in various working groups including the Carbon & Water, Youth, and Human Rights Working Groups.

#### **World Travel & Tourism Council:**

The World Travel & Tourism Council (WTTC) works to raise awareness of travel and tourism in one of the world's largest industries. From 2018 to 2021, our Chief Executive Officer held the position of Chairman of the WTTC. We are also members of the WTTC Sustainability Working Group, which works to identify industry priority action areas for the future and evaluate industry progress against sustainability commitments.

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# **Organizational Profile (Continued)**

		Diversity Equity 9 Inclusion Associations
	Membership of associations	Hilton also engages globally with our industry's trade associations, including as a member of the Hotel Association of Canada and UKHospitality.
INDICATOR	DESCRIPTION	RESPONSE AND/OR REFERENCES

### **Diversity, Equity & Inclusion Associations:**

Hilton has partnered with many organizations that promote diversity and inclusion, including Ascend Pan-Asia Leaders, Asian Hotel Owners Association, Asian Pacific Islander American Scholarship Fund, American Hotel & Lodging Educational Foundation, American Resort Development Association, Catalyst, Gay & Lesbian Alliance Against Defamation, Human Rights Campaign, International Gay & Lesbian Travel Association, Latino Hotel Association, League of United Latin American Citizens, National Association for the Advancement of Colored People (NAACP), National Association of Black Accountants, Inc., National Black MBA Association, Inc., National Association of Black Hotel Owners, Operators & Developers, National Business & Disability Council, National Center for American Indian Enterprise Development Council, National Council of La Raza, National Gay & Lesbian Chamber of Commerce, National Hispanic Corporate Council, National LGBTQ Task Force, National Minority Supplier Development Council, National Society of Black Engineers, National Urban League, National Veteran-Owned Business Association, Out & Equal Workplace Advocates, OutServe-SLDN, Point Foundation, Prospanica, Reaching Out MBA, Services & Advocacy for GLBT Elders (SAGE), U.S. Hispanic Chamber of Commerce, U.S. Pan Asian American Chamber of Commerce, WEConnect International and Women's Business Enterprise National Council.

Please refer to our 2021 ESG Report (2021 ESG Report (Public Affairs, p. 42) for further detail on our membership in Trade Associations.

# Strategy

INDICATOR	DESCRIPTION	RESPONSE AND/OR REFERENCES
102-14	Statement from senior decision-maker	2021 ESG Report ( <u>CEO Message, p. 3</u> )
102-15	Key impacts, risks,	2021 Annual Report
	and opportunities	Form 10-K (Item 1A. Risk Factors)
		2021 Form 10-K (Item 1. Business – "Environment, Social and Governance")
		2021 ESG Report (Materiality Assessment, p.6)
		2020 Materiality Assessment Report

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Ethics ar	thics and Integrity				
INDICATOR	DESCRIPTION	RESPONSE AND/OR REFERENCES			
102-16	Values, principles, standards,	About Hilton			
	and norms of behavior	Hilton Code of Conduct			
		Hilton ESG Policy Statement			
		Hilton Responsible Sourcing Policy			
		<u>Hilton Human Rights Principles</u>			
		Hilton Slavery and Trafficking Statement 2020			
102-17	Mechanisms for advice and	Hilton Code of Conduct			
	concerns about ethics	Hilton EthicsPoint Hotline			
		2021 ESG Report (Engaging with our key stakeholders, p. 9; Policies & Reporting, p. 44)			
		Hilton Stakeholder Engagement Policy Statement			

Governa	Governance				
INDICATOR	DESCRIPTION	RESPONSE AND/OR REFERENCES			
102-18	Governance structure	The Board of Directors' Nominating and ESG Committee is responsible for periodically reviewing and assessing the company's ESG strategy, practices and policies. Our Board receives periodic updates from management on Travel with Purpose initiatives. Quarterly reports on progress towards the 2030 Goals are provided to the Executive Committee, including our CEO.			
		2021 ESG Report (Governance, p. 40–41)			
		Board of Directors			
		Nominating and ESG Committee Charter			
		2021 Proxy Statement			
102-19	Delegating authority	The Board of Directors' Nominating and ESG Committee is responsible for periodically reviewing and assessing the company's ESG strategy, practices and policies, including its impact on environmental and human rights issues, animal welfare, responsible sourcing and stakeholder engagement. The Committee's role, responsibility and authority delegated to it by the Board are set out in its Committee Charter, which are reviewed and approved annually by the Board. Our Board receives periodic updates from management on Travel with Purpose initiatives. Quarterly reports on progress towards the 2030 Goals are provided to the Executive Committee, including our CEO.			
102-20	Executive-level responsibility for economic, environmental, and social topics	Our Chief ESG Officer oversees Hilton's ESG strategy and reporting efforts, is a member of the Executive Committee and reports directly to the CEO. Our Executive Committee approves major ESG programs and monitors progress towards 2030 Goals, while our CEO is accountable for major ESG-related issues and decisions			

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# **Governance (Continued)**

INDICATOR	ATOR DESCRIPTION RESPONSE AND/OR REFERENCES		
102-21	Consulting stakeholders on economic, environmental, and social topics	We have built relationships with a global network of stakeholders, who we regularly consult to better understand and inform our business decisions, including on ESG issues. Their feedback and priorities refine our focus and ultimately improve our initiatives.	
		In 2020, Hilton undertook an exercise to assess the material issues affecting our business. Employing the AA1000 Stakeholder Engagement Standard, which considered factors such as dependency, influence and diverse perspectives, Hilton engaged nearly 1,500 internal and external stakeholders through interviews and surveys.	
102-22	Composition of the	Committee Composition	
	highest governance body and its committees	Nominating and ESG Committee Charter	
		2021 ESG Report (Governance, p. 40–41)	
102-23	Chair of the highest governance body	Our Board of Directors is chaired by Jonathan Gray, a non-executive. Mr. Gray has served as a director of Hilton since 2007. Additional information on Mr. Gray's background and qualifications can be found on our Board of Directors webpage.	
102-24	Nominating and	Committee Composition	
	selecting the highest governance body	Nominating and ESG Committee Charter	
102-25	Conflicts of interest	Nominating and ESG Committee Charter "Conflicts of Interest"	
102-26	Role of highest governance body in setting purpose, values, and strategy	Nominating and ESG Committee Charter	
102-28	Evaluating the highest governance body's performance	est governance	
102-29	Identifying and managing economic, environmental, and social impacts	environmental,	
102-30	Effectiveness of risk management processes	Significant ESG risks, including risks related to climate change, environmental impact, social impact, health and safety, human rights and ethics, fraud and corruption, are integrated in Hilton's Enterprise Risk Management program as part of Hilton's annual Enterprise Risk assessment process. The results of this process are reviewed by our Executive Committee and our Board of Directors, including the Audit Committee, to inform enterprise-wide strategic planning. We also engage with stakeholders on an ongoing basis to continuously refine and enhance our strategy, to ensure we are aligning our programs with the issues that matter the most to our business and stakeholders.	

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# **Governance (Continued)**

INDICATOR	DESCRIPTION	RESPONSE AND/OR REFERENCES	
102-31	Review of economic, environmental, and social topics	We periodically assess our material issues to ensure we are aligning our programs with the issues that matter most to our business and stakeholders. In 2020, we worked with a third party to conduct a thorough ESG materiality assessment, leveraging guidance from the GRI, SASB, and the World Economic Forum. The results of this assessment can be found in our Materiality Assessment Report. Over the course of 2021, we have more deeply integrated ESG into many aspects of our business. In 2021, this included conducting a strategic review of our Travel with Purpose 2030 Goals to ensure that Hilton continues to evolve its ESG strategy in line with climate science and best-in-class programs.	
102-33	Communicating critical concerns	Only by speaking up when we suspect potential violations of law or policy can Hilton address issues before they potentially become bigger problems. We have a confidential hotline run by a third party which provides colleagues with a channel to share any ethical concerns they may have. Colleagues are made aware of this through regular internal communications, training, and through a dedicated website ( <a href="www.HiltonHotline.com">www.HiltonHotline.com</a> ).	
102-35	Remuneration policies	Our policy for Executive Officers and Directors' remuneration is set out in the <u>Compensation Committee Charter</u> . It is reviewed annually to ensure it remains aligned with strategic objectives. <u>Proxy Statement</u>	
102-36	Process for determining remuneration	Proxy Statement  Our policy for Executive Officers and Directors' remuneration is set out in the Compensation Committee Chartee It is reviewed annually to ensure it remains aligned with strategic objectives. Remuneration for some of our hotel leaders is tied to their contributions to Hilton's ESG Strategy.	

# Stakeholder Engagement

INDICATOR	DESCRIPTION	RESPONSE AND/OR REFERENCES	
102-38	Annual total compensation ratio	Proxy Statement	
102-39	Percentage increase in annual total compensation ratio	Proxy Statement	
102-40	List of stakeholder groups	We engage with a broad range of internal and external stakeholders on an ongoing basis, including our Hilton Team Members, franchise employees, guests, policymakers, NGOs and international organizations, investors, owners and suppliers.  Hilton Stakeholder Engagement Policy Statement  2021 ESG Report (Stakeholder Engagement, p. 9)	

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# **Stakeholder Engagement (Continued)**

INDICATOR	DESCRIPTION	RESPONSE AND/OR REFERENCES	
102-41	Collective bargaining agreements	As of December 31, 2021, approximately 30 percent of our employees worldwide and approximately 45 percent of our employees in the U.S. were covered by various collective bargaining agreements that generally address pay rates, working hours, other terms and conditions of employment, certain employee benefits and orderly settlement of labor disputes.	
		2021 Form 10-K (Item 1. Business-"Employees")	
		Hilton Stakeholder Engagement Policy Statement	
102-42	Identifying and selecting	We engage with stakeholders that can help inform and enhance our business and ESG strategy.	
	stakeholders	From developing hotel concepts and products in partnership with owners and guests, to evolving our internal programs to engage Hilton Team Members and build a common culture with franchise employees, to working with governments on policy reforms, to dialoguing with conservation organizations on a variety of products in our supply chain, we view stakeholder engagement as an enabler of continuous improvement, innovation and reputation management.	
		Hilton Stakeholder Engagement Policy Statement	
		2021 ESG Report ( <u>Stakeholder Engagement, p. 9</u> )	
102-43	Approach to stakeholder engagement	Hilton Stakeholder Engagement Policy Statement	
		2021 ESG Report (Stakeholder Engagement, p. 9)	
		Our 2030 Goals	
102-44	Key topics and concerns raised	Through engagement with both internal and external stakeholders, we are able to identify interests and concerns that should be taken into consideration as we continue to grow. Our Travel with Purpose strategy was developed by mapping social and environmental issues that are impacted by our business and will continue to be critical to our long-term success. We continue to revisit and evolve our approach based on key topics and concerns raised by stakeholders.	
		We manage key topics and concerns relating to customer satisfaction through our Service and Loyalty Tracking (SALT) program and social media monitoring.	
		Additional information on our approach and industry recognition for customer service can be found at <u>Hilton Customer Help</u> .	
		Hilton Stakeholder Engagement Policy Statement	

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# **Reporting Practice** Continued



INDICATOR	IDICATOR DESCRIPTION RESPONSE AND/OR REFERENCES				
102-45	Entities included in the consolidated financial statements	2021 Form 10-K (Item 1. Business-"Employees")			
102-46	Defining report content and topic boundaries	In 2020, we conducted a materiality assessment to inform the selection of topics for our ESG Report, in alignment with the framework and best practices set forth in the GRI Standards. Refer to our Materiality Assessment Repo Over the course of 2021, we have more deeply integrated ESG into many aspects of our business, which have been incorporated into our 2021 reporting.			
102-47	List of material topics	Materiality Assessment Report			
102-48	Restatements of information	None during the reporting period.			
102-49	Changes in reporting	None during the reporting period			
102-50	Reporting period	Our reporting period is for the calendar year 2021.			
		Unless otherwise noted, reported environmental and social figures refer to our impact across our owned, managed and franchised portfolio. We use 2008 as our baseline for our energy, carbon, water and waste reporting.			
102-51	Date of most recent report	April 8, 2021			
102-52	Reporting cycle	Annual			
102-53	Contact point for questions regarding the report	ns For more information, contact us at <u>corporate.responsibility@hilton.com</u>			
102-54	Claims of reporting in accordance with the GRI Standards	This report has been prepared in accordance with the GRI Standards: Core option			
102-56	External assurance	We recognize that the accuracy and credibility of our data is critical to managing our impact and transparently reporting on our performance. That is why we have worked with Dekra Certification, Inc. to obtain limited independent assurance over our environmental impact data (greenhouse gas emissions, energy, water and waste) since 2013. Since 2018, Dekra has also provided limited assurance over selected social impact metrics. Please see our 2021 Assurance Statement for more information.			



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# Specific disclosures

# **Management Approach Disclosures and Indicators**

MATERIAL ASPECTS	INDICATOR	DESCRIPTION	RESPONSE AND/OR REFERENCES
ECONOMIC			
Economic	201	Management approach	2021 Annual Report,
		disclosure	<u>2021 Form 10-K</u> (Item 1, Business)
	201-1	Direct economic value generated and distributed	2021 Annual Report,
			2021 Form 10-K
	201-2	Financial implications	2021 CDP Climate Change Questionnaire
		and other risks and opportunities for the organization's activities due to climate change	Building on the work we have done to reduce our environmental footprint, in 2021, we evolved our strategy to set more ambitious targets in line with the framework we initially developed in 2018. These targets are currently under review with the Science Based Targets initiative (SBTi)
	201-3	Defined benefit plan	2021 Annual Report,
		obligations and other retirement plans	2021 Form 10-K (Note 14 "Employee Benefit Plans")
Indirect Economic	203	Management approach disclosure	2021 ESG Report (Social Impact, <u>p. 26–27</u> , <u>33–35</u> , <u>37–38</u> ),
Impacts			Hilton ESG Policy Statement
	203-1	Infrastructure investments and services supported	2021 ESG Report (Social Impact <u>p. 26–27</u> , <u>33–35</u> , <u>37–38</u> ),
			2021 Assurance Statement
	203-2	Indirect Economic Impacts	We view our company as a global business that operates on a local level, building strong ties in our communities, partnering with local businesses and nonprofits, and creating a positive impact in the lives of our neighbors, through good jobs and other opportunities.
			In 2021, we sourced from 2,508 <u>Supplier Diversity</u> Supplier Partners accounting for \$220 million of our supplier spend. We also awarded nearly \$2 million of Hilton Effect grants to projects leading to support recovery and resiliency for our communities and our planet.
Anti-Corruption	205	Management approach disclosure	Bribery and corruption are explicitly prohibited in our <u>Code of Conduct</u> , with oversight from our Group Finance and Risk Management functions. Internal Audits are also conducted at the Group's hotels and corporate offices in Asia Pacific, Europe and the Middle East. In the United States, these audits are conducted by an independent third-party auditor. Additionally, we conduct background checks on all prospective partners. We maintain a whistleblower policy and procedure to encourage the reporting of any inappropriate activity. Any failures to comply with the <u>Code of Conduct</u> are investigated and disciplinary action is taken as appropriate, up to and including termination. All General Managers and senior colleagues are expected to actively support anti-corruption policies at individual hotels and properties. Certifications of compliance with the <u>Code of Conduct</u> are obtained from all hotels annually, with a mid-year update.

# **Management Approach Disclosures and Indicators (Continued)**

GRI Continued

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Energy  302 Management approach disclosure  2021 ESG Report (Paving the Way to Net Zero, p. 17-18 and Watts, p. 2021 CDP Climate Change Questionnaire Hilton Environmental Policy Statement Hilton Energy Stewardship Policy Statement  102-1 Energy consumption within the organization  102-2021 ESG Report (Watts, p. 19-20 and Performance Infurther datail. Our 2021 energy data has been externally assured, as reception and annual increase of 8% per square meter across the Hilton global managed and franchised hotels. In 2020, as a result of the COVID-18 experienced a significant decrease in utility consumption across ou primarily as a result of reduced occupancy and the complete or part hotel operations. During 2021, we began to recover from the negative pandemic and, while some hotels were suspended for some period year, the majority of hotels that had suspended operations for some were reopened before or during 2021, we began to recover from the negative pandemic and, while some hotels were suspended for some period year, the majority of hotels that had suspended operations for some were reopened before or during 2021, we began to recover from the negative pandemic and, while some hotels were suspended for some period year, the majority of hotels that had suspended operations for some were reopened before or during 2021, we such as such we experienced a year in consumption of energy, water and waste in 2021 as occupancy rate consumption of energy may be used to significant efforts to support our hotels to keep consumption below. Please view our 2021 ESG Report (Watts, p. 19-20 and Performance 1 further detail. Our 2021 energy data has been externally assured, as recovery consumption of energy consumption of energy use intensity by 38% since 2008. Red. have been achieved as a result of ongoing energy conservation active have been achieved as a result of ongoing energy conservation active have been achieved as a result of ongoing energy conservation active projects, and implementation of innovative energy saving techno	
disclosure    2021 CDP Climate Change Questionnaire	
### Tilton Environmental Policy Statement #### Hilton Energy Stewardship Policy Statement ####################################	9–20)
Hilton Energy Stewardship Policy Statement  In 2021, our total energy consumption was 19,064,840 megawath hour please view our 2021 ESG Report (Watts, p. 19–20 and Performance Infurther detail. Our 2021 energy data has been externally assured, as no 2021 Assurance Statement.  In 2021, our energy use intensity was 0.2396 megawath hours per square an annual increase of 8% per square meter across the Hilton global, managed and franchised hotels. In 2020, as a result of the COVID-16 experienced a significant decrease in utility consumption across ou primarily as a result of reduced occupancy and the complete or part hotel operations. During 2021, we began to recover from the negative pandemic and, while some hotels were suspended operations for some were reopened before or during 2021. As such, we experienced a year in consumption of energy, water and waste in 2021 as occupancy rate consumption remained below 2019 levels, and we remain on track to Goals. As we implement ongoing efforts to optimize efficiency at our significant efforts to support our hotels to keep consumption below.  Please view our 2021 ESG Report (Watts, p. 19–20 and Performance Interther detail. Our 2021 energy data has been externally assured, as no 2021 Assurance Statement.  Across our global operations (owned, managed and franchised hotel reduced total energy use intensity by 38% since 2008. For our manage we have reduced total energy use intensity by 40% since 2008. Reduction of energy consumption active data and energy use intensity by 40% since 2008. Reduction active data and energy use intensity by 40% since 2008. Reduction active data and energy use intensity by 40% since 2008. Reduction active data and energy use intensity by 40% since 2008. Reduction active data and energy use intensity by 40% since 2008. Reduction active data and energy use intensity by 40% since 2008. Reduction active data and energy use intensity by 40% since 2008. Reduction active data and energy use intensity by 40% since 2008. Reduction active data and energy use	
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an annual increase of 8% per square meter across the Hilton global managed and franchised hotels. In 2020, as a result of the COVID-19 experienced a significant decrease in utility consumption across ou primarily as a result of reduced occupancy and the complete or part hotel operations. During 2021, we began to recover from the negative pandemic and, while some hotels were suspended for some period of year, the majority of hotels that had suspended operations for some were reopened before or during 2021. As such, we experienced a year in consumption of energy, water and waste in 2021 as occupancy rate consumption remained below 2019 levels, and we remain on track to Goals. As we implement ongoing efforts to optimize efficiency at our significant efforts to support our hotels to keep consumption below.  Please view our 2021 ESG Report (Watts, p. 19–20 and Performance 1 further detail. Our 2021 energy data has been externally assured, as recommendation of energy consumption.  Across our global operations (owned, managed and franchised hotel reduced total energy use intensity by 38% since 2008. For our managed we have reduced total energy use intensity by 40% since 2008. Reduction active been achieved as a result of ongoing energy conservation active.	-
further detail. Our 2021 energy data has been externally assured, as n 2021 Assurance Statement.  302-4 Reduction of energy consumption Across our global operations (owned, managed and franchised hotel reduced total energy use intensity by 38% since 2008. For our managed we have reduced total energy use intensity by 40% since 2008. Redu have been achieved as a result of ongoing energy conservation activ	portfolio of owned, pandemic, we global portfolio, ial suspensions of e impacts of the of time during the e time during 2020 over-year increase s increased. However, achieve our 2030 hotels, we are making pre-pandemic levels.
Across our global operations (owned, managed and franchised hotel reduced total energy use intensity by 38% since 2008. For our managed we have reduced total energy use intensity by 40% since 2008. Reduced total energy use intensity by 40% since 2008. Reduced total energy use intensity by 40% since 2008. Reduced total energy use intensity by 40% since 2008. Reduced total energy use intensity by 40% since 2008. Reduced total energy use intensity by 40% since 2008. Reduced total energy use intensity by 40% since 2008. Reduced total energy use intensity by 40% since 2008. Reduced total energy use intensity by 40% since 2008. Reduced total energy use intensity by 40% since 2008. Reduced total energy use intensity by 40% since 2008. Reduced total energy use intensity by 40% since 2008.	
2021 CDP Climate Change Questionnaire for further detail on our er and energy reduction activities	led portfolio only, ctions in energy ities, efficiency les. Refer to our
Water and Effluents 303 Management approach 2021 ESG Report ( <u>Water, p. 21–22</u> ) disclosure	
2021 CDP Water Security Questionnaire	
Hilton Water Stewardship Statement	
Hilton Environmental Policy Statement	



GRI

Continued

# **Management Approach Disclosures and Indicators (Continued)**

MATERIAL ASPECTS INDICATOR DESCRIPTION **RESPONSE AND/OR REFERENCES** 

Other indirect (Scope 3)

**GHG** emissions

305-3

ENVIRONMENT	TAL (CONTINUE	D)	
	303-3	Water withdrawal	In 2021, our total net freshwater withdrawal was 138,887 megaliters (139 million cubic meters). Municipal water comprised 99% of our water footprint, with 1% in surface water and groundwater consumption reported. Our water consumption intensity was 436 liters per square meter, representing an annual increase of 11.3% per square meter across the Hilton global portfolio of owned, managed and franchised hotels. The increase is primarily attributable to the rebound in system-wide occupancy after the pandemic-affected year of 2020. Across our global operations (owned, managed and franchised hotels), Hilton has reduced total water use intensity by 43% since 2008. For our managed portfolio only, we have reduced total water use intensity by 39% since 2008.  Please view our 2021 ESG Report (Water, p. 21–22 and Performance Table, p. 48) for further detail. Our 2021 water data has been externally assured, as noted in our 2021 Assurance Statement.
Emissions	305	Management approach disclosure	2021 ESG Report ( <u>Paving the Way to Net Zero, p. 17–18</u> and <u>Watts, p. 19–20</u> )  2021 CDP Climate Change Questionnaire
			Hilton Environmental Policy Statement  Hilton Energy Stewardship Policy Statement
	305-1	Direct (Scope 1) GHG emissions	In 2021, our Scope 1 emissions were 415,034 metric tons of CO <sub>2</sub> e. Please view our 2021 ESG Report (Paving the Way to Net Zero, p. 17–18 and Watts, p. 19–20, and Performance Table, p. 48) for further detail. Our 2021 Scope 1 emissions data has been externally assured, as noted in our 2021 Assurance Statement.
	305-2	Energy Indirect (Scope 2) GHG emissions	In 2021, our Scope 2 location-based emissions were 1,778,303 metric tons of CO <sub>2</sub> e. Our Scope 2 market-based emissions were 1,762,174 metrics tons of CO <sub>2</sub> e. Please view our 202 ESG Report (Watts, p. 19, and Performance Table, p. 48) for further detail. Our 2021 Scope 2

2021 Assurance Statement.

emissions data has been externally assured, as noted in our 2021 Assurance Statement.

Please view our 2021 ESG Report (Watts, p. 19, and Performance Table, p. 47) for further detail. Our 2021 Scope 3 emissions data has been externally assured, as noted in our

Per our Operational Control boundary, onsite emissions at properties owned and

CO<sub>2</sub>e from the disposal of waste associated with our operations.

operated by franchisees are reported as Scope 3 emissions. In 2021, Hilton's Scope 3 emissions from franchisees were 4,087,530 metric tons CO₂e. The total includes emissions from onsite fuels combustion (954,458 metric tons CO2e) and indirect emissions from the generation of electricity, heat or steam purchased from a utility provider (3,133,071 metric tons CO₂e). In addition, in 2021, we generated Scope 3 emissions of 7,616 metric tons CO<sub>2</sub>e from employee business and air travel, and 73,000 metric tons

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# **Management Approach Disclosures and Indicators (Continued)**

MATERIAL ASPECTS INDICATOR DESCRIPTION RESPONSE AND/OR REFERENCES

305-4	GHG Emissions Intensity	In 2021, our total Scope 1 and 2 location-based emissions intensity was 0.0797 metric tons per square meter, which represents a 14% increase over prior year. Our total 2021 market-based Scope 1 and 2 emissions intensity was 0.0792 metric tons per square meter, representing a 15% increase over prior year. This increase is primarily attributable to the rebound in system-wide occupancy after the pandemic-affected year of 2020.
		Please view our 2021 ESG Report ( <u>Watts, p 19</u> , and <u>Performance Table, p. 47–48</u> ) for further detail. Our 2020 Scope 1 and 2 emissions data has been externally assured, as noted in our <u>2021 Assurance Statement</u> .
305-5	Reduction of GHG Emissions	From 2008 to 2021, Hilton has reduced our total market-based Scope 1 and 2 emissions intensity by 50% across our global portfolio of owned and managed properties.

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	305-4	GHG Emissions Intensity	In 2021, our total Scope 1 and 2 location-based emissions intensity was 0.0797 metric tons per square meter, which represents a 14% increase over prior year. Our total 2021 market-based Scope 1 and 2 emissions intensity was 0.0792 metric tons per square meter, representing a 15% increase over prior year. This increase is primarily attributable to the rebound in system-wide occupancy after the pandemic-affected year of 2020.
			Please view our 2021 ESG Report ( <u>Watts, p 19</u> , and <u>Performance Table, p. 47–48</u> ) for further detail. Our 2020 Scope 1 and 2 emissions data has been externally assured, as noted in our <u>2021 Assurance Statement</u> .
	305-5	Reduction of GHG Emissions	From 2008 to 2021, Hilton has reduced our total market-based Scope 1 and 2 emissions intensity by 50% across our global portfolio of owned and managed properties. Reductions in emissions have been achieved as a result of ongoing energy conservation activities, efficiency projects, and implementation of innovative energy saving technologies, as well as renewable energy projects and the purchase of Renewable Energy Credits. Refer to our 2021 CDP Climate Change Questionnaire for further detail on our emissions performance and reduction activities.
Effluents and Waste	306	Management approach disclosure	2021 ESG Report (Waste, p. 23–24, Performance Table, p. 48)  Hilton Environmental Policy Statement
	306-2	Waste by type and disposal method	In 2021, our landfilled waste was 295,607 metric tons. Our landfilled waste intensity was 0.0037 metric tons per square meter, representing an annual decrease of 0.8% per square meter across the Hilton global portfolio of owned, managed and franchised hotels. Across our global operations, Hilton has reduced landfilled waste intensity by 62% since 2008. For our managed portfolio only, we have reduced landfilled waste intensity by 70% since 2008. Our 2021 landfill diversion rate for our global operations was 16%, while the managed portfolio achieved a diversion rate of 32% in 2021. Our diversion rate accounts for ongoing waste streams that are recycled, composted, incinerated for waste-to-energy, or otherwise diverted from landfill. Please view our 2021 ESG Report (Waste, p. 23–24, Performance Table, p. 48) for further detail. Our 2021 waste data has been externally assured, as noted in our 2021 Assurance Statement.
Environmental Compliance	307	Management approach disclosure	Hilton Environmental Policy Statement
	307-1	Non-compliance with environmental laws and regulations	In 2021, Hilton did not identify any known instances of non-compliance with environmental laws and/or regulations.



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### **Management Approach Disclosures and Indicators (Continued)**

401-2

Benefits provided to

full-time employees

**RESPONSE AND/OR REFERENCES** MATERIAL ASPECTS INDICATOR DESCRIPTION **ENVIRONMENTAL (CONTINUED) Supplier** 308 Management approach 2021 ESG Report (Advancing Responsible Sourcing, p. 37–38) **Environmental** disclosure Hilton Responsible Sourcing Policy **Assessment** Hilton Environmental Policy Statement 308-1 New suppliers that In 2020, we conducted a thorough analysis of our most material sourcing categories: seafood, meat and proteins, produce, and apparel and linens. To drive responsible were screened using environmental criteria sourcing across these categories, we created a dedicated role and a cross-functional advisory group. This group oversees the development of our comprehensive responsible sourcing strategy and guides global decisions related to implementation. 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. We also continued to make incremental progress towards the goal of sourcing at least 25% of our total global seafood volume for owned, managed and leased properties from Marine Stewardship Council (MSC) fisheries and Aquaculture Stewardship Council (ASC) farms. Additional information can be found on our 2021 ESG Report (Advancing Responsible Sourcing, p. 37-38) **SOCIAL** 401 Management approach 2021 Annual Report **Employment** disclosure 2021 Form 10-K (Item 1. Business)

Hilton Great Place to Work profile

Hilton Diversity & Inclusion website

2021 ESG Report (Careers, p. 27-33)

Hilton Careers Website (Benefits Page)

Hilton Slavery and Trafficking Statement 2020

Hilton Careers website

Corporate Awards



# **Management Approach Disclosures and Indicators (Continued)**

MATERIAL ASPECTS INDICATOR DESCRIPTION RESPONSE AND/OR REFERENCES

Training and Education	404	Management approach disclosure	A comprehensive approach to recruiting, training/mentoring, leadership development and talent management allows us to understand where and how we can improve around the world. Our leadership roadmap helps our current and future leaders at all levels discover their talents, enhance their leadership skills and develop their careers with us. We offer a mix of opportunities for leaders at all levels and ensure we retain the best talent around the world. Our Thrive@Hilton platform is designed to help our Team Members understand our people programs and flourish in every area of the business.
	404-1	Average hours of training	Hilton employees complete an average of 40 hours of training per year.

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SOCIAL (CONTINUE	ED)		
Training and Education	404	Management approach disclosure	A comprehensive approach to recruiting, training/mentoring, leadership development and talent management allows us to understand where and how we can improve around the world. Our leadership roadmap helps our current and future leaders at all levels discover their talents, enhance their leadership skills and develop their careers with us. We offer a mix of opportunities for leaders at all levels and ensure we retain the best talent around the world. Our Thrive@Hilton platform is designed to help our Team Members understand our people programs and flourish in every area of the business.
	404-1	Average hours of training per employee per year	Hilton employees complete an average of 40 hours of training per year.
	404-2	Programs for upgrading employee skills and transition assistance programs	Through Hilton University, our Team Members have access to over 25,000 courses covering a wide variety of topics. All Team Members have the opportunity to grow their leadership skills and careers through our Lead@Hilton framework, which develops leaders at every step of their careers and features internal leaders-teaching- leaders videos as well as content from best-in-class partners such as Cornell and Harvard. Curricula were curated for each level of experience to ensure Team Members have the foundational tools to start as learners and the coaching, mentoring, and wellness resources to grow as leaders.
			We are also the first company in our industry to partner with Guild Education to provide Team Members the opportunity for debt-free continuing education opportunities.
			Beginning in the spring of 2022, Team Members will have access to a wide variety of educational credentials from leading universities and learning providers including high school completion, English language learning, college degrees, professional certifications, and more.
	404-3	Percentage of employees receiving regular performance and career development reviews	Hilton Team Members are evaluated through our Performance Management Review process; this includes the setting of objectives, goals, concerns and allowing regular feedback and coaching
Diversity and Equal Opportunity	405	Management approach	Hilton Diversity & Inclusion website
		disclosure	2021 ESG Report ( <u>Careers, p. 29</u> )
			Hilton Great Place to Work profile
	405-1	Diversity of governance bodies and employees	As of December 31, 2021, our global workforce, only including persons employed by Hilton, was 44 percent women. Globally, corporate leadership was 39 percent women and hotel leadership was 24 percent women. As of December 31, 2021, in the U.S., our workforce was 71 percent ethnically diverse, with U.S. corporate leadership being 19 percent ethnically diverse and U.S. hotel leadership being 21 percent ethnically diverse. As of December 31, 2021, our Board of Directors, excluding management directors, was 50 percent women and 25 percent ethnically diverse. Hilton is committed to achieving global gender parity and 25 percent U.S. ethnic representation at our corporate leadership levels by the end of 2027.

# **Management Approach Disclosures and Indicators (Continued)**

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MATERIAL ASPECTS	INDICATOR	DESCRIPTION	RESPONSE AND/OR REFERENCES
SOCIAL (CONTINUE	D)		
Human Rights	412	Management approach disclosure	Hilton Human Rights Principles
Assessment			Hilton Slavery and Trafficking Statement 2020
			2021 ESG Report ( <u>Conduct, p. 36</u> )
			Hilton ESG Policy Statement
	412-1	Operations that	Hilton Slavery and Trafficking Statement 2020
		have been subject to human rights reviews or impact assessments	2021 ESG Report ( <u>Conduct, p. 36</u> )
	412-2	Employee training on	Hilton Slavery and Trafficking Statement 2020
		human rights policies or procedures	2021 ESG Report ( <u>Conduct, p. 36</u> )
Local Communities	413	Management approach disclosure	2021 ESG Report ( <u>Communities, p. 34–35</u> ),
			Hilton ESG Policy Statement
	413-1	Operations with local community engagement, impact assessments and development programs	2021 ESG Report ( <u>Communities, p. 34–35</u> )
Supplier Social Assessment	414	Management approach disclosure	2021 ESG Report ( <u>Conduct, p. 36–38</u> )
	414-1	New suppliers that were screened using labor practices criteria	Hilton Slavery and Trafficking Statement 2020
Customer Privacy	418	Management approach disclosure	Hilton Global Privacy Statement, 2020
			ESG Report ( <u>Policies and Reporting, p. 44–45</u> )
	418-1	Substantiated complaints regarding breaches of customer privacy and losses of customer data	No known significant breaches occurred during the reporting period.

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# 2021 Independent Limited Assurance Verification for Hilton Worldwide Holdings Inc.

Publicly Reported 2021 GHG, Environmental, and Corporate Responsibility Performance

## **Assurance Summary**

Hilton Worldwide Holdings Inc. (Hilton) engaged DEKRA Certification, Inc (DEKRA) to provide an independent review and third- party assurance of information related to Hilton's Corporate Responsibility programs for the calendar year of 2021. Hilton reports publicly through multiple venues, including but not limited to CDP, Dow Jones Sustainability Index, Hilton's public financial disclosures, and Hilton's Travel with Purpose website (https://cr.hilton.com.) The Limited Verification followed the requirements of ISO 14064-3 - Specification with guidance for the validation and verification of greenhouse gas assertions.

Reporter	Hilton Worldwide Holdings Inc.		
Assurance Provider	DEKRA Certification, Inc.		
Reporter Contact	Harry Chrispin		
Lead Verifier	Zed Bates		
Senior Reviewer	Cem Onus		
Reporting Year	2021		
Reporting Scheme	Various - Carbon Disclosure Project, DJSI		
Geographical Scope of Assurance	Worldwide		
Assurance Scope	CO2, CH4, N20 emissions; Water Use; Energy Use; Waste Generation and Landfill Diversion; Year on Year Changes;		
Operational Boundaries	s Corporate facilities and Owned and Managed Hotels for Scope 1 and 2.		
Objectives	An evaluation of the following:		
	• Accuracy of publicly reported environmental data , including GHG emissions, water and energy use, and waste generated and diverted from landfills;		
	• Accuracy of publicly reported social impact data including youth impacted, volunteering hours, disaster relief and Action Grants funds distributed, number of diverse suppliers and anti-trafficking trainings; and		
	• The organization's controls over its reported corporate responsibility data.		
Criteria	ISO 14064-3:2019 - Specification with guidance for the validation and verification of greenhouse gas assertions.		
Level of Assurance	Limited Assurance Materiality		
Materiality	5% Assurance Findings		
Assurance Findings	Verified.		

#### **PERFORMED BY**

Zed Bates **Lead Verifier CARB Accredited Verifier** Per Executive Order H-15-171

#### **REVIEWED BY**

**Dr. Cem Onus Managing Director DEKRA** Certification Inc. 1120 Welsh Rd #210 North Wales, PA 19454

# **Limited Assurance Verification Opinion**

Based on the process and procedures conducted, there is **no evidence** that Hilton's GHG and other environmental claims in the following Tables a) are not materially correct or a fair representation of GHG data and information; and b) have not been prepared in accordance with related International Standards on GHG quantification, monitoring and reporting, or to relevant national standards or practices.



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#### **TABLE 1** GREENHOUSE GAS EMISSIONS

INDICATOR	2021TOTAL -MTCO2E	INTENSITY MTCO2E/M2	INTENSITY -CHANGE FROM 2020
Scope 1	415,034	0.0151	14.20%
Direct emissions			
Scope 2	1,778,303	0.0646	13.60%
Indirect emissions			
(Location-based)			
Scope 2	1,762,174	0.0641	15.00%
Indirect emissions			
(Market-based)			
Scope 1 + 2 emissions	2,193,338	0.0797	13.70%
(Location-based)			
Scope 1 + 2 emissions	2,177,208	0.0792	14.90%
(Market-based)			
Scope 3 emissions	4,087,530	0.0785	4.80%
from Franchises			
Scope 3 emissions	73,000	0.0027	10.30%
from Landfilled Waste			
Scope 3 emissions	7,616	_	18.10%
from Business Travel			

### TABLE 2 OTHER ENVIRONMENTAL DATA

INDICATOR	2021 TOTAL	INTENSITY	INTENSITY -CHANGE FROM 2020
Energy consumption (MWh)	MWh	MWh/m²	%
Managed	6,164,255	0.2241	12.80%
Franchised	12,900,585	0.248	5.30%
Total	19,064,840	0.239	8.00%
Water consumption	Megaliters	Liters/m²	%
Managed	12,287	447	15.20%
Franchised	22,435	431	9.30%
Total	34,722	436	11.30%
Water withdrawals	Megaliters	Liters/m²	%
Managed	49,147	1,787	15.20%
Franchised	89,740	1,724	9.30%
Total	138,887	1,746	11.30%
Landfilled waste	Metric Tons	MT/m²	%
Managed	77,659	0.0028	10.30%
Franchised	217,948	0.0042	-5.70%
Total	295,607	0.0037	-0.80%
Waste diverted from landfill	Metric Tons	MT/m²	%
Managed	36,566	0.0013	1.10%
Franchised	21,505	0.0004	-24.73%
Total	58,072	0.0007	-12.26%
Waste diversion rate (%)			
Managed	32.00%		-1.90%
Franchised	9.00%		-2.00%
Total	16.42%		-1.76%

#### TABLE 3 SOCIAL IMPACT DATA

INDICATOR	2021 TOTAL
Disaster relief funds distributed to Hilton Team Members through the Hilton Responds Fund (USD)	\$785,968
Volunteering (number of hours)	197,824
Grants awarded to community partners through the Hilton Effect Foundation	\$1,862,180
Mandatory Anti-Trafficking Training (% of General Managers attesting all hotel Team Members have completed)	54%
Supplier Diversity Program (number of women, minority, veteran and LGBTQ- owned businesses we have supported)	2,508
Refugees Impacted (cumulative since 2015)	26,335

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#### **GHG Claim Evaluation**

The data included in Tables 1 through 3 above ("Reported Data") is managed at Hilton's Corporate Headquarters in McLean, Virginia. For the purposes of this report, data listed in Tables 1-2 is considered environmental data. and the data in Table 3 is considered social impact data.

The environmental data is based on utility data input by over 6,000 managed and franchised properties into LightStay, Hilton's corporate responsibility platform. Launched in 2009, LightStay was created to track sustainability performance across Hilton's global portfolio and to help drive adoption of best practices that reduce environmental impacts. Hilton works closely with ei3, its technology partner and system host, to continually improve the LightStay system features for its hotels, owners, and management teams.

As a global brand standard, all managed and franchised hotels must utilize LightStay to provide their environmental and social impact data to Hilton. The current brand standard requires that hotels input the following data into LightStay on a monthly basis:

- Energy consumed from all energy sources (electricity, gas, steam, chilled water, other).
- Water consumed from all sources, including municipal water supply and other sources.
- · Waste disposal including landfilled and diverted waste streams (recycled, organic, other).
- All applicable volunteering events and donations including food donations, bath amenities. linens. FF&E. etc.
- As a brand standard, all hotels must also set annual reduction goals and maintain active energy, water and waste improvement projects.

Hilton tracks and supports hotel compliance with the LightStay brand standards globally through the use of LightStay compliance alerts, monthly compliance reports, and direct communications with the Regional Property Operations and Brand Performance teams.

The LightStay system supports the input of accurate data and accommodates the needs of hotels globally through a variety of features:

- Global conversions: LightStay enables hotels to enter data in a variety of consumption units, consistent with their utility bill, and provides the flexibility to enter costs in local currency.
- Property variables: LightStay automatically populates weather and room occupancy on a monthly basis. Floor area and other key details are included in the Property Profile. which all properties are required to complete as a brand standard.
- Greenhouse gas calculations: Hilton utilizes The Greenhouse Gas Protocol: A Corporate Accounting and Reporting Standard (Revised Edition). Historical emissions factors for electricity, natural gas and other energy sources are stored in LightStay and used to calculate the hotel's Scope 1, 2, and 3 emissions. Location-based electricity CO<sub>2</sub>e emissions factors are updated annually in LightStay for the current calendar, based on the most recent and accurate source data available for the country or subregion.
- Compliance Alerts: The LightStay system generates monthly alerts for incomplete or out-of-range consumption values. Hotels have 60 days to enter their utility bills or they will receive an alert message in LightStay. Hotels must address all outstanding alerts within 30 days to remain in compliance with the brand standards.
- LightStay Training: All new hotels must complete an online LightStay training course through Hilton University within three months

of opening. Advanced courses are available and LightStay offers extensive user guidance and how-to-guides.

• LightStay Support: Hotels are encouraged to contact the LightStay Support team to help understand their alerts and correct any data input errors. LightStay Support attempts to contact hotels directly to resolve major data issues and may also correct obvious decimal or unit errors, with notification sent to the hotel

Since 2010, hotel utility data in LightStay has been used for Hilton's external reporting of energy, emissions, water, and waste impacts. Hilton and its consultants have followed a consistent methodology, adapted to meet the company's Travel with Purpose goals and corporate responsibility reporting requirements.

Consistent with Hilton's 2030 Travel with Purpose goals, Hilton measures and reports annual sustainability performance using the floor area intensity metric (consumption per square meter of total gross building area).

# **Reporting Scopes:**

**Scope 1** includes all onsite GHG emissions from fuel use, almost exclusively natural gas for comfort heating and hot water generation.

Scope 2 includes all grid electricity used by Hilton's managed hotel properties. The individual hotel CO2e emissions factors for the reference group were verified based on the emissions source data provided by country or subregion (i.e., US eGRID, DEFRA, IEA).

**Scope 3** includes all emissions resulting from both onsite emissions and grid electricity at the Franchised hotels, as well as emissions relating to Managed hotel landfilled waste and Corporate business travel. Again, CO<sub>2</sub> emissions factors were verified for different countries and subregions based on international standard data.

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### **Risk Evaluation**

Sufficiency, Appropriateness, and Material misstatement

The sufficiency of data and the appropriateness of both the automated LightStay and final corporate analysis were evaluated for sufficiency, appropriateness, and risk of material misstatement based on analysis methodology.

Sufficiency Risk. Due to the large percentage of reporting properties and the large property pool (5818 Franchised properties and 878 Managed properties), the Risk of data insufficiency was determined to be **Low**. Annual sustainability results are based on an evaluation of year-over-year results for a reference group of properties with data verified complete and accurate for aggregated reporting purposes. The reference group for 2021 included 92% of total managed properties, and analysis of the reference group's performance supplied the average values (by region) used to complete and correct the data from the remaining properties Data gathered using the LightStay system has been verified at the site level by DEKRA site sampling, included in Hilton's ISO 9001, ISO 14001, and ISO 50001 site visits. Data anomalies are analyzed at the site level and corrective actions are implemented.

Appropriateness Risk. The automated calculations in LightStay (floor area normalization) have been verified for this and all previous reporting cycles and no errors have been found Hence, the Risk of inappropriate analysis in the LightStay system was determined to be **Low**. Data, once it is reported into LightStay, is also analyzed at the corporate level annually for anomalies and missing data, and properties are excluded from the reference group.

Materiality Risk. Risk of material misstatement was determined to be **Low**. The final analysis by Hilton staff consisted of spreadsheet review and identification of anomalies. There were 38 anomalies at the property level identified (4% anomaly rate), which have been added to the sampling plan for internal and external audit in 2022. Anomalies also include any issues with water use reporting. Materiality of the chosen methodology was verified by taking the final result for all properties not in the anomalous group, using their unmodified ('raw') data, and comparing it to the final result for all properties with all normalization factors active. The raw data showed an intensity of 71 kbtu/sf, while the final data showed an intensity of 71.2 kbtu/ sf. Variance was a mere 0.3%, well within the 5% variance limit.

#### **Other Environmental Claims**

Water and waste data were both reported into LightStay using the same platform as the energy and greenhouse gas data reviewed above. During the data cleansing process, the properties' water use and waste stream data was evaluated, consistent with the criteria regarding missing and anomalous data above, to determine the reference group and to estimate impacts by excluded and new hotels. Water anomalies were added to the audited group (see 'Materiality Risk' above).

Social Impact Data. Properties report volunteer events and participation through LightStay. The summary report of the volunteer hours was reviewed. Numeric outliers were identified and the specific entries within LightStay were reviewed. No discrepancies were noted.

Hilton provides Hilton Effect Grants through the Hilton Effect Foundation to properties requesting funds for social or environmental projects. The amount transferred from Hilton in 2021 was confirmed by a representative from the Hilton corporate accounting department.

Hilton has assigned Anti-Trafficking Training Courses to all properties through Hilton University. Records from Hilton University were reviewed.

Hilton's Supplier Diversity Program currently includes 2,508 diverse suppliers. Supplier information is reviewed by two separate third party processes.

#### **ATTESTED BY**

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

Managing Director DEKRA Certification, Inc.

# Assurance Continued



#### **ABOUT DEKRA**

DEKRA Certification Inc. is a Management System certification company that has provided ISO 9001, 14001 and 50001 certification services to Hilton since 2010.

Beginning in 2008, DEKRA (then operating as KEMA Registered Quality, Inc.) has provided independent validation services to Hilton for their LightStay Program. DEKRA did not assist or consult with Hilton at any time in generating the Reported Data within the scope of the verification. DEKRA has procedures in place to ensure its work is free from bias and is not unduly influenced by outside parties. DEKRA employees and contractors who participated in assurance activities were free from personal, financial, or other relationships that would potentially compromise their impartiality.

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



HILTON SEYCHELLES LABRIZ [2]













































