

Gender PAY GAP REPORT

**This report refers to Hilton UK Hotels Ltd.
gender pay gap figures in April 2017**

All government-required data points, along with additional context, are included within the report.



FOREWORD

At Hilton, we believe a truly diverse workforce will out-think, out-innovate and out-perform other organisations. As a global hospitality company serving guests in 105 countries and territories, achieving diversity is fundamental to our success, and we're proud to have been recognised for our achievements as one of the top 10 workplaces both globally and in the UK, where we were named 6th Great Place to Work in 2017.

Our commitment to building a diverse workforce starts at the very top of our business, with our CEO Chris Nassetta chairing the Hilton Executive Diversity Council. Under his leadership, our board has achieved 40% female representation, and we are committed to completely redressing the balance to achieve total parity at every level, globally.

We welcome the opportunity to highlight our existing efforts and the programmes we have developed to encourage diversity. We have made significant progress in recent years; our female talent pipeline has never been stronger, and I was delighted to join almost 500 female leaders from Hilton's UK&I business at last month's Women in Leadership conference – one of a number of events we're holding throughout Europe, the Middle East and Africa. But we recognise that there is still work to be done to completely close the gender pay gap at every level of our business. This report outlines our approach to doing so.



Stephen Cassidy

Senior Vice President and Managing Director
UK & Ireland



6th Great Place to
Work in the UK



9th Great Place to
Work globally



40% of our
Executive Board
members are female



300 high-potential
young female leaders
enrolled on our new
EMEA Executive
Coaching programme
for women

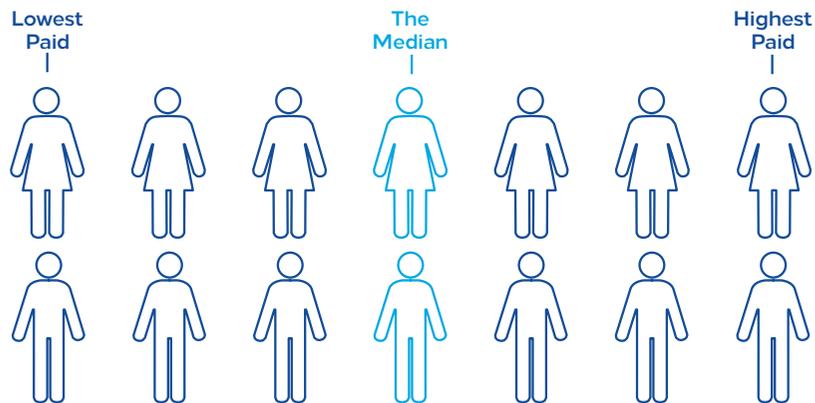


92% engagement
in our Global Team
Member Survey



Key Signatory
of the industry-wide
Women in Hospitality
2020 charter in the UK

WHAT IS A GENDER PAY GAP AND HOW IS IT CALCULATED?



Median hourly pay figures are calculated by placing all female or male employees in order of earnings. The median is the middle figure from each list.

Mean hourly pay figures are calculated by adding all male or female hourly pay together and dividing by the total number of employees included.

The gender pay gap shows the difference between the average (mean or median) earnings of men and women. This is expressed as a percentage of men's earnings.

OUR RESULTS

- Analysis shows our gender pay gap is primarily driven by more **men holding senior higher-paid roles**, together with the number of **part-time and flexible roles** predominantly **held by women**.
- As a result, the current gap is not reflective of the gender mix in our talent pool.
- The number of women in senior roles at Hilton has been increasing in recent years and our female talent pipeline has never been stronger. We are fully focused on encouraging more women into leadership positions to redress the balance.

It is important to note that the GPG is not the same as equal pay for equal work.

The gender pay gap reveals the difference in hourly pay between men and women across the whole business, whilst equal pay measures what men and women are paid for doing work of equal value. Fewer women in senior positions will therefore result in a gender pay gap even if those women are being paid more than their male counterparts.

OUR GENDER PAY RESULTS



3.1%

Median gender pay gap
Hilton

15%

Mean gender pay gap
Hilton

COMPARATORS

5.4%

Median gender pay gap
Accommodation & Food Sector

according to latest ONS data (2017)

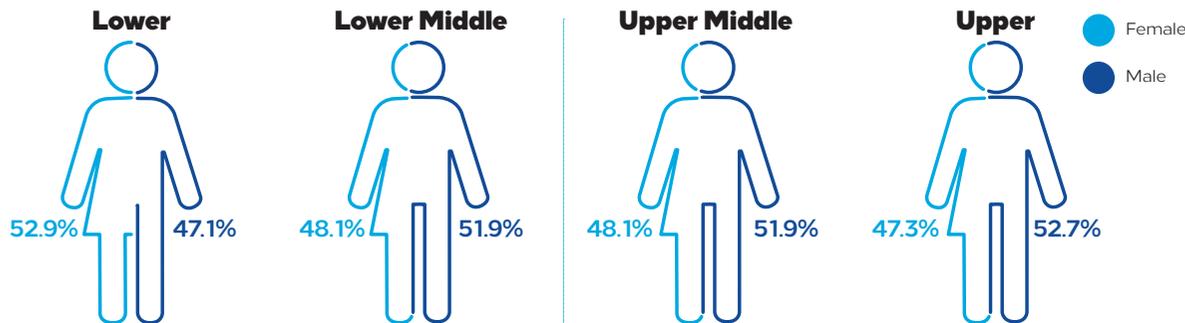
18.4%

Median gender pay gap
National Average

according to latest ONS data (2017)

GENDER SPLIT BY QUARTILE

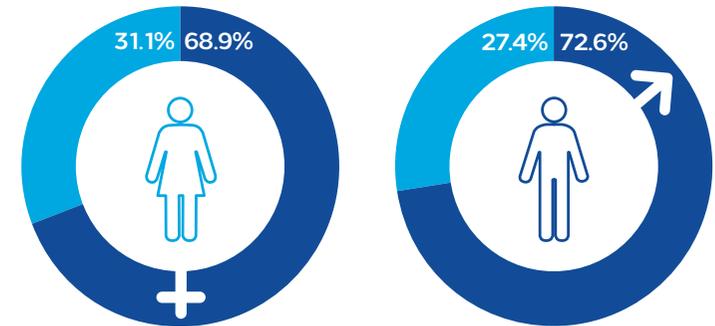
When looking at the proportion of men and women in each pay quartile, there are marginally more men in all but the lower quartile.



Our frontline positions are attracting similar numbers of men and women, and 75% of our graduate programme intake is now female. As a result, we are building an increasingly strong and diverse talent pipeline for the future.

OUR BONUS GAP

A higher proportion of our female Team Members are **awarded bonuses**.



● Receives Bonus ● No Bonus

OUR BONUS PAY RESULTS

Our overall bonus gap is driven mostly by **men receiving bonuses in higher-paid roles**. When the gap is analysed by level, the figures are much more evenly distributed.

31.4%

Median

43.3%

Mean

OUR FUTURE

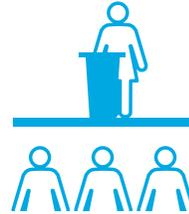
We will only achieve and maintain our success by living our core values; attracting the best and brightest talent; and celebrating and leveraging the diversity of our Team Members.

That's why we're focused on creating meaningful opportunities for all. Recruiting, supporting and promoting more women into senior leadership positions, removing disparity, and ultimately closing the pay gap is critical to helping our business thrive.

As a result, we're continuously focused on developing initiatives which promote inclusivity and support the development of all our Team Members.

THESE INCLUDE:

ENGAGING AND INSPIRING TEAM MEMBERS



Women in Leadership Conferences:

We're hosting a series of annual events across the globe to inspire female Team Members to reach their full potential. Our UK event took place in March, with almost 500 corporate and hotel Team Members attending across six locations in the UK and Ireland to hear from inspirational internal and external keynote speakers and panellists.



Women's Team Member Resource Group:

Sponsored by senior leaders, our resource groups promote professional growth through networking and development. We've expanded our existing WTMRG in the UK to focus on Team Member development through leadership panels, regular newsletters and networking events.



Board of Future Generations:

Millennials are expected to make up 75% of the workplace by 2025, so we've created a Europe, Middle East & Africa "board of future generations". These 12 millennial Team Members, of whom 50% are women, have been handpicked from our hotels and corporate offices across EMEA to help shape strategic priorities and support senior leadership, so our business can continue to thrive.

STRUCTURED SUPPORT AND LEARNING OPPORTUNITIES**Hilton University:**

Our online learning platform provides extensive opportunities for Team Members to build their skills through a range of training courses. Whether they want to learn a foreign language, brush up on their writing skills or learn how to better manage their workload, there is a course to suit their needs.

**Coaching on Call:**

In 2017, we launched this new initiative to provide more junior female Team Members with professional coaching. The programme has been specially designed to flex around busy schedules, and provides Team Members with tailored support to help them achieve their goals during the all-important early stages of their career.

PROGRAMMES AND INITIATIVES THAT PROMOTE WORKPLACE EQUALITY

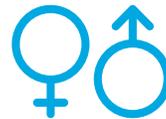
We're helping female Team Members thrive through flexible working policies and the opportunity to take part in company-sponsored sabbaticals.

**Global Team Members Survey:**

We conduct an annual survey of all Team Members across hotels and corporate offices. Responses are examined based on factors including gender, business function and region, so we can monitor employee satisfaction amongst specific groups and swiftly respond to any suggestions raised by our teams.

**Training to combat unconscious bias:**

We now offer bespoke online training courses to help combat unconscious bias.

**Talent pool expansion:**

We're constantly striving to ensure that the applicant pool for senior roles is as diverse as possible.

We confirm that this statement is accurate and is approved by Hilton's Senior Vice President and Managing Director for UK & Ireland, and HR Senior Director UK & Ireland.

Stephen Cassidy

Senior Vice President and Managing Director
UK & Ireland

Kay Harriman

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