Travel with Purpose

Hilton’s environmental, social and governance (ESG) strategy—Travel with Purpose—is integrated throughout our global business, including our operations, our supply chain and our engagement with our communities. This brief provides an overview of Travel with Purpose and the key progress Hilton made in 2022 to advance our goals.

Our ESG Strategic Framework outlines the priority areas for action within our Travel with Purpose strategy.

**ENVIRONMENTAL**
- **WATS**
  - CARBON/ENERGY
    - Cut managed emissions intensity by 75% by 2030
    - Cut franchised portfolio emissions intensity by 56% by 2030
    - Drive toward a net-zero future
  - WATER
    - Cut water use intensity by 50% by 2030
  - WASTE
    - Cut landfilled waste intensity by 50% by 2030

**SOCIAL**
- **CAREERS**
  - Create 5 million learning and career growth opportunities for Team Members and communities with a focus on underrepresented groups by 2030
  - Achieve 50% Gender Diversity at our leadership levels globally by 2027
  - Achieve 25% Ethnic Diversity at our leadership levels in the U.S. by 2027
- **COMMUNITIES**
  - Meaningfully impact 20 million community members by 2030:
    - Local Support
    - Disaster Relief
    - Economic Opportunities
- **CONDUCT**
  - Promote responsible, inclusive conduct across 100% of our value chain operations

**GOVERNANCE**
- **PUBLIC AFFAIRS**
  - Advocate for public policies that advance our Travel with Purpose goals
- **PARTNERSHIPS**
  - Create and partner with cross-industry networks to advance Travel with Purpose objectives
- **POLICIES & REPORTING**
  - Operate through best-in-class measurement (LightStay), governance and oversight
Set more ambitious emissions intensity reduction goals, validated by the Science Based Targets Initiative (SBTi)

Launched Meet with Purpose checklist, which provides tools to make more sustainable meetings and events, including opportunities for procuring high-quality offsets for remaining carbon emissions through LightStay

Partnered with American Express and Hilton’s ownership community to donate hotel rooms to support Ukrainian refugees and contributed $110,000 from Hilton Global Foundation to World Central Kitchen and Project Hope

Expanded our existing commitments to support refugees by setting a new goal with the Tent Partnership for Refugees to hire 1,500 refugees in the U.S. over the next three years

ESG LEADING RECOGNITION

6TH CONSECUTIVE YEAR. Earned inclusion on both the World and North America Dow Jones Sustainability Indices

Included in the S&P Global Sustainability Yearbook 2023, receiving the additional distinction of Top 5% S&P Global ESG Score

Inducted into DiversityInc’s Hall of Fame, recognized as the #1 Company for ESG and the only hospitality company on the Supplier Diversity list

Awarded EcoVadis Gold Medal in recognition of sustainability achievement

Named the #2 World’s Best Workplace by Great Place to Work®; #2 Best Company to Work for in the U.S. and #1 Best Place to Work in Austria, China, Ireland, Peru, Turkey and Uruguay, and overall, ranked a Best Place to Work in 29 countries

5TH CONSECUTIVE YEAR. Named to PEOPLE® Companies that Care 2022 list

Recognized as a 2022 Leading Disability Employer by the National Organization on Disability (NOD), and recognized as a Best Place to Work for Disability Inclusion in the U.S. by Disability: IN and the American Association of People with Disabilities (AAPD)

Included in Forbes list of Top 100 Most Customer-Centric Companies

2ND CONSECUTIVE YEAR. Named a 2022 Trendsetter in the CPA-Zicklin Index of Corporate Political Disclosure and Accountability

Invested in Fifth Wall’s Climate Tech Fund, which will power new and emerging decarbonization technologies and help the global real estate sector make progress in the fight against climate change

Opened the first anticipated net-zero hotel and first Passive House-certified hotel in the U.S. , Hotel Marcel New Haven, Tapestry Collection by Hilton

Provided 39 grants to Team Member-nominated organizations during Travel with Purpose-nominated Travel with Purpose Week to support destination stewardship in communities around the globe

Contributed nearly 345,000 Team Member volunteer hours in their communities

Avoided up to 92 tons of plastic key cards in 2022 by offering Digital Key

Distributed nearly $2.3M in Hilton Global Foundation Grants to advance our Travel with Purpose 2030 Goals, funding initiatives that support climate action, destination stewardship, career development, and community resilience

Committed to grant $500,000 to the AHLA Foundation’s No Room for Trafficking (NRFT) Survivor Fund over the next 3 years to continue to combat human trafficking

Launched $1 per night donation for every reservation made through the Go Hilton Team Member travel benefit program, expanding funding for the impactful initiatives supported by the Hilton Team Member Assistance Fund and the Hilton Global Foundation

Distributed nearly $3M from our Team Member Assistance Fund since 2017 to provide assistance grants to Team Members impacted by crises and disasters
The integration of ESG across our business

At Hilton, every team works hand in hand to “fill the earth with the light and warmth of hospitality” and make progress toward our Travel with Purpose 2030 Goals.

Here are some examples of what our Team Members are doing to integrate ESG into our operations, supply chain and communities:

**FRONT OF HOUSE**
- Offer Hilton Digital Key to guests to reduce single-use plastics
- Report any suspicions of human trafficking

**HUMAN RESOURCES**
- Create pathways of opportunity for Team Members and community members through job opportunities and training/education
- Ensure all Team Members complete training on diversity, inclusion, and human rights

**SALES**
- Support customers to meet their ESG goals with Meet with Purpose
- Use Hilton’s Meeting Calculator and LightStay to estimate and offset the carbon footprint of events

**GENERAL MANAGER**
- Inspire Team Member and guest engagement with social and environmental goals
- Ensure hotel ESG data is tracked in LightStay and review monthly performance
- Mobilize Team Members to volunteer in the communities where we live, work and travel

**ENGINEERING**
- Strive for operational excellence to increase efficiency
- Install energy/water efficient appliances, such as LED light bulbs
- Log the hotel’s watts, water, and waste data into LightStay

**FOOD AND BEVERAGE**
- Increasingly source cage-free eggs, sustainable seafood and other ingredients
- Provide locally sourced and healthy options
- Set up food donation partnerships
- Implement effective start-up and shut-down procedures for hoods and appliances in kitchens to reduce energy consumption

**HOUSEKEEPING**
- Recycle soaps to support communities in need
- Minimize energy and water use while cleaning the rooms and common spaces
- Implement towel linen reuse program

**TRAVEL WITH PURPOSE CORPORATE TEAM**
- Collaborate with business partners, owners, and hotel leaders to develop an effective Travel with Purpose program for our hotels
- Create resources and opportunities for Team Member engagement with Travel with Purpose
- Advise functions across the business to advance Travel with Purpose across Hilton’s global operations

**HILTON SUPPLY MANAGEMENT**
- Negotiate competitive pricing for more sustainable services and products, such as LED lighting, plastic alternatives and electric vehicle chargers; this approach drives impact at scale for our properties, owners and communities

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ENVIRONMENTAL PAVING THE WAY TO NET ZERO

CLIMATE ACTION | DESTINATION STEWARDSHIP

Through climate action and destination stewardship, we are pAVING the way toward a net-zero future for our company and the global travel and tourism industry. We recognize climate change to be a critical threat to our planet, our communities, and our business, and we’ve made combating it a top business priority.

RESETTING OUR SCIENCE-BASED TARGETS

We set new, enhanced carbon intensity reduction targets that were both more ambitious and grounded in the realities of the latest climate science. The new targets were revalidated by the Science Based Targets initiative (SBTi) and cover the entirety of our current and projected portfolio.

WATTS

47.1% reduction in CO₂ emissions intensity per square meter from 2008 baseline

2030 Goal: 75% Reduction

WATER

33.4% reduction in water consumption per square meter from 2008 baseline

2030 Goal: 50% Reduction

WASTE

65.4% reduction in landfilled waste per square meter from 2008 baseline

2030 Goal: 50% Reduction

Completed ISO 14001, ISO 9000, and ISO 5001 recertification of our portfolio of hotels

100% offset of Scope 3 emissions from Hilton corporate air travel and rental cars

Opened Hotel Marcel New Haven, Tapestry Collection by Hilton, believed to be the first net-zero carbon emissions hotel in the U.S.

Established LED bulbs as a global brand standard for lighting in new-build hotels and existing hotels across all Hilton brands

Launched pilot program with Goodr to collect unused food and deliver it to local nonprofits

- Served 590 meals to the local community
- Diverted 708 lbs. of food from landfill
- Prevented 384 lbs. of carbon dioxide emissions

2.3M+ bars of soap donated, diverting more than 211,000 pounds from landfill in 2022

35.7% of waste diverted from landfills (managed hotels only)

Launched Digital Key share feature which has been shared over 1M times since inception, significantly reducing plastic waste

1 Reflects data from Hilton’s managed hotels as of December 31, 2022. This data has been reviewed by an independent third party.

OUR PATH TO ACHIEVING AMBITIOUS GOALS

In 2022, Hilton engaged Schneider Electric, a global leader in energy and sustainability solutions and strategy development, to help us define our roadmap to achieve our revalidated 2030 science-based targets. Together, we ran an analysis of our enterprise-wide emissions data and calculated key interventions, their estimated cost and payback, and environmental benefit.

ELEVATING WATER EFFICIENCY STORMWATER MANAGEMENT

In an effort to reduce the burden on the city’s stormwater infrastructure and improve water quality, Conrad Washington, DC features an onsite stormwater management system where it is able to capture 97% of rainfall and use it to irrigate the hotel’s outdoor terraces and to cool its air conditioning towers.

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SOCIAL
CREATING AN ENGINE OF OPPORTUNITY

HUMAN RIGHTS  DIVERSITY, EQUITY & INCLUSION

Our enduring role is to foster opportunity for people, including our Team Members and our neighbors, in the destinations where we operate around the world. In addition, we bring urgent focus and committed action to the pursuit of diversity, equity & inclusion and to the protection of human rights.

TEAM MEMBER ASSISTANCE FUND (TMAF) SUPPORT IN 2022
Hilton expanded its TMAF program to provide further assistance to its Team Members beyond support after disasters. The program now supports Team Members experiencing undue financial hardship due to an unexpected personal circumstance.

BY REGION
- Americas: 9%
- EMEA: 24%
- APAC: 66%

BY TYPE OF HARDSHIP
- Personal Hardship: 2%
- Natural Disaster: 9%
- Crisis: 15%
- Hotel Hardship: 74%

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PARTNERED WITH CLIMECO
Hilton introduced the Meet with Purpose checklist to enable customers to host more sustainable meetings and events, and partnered with ClimeCo to launch a feature in LightStay to purchase high-quality carbon offsets for carbon neutral meetings.

CAREERS
OUR COMMITMENT TO DIVERSITY BY 2027
- 50% Gender Diversity at our leadership levels globally
- 25% Ethnic Diversity at our leadership levels in the U.S.

OUR PROGRESS
- 40% Women vs. 2020
- 19% Ethnic Diversity vs. 2020

- 677,000+ learning and career growth opportunities created in 2022

GUILD
Partnered with Guild Education, providing 70+ continuing education programs for Team Members.

- ✓ Professional Certificates
- ✓ College Preparatory Classes
- ✓ High School Completion Courses
- ✓ English Language Learning

COMMUNITIES

2022 ACTION IN LOCAL COMMUNITIES
in partnership with the Hilton Global Foundation

- 344,000+ volunteer hours
- 475,000+ meals donated
- $690,000+ monetary gifts
- 2.3M+ bars of soap donated
- $7.9M+ in-kind donations
- 2.8M community members impacted

SUPPLIER DIVERSITY
progress, to date

- 3,164 total jobs supported
- $334M total supplier diversity spend

CONDUCT

98% of managed hotels completed Diversity & Inclusion/Unconscious Bias and creating a Harassment-free Workplace training

100% of managed and franchised hotels mapped for numerous human rights risks

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

- As a supplier for many corporate customers, Hilton undergoes the EcoVadis sustainability assessment annually. We scored in the top 5%, earning a Gold Medal.

- Launched a pilot with MindClick to evaluate the social and environmental performance of vendors across focused-service and all suite brands. These findings will influence decisions on hotel design and product selection.

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.
TO HELP ATTRACT TALENT AND FILL MORE THAN 4,000 JOB VACANCIES IN MEXICO, HILTON LAUNCHED A TWO-DAY GRASSROOTS RECRUITING CAMPAIGN.

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.

$1.38B+ cumulative savings in watts, water, and waste costs since 2009 by measuring and monitoring our utility performance in LightStay

WAYS WE HELPED SHAPE PUBLIC POLICIES IN 2022:

- Led advocacy efforts to stimulate leisure and business travel, including supporting tax incentives and funding for destination marketing
- Supported policies to address our workforce needs through immigration and visa reform and expanded skills training programs
- Advanced legislation that helps our hotels become more sustainable, including tax incentives for energy efficiency upgrades, EV charging stations and plastic elimination

IT’S A PENALTY CAMPAIGN

Hilton continued to work with It’s a Penalty to advance our shared goal of protecting human rights through educational outreach at high-profile sporting events globally. In June, Hilton Birmingham Metropole welcomed more than 100 guests to a launch event ahead of the start of the Commonwealth Games.

Team Members at the hotel completed specialized training to spot the signs of human trafficking.

Hilton made an investment in two Fifth Wall climate technology funds that aim to decarbonize the global real estate sector

Committed to grant $500,000 to AHLA Foundation’s No Room for Trafficking (NRFT) Survivor Fund over 3 years

Hilton has deepened our partnership with Aquicore in the U.S., a leading platform for energy and facility performance management. The platform equips operations and engineering leaders to monitor systems centrally, and identify actionable, low-or-no-cost equipment modifications to improve performance.

Since installing Aquicore in our first property in 2017, we have achieved over $4 million in energy cost savings.

Policies and reporting

98% of managed hotels have completed training on preventing human trafficking

100% of hotels mapped against human rights risks

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.

PUBLIC AFFAIRS

To advance our goals, we work closely with industry associations, shape public policies and lobby for legislation.

Ways we helped shape public policies in 2022:

- Stimulate leisure and business travel, including supporting tax incentives and funding for destination marketing
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PARTNERSHIPS

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We are committed to best-in-class governance practices that ensure we operate with accountability, integrity, and transparency in everything we do. Everyone—from our CEO and board to our Team Members—joins forces to operate the business responsibly. To fulfill our commitments, we consistently measure our progress toward our goals and use that data to assess risk and drive decision-making.

INTEGRITY | TRANSPARENCY

Our ESG policies and reporting