

Energy

Energy is essential to operating our hotels successfully and creating exceptional guests experiences. Energy efficiency is also one of the key strategies to ensuring a low carbon future and more secure energy supply for both society and our business.

Goal

Reduce energy by 2.5 percent in the Americas and Asia Pacific and by 2 percent in Europe, Middle East and Africa in 2015.

Impact Highlights

14.5%

Reduced energy by 14.5 percent from 2009-2014 (normalized energy reduction against 2008 base year).

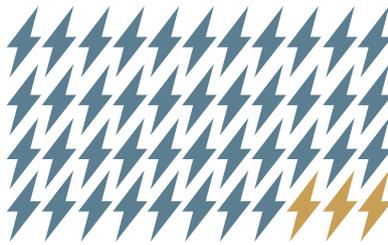
81,400
Homes

Conserved enough energy to power 81,400 homes for a year (normalized energy reduction against 2008 base year).

Introduction

Energy is typically the second or third largest cost for the average hotel, which is why we, along with our owners, have a vested interest in reducing overall usage and driving greater efficiencies. We need it to run heating and air conditioning systems, to light the building and to power room appliances.

Active improvements and use of renewable sources is not just an opportunity to lower our costs and our responsibility as a business, but also an opportunity to ensure that our impact on the environment is reduced, so our Hilton Team Members,* franchise employees,** guests, owners and communities can use and sustain these resources for the future.



1.6%

Absolute energy reduction of 1.6 percent 2014 vs 2013



298

kBTU

298 total kBTU per occupied room (2014, absolute consumption).

2014 primary energy sources: (MWh)

- Electricity 3,636,855
- Fuel 2,531,655
- Steam 235,885
- Heat 118,793
- Cooling 153,153



4,500+

Hotels

Certified more than 4,500 hotels in ISO 50001 for energy management.

Our Approach

Our energy strategy begins with data collection on energy use across our hotel portfolio. We then translate this data into relevant metrics that our Hilton Team Members, franchise employees, owners, and management groups can use to make informed decisions and set goals for performance improvement. At the same time, we require hotels to set goals based on their local operating context and environment. This approach helps increase the overall effectiveness of our energy initiatives to reduce both our energy use and carbon emissions.

Our hotels drive energy reduction and savings through a combination of on-property energy efficiency projects, Hilton Team Member and franchise employee insights and behavioral changes, partnerships and renewable energy usage directly or through credits.

Action

Reporting through LightStay

We leverage LightStay, our measurement platform, to understand how our hotels are managing energy and driving improvements over time. Since launching LightStay we've gathered more than five years of global data across our hotel portfolio that we use to understand how to drive greater efficiencies, savings and value for our company and owners, and to create tools and trainings for our hotels.

Energy Management and Forecasting

A recent upgrade to LightStay tracks historical energy and weather data to forecast future energy consumption levels and predict the impact of performance on cost; enabling our hotels, owners, and management groups to take corrective action to influence future performance. The system cross-references the data hotels submit with expected performance to send automatic alerts to hotels when performance falls below expected levels. Hotels are also required to track and complete improvement projects each year, enabling us to uncover and share learnings and best practices from more than 4,800 energy-efficiency projects.

We also have dedicated resources that actively monitor and negotiate energy contracts while also managing supply-side energy risks to ensure our hotels have favorable energy prices, and where possible, drive efficiencies leading to more competitive pricing.

In our owned and managed hotels, the bonus potential for our Hilton Directors of Property Operations & Engineering is tied to the attainment of our environmental goals, including reductions in energy consumption for their hotel's respective operations. Directors are responsible for identifying and executing relevant energy projects and coordinating across functions at the hotel to drive energy efficiency and improve performance.

We also partner with our strategic suppliers to embark on an aggressive campaign to reduce energy through more efficient lighting. Property level audits identify the best combination of lighting that will reduce energy usage and cost. This program is required for all owned and managed properties in the United States.

Energy best practices at the Hilton Garden Inn Trivandrum

Our Hilton Garden Inn Trivandrum won the Kerala State Pollution Control Award, in recognition of its environmental protection initiatives. The Award is given to companies that have invested in, and efficiently operated, their pollution control facilities. The hotel's initiatives include rainwater harvesting, water recycling and the installation of a sewage treatment plant. The hotel also uses energy-efficient and environmentally friendly heat pump systems, highly efficient electrostatic precipitators and air purifiers, as well as more eco-friendly refrigerants.

Living Sustainably Campaigns

We provide the resources, easy-to-use tools, 'train the trainer' courses and encourage hotels to take ownership and drive accountability for our company-wide energy performance. Our **Living Sustainably** campaigns educate Hilton Team Members and franchise employees on responsible energy practices by providing examples developed by their colleagues from around the world for improving their daily operations and inspiring collective action. The campaigns emphasize changes that drive performance on energy, water and waste. Throughout the first quarter of each year, every Hilton Team Member and franchise employee is encouraged to implement low- or no-cost changes that drive energy efficiency and deliver enhanced value to help reach our energy reduction targets.

Earth Hour

For the fifth consecutive year, hotels around the world united to celebrate Earth Hour in March. Hotels organized energy-saving projects including switching off exterior lighting, dimming lobby and reception lighting and hosting candlelit dinners with sustainable food and drink menus.

Partnerships | Associations Awards | Certifications

In 2015, we announced a collaboration with **World Wildlife Fund (WWF)** to support our environmental goals and progress and drive value for our operations in part by accelerating the adoption of renewable energy through our participation in the **Corporate Renewable Energy Buyers Principles**.



Following our company-wide ISO 50001 Energy Management certification, Hilton is partnering with the **U.S. Department of Energy (DOE)** to test the DOE's Superior Energy Performance certification and recognition program within the hotel industry. By piloting the certification and recognition program at three of our owned and managed hotels, we joined the DOE's Better Buildings SEP Accelerator initiative, making Hilton the first commercial company to join the partnership.



Hilton is a member of the **American Hotel & Lodging Association (AH&LA)** and chairs the AH&LA sustainability committee, which focuses on environment, engineering and corporate responsibility for the hotel and lodging industry.



In 2014, following LightStay upgrades, we achieved **ISO 50001** certification for energy management for the entire Hilton portfolio. Companies gain certification by implementing policies, procedures and systems that follow and meet international ISO standards, which are assessed by a third-party certification body. This certification complements our additional global system-wide certifications of ISO 9001 (quality management) and 14001 (environmental management). With these certifications, we became one of the first multinational companies to certify our entire system globally, achieving one of the largest-ever volume certifications of commercial buildings.

Our environmental efforts have been recognized as a **Forbes** Top 50 Green Brand and as a **Newsweek** Top Green Company in the World in 2015.



Hilton has developed several partnerships that offer laundering technologies that can reduce hot water use by up to 45 percent. **P&G Tide Coldwater™** and **Ecolab Aquanomics™** are both laundry detergent solutions that eliminate hot water from the wash process and maximize laundry efficiency. We are also performing trials with the **Xeros™** polymer bead-based washing system, which uses less water, energy and chemical detergents.



We collaborate with our strategic suppliers **eTemp**, a company that has developed a technology that reduces power by reducing compressor cycle times in refrigeration units. All Hilton owned and managed properties in the United States are required to undergo an audit and install these devices where they make sense.

* Hilton Team Members include employees of Hilton Worldwide at corporate offices, owned, managed, leased and timeshare properties.

** Franchise employees include employees at independently owned and operated franchised properties. While franchisees and their employees are not employed by us, they are a large part of our brands and our culture of hospitality. In addition to our corporate responsibility initiatives, we offer franchisees training and recognition programs and provide them with other resources that are relevant to them and their businesses.