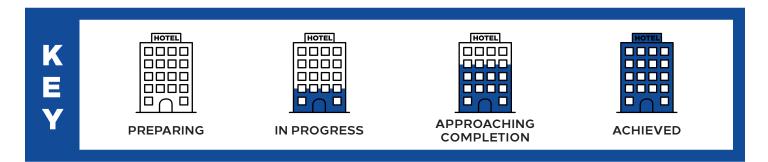
2030 GOAL TRACKING



2018 CR Report

Since the launch of our Travel with Purpose 2030 Goals in May 2018, we have been tracking all targets to ensure that we reach our goals. Below is a progress report on all 23 targets. For additional reporting, please visit the <u>Our Reporting</u> page with detailed performance tables that include the data for a number of our goals.



OUR OPERATIONS

GOAL	PROGRESS	UPDATE
Adopt a global standard for responsible travel and tourism, complementing our existing environmental certifications		Our entire portfolio of more than 5,600 hotels is certified to ISO 9001 (Quality Management), ISO 14001 (Environmental Management) and ISO 50001 (Energy Management), the largest ISO certified building portfolio in the world. Hilton is currently evaluating opportunities to adopt a global standard for responsible travel and tourism.
Embed human rights due diligence across our global operations		We embedded human rights due diligence in our Enterprise Risk Management System and new country development review. We have rolled out anti-trafficking training to all of our hotels, including franchise properties, with 68% of General Managers having completed the training module to date. See our <u>Human Rights</u> fact sheet for more information.
Reduce Scope 1 and 2 carbon intensity by 61% (GHG emissions/ m2 - 2008 baseline)	BODD BODD BODD REDUCTION	In 2018, Hilton became the first major hotel brand to set science- based carbon targets aligned with climate science and the Paris Climate Agreement. Since 2008, we have achieved a 34% reduction in Scope 1 and 2 carbon emissions. All Hilton properties are required to use LightStay to set energy reduction targets in line with our 2030 goals. Hotels are also required to identify a continuous improvement project that will help drive energy conservation, and LightStay measures each hotel's performance and progress. In 2018, Hilton also became the first major hotel brand to join The Climate Group's EP100 initiative by committing to improve our energy productivity in line with our 2030 carbon targets. See our <u>Energy & Carbon</u> fact sheet for more information.

2030 GOAL TRACKING

GOAL	PROGRESS	UPDATE
Reduce water use in our managed operations by 50% (liters/m2 – 2008 baseline)	REDUCTION	Since 2008, we have achieved a 20% reduction in water consumption. All Hilton properties are required to use LightStay to set water reduction targets in line with our 2030 goals. Hotels are also required to identify a continuous improvement project that will help drive water conservation, and LightStay measures each hotel's performance and progress. We estimate that we have saved more than 417 million gallons of water through deploying water efficient laundry and cleaning technologies. See our <u>Water</u> fact sheet for more information.
Reduce waste in our managed operations by 50% (metric tons/m2 – 2008 baseline)		Since 2008, we have reduced our waste to landfill by 41%, with a focus on improving recycling rates and reducing food waste and plastics usage at our hotels. We expanded our soap and amenity bottle recycling program, set a new brand standard to remove plastic straws, stir sticks and cocktail picks from all hotel operations and launched regional Plastics Reduction Task Forces to identify opportunities to reduce single use plastics in our properties. The launch of our new food waste program has also contributed to our waste reduction. See our <u>Waste</u> fact sheet for more information.
Zero soap to landfill by recycling all used guest soap bars where available	HOTEL 4,350+ HOTELS RECYCLE SOAP	More than 4,350 of our 5,600+ properties worldwide recycle soap. We launched a new brand standard in 2018 requiring all Hilton Garden Inn and Hampton by Hilton properties in the United States, Canada, Dominican Republic and Puerto Rico to recycle soap bars and amenity bottles through our soap recycling partner, Clean the World. We also expanded soap recycling to all properties in India in partnership with Sundara. See our <u>Waste</u> fact sheet for more information.
Reduce food waste sent to landfill by 50% in our managed operations (2017 baseline)		Through our partnership with the World Wildlife Fund, we established our food waste baseline and launched a new food waste reduction program in the Americas. We will expand this food waste program globally and collaborate with our Team Members to adapt it locally. See our <u>Waste</u> fact sheet for more information.
Double our investment in programs that contribute to sustainable solutions and economic opportunity for all (e.g. women, veterans, persons with disabilities, etc 2017 baseline)		In 2018, Hilton announced an initial investment of \$1 million to drive sustainable travel and tourism in Africa. We also joined the Tent Partnership for Refugees, pledging to impact 16,000 refugees by 2030 by providing hospitality skills training, in-kind donations and volunteer hours to refugee organizations, and offering employment opportunities. We partner with Project SEARCH, a training and education program for individuals with developmental disabilities, and have graduated 355 students from the program since 2013, employing 107 of them and maintaining a turnover rate of 19% over a five year period. See our Inclusive Growth fact sheet for more information.
Train employees at Hilton managed hotels on relevant environmental and social issues and engage guests in supporting responsible travel in destination hot spots		In 2018, we continued to evaluate and evolve our trainings to empower our Team Members to be responsible social and environmental stewards. Through on-property pilots, we are also working to identify natural opportunities to engage our guests around sustainable travel. We require or encourage the following trainings for Team Members, and will continue to expand upon this framework for the future: Preventing Human Trafficking (mandatory for all General Managers), Responsible Sourcing (mandatory for all Supply Management), Sustainable Seafood (mandatory for Supply Management and Food & Beverage Leaders of managed properties) and LightStay* (mandatory for all General Managers and Chief Engineers).

*LightStay is Hilton's corporate responsibility measurement platform that measures hotels' environmental and social impact

OUR COMMUNITIES

GOAL	PROGRESS	UPDATE
Contribute 10 Million volunteer hours to activate our Travel with Purpose commitment in our communities		Each year, Hilton holds Global Week of Service, a celebration of our community engagement efforts that support our Corporate Responsibility strategy. Our teams are encouraged to use their hospitality skills to reach our 2030 Travel with Purpose Goals. In 2018, our Team Members logged 236,930 volunteer hours across 93 countries. In 2019, our hotels will continue to positively impact our communities in celebration of Hilton's 100th anniversary.
Double our monetary response, empowerment efforts and investment in resiliency against natural disasters (2017 baseline)	HOTEL 18% OF GOAL ACHIEVED	In 2018, we activated 10 disaster response campaigns globally, an increase from 8 campaigns in 2017. We are working towards incrementally increasing our annual monetary response in disaster relief and were able to achieve 18% of our goal to double our monetary response, empowerment efforts and investment in resiliency against natural disasters by 2030. Find more information about Hilton Responds <u>here</u> .
Double our investment in youth opportunity programs in countries with lowest youth wellbeing (2017 baseline)		In 2018, we began to transition our investment towards countries with lowest youth wellbeing (according to the Global Youth Wellbeing Index). To help support this goal, we announced an initial investment of \$1 million to drive sustainable travel and tourism in Africa, with a focus on youth opportunities in the region, such as investing in training and apprenticeship programs to build a strong talent pipeline and tackle identified challenges for youth, including underemployment. See our <u>Youth</u> fact sheet for more information.
Participate in food donation programs where allowed by law (managed hotels)		In 2018, Hilton launched a new food waste reduction program in the Americas, requiring every managed hotel to establish a food donation partner (where legal) and a food waste diversion program. We will expand this food waste program globally and collaborate with our Team Members to adapt it locally. See our <u>Waste</u> fact sheet for more information.
Activate 20 context- based water projects in our communities and watersheds of top water risk	PILOTS IN PROGRESS	We have initiated three context-based water pilot programs in the United States, South Africa and China. We partnered with the California Water Action Collaborative and the UN CEO Water Mandate in 2018 as part of their efforts to map the boundaries of the Santa Ana Watershed and work with companies to set context- based targets to improve the health of the watershed. We will continue to expand our water stewardship projects in other regions of top water risk.
Promote environmental awareness and open our LightStay technology in school educational programs		In 2018, we implemented a complete refresh of our LightStay platform in order to optimize functionality and further drive Team Member engagement as we track towards our 2030 Goals. These improvements continue to ready the tool for future pro-bono use.
Double Action Grants for social and environmental impact projects in our communities		As part of our evolution of the Action Grant program, we are aligning all Action Grants to the 2030 Goals to ensure projects are helping to drive sustainable travel and tourism in our communities. In 2018, we awarded 76 Action Grants, investing \$220,000 into local communities.
Create and partner with cross-industry networks to support policies for a low carbon future and to advance international human rights		In 2018, we supported the launch of the International Tourism Partnership (ITP) Forced Labor Principles, and made the announcement to make our training on "Key Risks of Modern Slavery in Labor Sourcing" public through the ITP to accelerate awareness and impact across the hotel industry.

OUR SUPPLY CHAIN

GOAL	PROGRESS	UPDATE
Double our sourcing spend from local, small and medium- sized enterprises and minority-owned suppliers (managed hotels and corporate offices – 2017 baseline)		Through our Supplier Diversity Program, we have cultivated relationships with 3,352 women-, minority-, veteran- and LGBTQ- owned businesses. In 2018, we focused on streamlining our existing data and processes to better track corporate and hotel sourcing from local, small and medium-sized enterprises and minority-owned suppliers. Additionally, we launched our Hilton "Big Five" in Africa with a pledge to invest \$1 million to drive sustainable travel and tourism in Africa. As part of this investment, we are focusing on local sourcing in the region, specifically the creation of partnerships to build the capacity of local entrepreneurs' to deliver high quality and authentic goods and services, and integrate them into Hilton's supply chain.
Create framework for collaboration program with top-tier suppliers		In 2018, we created and filled the role of a global responsible sourcing lead in Hilton's Supply Management team, to deepen responsible procurement efforts across the business towards our 2030 Goals. We continue to map key opportunities to collaborate with our top-tier suppliers on sustainability, and made progress in the areas of water stewardship, plastic waste reduction and seafood sustainability.
Embed human rights due diligence in our supply chain and partner with suppliers to eradicate any form of forced labor or trafficking		The Hilton <u>Responsible Sourcing Policy</u> is attached to all new supplier contracts. We rolled out mandatory training on key risks of modern slavery in labor sourcing to 2,800+ labor sourcing leaders in 244 managed hotels in Europe, Middle East and Africa, and started rolling out audit programs to all labor agencies in that region. We developed a guidance note on risks of modern slavery for labor agencies. We supported the draft and launch of the "Framework to Engage with Suppliers" with the UK Stop Slavery Hotel Industry Network, and of the International Tourism Forced Labor Principles to accelerate the industry's ability to manage risks across the hotel value chain.
Sustainably source (e.g. certified) all meat and poultry, produce, seafood and cotton at managed hotels (where available)		 We recorded increased procurement of sustainable seafood (by volume) in the Europe, Middle East and Africa region – with a 25% increase in total seafood volume from certified fisheries (including MSC sources), and 300%+ increase from fisheries progressing toward sustainability. We added 11 hotels in Germany to MSC Chain of Custody certification, for a total tally of 62 hotels in five countries. Hilton supported seven Fishery Improvement Projects in our existing supply chain, introduced more sustainable options to the Americas and China, and delivered training workshops to suppliers and Hilton teams across Asia. We will seek further opportunities to improve completeness of procurement data by partnering with major suppliers and improving data collection process. In 2015, Hilton announced that all hotels across five brands in 19 countries will switch to cage-free eggs by the end of 2017. Cage free eggs are now available in 11 countries, including the US and UK where over 70% of eggs procured are cage-free. We continue efforts with our hotels and suppliers to transition our remaining egg supply towards cage-free sources.

2030 GOAL TRACKING

GOAL	PROGRESS	UPDATE
Encourage suppliers to set goals and validate through auditing and incentive program		In 2018, we created and filled the role of a global responsible sourcing lead in Hilton's Supply Management team, to deepen responsible procurement efforts across the business towards our 2030 Goals. We have begun to roll out an ethical trading audit program with labor agencies in Europe, Middle East and Africa. We have also started to map opportunities with a few key suppliers to set sustainability goals that will support our 2030 Goals. Over time, the team will look to develop an auditing and incentive framework, in support of these goals.
Increase data visibility by incorporating social and environmental criteria into supplier registration and inquiry processes		The Hilton <u>Responsible Sourcing Policy</u> is added to all new supplier contracts. We have started to review opportunities to better track suppliers' social and environmental credentials in our global systems.

