

Carbon

Businesses play a key role in taking action to reduce carbon emissions both in their operations and value chains. Hilton is committed to growing a low-carbon future by investing in renewable energy sources and partnering with our suppliers to tackle our shared carbon footprint.

Goal

Continue to reduce our environmental footprint through energy efficiencies and investing in renewable energy to decrease scope 1, 2 and 3 carbon emissions.

Introduction

In recent years, consumers, investors and other stakeholders have pressed for increased transparency around how businesses manage their carbon footprint. At the same time, some countries have introduced regulations to curb carbon emissions. As the scientific evidence and political interest grow, the need for global action against carbon emissions is becoming stronger.

These factors have contributed to an increased focus on measuring and reporting carbon emissions across all industries, including hospitality. Given our reach as a business, we are working strategically and collaboratively to identify solutions for reducing carbon emissions across our operations.

Impact Highlights



1.6%

Absolute carbon reduction of 1.6 percent in 2014 vs. 2013.

20.9%

Carbon reduction of 20.9 percent since 2009 (normalized carbon reduction with REC purchases against base year 2008).

77.6
Pounds

77.6 pounds of carbon per occupied room (2014, absolute emissions).

24.3
Pounds

24.3 pounds of carbon per square foot (2014, normalized emissions).

122,645

Cars

Reduced carbon output equivalent to taking 122,645 cars off the road (normalized reductions against 2008 base year).



92

Hotels

The Clean Air program, offered by 92 Asia Pacific hotels, gives customers different ways to offset emissions from their meetings at our hotels.



2014 absolute carbon emissions for owned and managed hotels (metric tons)

Scope 1

554,015
tons

Scope 2

2,102,953
tons

Our Approach

Our carbon emissions strategy focuses on the direct and indirect impacts that are most critical to our business. By collecting consistent data across our portfolio, we can measure and manage our performance to improve over time. We focus heavily on driving reductions in energy use, which has the most influence on our carbon emissions. We also leverage renewable energy credits and carbon offsets in targeted areas to help reduce our net impact.

Action

Reporting through LightStay

LightStay, our measurement platform, helps us 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 that we use to create tools and trainings for hotels and drive greater efficiencies, savings and value to our company and owners.

With a recent upgrade to LightStay, we provide hotels with more information on how to improve energy efficiencies and operational performance, which in turn will lower carbon output across our global hotel portfolio. The upgraded system leverages historical data to predict future energy use and resulting cost implications, which enables our hotels, management groups and owners to adjust their real-time behaviors to influence future performance.

We also designed a simplified performance dashboard and distributing process for sharing results across the hotel to drive greater engagement. In the future, LightStay will also send automatic data alerts and performance tips to hotels. These tips will show hotels how to improve based on successful projects that have been completed at other hotels.

Carbon Offsets

Carbon offsetting is a meaningful option we give our customers. To calculate the carbon footprint of any event at one of our hotels, we give our Hilton Team Member* and franchise employee** Sales and Marketing teams a meeting calculator tool through LightStay. The tool also provides our customers and hotels with ideas for how to minimize our customers' footprint during their stay with us.

In May 2015, we expanded our **Clean Air Program** in an effort to offset carbon from meetings and events in 92 participating Asia Pacific hotels and create a value incentive for our guests. We calculate the carbon emissions generated by meetings and events and purchase carbon credits to offset the impact. The credits go toward a program of our customer's choice, such as rainforest protection projects in Indonesia and Australia or wind-generated energy projects in India and China.

Clean Air Program, Carbon Offset credits purchased to offset meetings and events

Through our Clean Air Program we purchase carbon credits that go toward a variety of different organizations, reducing greenhouse gas emissions throughout the world. The Hyundai Cogeneration Project in Dangjin, located in South Korea is one of the organizations that we support. It aims to minimize greenhouse gases by converting surplus waste gases at a local steel factory to generate cleaner electricity. This process minimizes air pollution by using waste gas instead of releasing it into the atmosphere. The cleaner electricity is preventing 1.8 million tons of CO₂ emissions per year. That is approximately 400,418 Olympic swimming pools of CO₂ gas not entering the atmosphere through the purchase of carbon credits on behalf of our customers' hosting meetings and events at our participating properties.



Partnerships | Associations Awards | Certifications



In 2015, we participated for the second time in the **Carbon Disclosure Project (CDP)**, an organization that works with companies to disclose their environmental impacts. Improving on last year's score of 91-B, this year we earned a disclosure and performance score of 97-B.



We are members of the **Hotel Carbon Measurement Initiative** along with 23 leading hotel companies. The **International Tourism Partnership** and the **World Travel & Tourism Council (WTTTC)** formed this initiative to set an industry standard to calculate the carbon footprint of hotel stays and meetings that is informed by the GHG Protocol standards. All of our 4,500 hotels are able to report to this standard.

We are also members of the **WTTTC Climate Change Task Force**. The task force is designed to identify industry priority action areas for the future and evaluate industry progress against climate change commitments that were made in 2009. In 2015, WTTTC released **Travel & Tourism 2015 - Connecting Global Climate Action**, a report outlining the industry's preparedness to address climate change and progress to date.

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

* 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.