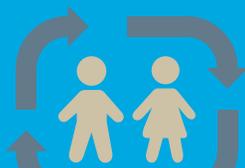


ENERGY



112,520

We conserved enough energy to power 112,520 homes for a year.



4,900

We certified more than 4,900 hotels in ISO 50001 for energy management.



-17%

We reduced actual energy use intensity by 2.7 percent in 2015 over 2014. Hilton cumulatively reduced energy use intensity by 17 percent between 2009 and 2015, based on the per square foot normalized results for Hilton's managed and franchised hotels worldwide.

CHALLENGE

Energy is a vital resource for our operations. Our focus on energy efficiency drives us to uncover new technologies and best practices that will reduce our carbon impact, enhance guests' experiences, and strengthen our communities.

APPROACH

Hilton has invested in energy data collection and analysis for almost a decade to provide our teams, owners and management groups the insight they need to make informed decisions and improve performance. To ensure progress across our global portfolio, we require hotels to set goals and complete improvement projects to actively reduce energy use. With over 4,900 hotels reporting data and actively identifying new solutions, we are increasing the overall effectiveness of our energy initiatives. Our teams drive energy reduction and savings through a combination of on-property energy efficiency projects, Team Member insights and behavioral changes, partnerships and renewable energy usage directly or through credits.

ACTION

Measurement

We leverage LightStay, our proprietary corporate responsibility performance measurement platform, to understand how our hotels are managing energy and driving improvements over time. Since launching LightStay, we've gathered more than seven years of global data that allows us to drive greater efficiencies, savings and value for our company and owners, and to create tools and training for our hotels.

Energy Management and Forecasting

Through LightStay we track historical energy and weather data to forecast future energy consumption levels and predict the impact of performance on cost. This enables 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 learning and best practices from nearly 10,000 energy-efficiency projects. We also actively monitor and negotiate energy contracts while 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 use 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.

Earth Month

During the month of March, we celebrate Earth Month, a time when we educate Team Members on responsible energy, water and waste practices by providing examples developed by their colleagues across the globe. In 2016, we had over 1,500 environment projects launched during Earth Month.

For the sixth consecutive year, our hotels around the world united to celebrate Earth Hour, a key time within Earth Month. Earth Hour is the world's largest grassroots movement that celebrates climate action. In 2007, World Wildlife Fund (WWF) developed the idea for Earth Hour at the Hilton in Sydney, Australia. Since Earth Hour's inception, Hilton hotels have organized energy saving projects such as switching off exterior lighting, dimming lobby and reception lighting, and hosting candlelit dinners with sustainable food and drink menus.

Partnerships | Associations | Awards

In 2016, we continued our collaboration with World Wildlife Fund to support our environmental goals. We participate in the Corporate Renewable Energy Buyers Principles led by WWF to advance renewable energy purchasing options as part of the broader Renewable Energy Buyers Alliance.

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, DEKRA. 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.

With our company-wide ISO 50001 Energy Management certification, we continue to partner with the U.S. Department of Energy (DOE) to bring the DOE's Superior Energy Performance (SEP) certification and recognition program to the hotel industry. Three Hilton properties are now the first commercial buildings to receive DOE SEP certification. We also joined the DOE's Better Buildings SEP Accelerator initiative, making Hilton the first commercial company to join the partnership.

Following the certification, we were asked to join DOE's Better Building Challenge, an initiative to better share innovative ideas across industries. We partnered with Whole Foods Market to execute a "SWAP" (switching our Hilton energy management team with Whole Foods' team), to evaluate one another's operations and identify opportunities for improvement. We have implemented a number of the ideas identified, and will continue to reduce energy intensity across our buildings portfolio by learning and sharing best practices.

Hilton has also 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 eTemp, a company that has developed a technology that reduces 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 laundering and refrigeration devices where they make sense.

In 2015, the United Nations issued a new development agenda - the UN Sustainable Development Goals (SDGs), which provide a set of goals and targets for government, NGOs and businesses to address the most pressing societal challenges of our time. The challenges of the world require the very best of what Hilton has to offer. Through our **ENERGY** work, we're helping to address the following SDGs:

