

C0. Introduction

C0.1

(C0.1) Give a general description and introduction to your organization.

References in this report to “we,” “our,” “us,” “Hyatt,” “Hyatt Hotels Corporation,” and the “Company” refer to Hyatt Hotels Corporation and its consolidated subsidiaries.

About our Company

Hyatt Hotels Corporation, headquartered in Chicago, is a leading global hospitality company with a portfolio of 20 premier brands. We develop, own, operate, manage, franchise, license or provide services to hotels, resorts, branded residences and vacation ownership properties. As of December 31, 2019, our worldwide property portfolio consisted of 913 hotels (223,111 rooms), with brands including Park Hyatt®, Miraval®, Grand Hyatt®, Alila®, Andaz®, The Unbound Collection by Hyatt®, Destination®, Hyatt Regency®, Hyatt®, Hyatt Ziva™, Hyatt Zilara™, Thompson Hotels®, Hyatt Centric®, Caption by Hyatt, Hyatt House®, Hyatt Place®, Joie de Vivre®, tommie™, Hyatt Residence Club® and Exhale®. As of December 31, 2019, Hyatt directly employs approximately 55,000 people around the world, and provides employment opportunities to another 151,000 individuals through third-party owners and franchise partners. Our purpose, to care for people so they can be their best, informs our business decisions and growth strategy and is intended to create value for shareholders, build relationships with guests and attract the best colleagues in the industry. Because of the impact of COVID-19 on the economy and the hospitality industry, Hyatt began experiencing business interruptions starting in early 2020. These interruptions have also impacted the ability to fully update some of the responses in this document, due to the timing of the CDP submission.

Corporate Responsibility at Hyatt

We support our purpose to care for people to be their best through our commitment to responsible business practices and by adhering to a set of core values, which are respect, integrity, empathy, humility, creativity and fun. Since opening our first hotel in 1957, we have always believed that the way we manage our business and operate our hotels defines who we are and what we stand for, and we believe that with our global presence, it is critical that our hotels operate in an environmentally and socially responsible way.

Hyatt’s global corporate responsibility platform, Hyatt Thrive, is an integral part of our business and is built on the understanding that our actions can create long-term value for people and the communities where we work and live, while limiting our adverse impact on the environment. We recognize that when our people, communities and planet thrive, so does our business. Environmental sustainability is a core pillar of our corporate responsibility platform, and climate change is a critical focus for Hyatt within this platform. Our 2020 environmental sustainability vision includes a range of goals, including goals to reduce greenhouse gas (GHG) emissions, energy and water consumption, and waste at hotels in addition to goals around sustainable buildings, supply chain, and working with business partners to drive change across our industry. Responsibility for managing Hyatt’s environmental sustainability program lies within the Global Operations Center, under the guidance of the Senior Vice President of Global Operations. Please visit HyattThrive.com for details and progress on our goals.

Organizational Boundary for Emissions Reporting

The boundary of this report includes owned and managed hotels, over which we have operational control. Please note that emissions for franchised hotels are reported on as a Scope 3 emissions source in Question C6.5.

C0.2

(C0.2) State the start and end date of the year for which you are reporting data.

	Start date	End date	Indicate if you are providing emissions data for past reporting years	Select the number of past reporting years you will be providing emissions data for
Reporting year	January 1 2019	December 31 2019	No	<Not Applicable>

C0.3

(C0.3) Select the countries/areas for which you will be supplying data.

Argentina
Armenia
Aruba
Australia
Austria
Azerbaijan
Bahamas
Brazil
Cambodia
Canada
Chile
China
China, Hong Kong Special Administrative Region
China, Macao Special Administrative Region
Colombia
Costa Rica
Egypt
Ethiopia
France
Germany
Greece
Guam
Guatemala
Honduras
India
Indonesia
Italy
Jamaica
Japan
Jordan
Kyrgyzstan
Malaysia
Mexico
Morocco
Nepal
Netherlands
Nicaragua
Northern Mariana Islands
Oman
Panama
Peru
Philippines
Puerto Rico
Qatar
Republic of Korea
Russian Federation
Saint Kitts and Nevis
Saudi Arabia
Serbia
Singapore
South Africa
Spain
Switzerland
Taiwan, Greater China
Tajikistan
Thailand
Trinidad and Tobago
Turkey
Ukraine
United Arab Emirates
United Kingdom of Great Britain and Northern Ireland
United States of America
Uzbekistan
Viet Nam

C0.4

(C0.4) Select the currency used for all financial information disclosed throughout your response.

USD

C0.5

(C0.5) Select the option that describes the reporting boundary for which climate-related impacts on your business are being reported. Note that this option should align with your chosen approach for consolidating your GHG inventory.

Operational control

(C-CN0.7/C-RE0.7) Which real estate and/or construction activities does your organization engage in?

Buildings management

C1. Governance

C1.1

(C1.1) Is there board-level oversight of climate-related issues within your organization?

Yes

C1.1a

(C1.1a) Identify the position(s) (do not include any names) of the individual(s) on the board with responsibility for climate-related issues.

Position of individual(s)	Please explain
Chief Executive Officer (CEO)	The highest level of direct responsibility for climate-related issues within Hyatt resides with our President and Chief Executive Officer (CEO), who is a member of our Board of Directors. Responsibilities for climate-related issues have been assigned to Hyatt's CEO because this person's specific responsibilities include overseeing Hyatt's performance as it relates to climate change and setting the vision for the Company's commitments, including our 2020 GHG reduction targets (part of Hyatt's 2020 Environmental Sustainability Goals). Oversight over climate-related issues aligns with our CEO's role in leading our organization to achieve its core business strategies and create value for shareholders and stakeholders. Our Environmental Sustainability department and the Risk Council inform the CEO on emerging topics and the Company's performance as it relates to energy and greenhouse gas emissions management.

C1.1b

(C1.1b) Provide further details on the board's oversight of climate-related issues.

Frequency with which climate-related issues are a scheduled agenda item	Governance mechanisms into which climate-related issues are integrated	Scope of board-level oversight	Please explain
Scheduled – some meetings	Reviewing and guiding strategy Reviewing and guiding risk management policies	<Not Applicable>	Hyatt's Board of Directors ensures that the long-term interests of Hyatt's shareholders are served by exercising strategic oversight of the Company. This includes overseeing enterprise risk management, compliance, financial matters and human capital strategy. In 2019, Hyatt's regional leadership teams, Senior Vice President of Operations and Director of Environmental Affairs continued to lead the integration of our environmental commitments, including Hyatt's 2020 Environmental Sustainability Goals, into our business objectives, daily operations and broader risk management program of our three regions: (1) The Americas, (2) Asia Pacific (Southeast Asia, Greater China, Australia, South Korea, Japan and Micronesia), and (3) Europe, Africa, Middle East and Southwest Asia. On a quarterly basis, our Risk Council evaluates risks, which are presented to our Executive Committee for input and discussion and are shared with the board's audit committee. Each year, the full Board of Directors is presented with the Risk Council Annual Report, which includes risks related to Environmental Sustainability and climate-related business interruptions increased by climate change.

C1.2

(C1.2) Provide the highest management-level position(s) or committee(s) with responsibility for climate-related issues.

Name of the position(s) and/or committee(s)	Reporting line	Responsibility	Coverage of responsibility	Frequency of reporting to the board on climate-related issues
Risk committee	<Not Applicable>	Both assessing and managing climate-related risks and opportunities	<Not Applicable>	Annually
Business unit manager	<Not Applicable>	Both assessing and managing climate-related risks and opportunities	<Not Applicable>	As important matters arise

C1.2a

(C1.2a) Describe where in the organizational structure this/these position(s) and/or committees lie, what their associated responsibilities are, and how climate-related issues are monitored (do not include the names of individuals).

HYATT'S RISK COUNCIL: Hyatt's Risk Council is responsible for assessing climate-related risks. On a quarterly basis, our Risk Council evaluates risks, including climate change risks, which are presented to our Executive Committee for input and discussion, and a formal report is provided to the full Board of Directors annually. Climate-related issues that are identified and communicated to the Risk Council are evaluated in the same manner as other risks to our business. Hyatt's Risk Council is made up of corporate senior leaders from functions across the company, including finance, legal, accounting and tax, operations, human resources and environmental sustainability.

ENVIRONMENTAL SUSTAINABILITY DEPARTMENT: Hyatt's Director of Environmental Affairs, with support from the Senior Vice President of Global Operations, is charged with defining, developing and executing on Hyatt's environmental programs and policies, which includes climate change management and mitigation. The Director of Environmental Affairs monitors climate-related risks, opportunities and challenges on an ongoing basis in order to inform Hyatt's strategy for meeting our 2020 environmental sustainability goals, including our GHG emissions reduction goals. This person relays information regarding climate-related issues to relevant stakeholders within the company, including the Risk Council, operations leads and Chief Executive Officer, whenever relevant.

BUSINESS UNIT MANAGERS: Hyatt's regional Directors of Engineering and Sustainability oversee the overall performance of facility operations, including the effective management of energy and water consumption, greenhouse gas emissions, and waste. These individuals are tasked with identifying opportunities for increased operating efficiency and implementing both operational and capital strategies to meet this end.

C1.3

(C1.3) Do you provide incentives for the management of climate-related issues, including the attainment of targets?

	Provide incentives for the management of climate-related issues	Comment
Row 1	Yes	

C1.3a

(C1.3a) Provide further details on the incentives provided for the management of climate-related issues (do not include the names of individuals).

Entitled to incentive	Type of incentive	Activity incentivized	Comment
Business unit manager	Monetary reward	Emissions reduction target	The Director of Environmental Affairs is charged with defining, developing and executing on Hyatt's environmental programs and policies, which includes climate change management and mitigation. Annual goals tied to bonuses are set for this purpose. Examples of goals that are incentivized and tied to this person's bonus include (1) setting company-wide 2020 GHG emissions reduction targets, (2) advancing reduction efforts in working toward Hyatt's 2020 energy and emissions targets, (3) issuing reports on Hyatt's climate change management practices and results and (4) implementing other behavioral change/reputation improvement platforms.
Business unit manager	Monetary reward	Emissions reduction project	The regional and Directors of Engineering and Sustainability oversee the overall performance of facility operations, including the effective management of energy and water consumption, greenhouse gas emissions and waste in support of our 2020 environmental targets. Goals tied to their bonuses incentivize the execution of programs supporting hotels' operational efficiency improvements.
Facilities manager	Monetary reward	Efficiency project	The Directors of Engineering at Hyatt hotels have job requirements that include managing their hotels efficiently, which includes reducing energy and water consumption and carbon emissions through efficiency projects and behavioral change measures. Goals tied to compensation are set for optimizing the operations of hotels.
All employees	Non-monetary reward	Behavior change related indicator	Environmental stewardship is a responsibility that is shared across all Hyatt colleagues. Our hotels take the lead in identifying opportunities to reduce environmental impact and organizing colleague training and engagement initiatives. In addition, through Hyatt's "Caring for our Planet" program, colleagues have specific tasks, according to his or her job function, that are designed to reduce energy and water consumption, waste and carbon emissions. Hyatt recognizes outstanding colleague achievements and commitments through various internal communication channels, including our intranet and internal social media channels.

C2. Risks and opportunities

C2.1

(C2.1) Does your organization have a process for identifying, assessing, and responding to climate-related risks and opportunities?

Yes

C2.1a

(C2.1a) How does your organization define short-, medium- and long-term time horizons?

	From (years)	To (years)	Comment
Short-term	1	3	This time horizon is specific to climate-related risks. (Please note that, while climate-related risks are evaluated in the same manner as other risks to our business, the time horizon considerations differ from other business practices.) Examples of short-term risks include new regulations and taxes, increased cooling needs, water shortages, increased weather events, and changes in stakeholder expectations. Examples of short-term opportunities include proportionally avoided increases in energy costs resulting from early action to improve building efficiencies, and building awareness of Hyatt's brand as it relates to climate action.
Medium-term	4	6	This time horizon is specific to climate-related risks. (Please note that, while climate-related risks are evaluated in the same manner as other risks to our business, the time horizon considerations differ from other business practices.) Examples of medium-term risks are high levels and prevalence of the risks identified for the short-term. Examples of medium-term opportunities include customers favoring Hyatt for ongoing climate action work, and the ability to take advantage of new renewable energy opportunities.
Long-term	7		This time horizon is specific to climate-related risks. (Please note that, while climate-related risks are evaluated in the same manner as other risks to our business, the time horizon considerations differ from other business practices.) Examples of long-term risks include the impact on desirability of certain destinations.

C2.1b

(C2.1b) How does your organization define substantive financial or strategic impact on your business?

In the context of climate-related risk, a 'substantive impact' is defined differently than material impacts described in financial reporting. Risks that have been raised at the corporate level and are included in the assessment process are considered substantive, since they have the potential to adversely impact our business in a way that could cause financial or reputational damage. More specifically, a substantive climate-related impact would include even one hotel's inability to operate as "business as usual" due to barriers in accessing necessary resources like water and supplies, impact to infrastructure due to extreme weather events, or a group of guests' inability to travel to the hotel. While the financial impact to Hyatt at the corporate level may not be significant, these impacts would have a negative impact on our guest experiences, possible implications to colleague safety and wellbeing, and more targeted financial impact to our hotel owners.

Hyatt is a management company, and we manage operations at hotels across the world in many types of local markets with different environmental considerations, therefore our risks related to climate events are diversified. Additionally, the majority of the properties that we operate are assets owned by other entities.

C2.2

(C2.2) Describe your process(es) for identifying, assessing and responding to climate-related risks and opportunities.

Value chain stage(s) covered

- Direct operations
- Upstream
- Downstream

Risk management process

Integrated into multi-disciplinary company-wide risk management process

Frequency of assessment

More than once a year

Time horizon(s) covered

- Short-term
- Medium-term

Description of process

COMPANY-LEVEL PROCESSES: At the Company level, the Environmental Sustainability department is responsible for staying abreast of emerging global climate change-related risks and opportunities by working with external thought-leaders, industry groups, our Risk Council and departmental channels including Engineering, Operations, Sales, Purchasing, Architecture and Design, Finance and Legal. As part of the CDP Climate Change response development process, a cross-functional team conducts an annual evaluation of specific climate change-related risks and opportunities. The scope of Hyatt's risk and opportunity identification process includes those related to (i) regulations, (ii) operational and capital expenses, (iii) physical and weather-related conditions, (iv) reputation, (v) customer behavior and (vi) our supply chain. ASSET-LEVEL PROCESSES: At the asset level, physical and regulatory risks at managed hotels are identified in collaboration with insurance companies, owners and consultants, and property protection experts including fire and natural disaster protection and prevention engineers. Onsite visits are generally conducted for most, if not all, managed Hyatt hotels around the world on a periodic basis. In addition, we have a variety of data tracking and surveying tools in place that help keep the Company abreast on asset-level information. ASSESSMENTS: When entering a new market with development projects or acquisitions, Hyatt conducts market and site research. Assessments include local site and environmental issues, flood and storm concerns, access to resources, and - where appropriate - a security assessment of the local operating environment. Risks related to existing and emerging regulations, expenses, reputation or supply chain are generally identified at the asset level. Additionally, at the asset level, Hyatt prioritizes property-specific action plans based on energy audits, regional water risks and other considerations that we believe can help mitigate climate change-related risks, as well as provide properties with opportunities to demonstrate leadership in corporate responsibility. DETERMINATION OF SUBSTANTIVE RISKS: Any risks that have been raised at the corporate level and are included in the assessment process are considered substantive, since they have the potential to adversely impact our business in a way that could cause financial or reputational damage. Hyatt uses two metrics to determine the relative significance of any given risk in relation other identified risks. The first is severity, or the potential intensity of the impact on our business. The second is velocity, or the speed with which a risk could potentially impact our business. Each identified risk is given a rating in both of these categories, and those risks with higher combined ratings are seen to have a higher relative significance than those with lower rankings. We review risks in this way from a financial and reputational standpoint. On a quarterly basis, our Risk Council evaluates risks, including climate change risks, which are presented to our Executive Committee for input and discussion, and a formal report is provided to the full Board of Directors annually. CRITERIA: Hyatt uses a materiality-based approach to prioritize identified risks and opportunities and to decide whether to mitigate, transfer, accept or control climate-related risks and how to capitalize on climate-related opportunities. The following criteria are considered in this approach: (1) Residual risk (exposure to the risk after consideration of Hyatt's existing controls), (2) Likelihood, (3) Financial impact and (4) Potential Timeframes for Risks.

C2.2a

(C2.2a) Which risk types are considered in your organization's climate-related risk assessments?

	Relevance & inclusion	Please explain
Current regulation	Relevant, always included	Existing carbon tax schemes impact a small portion of our operations, which are typically identified at the asset level. Future schemes could impact a larger portion of our operations' costs associated with reporting and curbing emissions. Businesses throughout our supply chain would be similarly impacted by these regulations, which has the potential to result in increased costs of products and services. For this reason, risks associated with current regulations are relevant and always included in our climate-related risk assessment for monitoring the severity and velocity of these risks.
Emerging regulation	Relevant, always included	In response to the Paris Agreement, many countries have committed to setting carbon reductions goals. These countries may begin to use new regulations as a mechanism to meet their goals, which could impact operating costs for Hyatt by increasing the cost of products and services that we purchase. For this reason, risks associated with emerging regulations are relevant and always included in our climate-related risk assessment for monitoring the severity and velocity of these risks.
Technology	Relevant, always included	At this time, we do not consider the costs of transitioning to lower emissions technologies or substitution of existing products and services with lower emissions options to be a material threat to our industry. However, there is a possibility that this risk may become relevant in the future, and therefore we monitor technology-related risks during our climate-related risk assessments for monitoring the severity and velocity of these risks.
Legal	Relevant, always included	At this time we do not consider exposure to litigation as a result failure to mitigate the impacts of climate change or adapt to climate change to be a material threat to our business. However, there is a possibility that this risk may become relevant in the future, and therefore we evaluate legal risks during our climate-related risk assessments for monitoring the severity and velocity of these risks.
Market	Relevant, always included	In response to the Paris Agreement, many countries have committed to setting carbon reductions goals. These countries may begin to implement regulations and taxes to meet their goals, which could impact operating costs for Hyatt by increasing the cost of products and services that we purchase. The impacts on the transportation sector could also adversely impact our customers' travel frequencies. Additionally, guests are increasingly interested in corporate responsibility and sustainability practices at hotels. This is most prevalent for corporate customers and event planners. For this reason, market risks are relevant and always included in our climate-related risk assessment for monitoring the severity and velocity of these risks.
Reputation	Relevant, always included	Increasingly, companies are evaluated on climate change impacts and management strategies. Poor ratings could negatively impact our Company's reputation across stakeholders including customers, colleagues, owners, investors and business partners. Additionally, as awareness around climate change and sustainability increases, we anticipate that some guests and corporate clients will factor climate mitigation practices into their considerations when selecting hotels, and will look for hotels that demonstrate values aligned with their own. A lack of direct action in this area could therefore result in loss of business, thus reputational risks are relevant and always included in our climate-related risk assessment for monitoring the severity and velocity of these risks.
Acute physical	Relevant, always included	Increases in the severity and frequency of extreme weather events such as tropical cyclones could impact business continuity, increase property repair costs and potentially increase insurance premiums. Natural disasters may also have severe physical and economic impacts on our communities and on our colleagues' families and homes. Sea level rise would compound the risks of tropical cyclones and flooding at Hyatt's coastal properties. Droughts could also increase the number and severity of wild fires in arid regions, which could impact business and local communities. Floods, on the other hand, may result in structural and interior damage, increase in repair costs and increase in insurance premiums. For this reason, acute physical risks are relevant and always included in our climate-related risk assessment for monitoring the severity and velocity of these risks.
Chronic physical	Relevant, always included	Changes in mean temperatures and extreme temperatures could result in increased heating and cooling demands and associated costs. Changes in mean temperature and precipitation could also impact the desirability of particular locations or travel patterns of customers. Droughts would likely increase the cost of water and interrupt the supply of fresh water. In the long-term, sea level rises would also be a chronic physical risk. For this reason, chronic physical risks are relevant and always included in our climate-related risk assessment for monitoring the severity and velocity of these risks.

C2.3

(C2.3) Have you identified any inherent climate-related risks with the potential to have a substantive financial or strategic impact on your business?

Yes

C2.3a

(C2.3a) Provide details of risks identified with the potential to have a substantive financial or strategic impact on your business.

Identifier

Risk 1

Where in the value chain does the risk driver occur?

Upstream

Risk type & Primary climate-related risk driver

Market	Increased cost of raw materials
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Primary potential financial impact

Increased indirect (operating) costs

Climate risk type mapped to traditional financial services industry risk classification

<Not Applicable>

Company-specific description

In response to the Paris Agreement, many countries have committed to setting carbon reductions goals. These countries may begin to use fuel/energy taxes as a mechanism to meet their goals, impacting operating costs for Hyatt. Fuel/energy taxes and regulations can raise costs for the utility sector, thereby increasing energy costs for our hotels when costs are passed down. In addition, businesses throughout our supply chain are similarly impacted, which results in increased costs of products and services in many cases.

Time horizon

Short-term

Likelihood

Very likely

Magnitude of impact

Low

Are you able to provide a potential financial impact figure?

Yes, a single figure estimate

Potential financial impact figure (currency)

3800000

Potential financial impact figure – minimum (currency)

<Not Applicable>

Potential financial impact figure – maximum (currency)

<Not Applicable>

Explanation of financial impact figure

If 2019 energy costs had increased by 1% as a result of taxes and regulations, for example, this would have resulted in increased operating costs of more than \$3.8 million. However, given our global operations and the local-nature of many risks, it is difficult to quantify more precise potential financial implications at the enterprise level.

Cost of response to risk

1000000

Description of response and explanation of cost calculation

Management methods: (1) We prioritize improving our efficiency performance across our hotel footprint, which helps us manage costs and meet new standards. The new initiatives implemented during 2019 are estimated to reduce GHG emissions by 7,000 metric tons annually. (2) We use Hyatt's Sustainable Building Design and Construction guidelines to integrate efficiency measures in new construction and renovation projects. (3) Many hotels have conducted onsite energy audits to prioritize capital investments. (4) We engage our suppliers to address increasing risks within our supply chain. The collaborative relationship enables us to work closely with them as costs and other business considerations change over time. (Additional information on supplier engagement can be found in our response to Question C12.1a) These management methods cannot influence the likelihood of changes in the cost of raw materials and the associated risks, but they could reduce the potential magnitude of this risk's impact on our business at the present time and going forward. Cost of Management: Hyatt hotels invest in onsite energy audits, a critical step toward efficiency improvements and managing climate change risks. These audits typically cost between \$10,000 and \$20,000 per site. The management cost of \$1 million dollars is estimated based on the number of full service Hyatt properties and frequency of audits.

Comment

The cost of efficiency projects varies greatly by initiative, and it is therefore difficult to provide cost estimates. However, in many cases these investments result in a payback that is under three years.

Identifier

Risk 2

Where in the value chain does the risk driver occur?

Direct operations

Risk type & Primary climate-related risk driver

Chronic physical	Rising mean temperatures
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Primary potential financial impact

Increased direct costs

Climate risk type mapped to traditional financial services industry risk classification

<Not Applicable>

Company-specific description

Rising mean temperatures could result in increased cooling demands and associated costs at our hotels. Wide-spread increases in energy demand may also increase the cost of utilities for our hotels.

Time horizon

Short-term

Likelihood

Very likely

Magnitude of impact

Low

Are you able to provide a potential financial impact figure?

Yes, a single figure estimate

Potential financial impact figure (currency)

3800000

Potential financial impact figure – minimum (currency)

<Not Applicable>

Potential financial impact figure – maximum (currency)

<Not Applicable>

Explanation of financial impact figure

If 2019 energy costs had increased by 1% as a result of increased cooling demands, for example, this would have resulted in increased operating costs of more than \$3.8 million. However, given our global operations and the local-nature of many risks, it is difficult to quantify more precise potential financial implications at the enterprise level.

Cost of response to risk

1000000

Description of response and explanation of cost calculation

Management methods: (1) Efficiency is an important focus at Hyatt since we anticipate utility costs to rise. Our efforts include ongoing measurements of environmental metrics towards targets, implementing operational and capital improvement projects, colleague engagement, and implementing Sustainable Design and Construction Guidelines. (2) As an example, Hyatt Regency Maui Resort and Spa has implemented a range of initiatives over the years. The property has received LEED® EBOM Gold certification, and was able to demonstrate that it was 30% more energy efficient compared to similar resorts in the process. The hotel has also completed the installation of a nearly 600 kW solar photovoltaic system. (3) Hyatt hotels have preventative maintenance programs in place, which enable properties to ensure equipment is operating optimally, and that the building is equipped to handle a range of environmental conditions. These management methods cannot influence the likelihood of temperatures changing and the associated risks, but they could reduce the potential magnitude of this risk's impact on our business at the present time and going forward. Cost of Management: Hyatt hotels invest in onsite energy audits, a critical step toward efficiency improvements and managing climate change risks. These audits typically cost

between \$10,000 and \$20,000 per site. The management cost of \$1 million dollars is estimated based on the number of full service Hyatt properties and frequency of audits.

Comment

The cost of efficiency projects varies greatly by initiative, and it is therefore difficult to provide cost estimates. However, in many cases these investments result in a payback that is under three years.

Identifier

Risk 3

Where in the value chain does the risk driver occur?

Direct operations

Risk type & Primary climate-related risk driver

Chronic physical	Changes in precipitation patterns and extreme variability in weather patterns
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Primary potential financial impact

Increased direct costs

Climate risk type mapped to traditional financial services industry risk classification

<Not Applicable>

Company-specific description

Access to water is critical to running a hotel. Droughts would likely increase the cost of water and cause issues with the supply of fresh water. It could also increase the number and severity of wild fires in arid regions, which could impact business and local communities. In California, where the state has experienced severe droughts, some jurisdictions levy fines on businesses that cannot demonstrate water reductions. Floods, on the other hand, may result in structural and interior damage, increase in repair costs and an increase in insurance premiums. Extreme precipitation may impact our suppliers' ability to effectively conduct business and trade, thereby increasing supply chain costs. The Wall Street Journal has reported that water rates have increased by 5.5% annually over the past decade – more than 3 times the rate of inflation. New regulations and costs could also be developed as a result of frequent or extreme droughts.

Time horizon

Short-term

Likelihood

Very likely

Magnitude of impact

Low

Are you able to provide a potential financial impact figure?

Yes, a single figure estimate

Potential financial impact figure (currency)

822000

Potential financial impact figure – minimum (currency)

<Not Applicable>

Potential financial impact figure – maximum (currency)

<Not Applicable>

Explanation of financial impact figure

If 2019 overall water costs had increased by 1%, for example, this would have resulted in a more than \$822,000 increase in operational spend.

Cost of response to risk

300000

Description of response and explanation of cost calculation

Management methods: (1) Efficiency is an important focus for Hyatt's long-term sustainability strategy since we expect water costs to rise and issues around access to water to become increasingly severe. Our efforts around managing water efficiency include ongoing measurements of environmental metrics, implementing operational and capital improvement projects to work towards efficiency targets, colleague engagement, and the Sustainable Design and Construction Guidelines. (2) Some properties have also installed utility monitoring systems, which enable them to monitor water use in real time, detect abnormalities immediately, and identify conservation opportunities. (3) Hyatt stays up to date with developments in water-efficient technology and buildings by attending conferences, trainings, and encouraging colleagues to receive LEED® Accredited Professional or Green Associate credentials. These management methods cannot influence the likelihood of changes in precipitation patterns/extreme variability in weather patterns and the associated risks, but they could reduce the potential magnitude of this risk's impact on our business at the present time and going forward. Cost of Management: Cost of management includes the installation of real-time utility monitoring equipment, which helps properties gain even better insight into data, which is approximately \$30,000 per hotel. The management cost of \$300,000 dollars is estimated based on 10 hotels installing one of these systems.

Comment

Other examples of costs include professional fees to business partners that provide data tracking and utility management services, professional fees for external experts, and salaries of Hyatt colleagues managing these programs.

Identifier

Risk 4

Where in the value chain does the risk driver occur?

Direct operations

Risk type & Primary climate-related risk driver

Chronic physical	Rising sea levels
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Primary potential financial impact

Decreased revenues due to reduced production capacity

Climate risk type mapped to traditional financial services industry risk classification

<Not Applicable>

Company-specific description

Hyatt's coastal properties may need to make capital investments in systems to mitigate the effects of sea level rise, such as structural reinforcement and improved drainage systems. Sea level rise would also compound the risks of tropical cyclones and flooding mentioned above for Hyatt's coastal properties, which could impact business continuity and increase capital costs needed for repairs. Sea level rise could also impact the desirability of particular locations or travel patterns of customers.

Time horizon

Long-term

Likelihood

Likely

Magnitude of impact

Low

Are you able to provide a potential financial impact figure?

Yes, a single figure estimate

Potential financial impact figure (currency)

7700000

Potential financial impact figure – minimum (currency)

<Not Applicable>

Potential financial impact figure – maximum (currency)

<Not Applicable>

Explanation of financial impact figure

If overall profit was impacted by 1%, for example due in part by reduced customer demand, this would roughly equal a \$7.7 million financial impact at 2019 revenue levels.

Cost of response to risk

0

Description of response and explanation of cost calculation

Management methods: (1) To ensure long-term business viability, Hyatt conducts market research prior to development or hotel acquisitions. Assessments include local site and environmental issues, local requirements, flood and storm concerns, and access to resources. (2) To prepare our hotels for severe weather events, Hyatt has preventative maintenance programs in place to ensure buildings operate at optimum levels. (3) We have developed Hyatt's Sustainable Building Design and Construction guidelines to integrate efficiency measures in new construction and renovation projects. These management methods cannot influence the likelihood of rising sea levels and the associated risks, but they could reduce the potential magnitude of this risk's impact on our business in the long term (e.g., 7-20 years). Cost of Management: There are no significant additional costs of managing and mitigating these risks, as market research, preventative maintenance and costs of renovation are already embedded into our regular business, therefore the cost of management is \$0.

Comment

There are no significant additional costs of managing and mitigating these risks, as market research, preventative maintenance and costs of renovation are already embedded into our regular business.

Identifier

Risk 5

Where in the value chain does the risk driver occur?

Direct operations

Risk type & Primary climate-related risk driver

Acute physical	Increased severity and frequency of extreme weather events such as cyclones and floods
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Primary potential financial impact

Increased capital expenditures

Climate risk type mapped to traditional financial services industry risk classification

<Not Applicable>

Company-specific description

Increases in the severity and frequency of extreme weather events such as tropical cyclones and floods could impact business continuity, increase property repair costs, and potentially increase insurance premiums. Natural disasters may also have severe physical and economic impacts on our communities and on our colleagues' families and homes. Sea level rise would compound the risks of tropical cyclones and flooding mentioned above for Hyatt's coastal properties. Severe weather events, such as Hurricane Maria which occurred in the Caribbean in the fall of 2017, could also cause a decline in the level of business and leisure travel in certain regions, and could reduce the demand for lodging which may adversely affect our financial and operating performance.

Time horizon

Short-term

Likelihood

Very likely

Magnitude of impact

Low

Are you able to provide a potential financial impact figure?

Yes, a single figure estimate

Potential financial impact figure (currency)

7700000

Potential financial impact figure – minimum (currency)

<Not Applicable>

Potential financial impact figure – maximum (currency)

<Not Applicable>

Explanation of financial impact figure

If overall profit was impacted by 1%, this would roughly equal a \$7.7 million financial impact at 2019 revenue levels. However, given the global nature of our operations, it is difficult to quantify precisely the potential financial implications.

Cost of response to risk

0

Description of response and explanation of cost calculation

Management methods: (1) To ensure long-term business viability, Hyatt conducts market research prior to development or acquisitions. Assessments include local site and environmental issues, local requirements, flood and storm concerns, and access to resources. (2) Hyatt has procedures in place to identify and mitigate risks including risk transfer to insurers by means of insurance policies. Managed hotels usually go through a review process before opening and periodically after opening with the goal of reviewing the operations associated with the safety of our guests and colleagues and protection of the building. For example, as a result of this review process, a wind impact survey was conducted, which examined the hotels' roofs and windows with the goal of improving the underwriting and insurance costs related to property damage losses. (3) In the event that disaster strikes, we have emergency response plans in place to keep our guests and colleagues safe. These management methods cannot influence the likelihood of increasing severity of extreme weather events and the associated risks, but they could reduce the potential magnitude of this risk's impact on our business at the present time and going forward. Cost of Management: There are no additional costs of managing and mitigating these risks, as salaries of Hyatt staff monitoring and managing risks, professional fees, and insurance would be part of our daily business operations. Therefore the cost of management is \$0.

Comment

There are no additional costs of managing and mitigating these risks, as salaries of Hyatt staff monitoring and managing risks, professional fees, and insurance would be part of our daily business operations.

Identifier

Risk 6

Where in the value chain does the risk driver occur?

Direct operations

Risk type & Primary climate-related risk driver

Reputation	Increased stakeholder concern or negative stakeholder feedback
------------	--

Primary potential financial impact

Decreased revenues due to reduced demand for products and services

Climate risk type mapped to traditional financial services industry risk classification

<Not Applicable>

Company-specific description

Increasingly companies are evaluated on climate change impacts and management strategies. ESG analyst firms including MSCI, RobecoSAM and Sustainalytics rate companies on behalf of investors. Additionally, TripAdvisor provides rating on behalf of customers. Poor ratings could negatively impact the Company's reputation across stakeholders including customers, colleagues, owners, investors and business partners.

Time horizon

Short-term

Likelihood

Likely

Magnitude of impact

Low

Are you able to provide a potential financial impact figure?

Yes, a single figure estimate

Potential financial impact figure (currency)

7700000

Potential financial impact figure – minimum (currency)

<Not Applicable>

Potential financial impact figure – maximum (currency)

<Not Applicable>

Explanation of financial impact figure

If environmental performance caused a reduction in 2019 profit by 1%, for example, this would have equated to approximately \$7.7 million.

Cost of response to risk

9000000

Description of response and explanation of cost calculation

Management methods: (1) We have strengthened our efforts to communicate our sustainability performance by leveraging certification and recognition programs like TripAdvisor GreenLeaders, Green Key, Energy Star, LEED®, and other regional programs. As of this CDP submission, 49 Hyatt properties have received LEED® certification. (2) While much of our hotels' environmental efforts are behind the scenes, we have guest-facing programs that demonstrate our commitment and help guests reduce their climate change impact during travel, including serving local, sustainable ingredients in our restaurants; providing guestroom amenities that are biodegradable and packaged in bottles made of recycled plastic; removing plastic straws from our operations; and providing guests the option to reuse linens and towels. (3) To improve the data provided to our corporate clients, Hyatt played a leading role in developing the Hotel Carbon Measurement Initiative, and uses this methodology to provide consistent information to our clients about the carbon, energy and water impact of their meetings and stays with Hyatt. As a result of these management methods, we believe that both the likelihood and potential magnitude of the impact of this risk could be reduced over the next 1-3 years. Cost of Management: In 2019, it is estimated that Hyatt and Hyatt hotel owners invested over \$9. million over 100 reported emissions reduction projects, which help to manage this risk.

Comment

Costs associated with obtaining hotel certifications/eco-label programs are varied and can range from no cost to \$150,000, including professional fees, depending on the type and level of certification/eco-label. These programs help demonstrate hotels' sustainability initiatives. We make these investments to address other business needs in

addition to helping manage this risk.

Identifier

Risk 7

Where in the value chain does the risk driver occur?

Direct operations

Risk type & Primary climate-related risk driver

Reputation	Shifts in consumer preferences
------------	--------------------------------

Primary potential financial impact

Decreased revenues due to reduced demand for products and services

Climate risk type mapped to traditional financial services industry risk classification

<Not Applicable>

Company-specific description

As awareness around climate change and sustainability increases, we anticipate that some guests and corporate clients will factor climate mitigation practices into their consideration set when selecting hotels, and will look for hotels that demonstrate values aligned with their own. A lack of direct action in this area could therefore result in loss of business. In particular, many of our corporate clients have climate change strategies in place and are looking at the business travel industry for opportunities to better manage their footprint. Environmental questions are now fairly standard in Request for Proposals (RFPs).

Time horizon

Short-term

Likelihood

Likely

Magnitude of impact

Low

Are you able to provide a potential financial impact figure?

Yes, a single figure estimate

Potential financial impact figure (currency)

7700000

Potential financial impact figure – minimum (currency)

<Not Applicable>

Potential financial impact figure – maximum (currency)

<Not Applicable>

Explanation of financial impact figure

If environmental performance caused a reduction in 2019 profit by 1% for example, this would have equated to approximately \$7.7 million.

Cost of response to risk

9000000

Description of response and explanation of cost calculation

Management methods: (1) We have strengthened our efforts to communicate our sustainability performance by leveraging certification and recognition programs like TripAdvisor GreenLeaders, Green Key, Energy Star, LEED®, and other regional programs. As of this CDP submission, 49 Hyatt properties have received LEED® certification. (2) While much of our hotels' environmental efforts are behind the scenes, we have guest-facing programs that demonstrate our commitment and help guests reduce their climate change impact during travel, including serving local, sustainable ingredients in our restaurants; providing guestroom amenities that are biodegradable and packaged in bottles made of recycled plastic; removing plastic straws from our operations; and providing guests the option to reuse linens and towels. (3) To improve the data provided to our corporate clients, Hyatt played a leading role in developing the Hotel Carbon Measurement Initiative, and uses this methodology to provide consistent information to our clients about the carbon, energy and water impact of their meetings and stays with Hyatt. As a result of these management methods, we believe that both the likelihood and potential magnitude of the impact of this risk could be reduced over the next 1-3 years. Cost of Management: In 2019, it is estimated that Hyatt and Hyatt hotel owners invested over \$9. million over 100 reported emissions reduction projects, which help to manage this risk.

Comment

Costs associated with obtaining hotel certifications/eco-label programs are varied and can range from no cost to \$150,000, including professional fees, depending on the type and level of certification/eco-label. These programs help demonstrate hotels' sustainability initiatives. We make these investments to address other business needs, in addition to helping manage this risk.

Identifier

Risk 8

Where in the value chain does the risk driver occur?

Direct operations

Risk type & Primary climate-related risk driver

Acute physical	Increased likelihood and severity of wildfires
----------------	--

Primary potential financial impact

Decreased revenues due to reduced demand for products and services

Climate risk type mapped to traditional financial services industry risk classification

<Not Applicable>

Company-specific description

Wildfires have been an increasing issue in areas such as Australia and California. In addition to the risks related to property damage and safety concerns, even where

hotels are not directly in the line of the fire, surrounding air quality and accessibility can be severely impacted. In some cases hotel operations may need to stop.

Time horizon

Short-term

Likelihood

Virtually certain

Magnitude of impact

Low

Are you able to provide a potential financial impact figure?

No, we do not have this figure

Potential financial impact figure (currency)

<Not Applicable>

Potential financial impact figure – minimum (currency)

<Not Applicable>

Potential financial impact figure – maximum (currency)

<Not Applicable>

Explanation of financial impact figure

Other than general climate action to help contribute to mitigating climate change impacts like droughts, hotel level focus includes response procedures to ensure the safety of guests and colleagues and local relief efforts through philanthropy or volunteerism.

Cost of response to risk

Description of response and explanation of cost calculation

Comment

C2.4

(C2.4) Have you identified any climate-related opportunities with the potential to have a substantive financial or strategic impact on your business?

Yes

C2.4a

(C2.4a) Provide details of opportunities identified with the potential to have a substantive financial or strategic impact on your business.

Identifier

Opp1

Where in the value chain does the opportunity occur?

Direct operations

Opportunity type

Products and services

Primary climate-related opportunity driver

Development and/or expansion of low emission goods and services

Primary potential financial impact

Increased revenues resulting from increased demand for products and services

Company-specific description

Hyatt has voluntarily calculated emissions in accordance with the GHG Protocol since 2009, and has calculated its emissions inventory since 2006. Because we have had the systems, expertise and mindset in place for tracking and reporting our GHG emissions, Hyatt has been well positioned to accurately report its environmental footprint and manage future reporting requirements. In addition, having consecutive years of data in place has given us the opportunity to identify efficiencies, which have helped us to reduce GHG intensity in our Americas, Asia Pacific, and Europe, Africa, Middle East and Southwest-Asia regions by 33%, 29% and 36%, respectively, compared to our baseline year of 2006.

Time horizon

Medium-term

Likelihood

Very likely

Magnitude of impact

Low

Are you able to provide a potential financial impact figure?

Yes, a single figure estimate

Potential financial impact figure (currency)

7700000

Potential financial impact figure – minimum (currency)

<Not Applicable>

Potential financial impact figure – maximum (currency)

<Not Applicable>

Explanation of financial impact figure

As an example, a 1% increase in overall 2019 profit as a result of increased customer loyalty and strategic management of costs would have resulted in an approximate \$7.7 million increase based on 2019 performance.

Cost to realize opportunity

300000

Strategy to realize opportunity and explanation of cost calculation

Management methods for this opportunity are as follows: (1) Hyatt places a significant emphasis on tracking energy and emissions data for its properties around the world. (2) Through our online database, Hyatt EcoTrack, Hyatt has been tracking its global utility data by hotel, brand, region and Company-wide. (3) Since 2012, we have also been tracking energy and emissions data for our managed select service hotels. Since 2015, franchise properties have been required to track and report utility data, which we use to calculate their emissions - a Scope 3 emissions source. (4) Our proactive commitment to mitigate our impact, and to track and report our emissions would help us to quickly adjust to new regulations. This preparedness could help us avoid added costs and increase customer loyalty and demand. We believe that these management methods could increase the potential magnitude of the impact of this opportunity over the next 4-6 years. These management methods cannot, however, influence the likelihood of emission reporting obligations and the associated perceived opportunities. Cost of management: Cost to realize the opportunity include the installation of real-time utility monitoring equipment, which helps properties gain even better insight into data, which is approximately \$30,000 per hotel. The management cost of \$300,000 dollars is estimated based on 10 hotels installing one of these systems.

Comment

Other examples of costs include professional fees to business partners that provide data tracking and utility management services, professional fees for external experts, and salaries of Hyatt colleagues managing these programs.

Identifier

Opp2

Where in the value chain does the opportunity occur?

Direct operations

Opportunity type

Energy source

Primary climate-related opportunity driver

Use of new technologies

Primary potential financial impact

Reduced direct costs

Company-specific description

Hyatt has a long history of working on improving our buildings' efficiencies using new and emerging technologies, including LED lighting, centralized building monitoring systems, use of Energy Star and other certified efficient appliances, and onsite renewable and low-emissions energy sources such as the Bloom Energy Fuel Cell installed at Hyatt Regency Greenwich in December 2015. We have also incorporated Sustainable Design guidelines into Hyatt's Global Technical Design Standards, which specify efficiency measures for all new builds and major renovations.

Time horizon

Short-term

Likelihood

Virtually certain

Magnitude of impact

Low

Are you able to provide a potential financial impact figure?

Yes, a single figure estimate

Potential financial impact figure (currency)

3800000

Potential financial impact figure – minimum (currency)

<Not Applicable>

Potential financial impact figure – maximum (currency)

<Not Applicable>

Explanation of financial impact figure

As an example, a 1% decrease in energy costs would have resulted in more than \$3.8 million in savings based on energy 2019 spend.

Cost to realize opportunity

9000000

Strategy to realize opportunity and explanation of cost calculation

Management methods for this opportunity are as follows: As part of Hyatt's commitment to environmental sustainability, we have been focused on gaining efficiency improvements across our operations to prepared Hyatt hotels for managing costs associated with increased utility prices and potential future carbon and fuel/energy taxes. These efforts also help Hyatt respond quickly advances in technology, avoid added costs, and leverage opportunities to demonstrate leadership in sustainability. As demonstrated in Section 4.1b, Hyatt has achieved notable reductions in GHG intensity in our Americas, Asia Pacific, and Europe, Africa, Middle East and Southwest-Asia regions by 33%, 29% and 36%, respectively, compared to our baseline year of 2006. With Hyatt's 2020 sustainability vision and goals, we will continue to deepen our focus on hotel efficiency. We believe that these management methods could increase the potential magnitude of the impact of this opportunity at the present time and going forward. Cost Management: In 2019, it is estimated that Hyatt and Hyatt hotel owners invested over \$9. million over 100 reported emissions reduction projects, which help to manage this risk.

Comment

We make these investments to address other business needs (including necessary end-of-life replacements on machinery and equipment), in addition to helping to directly realize this opportunity.

Identifier

Opp3

Where in the value chain does the opportunity occur?

Direct operations

Opportunity type

Energy source

Primary climate-related opportunity driver

Use of lower-emission sources of energy

Primary potential financial impact

Reduced direct costs

Company-specific description

Local renewable energy regulations could result in incentives such as rebates, which could increase the opportunity for Hyatt to capitalize on environmental and operational efficiencies resulting from the use of renewable energy. Countries with potential opportunity for Hyatt include China and India – countries that are key markets for Hyatt, and where efforts are being made to add renewable energy into their grids. Additionally, in response to the Paris Agreement many countries have committed to setting carbon reductions goals. These countries may begin to use renewable energy regulations as a mechanism to meet their goals, which could create new opportunities for Hyatt to benefit from renewable energy initiatives. Hyatt may also benefit from the positive reputational attributes associated with use of renewable energy.

Time horizon

Medium-term

Likelihood

Very likely

Magnitude of impact

Low

Are you able to provide a potential financial impact figure?

Yes, a single figure estimate

Potential financial impact figure (currency)

1600000

Potential financial impact figure – minimum (currency)

<Not Applicable>

Potential financial impact figure – maximum (currency)

<Not Applicable>

Explanation of financial impact figure

We estimate near-term annual savings of \$1.6 million based on the growing number of hotels with onsite renewable energy.

Cost to realize opportunity

750000

Strategy to realize opportunity and explanation of cost calculation

Management methods for this opportunity are as follows: (1) We have made a commitment to reduce our greenhouse gas emissions per square meter, as demonstrated by our goals. (2) In response to the Paris Agreement, Hyatt has modeled and is evaluating a science-based target to guide future programs and capitalize on regulatory-driven renewable energy opportunities around the world. (3) While we focus heavily on achieving this target through energy efficiency projects, our Sustainable Design Guidelines encourage hotels to evaluate the feasibility of leveraging renewable energy. (4) New onsite renewable energy systems continue to be installed at our hotels. Currently 27 Hyatt hotels are sourcing power from onsite renewable energy such as solar, wind and geothermal. We believe that these management methods could increase the potential magnitude of the impact of this opportunity over the next 4-6 years. Cost of Management: Costs associated with the opportunity vary on a project-by-project basis. Based on reported projects in recent years, we are estimating \$750,000 annually. Many of these projects have additional subsidies from local governments and utilities.

Comment

Identifier

Opp4

Where in the value chain does the opportunity occur?

Direct operations

Opportunity type

Resource efficiency

Primary climate-related opportunity driver

Move to more efficient buildings

Primary potential financial impact

Reduced direct costs

Company-specific description

Effective energy and water efficiency management at our properties and ongoing work to demonstrate our leadership to customers and external stakeholders will help Hyatt manage the increases in operational costs and potentially gain a competitive business advantage and market share.

Time horizon

Short-term

Likelihood

Likely

Magnitude of impact

Low

Are you able to provide a potential financial impact figure?

Yes, a single figure estimate

Potential financial impact figure (currency)

3800000

Potential financial impact figure – minimum (currency)

<Not Applicable>

Potential financial impact figure – maximum (currency)

<Not Applicable>

Explanation of financial impact figure

If Hyatt avoided 1% in energy cost increases in 2019, the positive financial impact would have been more than \$3.8 million in savings based on 2019 energy spend.

Cost to realize opportunity

1000000

Strategy to realize opportunity and explanation of cost calculation

Management methods for this opportunity are as follows: (1) We prioritize improving our efficiency performance across our hotel footprint, which helps us manage costs and meet new standards. (2) We have developed Hyatt's Sustainable Building Design and Construction guidelines to integrate efficiency measures in new construction and renovation projects. (3) Our hotels have conducted onsite energy audits to prioritize capital investments. (4) Participating properties have also installed utility monitoring systems, which enable them to monitor energy use in real time, detect abnormalities immediately, and identify conservation opportunities. These management methods cannot influence the likelihood of temperature extremes and the associated perceived opportunities, but they could increase the potential magnitude of the impact of this opportunity over the next 1-3 years. Cost of Management: Hyatt hotels invest in onsite energy audits, a critical step toward efficiency improvements, which typically cost between \$10,000 and \$20,000 per site. The management cost of \$1 million dollars is estimated based on the number of full service Hyatt properties and frequency of audits.

Comment

Actual energy efficiency projects vary greatly, making it difficult to provide cost estimates. However, in many cases these investments result in a payback that is under three years.

Identifier

Opp5

Where in the value chain does the opportunity occur?

Direct operations

Opportunity type

Products and services

Primary climate-related opportunity driver

Shift in consumer preferences

Primary potential financial impact

Increased revenues resulting from increased demand for products and services

Company-specific description

Today's consumers increasingly pay attention to environmental attributes, eco-labels and certifications. Hyatt has an opportunity to meet these consumer expectations and potentially increase our market share. Climate change is also quickly becoming an increasing priority for our corporate clients and leisure travelers as well. In particular, many of our corporate clients (companies with business travel) have climate change strategies in place themselves and are looking at business travel for opportunities to better manage their footprint. As a result, environmental sustainability questions are now part of standard RFP questions. For leisure travelers, online travel agents and online forums, such as TripAdvisor, are supporting this focus by increasingly providing information on hotels' sustainability efforts to guests. The Sustainable Travel Report released in 2017 by Booking.com found that 68% of global travelers 'are more likely to consider choosing an accommodation knowing that it was eco-friendly'. Looking forward, it is possible that climate change consideration will hold more weight in consumers' purchasing decisions, thereby also increasing the opportunity for Hyatt to gain new business.

Time horizon

Short-term

Likelihood

Likely

Magnitude of impact

Low

Are you able to provide a potential financial impact figure?

Yes, a single figure estimate

Potential financial impact figure (currency)

7700000

Potential financial impact figure – minimum (currency)

<Not Applicable>

Potential financial impact figure – maximum (currency)

<Not Applicable>

Explanation of financial impact figure

While difficult to quantify, our general observation is that sustainability considerations do not yet supersede factors such as price, amenities, and service. However, there have been cases where we were able to book business with sustainability-minded businesses as a result of having sound environmental management practices. In the future, a 1% increase in profit due in part to environmental attributes of our hotels would result in an approximate \$7.7 million gain based on 2019 performance.

Cost to realize opportunity

9000000

Strategy to realize opportunity and explanation of cost calculation

Management methods for this opportunity: (1) Hyatt has a 2020 environmental sustainability vision to help the Company continue to advance sustainability initiatives. We communicate progress to stakeholders through our annual corporate responsibility reports. (2) We have strengthened our efforts to communicate our sustainability performance by leveraging certification/recognition programs such as TripAdvisor GreenLeaders, Green Key, Energy Star, LEED and regional programs relevant to their respective markets. (3) While many environmental efforts at hotels are behind the scenes, we have guest-facing programs that demonstrate our commitment and help guests reduce their climate change impact during travel, including serving local, sustainable ingredients in our restaurants; removing plastic straws from our operations; and providing the option to reuse linens and towels. (4) To improve the data provided to our corporate clients, Hyatt played a leading role in developing the Hotel Carbon Measurement Initiative, and uses this methodology to provide consistent information to our clients. We believe that these management methods could increase both the likelihood and potential magnitude of the impact of this opportunity over the next 1-3 years. Cost of Management: In 2019, it is estimated that Hyatt and Hyatt hotel owners

invested over \$9 million in over 100 reported emissions reduction projects, which help to manage this risk.

Comment

Hotels may also pay fees to receive sustainability labels and certification. We make these investments to address other business needs, in addition to helping realize this opportunity.

C3. Business Strategy

C3.1

(C3.1) Have climate-related risks and opportunities influenced your organization's strategy and/or financial planning?

Yes

C3.1a

(C3.1a) Does your organization use climate-related scenario analysis to inform its strategy?

Yes, qualitative and quantitative

C3.1b

(C3.1b) Provide details of your organization's use of climate-related scenario analysis.

Climate-related scenarios and models applied	Details
2DS	We have used the 2°C Scenario to model and evaluate a science-based emissions reductions target, as a way to understand considerations for our long-term strategy. BOUNDARIES AND TIME HORIZON USED: Our analysis was performed using the same methodology used to calculate the International Tourism Partnership's industry calculations, based on the Sectoral Decarbonization Approach, which divides up carbon budgets by sector. INPUTS, ASSUMPTIONS AND METHODS USED: Our analysis used 2010 as the baseline and 2050 the year to align a decarbonization pathway, using a carbon budget aligned with the Service Buildings sector growth, and decarbonization levels of Service Buildings for Scope 1 and electric power grid for Scope 2, aligning our reductions to match the budget and increasing the intensity reduction based on our forecasted growth and cumulative emissions against cumulative budget toward 2050, aligning at 5-year intervals. RESULTS AND OUTCOMES: The results of the analysis will be used to inform our emissions management strategy. RESULTS AND OUTCOMES: The results of the analysis will be used to inform our emissions management strategy.

C3.1d

(C3.1d) Describe where and how climate-related risks and opportunities have influenced your strategy.

	Have climate-related risks and opportunities influenced your strategy in this area?	Description of influence
Products and services	Yes	To mitigate against disruptions to our services from climate-related events such as changes in precipitation patterns, rising sea levels and increased severity of extreme weather events, Hyatt conducts market research prior to development or hotel acquisitions. Assessments include local site and environmental issues, local requirements, flood and storm concerns, and access to resources. As part of our short-term strategy, we have set greenhouse gas intensity reduction goals and have realized efficiency gains from capital and operational initiatives aimed at reducing energy consumption. We have reduced Scope 1 and 2 emissions per square meter from 2006-2019 by 33% in Americas, 29% in Asia Pacific, and 36% in Europe, Africa, Middle East and South-West Asia. We have also seen that climate change is increasingly a priority for both our corporate clients and leisure travelers. In particular, many of our corporate clients (companies with business travel) have climate change strategies in place themselves, and are looking at business travel for opportunities to better manage their footprint, and as a result environmental sustainability questions are now part of standard RFP questions. We have been able to capitalize on the opportunity of shifts in consumer preferences by responding to these RFP questions and providing the information our clients are looking for through various channels, including the CDP supply chain module, increasing our opportunity to win business. For leisure travelers, online travel agents and online forums, such as TripAdvisor, are increasingly providing information on hotels' sustainability efforts to guests. Many of our hotels are part of the TripAdvisor GreenLeaders program, providing an opportunity to win business from leisure travel by demonstrating our commitment to sustainability. Hotels participating in these types of programs help mitigate the risk of reduced revenue from a decreased demand for Hyatt's services.
Supply chain and/or value chain	Yes	In the short-term we have experienced increases in utility prices in recent years in certain markets, in part as a result of increased regulation on the utility sector. Because we anticipate utility costs to rise due in part to rising mean temperatures and changes in precipitation patterns, efficiency has been an important focus at Hyatt. Our efforts include ongoing measurements of environmental metrics towards targets, implementing operational and capital improvement projects, increasing colleague engagement, and implementing Sustainable Design and Construction Guidelines. Many hotels have conducted onsite energy audits to prioritize capital investments. Several properties have also installed utility monitoring systems, which enable them to monitor energy use in real time, detect abnormalities immediately, and identify conservation opportunities. Hyatt hotels also have preventative maintenance programs in place, which enable properties to ensure equipment is operating optimally, and that the building is equipped to handle a range of environmental conditions. Understanding our supply chain of products has exposure to climate-related risks and opportunities, we also are increasing our efforts around responsible sourcing, which includes identifying suppliers with environmental policies, efficiency efforts, and addressing topics like deforestation. The potential magnitude of these impacts on our business is currently expected to be low in the context of our global portfolio of owned, managed and franchised hotels and over the time-horizons evaluated.
Investment in R&D	No	As a hospitality company, investment in R&D is not applicable to our business.
Operations	Yes	To mitigate against disruptions to our services from climate-related events such as changes in precipitation patterns, rising sea levels and increased severity of extreme weather events, Hyatt conducts market research prior to development or hotel acquisitions. Assessments include local site and environmental issues, local requirements, flood and storm concerns, and access to resources. As part of our short-term strategy, we have set greenhouse gas intensity reduction goals and have realized efficiency gains from capital and operational initiatives aimed at reducing energy consumption. We have reduced Scope 1 and 2 emissions per square meter from 2006-2019 by 33% in Americas, 29% in Asia Pacific, and 36% in Europe, Africa, Middle East and South-West Asia. We have also seen that climate change is increasingly a priority for both our corporate clients and leisure travelers. In particular, many of our corporate clients (companies with business travel) have climate change strategies in place themselves, and are looking at business travel for opportunities to better manage their footprint, and as a result environmental sustainability questions are now part of standard RFP questions. We have been able to capitalize on the opportunity of shifts in consumer preferences by responding to these RFP questions and providing the information our clients are looking for through various channels, including the CDP supply chain module, increasing our opportunity to win business. For leisure travelers, online travel agents and online forums, such as TripAdvisor, are increasingly providing information on hotels' sustainability efforts to guests. Many of our hotels are part of the TripAdvisor GreenLeaders program, providing an opportunity to win business from leisure travel by demonstrating our commitment to sustainability. Hotels participating in these types of programs help mitigate the risk of reduced revenue from a decreased demand for Hyatt's services. The potential magnitude of these impacts on our business is currently expected to be low in the context of our global portfolio of owned, managed and franchised hotels and over the time-horizons evaluated.

C3.1e

(C3.1e) Describe where and how climate-related risks and opportunities have influenced your financial planning.

	Financial planning elements that have been influenced	Description of influence
Row 1	Revenues Direct costs Capital expenditures Assets	Decreased demand for Hyatt's services as a result of shifting consumer preferences, increased operating costs from rising utility rates, and capital expenditures for repairs following severe weather events all have the potential to negatively impact Hyatt's revenue. On the other hand, increased efficiency and better competitive position as a result of changing consumer preferences have the potential to positively impact Hyatt's revenue. In order to manage impacts from rising costs, in their annual financial planning process our hotels budget for efficiency improvements, such as retro-commissioning, lighting upgrades and building management system installation in order to mitigate against climate-related risks and capitalize on climate-related opportunities. In many cases these investments result in a payback that is under three years. Additionally we allocate funds for onsite assessments and audits of our owned and managed assets for risks such as flooding and storm damage. In the short-term to manage customer preference risks and opportunities, we embed climate change and sustainability related information into communication with corporate clients and individual guests, and we incorporate sustainable attributes into our guest experience to increase loyalty, satisfaction and ultimately revenue. We also leverage certification and recognition programs like TripAdvisor GreenLeaders, Green Key, Energy Star, LEED®, and other regional programs to demonstrate to guests our commitment to the environment and build loyalty as well as maximize building efficiency. In the long-term Hyatt conducts market research prior to development or hotel acquisitions. Assessments include local site and environmental issues, local requirements, flood and storm concerns, and access to resources. The potential magnitude of these impacts on our business is currently expected to be low in the context of our global portfolio of owned, managed and franchised hotels and over the time-horizons evaluated.

C3.1f

(C3.1f) Provide any additional information on how climate-related risks and opportunities have influenced your strategy and financial planning (optional).

C4. Targets and performance

C4.1

(C4.1) Did you have an emissions target that was active in the reporting year?

Intensity target

C4.1b

(C4.1b) Provide details of your emissions intensity target(s) and progress made against those target(s).

Target reference number

Int 1

Year target was set

2014

Target coverage

Country/region

Scope(s) (or Scope 3 category)

Scope 1+2 (location-based)

Intensity metric

Metric tons CO2e per square meter

Base year

2006

Intensity figure in base year (metric tons CO2e per unit of activity)

0.141

% of total base year emissions in selected Scope(s) (or Scope 3 category) covered by this intensity figure

35

Target year

2020

Targeted reduction from base year (%)

25

Intensity figure in target year (metric tons CO2e per unit of activity) [auto-calculated]

0.10575

% change anticipated in absolute Scope 1+2 emissions

-21

% change anticipated in absolute Scope 3 emissions

0

Intensity figure in reporting year (metric tons CO2e per unit of activity)

0.095

% of target achieved [auto-calculated]

130.496453900709

Target status in reporting year

Achieved

Is this a science-based target?

No, but we anticipate setting one in the next 2 years

Please explain (including target coverage)

REGIONAL TARGET 1: AMERICAS

Target reference number

Int 2

Year target was set

2014

Target coverage

Country/region

Scope(s) (or Scope 3 category)

Scope 1+2 (location-based)

Intensity metric

Metric tons CO2e per square meter

Base year

2006

Intensity figure in base year (metric tons CO2e per unit of activity)

0.193

% of total base year emissions in selected Scope(s) (or Scope 3 category) covered by this intensity figure

39

Target year

2020

Targeted reduction from base year (%)

25

Intensity figure in target year (metric tons CO2e per unit of activity) [auto-calculated]

0.14475

% change anticipated in absolute Scope 1+2 emissions

75

% change anticipated in absolute Scope 3 emissions

0

Intensity figure in reporting year (metric tons CO2e per unit of activity)

0.137

% of target achieved [auto-calculated]

116.062176165803

Target status in reporting year

Achieved

Is this a science-based target?

No, but we anticipate setting one in the next 2 years

Please explain (including target coverage)

REGIONAL TARGET 2: ASIA PACIFIC The estimated increase in absolute emissions reflects portfolio growth.

Target reference number

Int 3

Year target was set

2014

Target coverage

Country/region

Scope(s) (or Scope 3 category)

Scope 1+2 (location-based)

Intensity metric

Metric tons CO2e per square meter

Base year

2006

Intensity figure in base year (metric tons CO2e per unit of activity)

0.21

% of total base year emissions in selected Scope(s) (or Scope 3 category) covered by this intensity figure

26

Target year

2020

Targeted reduction from base year (%)

25

Intensity figure in target year (metric tons CO2e per unit of activity) [auto-calculated]

0.1575

% change anticipated in absolute Scope 1+2 emissions

71

% change anticipated in absolute Scope 3 emissions

0

Intensity figure in reporting year (metric tons CO2e per unit of activity)

0.135

% of target achieved [auto-calculated]

142.857142857143

Target status in reporting year

Achieved

Is this a science-based target?

No, but we anticipate setting one in the next 2 years

Please explain (including target coverage)

REGIONAL TARGET 3: EUROPE, AFRICA, MIDDLE EAST AND SOUTHWEST ASIA The estimated increase in absolute emissions reflect the portfolio growth.

C4.2

(C4.2) Did you have any other climate-related targets that were active in the reporting year?

No other climate-related targets

C4.3

(C4.3) Did you have emissions reduction initiatives that were active within the reporting year? Note that this can include those in the planning and/or implementation phases.

Yes

C4.3a

(C4.3a) Identify the total number of initiatives at each stage of development, and for those in the implementation stages, the estimated CO2e savings.

	Number of initiatives	Total estimated annual CO2e savings in metric tonnes CO2e (only for rows marked *)
Under investigation	17	2190
To be implemented*	44	6966
Implementation commenced*	21	4123
Implemented*	115	6835
Not to be implemented	0	0

C4.3b

(C4.3b) Provide details on the initiatives implemented in the reporting year in the table below.

Initiative category & Initiative type

Low-carbon energy generation	Solar PV
------------------------------	----------

Estimated annual CO2e savings (metric tonnes CO2e)

145

Scope(s)

Scope 2 (location-based)

Voluntary/Mandatory

Voluntary

Annual monetary savings (unit currency – as specified in C0.4)

42842

Investment required (unit currency – as specified in C0.4)

112500

Payback period

4-10 years

Estimated lifetime of the initiative

21-30 years

Comment

Due to COVID-19-related business interruptions, 2019 initiatives were not assessed in time for this CDP submission. Estimated values from the three reported projects in 2018 are provided, which may be representative for 2019 and are used for the purpose of this report. Because installation of low carbon energy sources is a relatively new effort, we do not yet have robust data to estimate the useful lifetime of the equipment; however, it is likely that the lifetime will be about 20 years.

Initiative category & Initiative type

Energy efficiency in buildings	Heating, Ventilation and Air Conditioning (HVAC)
--------------------------------	--

Estimated annual CO2e savings (metric tonnes CO2e)

1522

Scope(s)

Scope 1

Scope 2 (location-based)

Voluntary/Mandatory

Voluntary

Annual monetary savings (unit currency – as specified in C0.4)

511050

Investment required (unit currency – as specified in C0.4)

4456681

Payback period

4-10 years

Estimated lifetime of the initiative

16-20 years

Comment

We replace HVAC equipment in hotels as they age; and while these investments are part of scheduled updates, they often give us the opportunity to invest in more efficient

equipment. In addition, HVAC-related controls and equipment are updated as needed or when efficiency gains can be made. Due to COVID-19-related business interruptions, 2019 initiatives were not assessed in time for this CDP submission. Estimated values from the three reported projects in 2018 are provided, which may be representative for 2019 and are used for the purpose of this report. Payback period is estimated based on previous experience/observed median payback periods rather than based on the available information for reported projects. Estimated lifetime of equipment varies greatly and is based on the equipment's depreciation timeline as well as useful lifetime. A preventative maintenance program is in place at Hyatt hotels in order to extend the useful lifetime of designated equipment as much as possible. Additional information was available for 44% of these projects, which is reflected in the reported totals in this row, and data provided represents investments made by Hyatt and Hyatt hotel owners.

Initiative category & Initiative type

Energy efficiency in buildings	Lighting
--------------------------------	----------

Estimated annual CO2e savings (metric tonnes CO2e)

3596

Scope(s)

Scope 2 (location-based)

Voluntary/Mandatory

Voluntary

Annual monetary savings (unit currency – as specified in C0.4)

1026973

Investment required (unit currency – as specified in C0.4)

2318587

Payback period

1-3 years

Estimated lifetime of the initiative

6-10 years

Comment

Due to COVID-19-related business interruptions, 2019 initiatives were not assessed in time for this CDP submission. Estimated values from the three reported projects in 2018 are provided, which may be representative for 2019 and are used for the purpose of this report. Payback period is estimated based on previous experience/observed median payback periods rather than based on the available information for reported projects. Estimated lifetime of equipment varies greatly and is based on the equipment's depreciation timeline as well as useful lifetime. Lighting equipment in areas that require constant use (e.g., emergency lighting) would have a shorter life cycle as a result. Additional information was available for 79% of these projects, which is reflected in the reported totals in this row, and data provided represents investments made by Hyatt and Hyatt hotel owners.

Initiative category & Initiative type

Energy efficiency in buildings	Building Energy Management Systems (BEMS)
--------------------------------	---

Estimated annual CO2e savings (metric tonnes CO2e)

1502

Scope(s)

Scope 1
Scope 2 (location-based)

Voluntary/Mandatory

Voluntary

Annual monetary savings (unit currency – as specified in C0.4)

557181

Investment required (unit currency – as specified in C0.4)

1319050

Payback period

4-10 years

Estimated lifetime of the initiative

16-20 years

Comment

Due to COVID-19-related business interruptions, 2019 initiatives were not assessed in time for this CDP submission. Estimated values from the three reported projects in 2018 are provided, which may be representative for 2019 and are used for the purpose of this report. Example initiatives include energy management systems to help monitor and control building operations and centrally controlled guestroom thermostats that enable hotels to implement greater temperature setbacks in unsold rooms compared to relying solely on occupancy sensor-controlled thermostats. Payback period is estimated based on previous experience/observed median payback periods rather than based on the available information for reported projects. Estimated lifetime of equipment varies greatly and is based on the equipment's depreciation timeline as well as useful lifetime. A preventative maintenance program is in place at Hyatt hotels in order to extend the useful lifetime of designated equipment as much as possible. Additional information was available for 60% of these projects, which is reflected in the reported totals in this row, and data provided represents investments made by Hyatt and Hyatt hotel owners.

Initiative category & Initiative type

Energy efficiency in buildings	Other, please specify (Kitchen/laundry equipment, other)
--------------------------------	--

Estimated annual CO2e savings (metric tonnes CO2e)

Scope(s)

Scope 1

Scope 2 (location-based)

Voluntary/Mandatory

Voluntary

Annual monetary savings (unit currency – as specified in C0.4)

419694

Investment required (unit currency – as specified in C0.4)

1042409

Payback period

4-10 years

Estimated lifetime of the initiative

11-15 years

Comment

Due to COVID-19-related business interruptions, 2019 initiatives were not assessed in time for this CDP submission. Estimated values from the 13 reported projects in 2018 are expected to be representative of 2019 initiatives as well and are used for the purpose of this report. We replace kitchen and laundry equipment in hotels as they age; and while many of these investments are part of scheduled updates, they often give us the opportunity to invest in more efficient equipment. Beyond replacing older equipment, many Hyatt hotels have upgraded kitchen hood exhaust controls, which enable the exhaust fans to modulate as needed, saving energy associated with running the fans. In addition, because the make-up air is controlled only as needed, less energy is used to condition the incoming air. Payback period is estimated based on previous experience/observed median payback periods rather than based on the available information for reported projects. Estimated lifetime of equipment varies greatly and is based on the equipment's depreciation timeline as well as useful lifetime. A preventative maintenance program is in place at Hyatt hotels in order to extend the lifetime of designated equipment as much as possible. Additional information was available for 38% of these projects, which is reflected in the reported totals in this row, and data provided represents investments made by Hyatt and Hyatt hotel owners.

C4.3c**(C4.3c) What methods do you use to drive investment in emissions reduction activities?**

Method	Comment
Financial optimization calculations	Many of our managed full service hotels have leveraged onsite energy audits, retro-commissioning studies, and/or third party guidance to identify high yielding/short payback initiatives that will enable them to maximize actions and potential investment dollars. In addition, we use Hyatt EcoTrack (our utility tracking and management database) and vendors to forecast energy use and understand future energy trends, which help prioritize investment areas.
Compliance with regulatory requirements/standards	While most emission reduction activities are voluntary in the hospitality industry, in some cases there may be regulatory requirements that drive investments. Examples of regulatory requirements are: Local energy standards, carbon reduction regulations, and phase-outs of specific technologies. In these cases, new investments are integrated into the annual capital expenditure planning.
Employee engagement	With regard to driving efficiency and emission reduction projects, our colleagues frequently identify new opportunities and develop the business case to receive investment funds. Associate engagement is particularly important in a business structure like ours, given a diverse ownership structure. We engage our colleagues by setting regional 2020 targets and providing tools that empower our Engineering and Operations Teams, who play a critical role in securing investment funds for new projects.
Internal incentives/recognition programs	The annual goals described in Section 1.3 for Directors of Engineering at properties, the regional Vice President and Directors of Engineering and Sustainability, and the Director of Environmental Affairs drive associates to identify opportunities to reduce energy consumption. Emissions reductions are also incentivized through the Thrive Leaderships Awards, an annual program through which the Company awards hotels demonstrating leadership in advancing corporate responsibility initiatives – including outstanding climate change impact reductions. In addition, hotels are frequently recognized for their successful initiatives and accomplishments on Hyatt's intranet site (Hyattconnect), our corporate responsibility report, and newsletters and other communication platforms. Our CEO refers to accomplishments at various hotels in external and internal presentations.

C4.5**(C4.5) Do you classify any of your existing goods and/or services as low-carbon products or do they enable a third party to avoid GHG emissions?**

Yes

C4.5a

(C4.5a) Provide details of your products and/or services that you classify as low-carbon products or that enable a third party to avoid GHG emissions.

Level of aggregation

Group of products

Description of product/Group of products

Managed properties

Are these low-carbon product(s) or do they enable avoided emissions?

Avoided emissions

Taxonomy, project or methodology used to classify product(s) as low-carbon or to calculate avoided emissions

Other, please specify

% revenue from low carbon product(s) in the reporting year

46

% of total portfolio value

<Not Applicable>

Asset classes/ product types

<Not Applicable>

Comment

As a result of Hyatt's ongoing efforts to reduce emissions from hotels, our hotel owners have the potential to reduce part of their Scope 1 and 2 emissions. We estimate avoided emissions for hotel owners of approximately 545,000 MTCO₂e from 2006 to 2019. Hyatt's climate change mitigation strategies (which include energy-efficient design and construction guidelines and operations and procurement practices) enable our hotel owners to directly avoid a portion of their GHG emissions. These practices reduce Hyatt's Scope 1 and 2 emissions at our hotels within our operational control, which directly translates into reducing the Scope 1 and 2 emissions of the hotel owners who have financial control over these properties. As a result of our ongoing efforts, hotel owners could potentially avoid a portion of their GHG emissions by selecting Hyatt as the hotel management Company over similar companies without a commitment to reduce carbon emissions and fewer efficiency practices. Hyatt's efficiency measures also help reduce our guests' GHG emissions when they travel; however, the GHG emissions of our guests would be considered as Scope 3 emissions. Our estimated amount of emissions avoided is based on the following assumptions and methodologies: (1) Reduction in GHG emissions by region during the reporting period since baseline years; (2) Hotels and the square meters of space managed by Hyatt remains the same from baseline year to current year (2019) using the average space of the start and end year; (3) Use of emission factors and global warming potentials from sources presented in Questions C7 and C8. We also encourage and provide resources to help third-party franchisees to reduce their Scope 1 and 2 emissions; however, we count these emissions as Hyatt's Scope 3 emissions.

C5. Emissions methodology

C5.1

(C5.1) Provide your base year and base year emissions (Scopes 1 and 2).

Scope 1

Base year start

January 1 2006

Base year end

December 31 2006

Base year emissions (metric tons CO₂e)

232229

Comment

Scope 2 (location-based)

Base year start

January 1 2006

Base year end

December 31 2006

Base year emissions (metric tons CO₂e)

1169188

Comment

Scope 2 (market-based)

Base year start

January 1 2006

Base year end

December 31 2006

Base year emissions (metric tons CO₂e)

1169188

Comment

C5.2

(C5.2) Select the name of the standard, protocol, or methodology you have used to collect activity data and calculate emissions.

The Greenhouse Gas Protocol: A Corporate Accounting and Reporting Standard (Revised Edition)

C6. Emissions data

C6.1

(C6.1) What were your organization's gross global Scope 1 emissions in metric tons CO2e?

Reporting year

Gross global Scope 1 emissions (metric tons CO2e)

285846

Start date

<Not Applicable>

End date

<Not Applicable>

Comment

C6.2

(C6.2) Describe your organization's approach to reporting Scope 2 emissions.

Row 1

Scope 2, location-based

We are reporting a Scope 2, location-based figure

Scope 2, market-based

We are reporting a Scope 2, market-based figure

Comment

To align with new GHG Protocol Scope 2 accounting guidance, we have evaluated opportunities to develop necessary measurements to account for both market-based and location-based Scope 2 emissions data. Some of our hotels voluntarily purchase renewable energy and renewable energy certificates, and we are able to make adjustments to our market-based Scope 2 emissions based on this information as provided by hotels in our portfolio. As a company with over 900 properties operating in 65 countries, we are not able to leverage utility-specific emission factors in a practical manner at this time. Additionally, availability of emission factor data from utilities continues to be a challenge. These adjustments are reflected in the market-based Scope 2 emissions reported in our CDP Climate Change Information Request response.

C6.3

(C6.3) What were your organization's gross global Scope 2 emissions in metric tons CO2e?

Reporting year

Scope 2, location-based

1416173

Scope 2, market-based (if applicable)

1376058

Start date

<Not Applicable>

End date

<Not Applicable>

Comment

C6.4

(C6.4) Are there any sources (e.g. facilities, specific GHGs, activities, geographies, etc.) of Scope 1 and Scope 2 emissions that are within your selected reporting boundary which are not included in your disclosure?

Yes

C6.4a

(C6.4a) Provide details of the sources of Scope 1 and Scope 2 emissions that are within your selected reporting boundary which are not included in your disclosure.

Source

Hotels not yet in company-wide database and incomplete data

Relevance of Scope 1 emissions from this source

Emissions are relevant but not yet calculated

Relevance of location-based Scope 2 emissions from this source

Emissions are relevant but not yet calculated

Relevance of market-based Scope 2 emissions from this source (if applicable)

Emissions are relevant but not yet calculated

Explain why this source is excluded

There is an expected timeframe for new hotels to set up EcoTrack accounts after opening. In typical years we estimate the emissions of these sources to be about 2% of our total emissions. For 2019, the excluded data could be up to 10% in part because of the onboarding of a large group of hotels after acquiring a management company. Additionally due to COVID-19 related business interruptions, we were unable to follow up with hotels in early 2020 to address data quality issues.

Source

Non-hotel properties, including offices

Relevance of Scope 1 emissions from this source

Emissions are relevant but not yet calculated

Relevance of location-based Scope 2 emissions from this source

Emissions are relevant but not yet calculated

Relevance of market-based Scope 2 emissions from this source (if applicable)

Emissions are relevant but not yet calculated

Explain why this source is excluded

Hyatt's office space and non- hotel properties were not included in this reporting, as they constitute a small portion of our total physical and carbon footprint.

Source

PFCs, HFCs, and SF6

Relevance of Scope 1 emissions from this source

Emissions are not relevant

Relevance of location-based Scope 2 emissions from this source

Emissions are not relevant

Relevance of market-based Scope 2 emissions from this source (if applicable)

Emissions are not relevant

Explain why this source is excluded

Emissions from refrigeration or air conditioning equipment for HFCs are typically not material compared to our total emissions and are also a challenge to collect uniformly across our hotels. We have begun tracking major individual leakages of refrigerants in our database for the purpose of reporting environmental metrics to clients following the Hotel Carbon Measurement Initiative (HCMI) guidance. However, according to a study published by the Cornell University's Center for Hospitality Research, while fugitive emissions from refrigerant leakages could be significant at the hotel-level, they would likely not meet a materiality threshold of 1% for an entire portfolio at the Company reporting level. PFCs and SF6 are not found in hotels.

C6.5

(C6.5) Account for your organization's gross global Scope 3 emissions, disclosing and explaining any exclusions.

Purchased goods and services

Evaluation status

Relevant, not yet calculated

Metric tonnes CO2e

<Not Applicable>

Emissions calculation methodology

<Not Applicable>

Percentage of emissions calculated using data obtained from suppliers or value chain partners

<Not Applicable>

Please explain

Although emissions from our supply chain are relevant, at this time Hyatt is not collecting Scope 3 emissions from purchased goods and services given the complexity of this task in a global, highly decentralized organization and pending the further development of methodologies for calculation and extrapolation.

Capital goods

Evaluation status

Relevant, not yet calculated

Metric tonnes CO2e

<Not Applicable>

Emissions calculation methodology

<Not Applicable>

Percentage of emissions calculated using data obtained from suppliers or value chain partners

<Not Applicable>

Please explain

At this time, Hyatt is not collecting Scope 3 emissions from capital goods given the complexity of this task in a global highly-decentralized organization and pending the further development of methodologies for calculation and extrapolation.

Fuel-and-energy-related activities (not included in Scope 1 or 2)

Evaluation status

Not relevant, explanation provided

Metric tonnes CO2e

<Not Applicable>

Emissions calculation methodology

<Not Applicable>

Percentage of emissions calculated using data obtained from suppliers or value chain partners

<Not Applicable>

Please explain

As a hospitality company, we do not believe any applicable fuel- and energy-related emissions (not included in Scope 1 or 2) meets the threshold of relevancy at this time.

Upstream transportation and distribution

Evaluation status

Not relevant, explanation provided

Metric tonnes CO2e

<Not Applicable>

Emissions calculation methodology

<Not Applicable>

Percentage of emissions calculated using data obtained from suppliers or value chain partners

<Not Applicable>

Please explain

We currently prioritize initiatives that will reduce our upstream transportation and distribution emissions; however, we do not assess these emissions due to challenges in collecting this data.

Waste generated in operations

Evaluation status

Relevant, not yet calculated

Metric tonnes CO2e

<Not Applicable>

Emissions calculation methodology

<Not Applicable>

Percentage of emissions calculated using data obtained from suppliers or value chain partners

<Not Applicable>

Please explain

We track the amount of waste and recycling generated at our managed hotels and prioritize measures that will help reduce our waste and associated emissions. We currently do not, however calculate the actual emissions from our waste.

Business travel

Evaluation status

Relevant, not yet calculated

Metric tonnes CO2e

<Not Applicable>

Emissions calculation methodology

<Not Applicable>

Percentage of emissions calculated using data obtained from suppliers or value chain partners

<Not Applicable>

Please explain

Hyatt continues to investigate opportunities to improve the tracking of emissions related to corporate business travel.

Employee commuting

Evaluation status

Relevant, not yet calculated

Metric tonnes CO2e

<Not Applicable>

Emissions calculation methodology

<Not Applicable>

Percentage of emissions calculated using data obtained from suppliers or value chain partners

<Not Applicable>

Please explain

Many of our hotels provide associates with bike racks and encourage carpooling in applicable regions; however, we do not currently assess the emissions related to employee commuting due to the challenges in collecting this data.

Upstream leased assets

Evaluation status

Not relevant, explanation provided

Metric tonnes CO2e

<Not Applicable>

Emissions calculation methodology

<Not Applicable>

Percentage of emissions calculated using data obtained from suppliers or value chain partners

<Not Applicable>

Please explain

Emissions from Hyatt's upstream leased assets are included in our Scope 1 and 2 emissions reported above since we have operational control over these leased assets, such as hotel buildings and vehicle fleets.

Downstream transportation and distribution

Evaluation status

Relevant, not yet calculated

Metric tonnes CO2e

<Not Applicable>

Emissions calculation methodology

<Not Applicable>

Percentage of emissions calculated using data obtained from suppliers or value chain partners

<Not Applicable>

Please explain

Downstream risks may include those associated with guests traveling to and from the hotels, however we do not currently assess the emissions related to guest travel.

Processing of sold products

Evaluation status

Not relevant, explanation provided

Metric tonnes CO2e

<Not Applicable>

Emissions calculation methodology

<Not Applicable>

Percentage of emissions calculated using data obtained from suppliers or value chain partners

<Not Applicable>

Please explain

Because we are in the hospitality industry, we do not sell products that are then processed by other entities.

Use of sold products

Evaluation status

Not relevant, explanation provided

Metric tonnes CO2e

<Not Applicable>

Emissions calculation methodology

<Not Applicable>

Percentage of emissions calculated using data obtained from suppliers or value chain partners

<Not Applicable>

Please explain

Emissions associated with the use of sold hotel rooms, meeting spaces, etc., are accounted for in Scope 1 and 2.

End of life treatment of sold products

Evaluation status

Not relevant, explanation provided

Metric tonnes CO2e

<Not Applicable>

Emissions calculation methodology

<Not Applicable>

Percentage of emissions calculated using data obtained from suppliers or value chain partners

<Not Applicable>

Please explain

The end of life of hotel buildings is difficult to assess for the hospitality industry. In many cases properties may be sold to other entities for continued use as a hotel or other purposes, and the demolition of managed buildings is a rare occurrence.

Downstream leased assets

Evaluation status

Not relevant, explanation provided

Metric tonnes CO2e

<Not Applicable>

Emissions calculation methodology

<Not Applicable>

Percentage of emissions calculated using data obtained from suppliers or value chain partners

<Not Applicable>

Please explain

We lease retail and restaurant space at many of our hotels. In some cases, particularly if the leased space does not have a material energy footprint, the associated energy use and GHG emissions would be included into Hyatt's aggregate amounts. In other cases, the leases would account for the energy consumption of this space, and we have not assessed this data.

Franchises

Evaluation status

Relevant, calculated

Metric tonnes CO2e

478515

Emissions calculation methodology

For the hotels for which we do not have actual data, emissions per available room were assigned based on the average emissions from similar hotels in the region.

Percentage of emissions calculated using data obtained from suppliers or value chain partners

60

Please explain

As of December 31, 2019 Hyatt franchised nearly one-third of our total room portfolio. Given that Hyatt does not have direct operational control over these hotels, we historically have had very limited information on their greenhouse gas emissions. In 2015 we launched Hyatt EcoTrack to this segment of our business and began collecting data, and we anticipate a continued increase in the percentage of data coming directly from our franchised hotels. While we do not have direct operational control over these Scope 3 emissions, we believe we can make a positive impact through engaging with our franchisees, and the initiation of the data collection in 2015 has been an important step forward.

Investments

Evaluation status

Not relevant, explanation provided

Metric tonnes CO2e

<Not Applicable>

Emissions calculation methodology

<Not Applicable>

Percentage of emissions calculated using data obtained from suppliers or value chain partners

<Not Applicable>

Please explain

Hyatt owned or leased approximately 2% of its total room portfolio, as of December 31, 2019. These emissions are currently captured in our Scope 1 and 2 emissions boundary. We believe that potential emissions associated with investments, which may include those to develop and construct hotels, are primarily captured within our Scope 1 and 2 emissions boundary. Additional value chain emissions associated with investments would also likely be included within other Scope 3 emissions sources, including those from capital goods, purchased goods and services, and upstream transportation and distribution.

Other (upstream)

Evaluation status

Not relevant, explanation provided

Metric tonnes CO2e

<Not Applicable>

Emissions calculation methodology

<Not Applicable>

Percentage of emissions calculated using data obtained from suppliers or value chain partners

<Not Applicable>

Please explain

No other sources of upstream emissions have been evaluated at this time.

Other (downstream)

Evaluation status

Not relevant, explanation provided

Metric tonnes CO2e

<Not Applicable>

Emissions calculation methodology

<Not Applicable>

Percentage of emissions calculated using data obtained from suppliers or value chain partners

<Not Applicable>

Please explain

No other sources of downstream emissions have been evaluated at this time.

C6.7

(C6.7) Are carbon dioxide emissions from biogenic carbon relevant to your organization?

Yes

C6.7a

(C6.7a) Provide the emissions from biogenic carbon relevant to your organization in metric tons CO2.

	CO2 emissions from biogenic carbon (metric tons CO2)	Comment
Row 1	57	

C6.10

(C6.10) Describe your gross global combined Scope 1 and 2 emissions for the reporting year in metric tons CO2e per unit currency total revenue and provide any additional intensity metrics that are appropriate to your business operations.

Intensity figure

0.00014

Metric numerator (Gross global combined Scope 1 and 2 emissions, metric tons CO2e)

Metric denominator

unit total revenue

Metric denominator: Unit total

Scope 2 figure used

Location-based

% change from previous year

0.76

Direction of change

Decreased

Reason for change

The 0.76% decrease reflects a 2.84 % increase in emissions over a 3.63% increase in revenue for properties in our boundary. The decrease in intensity per revenue was in part due to efficiency initiatives, including those reported in Question C4.3b. Change in intensity normalized by revenue can be heavily impacted by changes in our portfolio mix. As demonstrated in Question C7.9, Hyatt's aggregate emissions changed as a result of hotel openings and closing. Each hotel's revenue stream is influenced by brand, onsite restaurants and other market conditions and factors. We have defined the boundary of the numerator as emissions from hotels with a full year of data. The denominator value is determined based on the hotels included in the numerator. This enables us to make this metric more representative of performance. Note that "revenue" used for the denominator is the sum of the revenue generated at each Hyatt managed hotel, which reflects the boundary of our report. This is a different value than the revenue reported in Hyatt's Form 10-K, which instead is reflective of the fees that Hyatt Hotels Corporation receives from hotels, including those outside of Scope 1 and 2.

Intensity figure

0.0302

Metric numerator (Gross global combined Scope 1 and 2 emissions, metric tons CO2e)

Metric denominator

Other, please specify (Guest nights)

Metric denominator: Unit total

Scope 2 figure used

Location-based

% change from previous year

1.75

Direction of change

Decreased

Reason for change

The 1.75% decrease reflects a 2.84% increase in emissions over a 4.677% increase in the number of guest nights for properties in our boundary. The decrease in intensity per guest night was in part due to efficiency initiatives, including those reported in Question C4.3b. Change in intensity normalized by guest nights can be heavily impacted by changes in our portfolio mix. As demonstrated in C7.9, Hyatt's aggregate emissions changed as a result of hotel openings and closing. Each hotel's guest nights are influenced by brand, onsite restaurants, market, etc. We have defined the boundary of the numerator as emissions from hotels with a full year of data. The denominator value is determined based on the hotels included in the numerator.

C7. Emissions breakdowns

C7.1

(C7.1) Does your organization break down its Scope 1 emissions by greenhouse gas type?

Yes

C7.1a

(C7.1a) Break down your total gross global Scope 1 emissions by greenhouse gas type and provide the source of each used greenhouse warming potential (GWP).

Greenhouse gas	Scope 1 emissions (metric tons of CO2e)	GWP Reference
CO2	285514	IPCC Fourth Assessment Report (AR4 - 100 year)
CH4	5	IPCC Fourth Assessment Report (AR4 - 100 year)
N2O	1	IPCC Fourth Assessment Report (AR4 - 100 year)

C7.2

(C7.2) Break down your total gross global Scope 1 emissions by country/region.

Country/Region	Scope 1 emissions (metric tons CO2e)
United States of America	110664
China	59530
India	20407
Republic of Korea	8604
Australia	6562
Indonesia	3769
Mexico	6633
Canada	2505
United Arab Emirates	5039
Japan	5202
United Kingdom of Great Britain and Northern Ireland	1708
France	1457
Germany	137
Other, please specify (Rest of World)	53631

C7.3

(C7.3) Indicate which gross global Scope 1 emissions breakdowns you are able to provide.

By business division

C7.3a

(C7.3a) Break down your total gross global Scope 1 emissions by business division.

Business division	Scope 1 emissions (metric ton CO2e)
Full Service Hotels	279230
US Select Service Hotels	6616

C7.5

(C7.5) Break down your total gross global Scope 2 emissions by country/region.

Country/Region	Scope 2, location-based (metric tons CO2e)	Scope 2, market-based (metric tons CO2e)	Purchased and consumed electricity, heat, steam or cooling (MWh)	Purchased and consumed low-carbon electricity, heat, steam or cooling accounted for in Scope 2 market-based approach (MWh)
United States of America	376473	370883	1015086	2432
China	348870	348870	649552	27
India	133981	100934	221710	42289
Republic of Korea	27111	27111	56476	
Australia	26176	26176	34356	
Indonesia	44854	44854	61259	12
Mexico	19448	19448	41751	358
Canada	6669	6662	23531	411
United Arab Emirates	94575	94575	195843	1728
Japan	40891	40891	108529	
United Kingdom of Great Britain and Northern Ireland	3201	3201	11429	
France	4722	4722	45610	
Germany	16283	16283	46551	
Other, please specify (Rest of World)	272919	271447	620596	118

C7.6

(C7.6) Indicate which gross global Scope 2 emissions breakdowns you are able to provide.

By business division

C7.6a

(C7.6a) Break down your total gross global Scope 2 emissions by business division.

Business division	Scope 2, location-based (metric tons CO2e)	Scope 2, market-based (metric tons CO2e)
Full Service Hotels	1392303	1352187
US Select Service Hotels	23870	23870

C7.9

(C7.9) How do your gross global emissions (Scope 1 and 2 combined) for the reporting year compare to those of the previous reporting year?

Increased

C7.9a

(C7.9a) Identify the reasons for any change in your gross global emissions (Scope 1 and 2 combined), and for each of them specify how your emissions compare to the previous year.

	Change in emissions (metric tons CO2e)	Direction of change	Emissions value (percentage)	Please explain calculation
Change in renewable energy consumption	6959	Decreased	0.44	As renewable energy installations, credits and power purchase agreements become more available and economically attractive, we have seen a gradual increase in the number of hotels installing onsite renewable systems and/or purchasing instruments to offset their emissions. The numerator used to calculate the percent change from previous year (2018) is based on an estimated difference in emissions based on change in renewable energy usage and the denominator used is Hyatt's 2018 Scope 1 and Scope 2 location-based emissions of 1,593,245 MT CO2e.
Other emissions reduction activities	115734	Decreased	2.46	Within a group of comparable hotels, there was a 2.46% reduction in emission in 2019 compared to Hyatt's 2018 absolute emissions. The numerator used in the calculation is -114,734 MT CO2e (which includes reported projects in Question C4.3b) and the denominator used is Hyatt's 2018 Scope 1 and Scope 2 location-based emissions of 1,593,245 MT CO2e. Other variables beyond reduction efforts, such as business levels, weather, outsourcing laundry, and updates in emission factors also factor into the change.
Divestment	0	No change	0	The sale and acquisition of owned hotels are included in "changes in boundary" along with changes in Hyatt's managed hotels.
Acquisitions	0	No change	0	The sale and acquisition of owned hotels are included in "changes in boundary" along with changes in Hyatt's managed hotels.
Mergers	0	No change	0	Not applicable to Hyatt
Change in output	0	No change	0	We have not identified any potential isolated increases or decreased associated with a change in output.
Change in methodology	0	No change	0	Hyatt's methodology has remained the same; however, we update our emission factors along with updates released from eGrid and the Canada National Inventory Report. Emission factors used for 2019 data were the same as those used for 2018 data.
Change in boundary	147938	Increased	8.69	Each year new Hyatt hotels open, and existing Hyatt hotels are closed, de-flagged or transition to franchise. Hyatt's growth in countries such as China and India where emission factors are relatively higher also impacts the Company's absolute emissions. The estimated changes in 2019 emissions that resulted from these transitions is an increase of 8.69%. The numerator used in the calculation is 147,938 MT CO2e and the denominator used is Hyatt's 2018 Scope 1 and Scope 2 location-based emissions of 1,593,245 MT CO2e.
Change in physical operating conditions	0	No change	0	No change in our emissions can be reported as a result of change in physical operating conditions. While weather patterns can impact hotel's heating and cooling needs, it is difficult to aggregate the impact at the global level. However, as climate change increases warmer days requiring air conditioning, we expect cooling degree days to increase. Because of our global operations and the array of factors influencing our emissions, impact associated with physical conditions would be captured along with our reduction activities as mentioned under "other reduction activities".
Unidentified	0	No change	0	No "unidentified" sources were determined to have impacting Hyatt's GHG emissions compared to the previous year, beyond the emissions reduction activities and change in boundary identified above and occupancy and weather-related changes mentioned that are difficult to quantify at this time.
Other	0	No change	0	No other sources identified during the reporting year.

C7.9b

(C7.9b) Are your emissions performance calculations in C7.9 and C7.9a based on a location-based Scope 2 emissions figure or a market-based Scope 2 emissions figure?

Location-based

C8. Energy

C8.1

(C8.1) What percentage of your total operational spend in the reporting year was on energy?

More than 5% but less than or equal to 10%

C8.2

(C8.2) Select which energy-related activities your organization has undertaken.

	Indicate whether your organization undertook this energy-related activity in the reporting year
Consumption of fuel (excluding feedstocks)	Yes
Consumption of purchased or acquired electricity	Yes
Consumption of purchased or acquired heat	Yes
Consumption of purchased or acquired steam	Yes
Consumption of purchased or acquired cooling	Yes
Generation of electricity, heat, steam, or cooling	Yes

C8.2a

(C8.2a) Report your organization's energy consumption totals (excluding feedstocks) in MWh.

	Heating value	MWh from renewable sources	MWh from non-renewable sources	Total (renewable and non-renewable) MWh
Consumption of fuel (excluding feedstock)	Unable to confirm heating value	0	1441263	1441263
Consumption of purchased or acquired electricity	<Not Applicable>	59443	2412544	2471987
Consumption of purchased or acquired heat	<Not Applicable>	0	1441263	1441263
Consumption of purchased or acquired steam	<Not Applicable>	0	185001	185001
Consumption of purchased or acquired cooling	<Not Applicable>	0	361436	361436
Consumption of self-generated non-fuel renewable energy	<Not Applicable>	5188	<Not Applicable>	5188
Total energy consumption	<Not Applicable>	64632	4465965	4530597

C8.2b

(C8.2b) Select the applications of your organization's consumption of fuel.

	Indicate whether your organization undertakes this fuel application
Consumption of fuel for the generation of electricity	Yes
Consumption of fuel for the generation of heat	Yes
Consumption of fuel for the generation of steam	Yes
Consumption of fuel for the generation of cooling	Yes
Consumption of fuel for co-generation or tri-generation	Yes

C8.2c

(C8.2c) State how much fuel in MWh your organization has consumed (excluding feedstocks) by fuel type.

Fuels (excluding feedstocks)

Natural Gas

Heating value

Unable to confirm heating value

Total fuel MWh consumed by the organization

1176140

MWh fuel consumed for self-generation of electricity

8653

MWh fuel consumed for self-generation of heat

MWh fuel consumed for self-generation of steam

MWh fuel consumed for self-generation of cooling

MWh fuel consumed for self-cogeneration or self-trigeneration

Emission factor

53.11

Unit

kg CO2e per million Btu

Emissions factor source

Climate Leaders (2014) – Global

Comment

Each property consumes various fuel types to operate the building. While we track consumption of fuel by hotel, in most cases we do not track exactly how the fuel is used

at each hotel (e.g., for heating, cooling, generating electricity, etc.)

Fuels (excluding feedstocks)

Propane Gas

Heating value

Unable to confirm heating value

Total fuel MWh consumed by the organization

120378

MWh fuel consumed for self-generation of electricity

MWh fuel consumed for self-generation of heat

MWh fuel consumed for self-generation of steam

MWh fuel consumed for self-generation of cooling

MWh fuel consumed for self-cogeneration or self-trigeneration

Emission factor

63.1238

Unit

kg CO2e per million Btu

Emissions factor source

Climate Leaders (2014) – Global

Comment

Each property consumes various fuel types to operate the building. While we track consumption of fuel by hotel, in most cases we do not track exactly how the fuel is used at each hotel (e.g., for heating, cooling, generating electricity, etc.)

Fuels (excluding feedstocks)

Fuel Oil Number 2

Heating value

Unable to confirm heating value

Total fuel MWh consumed by the organization

103224

MWh fuel consumed for self-generation of electricity

MWh fuel consumed for self-generation of heat

MWh fuel consumed for self-generation of steam

MWh fuel consumed for self-generation of cooling

MWh fuel consumed for self-cogeneration or self-trigeneration

Emission factor

72.93

Unit

kg CO2e per million Btu

Emissions factor source

North American Climate Registry (2014) - Global

Comment

Each property consumes various fuel types to operate the building. While we track consumption of fuel by hotel, in most cases we do not track exactly how the fuel is used at each hotel (e.g., for heating, cooling, generating electricity, etc.)

Fuels (excluding feedstocks)

Motor Gasoline

Heating value

Unable to confirm heating value

Total fuel MWh consumed by the organization

19509

MWh fuel consumed for self-generation of electricity

MWh fuel consumed for self-generation of heat

MWh fuel consumed for self-generation of steam

MWh fuel consumed for self-generation of cooling

MWh fuel consumed for self-cogeneration or self-trigeneration

Emission factor

8.78

Unit

kg CO2e per gallon

Emissions factor source

Comment

Each property consumes various fuel types to operate the building. While we track consumption of fuel by hotel, in most cases we do not track exactly how the fuel is used at each hotel (e.g., for heating, cooling, generating electricity, etc.)

Fuels (excluding feedstocks)

Butane

Heating value

Unable to confirm heating value

Total fuel MWh consumed by the organization

8931

MWh fuel consumed for self-generation of electricity

MWh fuel consumed for self-generation of heat

MWh fuel consumed for self-generation of steam

MWh fuel consumed for self-generation of cooling

MWh fuel consumed for self-cogeneration or self-trigeneration

Emission factor

65.0238

Unit

kg CO2e per million Btu

Emissions factor source

Climate Leaders (2014) - Global

Comment

Each property consumes various fuel types to operate the building. While we track consumption of fuel by hotel, in most cases we do not track exactly how the fuel is used at each hotel (e.g., for heating, cooling, generating electricity, etc.)

Fuels (excluding feedstocks)

Biodiesel

Heating value

Unable to confirm heating value

Total fuel MWh consumed by the organization

15

MWh fuel consumed for self-generation of electricity

MWh fuel consumed for self-generation of heat

MWh fuel consumed for self-generation of steam

MWh fuel consumed for self-generation of cooling

MWh fuel consumed for self-cogeneration or self-trigeneration

Emission factor

9.45

Unit

kg CO2e per gallon

Emissions factor source

Climate Leaders (2014) - Global

Comment

Each property consumes various fuel types to operate the building. While we track consumption of fuel by hotel, in most cases we do not track exactly how the fuel is used at each hotel (e.g., for heating, cooling, generating electricity, etc.).

C8.2d

(C8.2d) Provide details on the electricity, heat, steam, and cooling your organization has generated and consumed in the reporting year.

	Total Gross generation (MWh)	Generation that is consumed by the organization (MWh)	Gross generation from renewable sources (MWh)	Generation from renewable sources that is consumed by the organization (MWh)
Electricity	19756	17520	2236	2236
Heat				
Steam				
Cooling				

C8.2e

(C8.2e) Provide details on the electricity, heat, steam, and/or cooling amounts that were accounted for at a zero emission factor in the market-based Scope 2 figure reported in C6.3.

Sourcing method

Unbundled energy attribute certificates, Renewable Energy Certificates (RECs)

Low-carbon technology type

Wind

Country/region of consumption of low-carbon electricity, heat, steam or cooling

North America

MWh consumed accounted for at a zero emission factor

9614

Comment

A group of hotels in the United States purchase renewable energy credits. We estimate an emissions factor of zero, based on nominal emissions associated with the purchased renewable energy.

Sourcing method

Power purchase agreement (PPA) with a grid-connected generator with energy attribute certificates

Low-carbon technology type

Wind

Country/region of consumption of low-carbon electricity, heat, steam or cooling

Other, please specify (Multiple locations)

MWh consumed accounted for at a zero emission factor

43885

Comment

A group of hotels, India and Canada purchase renewable energy through power purchase agreements. We estimate an emissions factor of zero, based on nominal emissions associated with the purchased renewable energy.

Sourcing method

Green electricity products (e.g. green tariffs) from an energy supplier, supported by energy attribute certificates

Low-carbon technology type

Wind

Country/region of consumption of low-carbon electricity, heat, steam or cooling

Western Europe

MWh consumed accounted for at a zero emission factor

5945

Comment

Some hotels in Europe purchase renewable electricity from their suppliers.

Sourcing method

Other, please specify (Onsite solar)

Low-carbon technology type

Solar

Country/region of consumption of low-carbon electricity, heat, steam or cooling

Other, please specify (Multiple locations)

MWh consumed accounted for at a zero emission factor

5188

Comment

Hyatt does not own all of the properties that we manage. Low carbon technology could be owned by the hotel owner, and not necessarily by Hyatt. An example of low carbon heat generation is the solar water heater at Hyatt Regency Aruba Resort Spa and Casino, which generates over 450 MWH each year. Solar power is also generated onsite through a solar photovoltaic system at Hyatt Regency Maui Resort and Spa. We utilize an emissions factor of zero due to nominal emissions associated with the technology.

C9. Additional metrics

C9.1

(C9.1) Provide any additional climate-related metrics relevant to your business.

C-CE9.6/C-CG9.6/C-CH9.6/C-CN9.6/C-CO9.6/C-EU9.6/C-MM9.6/C-OG9.6/C-RE9.6/C-ST9.6/C-TO9.6/C-TS9.6

(C-CE9.6/C-CG9.6/C-CH9.6/C-CN9.6/C-CO9.6/C-EU9.6/C-MM9.6/C-OG9.6/C-RE9.6/C-ST9.6/C-TO9.6/C-TS9.6) Does your organization invest in research and development (R&D) of low-carbon products or services related to your sector activities?

	Investment in low-carbon R&D	Comment
Row 1	No	

C-RE9.9

(C-RE9.9) Does your organization manage net zero carbon buildings?

No, and we do not plan to in the future

C-CN9.11/C-RE9.11

(C-CN9.11/C-RE9.11) Explain your organization's plan to manage, develop or construct net zero carbon buildings, or explain why you do not plan to do so.

We currently plan to focus on increasing hotels with net zero emissions for their electricity. Given the limited options for achieving net zero emissions for stationary fuels that are used at hotels, the prioritization focuses on what we will be able to advance more practically as we work with hotel owners and developers around the world. However, as technology and definitions of net zero evolves, we will strive to achieve this status where there is opportunity.

C10. Verification

C10.1

(C10.1) Indicate the verification/assurance status that applies to your reported emissions.

	Verification/assurance status
Scope 1	No third-party verification or assurance
Scope 2 (location-based or market-based)	No third-party verification or assurance
Scope 3	No third-party verification or assurance

C10.2

(C10.2) Do you verify any climate-related information reported in your CDP disclosure other than the emissions figures reported in C6.1, C6.3, and C6.5?

No, we do not verify any other climate-related information reported in our CDP disclosure

C11. Carbon pricing

C11.1

(C11.1) Are any of your operations or activities regulated by a carbon pricing system (i.e. ETS, Cap & Trade or Carbon Tax)?

No, and we do not anticipate being regulated in the next three years

C11.2

(C11.2) Has your organization originated or purchased any project-based carbon credits within the reporting period?

No

C11.3

(C11.3) Does your organization use an internal price on carbon?

No, and we do not currently anticipate doing so in the next two years

C12. Engagement

C12.1

(C12.1) Do you engage with your value chain on climate-related issues?

- Yes, our suppliers
- Yes, our customers
- Yes, other partners in the value chain

C12.1a

(C12.1a) Provide details of your climate-related supplier engagement strategy.

Type of engagement

Compliance & onboarding

Details of engagement

Climate change is integrated into supplier evaluation processes

% of suppliers by number

99

% total procurement spend (direct and indirect)

99

% of supplier-related Scope 3 emissions as reported in C6.5

0

Rationale for the coverage of your engagement

We have focused our efforts in North America where we have centralized purchasing. Of the food and beverage and operating supplies we source within the United States, Canada, and the Caribbean, nearly all of our contracts have an environmental policy in place.

Impact of engagement, including measures of success

By requesting this information, we are highlighting to current and potential suppliers the importance of sustainability and signaling that environmental considerations are an important factor in the Company's decision making process. We are also encouraging suppliers to take sustainability into consideration within their own businesses. To learn more about Hyatt's responsible sourcing efforts, visit [HyattThrive.com](https://www.hyatt.com/HyattThrive.com).

Comment

Hyatt has a global Supplier Code of Conduct, which establishes Hyatt's expectation for suppliers around social, governance, and environmental principles. The code plays an important role in ensuring that our business partners adhere to similar values as Hyatt's, including proper management of the environmental impacts of their business. Hyatt's Supplier Code of Conduct (and environmental standards) are publicly available at: <https://www.hyatt.com/Hyatt-Supplier-Code-of-Conduct.pdf>.

C12.1b

(C12.1b) Give details of your climate-related engagement strategy with your customers.

Type of engagement

Collaboration & innovation

Details of engagement

Other, please specify

% of customers by number

100

% of customer - related Scope 3 emissions as reported in C6.5

0

Portfolio coverage (total or outstanding)

<Not Applicable>

Please explain the rationale for selecting this group of customers and scope of engagement

We engage all guests by placing conserve cards in guestrooms that allow guests to reuse their towels and linens if they wish, and by making information about Hyatt's sustainability efforts and initiatives publicly available on [HyattThrive.com](https://www.hyatt.com/HyattThrive.com). We strive to help our guests easily identify environmentally conscious hotels. For example, Hyatt provided feedback for TripAdvisor's GreenLeaders Program, which provides a platform for sharing hotels' environmental efforts with guests and many Hyatt hotels in the US have been participating in this platform. Furthermore, Hyatt hotels around the world identify certifications that best meet the needs of their local market. For corporate clients, Hyatt contributed to the development of the Hotel Carbon Measurement Initiative (HCMI) led by ITP. Hotels are able to provide data to clients following this standard.

Impact of engagement, including measures of success

This engagement can help our hotels cut down on energy and water consumption, and also allows our guests to actively contribute to our conservation measures. Engagement with customers is one of numerous factors that have helped us to reduce GHG intensity in our Americas, Asia Pacific, and Europe, Africa, Middle East and Southwest-Asia regions by 33%, 29% and 36%, respectively, compared to our baseline year of 2006.

C12.1d

(C12.1d) Give details of your climate-related engagement strategy with other partners in the value chain.

Hyatt engages with a range of stakeholders across our value chain, including our hotel owners and developers and franchise operators.

HOTEL OWNERS AND DEVELOPERS: Hyatt's commitment to environmental sustainability as part of our corporate responsibility strategy is directly shared with owners and developers. Hyatt's Sustainable Design Guidelines are reviewed with these stakeholders during the development process. Even after a hotel opens, we continue to engage with hotel owners by identifying impactful capital expenditure projects. In cases where an organization owns multiple Hyatt hotels, we work with them to prioritize funding and projects.

Hyatt is an inaugural industry partner of the Hotel Owners for Tomorrow (HOT) Coalition, which is focused on hotel owners in Asia and encourages ownership companies to commit to five actions focused on increasing the sustainability of their hotels. These commitments include incorporating sustainability in investment decisions, evaluating renewable energy projects, monitoring environmental performance, supporting brand efforts and sharing best practices.

FRANCHISE OPERATORS: Hyatt's franchise properties are operated by other business entities. The emissions at these properties are part of Hyatt's Scope 3 emissions since we do not have operational control over this segment. However, we provide resources and guidance materials to help third-party franchisees to reduce their Scope 1 and 2 emissions. Additionally, we collect emissions data from these hotels in Hyatt EcoTrack where possible, and support them in providing carbon information to stakeholders such as corporate customers.

C12.3

(C12.3) Do you engage in activities that could either directly or indirectly influence public policy on climate-related issues through any of the following?

Trade associations

Other

C12.3b

(C12.3b) Are you on the board of any trade associations or do you provide funding beyond membership?

Yes

C12.3c

(C12.3c) Enter the details of those trade associations that are likely to take a position on climate change legislation.

Trade association

American Hotel and Lodging Association (AHLA)

Is your position on climate change consistent with theirs?

Consistent

Please explain the trade association's position

Within the context of climate change, AHLA strives to advance the industry's efforts and best practices, and commitments. Specifically AHLA provides a variety of resources and information. For additional information on AHandLA's green initiatives, please visit: <https://www.ahla.com/resources/green-products-programs> Information on AHLA's public policy positions and efforts can be found at: <https://www.ahla.com/advocacy>

How have you influenced, or are you attempting to influence their position?

Hyatt supports the AHLA through membership and participation in the Sustainability Committee. In addition to promoting sustainability best practices across the industry, the committee works on projects like addressing food waste in the hospitality sector.

Trade association

World Travel and Tourism Council (WTTC)

Is your position on climate change consistent with theirs?

Consistent

Please explain the trade association's position

Within the context of climate change, WTTC strives to advance the industry's efforts, best practices, and commitments. Climate change is explicitly part of the WTTC's Sustainable Growth objectives, one of the three priority areas for the WTTC. Additional detail can be found at: <https://www.wttc.org/priorities/sustainable-growth/>

How have you influenced, or are you attempting to influence their position?

Hyatt's President and CEO is a WTTC Council member. Additionally, Hyatt's Environmental Sustainability team has engaged with WTTC through a working group that produced the Hotel Carbon Measurement Initiative. Identifying with clients regarding the lack of consistent methodology in how hotels were reporting carbon emissions information, Hyatt (in conjunction with Marriott International and Fairmont Hotels and Resorts) took the lead to define and develop a proposal to support greater industry alignment and transparency around this issue. This proposal led to an actionable collaboration with more than 20 different hotel companies around the world, the International Tourism Partnership, Cornell University Center for Hospitality Research, and KPMG. Feedback from a variety of stakeholders, including the World Resources Institute, also informed the collaboration.

C12.3e

(C12.3e) Provide details of the other engagement activities that you undertake.

Hyatt currently engages with the following organizations that produce public work on climate change:

CORNELL CENTER FOR HOSPITALITY RESEARCH: Hyatt supports Cornell University's Center for Hospitality Research. Additionally, Hyatt has participated in the inaugural and subsequent years of the Hotel Sustainability Benchmarking Index, which is the industry's most widely recognized collaborative benchmarking effort. This is a significant first step, given that the industry has not had a strong and transparent source for benchmarking hotel carbon, energy and water data. Our support for this organization aligns with our own climate change strategy by providing us deeper insight into our impacts and enabling us to elevate our transparency around climate change to external stakeholders.

INTERNATIONAL TOURISM PARTNERSHIP (ITP): Hyatt supports the ITP through membership and participation in a number of sustainability-related working groups. One of the notable outcomes of our support for this organization is the Hotel Carbon Measurement Initiative (HCMi), in collaboration with the World Trade and Travel Council. Additionally, Hyatt has supported ITP's work to develop industry-level carbon and water goals that support the UN Sustainable Development Goals.

PAULSON INSTITUTE: Hyatt is a sponsor of The Paulson Institute, whose mission is "to advance global environmental protection and sustainable economic growth in the United States and China, while fostering broader understanding between the two countries". Our support of this program aligns with our own climate change strategy because of its local focus. It is also important to note that Hyatt is expanding its presence in key locations in China, and the country is considered a critical region for the Company. Since 2013, Hyatt has been a leading sponsor of the Paulson Institute's China Mayors Training Program, an initiative that brings Chinese Mayors to the U.S. for a two-week immersion with the goal of teaching cutting-edge sustainable urban approaches.

HOTEL OWNERS FOR TOMORROW: In 2016, Hyatt became an inaugural industry partner of the Hotel Owners for Tomorrow (HOT) Coalition, which is focused on hotel owners in Asia and encourages ownership companies to commit to five actions focused on increasing the sustainability of their hotels. These commitments include incorporating sustainability in investment decisions, evaluating renewable energy projects, monitoring environmental performance, supporting brand efforts and sharing best practices. As a signatory, Hyatt participated in a roundtable workshop with other coalition members in an effort to raise awareness and elevate collaboration with owners in Asia.

C12.3f

(C12.3f) What processes do you have in place to ensure that all of your direct and indirect activities that influence policy are consistent with your overall climate change strategy?

Hyatt currently engages indirectly on climate change policy through trade associations or NGO partners rather than direct involvement such as lobbying. Our processes to ensure that indirect activities are consistent with our overall climate change strategy are as follows: (1) Any relevant and new support for an association or initiatives are identified by functional or regional representatives and raised to the environmental sustainability department to ensure consistency with the Company strategy; (2) Any issues raised would be escalated to the executive level by the Director of Environmental Affairs; and (3) We utilize our annual disclosures to the CDP Climate Change program to assess whether the public policy positions of trade associations with which Hyatt has an affiliation are consistent with our own climate change strategy.

C12.4

(C12.4) Have you published information about your organization's response to climate change and GHG emissions performance for this reporting year in places other than in your CDP response? If so, please attach the publication(s).

Publication

In mainstream reports

Status

Complete

Attach the document

H-10-K-12.31.19-FINAL-FILED-2.20.20.pdf

Page/Section reference

Pgs 26, 40, 42

Content elements

Governance

Risks & opportunities

Comment

Climate change is specifically referenced as a risk related to the hospitality industry and a potential regulatory risk factor.

Publication

In voluntary communications

Status

Underway – previous year attached

Attach the document

2018-2019-CR-Highlights-Hyatt.pdf

Page/Section reference

2018/2019 CR Highlights Page 4; 2018 Totals

Content elements

Strategy

Emissions figures

Emission targets

Comment

GHG and energy data, in addition to strategies to reduce GHG emissions and energy consumption, are reported in Hyatt's Corporate Responsibility Reporting. We provide further information about our environmental programs on our corporate responsibility website, HyattThrive.com

C15. Signoff

C-FI
