

C0. Introduction

C0.1

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

References in this report to “we,” “our,” “us,” “Hyatt,” and similar terms refer to Hyatt Hotels Corporation and/or one or more of its affiliates. The term “managed hotels” refers to those hotels for which Hyatt provides management and similar hotel services.

About our Company

Hyatt Hotels Corporation, headquartered in Chicago, is a leading global hospitality company with a portfolio of premier brands. Our subsidiaries operate, manage, franchise, own, lease, develop, license, or provide services to hotels, resorts, branded residences, and vacation ownership properties. As of December 31, 2020, our property portfolio consisted of 974 hotel, all-inclusive, and wellness resort properties in 69 countries across six continents. Our purpose to care for people so they can be their best informs our business decisions and growth strategy and is intended to attract and retain top employees, build relationships with guests and create value for shareholders. Our subsidiaries operate, manage, franchise, own, lease, develop, license, or provide services to hotels, resorts, branded residences, and vacation ownership properties, including under the *Park Hyatt*®, *Miraval*®, *Grand Hyatt*®, *Allia*®, *Andaz*®, *The Unbound Collection by Hyatt*®, *Destination by Hyatt*™, *Hyatt Regency*®, *Hyatt*®, *Hyatt Ziva*™, *Hyatt Zilara*™, *Thompson Hotels*®, *Hyatt Centric*®, *Caption by Hyatt*, *JdV by Hyatt*™, *Hyatt House*®, *Hyatt Place*®, *tommie*™, *UrCove*, and *Hyatt Residence Club*® brand names, and operate the World of Hyatt® loyalty program that provides distinct benefits and exclusive experiences to our valued members.

Environment Social Governance (ESG) at Hyatt

We support our purpose to care for people to be their best 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 new global ESG platform, World of Care, launched in July 2021 and builds on our continuing efforts to care for people, the planet, and responsible business practices. These pillars have been integral to our business and reflect our understanding that our actions can create long-term value for people and the communities where we work and live. We recognize that when our people, communities and planet thrive, so does our business. Climate change is a critical focus for Hyatt within this platform.

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 2020	December 31 2020	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
Bulgaria
Cambodia
Canada
Chile
China
China, Hong Kong Special Administrative Region
China, Macao Special Administrative Region
Colombia
Costa Rica
Ethiopia
France
Germany
Greece
Guam
Guatemala
Honduras
India
Indonesia
Italy
Jamaica
Japan
Jordan
Kyrgyzstan
Malaysia
Malta
Mexico
Morocco
Nepal
Netherlands
New Zealand
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
Sweden
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

(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. Oversight on climate-related issues, as well as Hyatt's ESG commitments, aligns with our CEO's role in leading our organization to achieve its core business strategies and create value for shareholders and stakeholders. Hyatt's ESG Steering Committee (consisting of senior executives), Environmental Sustainability department, and Risk Council inform the CEO on emerging topics and the Company's performance as it relates to energy and greenhouse gas emissions management.
Director on board	In addition to Hyatt's CEO, Hyatt's Board of Directors, through the Nominating and Governance Committee, oversees Hyatt's ESG strategy, which includes climate change strategy. Hyatt's CEO and ESG Steering Committee update the Nominating and Governance Committee on Hyatt's ESG matters, including strategies related to climate change.

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 2020 Hyatt established an ESG Committee to further advance cross-functional strategy for current and emerging environmental, social and governance priorities, drive impact across the organization and geographies, and ensure that effective communication and disclosures are in place for colleagues, guests, customers, investors, hotel owners and operators, and the public. The committee is comprised of senior executives and subject matter experts representing a comprehensive spectrum of functional areas. The ESG Steering Committee is chaired by the Executive Vice President, General Counsel and Corporate Secretary, and includes the Chief Financial Officer, the Chief Human Resources Officer, and the Senior Vice President of Global Operations with direct responsibility for the alignment of Hyatt's ESG principles across our regional structure. The Committee is overseen by Hyatt's CEO as well as the Board's Nominating and Corporate Governance Committee. The Director of Environmental Affairs manages the climate-related strategies. Additionally, on a quarterly basis, the Risk Council evaluates risks, which are presented to the 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
Other, please specify (ESG Committee)	<Not Applicable>	Both assessing and managing climate-related risks and opportunities	<Not Applicable>	As important matters arise
Risk committee	<Not Applicable>	Both assessing and managing climate-related risks and opportunities	<Not Applicable>	Annually

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 ESG COMMITTEE: In 2020 Hyatt established an ESG Committee to further advance cross-functional strategy for current and emerging environmental, social and governance priorities, drive impact across the organization and geographies, and ensure that effective communication and disclosures are in place for colleagues, guests, customers, investors, hotel owners and operators, and the public. The committee is comprised of senior executives and subject matter experts representing a comprehensive spectrum of functional areas. The ESG Steering Committee is chaired by the Executive Vice President, General Counsel and Corporate Secretary, and includes the Chief Financial Officer, the Chief Human Resources Officer, and the Senior Vice President of Global Operations with direct responsibility for the alignment of Hyatt's ESG principles across our regional structure.

HYATT'S RISK COUNCIL: Hyatt's Risk Council is responsible for assessing business risks, including 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. This person relays information regarding climate-related issues to relevant stakeholders within the company, including the ESG Committee, the Risk Council, operations leads and Chief Executive Officer, whenever relevant.

BUSINESS UNIT MANAGERS: Hyatt's regional Directors of Engineering 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 compensation are set for this purpose. Examples of goals that are incentivized and tied to this person's compensation include (1) setting company-wide GHG emissions reduction targets, (2) advancing reduction efforts in working toward 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 environmental focus areas. Goals tied to their compensation 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 their job functions, 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 frequency of 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 and guest safety and wellbeing, and more targeted financial impact to our hotel owners.

In many cases, Hyatt provides management and support services to hotels across the world in many types of local markets with different environmental considerations, therefore our risks related to climate events are diversified. The majority of Hyatt-branded properties 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
Long-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 ESG Committee, 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. HOTEL-LEVEL PROCESSES: At the hotel 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 at managed 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 Hyatt abreast on hotel-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, corporate customers and guests are increasingly interested in sustainability practices at hotels. 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 more strongly consider climate change 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 hotel 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 hotels. 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 hotels when costs are passed down. In addition, businesses throughout the 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 for managed hotels 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 efficiency performance, which helps hotels to manage costs and meet new standards. New initiatives that hotels implemented during 2019 were 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 suppliers to address increasing risks within the supply chain. The collaborative relationship enables proactive approaches 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: Managed 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 managed full service hotels 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. 2019 is used to reflect normal business level benchmarks, as business was significantly impacted by the pandemic in 2020.

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 hotels. Wide-spread increases in energy demand may also increase the cost of utilities for 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 for managed hotels 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 utility costs are likely to rise. Our efforts include ongoing measurements of environmental metrics towards targets, working with hotels to implement operational and capital improvement projects, colleague engagement, and advancing efficiency criteria through 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 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) Managed hotels have preventative maintenance programs in place, which enable properties to check that 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: Managed 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 managed full service hotels 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. 2019 is used to reflect normal business level benchmarks, as business was significantly impacted by the pandemic in 2020.

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. 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 suppliers' ability to effectively conduct business and trade, thereby increasing supply chain costs. 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 for managed hotels.

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, engaging hotels around 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 cost to hotel owners 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. 2019 is used to reflect normal business level benchmarks, as business was significantly impacted by the pandemic in 2020.

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 to managed hotels 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 so hotels can 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: The management cost is indicated as \$0 because market research, preventative maintenance, and scheduled routine renovations are already embedded into regular business practices. Additional renovation needs would be case-by-case.

Comment

2019 is used to reflect normal business level benchmarks, as business was significantly impacted by the pandemic in 2020.

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
----------------	--

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 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 to managed hotels 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. (3) In the event that disaster strikes, hotels 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 daily business operations. Therefore the cost of management is \$0.

Comment

2019 is used to reflect normal business level benchmarks, as business was significantly impacted by the pandemic in 2020.

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, some online booking channels provide sustainability ratings to 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 across managed hotels.

Cost of response to risk

90000000

Description of response and explanation of cost calculation

Management methods: (1) We have strengthened our efforts to communicate our sustainability performance through the launch of World of Care. (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 restaurants; transitioning to large format bathroom amenities; removing plastic straws from hotel 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 was estimated that Hyatt and Hyatt hotel owners invested over \$9 million over 100 reported emissions reduction projects, which help to manage this risk.

Comment

2019 is used to reflect normal business level benchmarks, as business was significantly impacted by the pandemic in 2020.

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 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 across managed hotels.

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 through launching World of Care. (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 restaurants; transitioning to large format bathroom amenities; removing plastic straws from hotel 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 was estimated that Hyatt and Hyatt hotel owners invested over \$9 million over 100 reported emissions reduction projects, which help to manage this risk.

Comment

2019 is used to reflect normal business level benchmarks, as business was significantly impacted by the pandemic in 2020.

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.

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 across managed hotels 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: Through our online database, Hyatt EcoTrack, Hyatt has been tracking global utility data by hotel, brand, region and company-wide. Our proactive commitment to mitigate our impact, and to track and report our emissions would help us to quickly adjust to new needs. 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 cost to hotel owners 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. 2019 is used to reflect normal business level benchmarks, as business was significantly impacted by the pandemic in 2020.

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 hotels have a long history of working on improving building efficiencies using existing 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. 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 across managed hotels 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 hotels to help manage costs associated with increased utility prices and potential future carbon and fuel/energy taxes. These efforts also help hotels to respond quickly to advances in technology, avoid added costs, and leverage opportunities to demonstrate leadership in sustainability. 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 was estimated that Hyatt and Hyatt hotel owners invested over \$9 million over 100 reported emissions reduction projects, which help to manage this risk.

Comment

Hotels and hotel owners 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. 2019 is used to reflect normal business level benchmarks, as business was significantly impacted by the pandemic in 2020.

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 hotels 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 hotels 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: Hyatt has modeled and is evaluating a science-based target to guide future programs and capitalize on renewable energy opportunities around the world. Our Sustainable Design Guidelines encourage hotels to evaluate the feasibility of leveraging renewable energy. New onsite renewable energy systems continue to be installed at our hotels. Currently about 30 Hyatt hotels are sourcing power from onsite renewable energy. 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 costs to applicable hotel owners annually. Many of these projects have additional subsidies from local governments and utilities.

Comment

2019 is used to reflect normal business level benchmarks, as business was significantly impacted by the pandemic in 2020.

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 hotels 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 across managed hotels 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 efficiency performance across hotels, which helps to 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) Managed full service 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 costs a hotel between \$10,000 and \$20,000. 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. 2019 is used to reflect normal business level benchmarks, as business was significantly impacted by the pandemic in 2020.

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 are supporting this focus by increasingly providing information on hotels' sustainability efforts to guests. 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 the specific financial impact is difficult to quantify, an increasing number of corporate customers are focusing on hotel carbon emissions data. A 1% increase in profit due in part to environmental attributes of hotels would result in an approximate \$7.7 million gain across managed hotels based on 2019 performance.

Cost to realize opportunity

9000000

Strategy to realize opportunity and explanation of cost calculation

Management methods for this opportunity: (1) We have strengthened our efforts to communicate our sustainability performance through launching World of Care. (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 restaurants; transitioning to large format bathroom amenities; removing plastic straws from hotel 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. 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 was 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. Hotels and hotel owners make these investments to address other business needs, in addition to helping realize this opportunity. 2019 is used to reflect normal business level benchmarks, as business was significantly impacted by the pandemic in 2020.

C3. Business Strategy

C3.1

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

Yes

C3.1b

(C3.1b) Does your organization intend to publish a low-carbon transition plan in the next two years?

	Intention to publish a low-carbon transition plan	Intention to include the transition plan as a scheduled resolution item at Annual General Meetings (AGMs)	Comment
Row 1	Yes, in the next two years	No, we do not intend to include it as a scheduled AGM resolution item	

C3.2

(C3.2) Does your organization use climate-related scenario analysis to inform its strategy?

Yes, qualitative

C3.2a

(C3.2a) 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. TIME HORIZON: 2030 was selected as the interim step toward 2050 ambitions as a way to align with guidance from Science Based Target initiative and the UN Sustainable Development Goals. Additionally, due to the impact of COVID-19 on the hotel industry, an earlier time horizon was considered less feasible. AREAS OF ORGANIZATION, INPUTS, ASSUMPTIONS: Emissions from owned and managed hotels were included in Scope 1 and Scope 2, and emissions from franchised hotels, along with other value chain emissions were included in Scope 3. Assumptions were made for future growth so that all hotels could be considered in this analysis. RESULTS and OUTCOMES: The results of the analysis will be used to inform our emissions management strategy.

C3.3

(C3.3) 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. 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 focusing on greenhouse gas reductions across our hotels and 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. 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.
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. 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 focusing on greenhouse gas reductions across our hotels and 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. 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.

C3.4

(C3.4) 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 Indirect costs	INDIRECT COSTS: Hyatt supports climate-related considerations in annual budgeting for managed hotels. During a typical year, Hyatt's capital planning process prompts hotels to consider equipment upgrades that would reduce energy use and greenhouse gas emissions for requesting budget approval from their owners. Additionally, Hyatt provides guidance for operational improvements and associated budget such as retro-commissioning, lighting upgrades and building management system installations. REVENUE: As an increasing number of corporate clients are focusing on environmental performance of hotels, Hyatt is working with hotels to improve clear communication of environmental efforts, and identify opportunity areas for performance improvement.

C3.4a

(C3.4a) 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

33

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

-42

% change anticipated in absolute Scope 3 emissions

0

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

0.061

% of target achieved [auto-calculated]

226.950354609929

Target status in reporting year

Achieved

Is this a science-based target?

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

Target ambition

<Not Applicable>

Please explain (including target coverage)

REGIONAL TARGET 1: AMERICAS The intensity target was achieved in 2017. GHG intensity reductions were primarily a reflection of efficiency gains in energy use and emission factors. Some hotels have also shifted operations such as laundry to outside vendors, which is reflected in Scope 3 emissions. 2020 intensity values were abnormally low due to the impact of COVID-19 on business. 2020 was the final year for completing these goals. For this reason, the absolute change is the actual value rather than an anticipated value. The decrease in absolute emissions is a reflection of the reduced number of managed hotels in the Americas region.

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

43

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

40

% change anticipated in absolute Scope 3 emissions

0

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

0.101

% of target achieved [auto-calculated]

190.673575129534

Target status in reporting year

Achieved

Is this a science-based target?

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

Target ambition

<Not Applicable>

Please explain (including target coverage)

REGIONAL TARGET 2: ASIA PACIFIC The intensity target was achieved in 2017. GHG intensity reductions were primarily a reflection of efficiency gains in energy use and emission factors. Some hotels have also shifted operations like laundry to outside vendors, which is reflected in Scope 3 emissions. 2020 intensity values were abnormally low due to the impact of COVID-19 on business. 2020 was the final year for completing these goals. For this reason, the absolute change is the actual value rather than an anticipated value. The increase in absolute emissions is a reflection of the portfolio growth in the Asia Pacific region.

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

23

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

3

% change anticipated in absolute Scope 3 emissions

0

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

0.088

% of target achieved [auto-calculated]

232.380952380952

Target status in reporting year

Achieved

Is this a science-based target?

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

Target ambition

<Not Applicable>

Please explain (including target coverage)

REGIONAL TARGET 3: EUROPE, AFRICA, MIDDLE EAST AND SOUTHWEST ASIA The intensity target was achieved in 2017. GHG intensity reductions were primarily a reflection of efficiency gains in energy use and emission factors. Some hotels have also shifted operations like laundry to outside vendors, which is reflected in Scope 3 emissions. 2020 intensity values were abnormally low due to the impact of COVID-19 on business. 2020 was the final year for completing these goals. For this reason, the absolute change is the actual value rather than an anticipated value. The increase in absolute emissions is a reflection of the portfolio growth in the Europe, Africa, Middle East and Southwest Asia region.

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		
To be implemented*	0	0
Implementation commenced*	0	0
Implemented*	29	1700
Not to be implemented		

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)

35

Scope(s)

Scope 2 (location-based)

Voluntary/Mandatory

Voluntary

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

10000

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

28000

Payback period

4-10 years

Estimated lifetime of the initiative

21-30 years

Comment

Due to COVID-19-related business interruptions, 2020 initiatives were not collected from hotels. The figures in this table are estimates based on an assumption that roughly a quarter of the projects reported for a previous, more "normal" year would have been completed, given that business impact at the global level started around March 2020. Data is based on reported information by hotels and reflect investments made by Hyatt and Hyatt hotel owners. 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)

380

Scope(s)

Scope 1

Voluntary/Mandatory

Voluntary

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

127000

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

1100000

Payback period

4-10 years

Estimated lifetime of the initiative

16-20 years

Comment

Due to COVID-19-related business interruptions, 2020 initiatives were not collected from hotels. The figures in this table are estimates based on an assumption that roughly a quarter of the projects reported for a previous, more "normal" year would have been completed, given that business impact at the global level started around March 2020. Hotels replace HVAC equipment as they age; and while these investments are part of scheduled updates, they often provide 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. Data is based on reported information by hotels and reflect investments made by Hyatt and Hyatt hotel owners. 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.

Initiative category & Initiative type

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

Estimated annual CO2e savings (metric tonnes CO2e)

900

Scope(s)

Scope 2 (location-based)

Voluntary/Mandatory

Voluntary

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

250000

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

570000

Payback period

1-3 years

Estimated lifetime of the initiative

6-10 years

Comment

Due to COVID-19-related business interruptions, 2020 initiatives were not collected from hotels. The figures in this table are estimates based on an assumption that roughly a quarter of the projects reported for a previous, more "normal" year would have been completed, given that business impact at the global level started around March 2020. Data is based on reported information by hotels and reflect investments made by Hyatt and Hyatt hotel owners. 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.

Initiative category & Initiative type

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

Estimated annual CO2e savings (metric tonnes CO2e)

370

Scope(s)

Scope 2 (location-based)

Voluntary/Mandatory

Voluntary

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

130000

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

330000

Payback period

4-10 years

Estimated lifetime of the initiative

16-20 years

Comment

Due to COVID-19-related business interruptions, 2020 initiatives were not collected from hotels. The figures in this table are estimates based on an assumption that roughly a quarter of the projects reported for a previous, more "normal" year would have been completed, given that business impact at the global level started around March 2020. 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. Data is based on reported information by hotels and reflect investments made by Hyatt and Hyatt hotel owners. 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.

Initiative category & Initiative type

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

Estimated annual CO2e savings (metric tonnes CO2e)

15

Scope(s)

Scope 1

Voluntary/Mandatory

Voluntary

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

100000

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

250000

Payback period

4-10 years

Estimated lifetime of the initiative

11-15 years

Comment

Due to COVID-19-related business interruptions, 2020 initiatives were not collected from hotels. The figures in this table are estimates based on an assumption that roughly a quarter of the projects reported for a previous, more "normal" year would have been completed, given that business impact at the global level started around March 2020. Hotels replace kitchen and laundry equipment as they age; and while many of these investments are part of scheduled updates, they often provide 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. Data is based on reported information by hotels and reflect investments made by Hyatt and Hyatt hotel owners. 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.

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 help hotels anticipate energy trends and 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 hotels' 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 owners for investment funds. Associate engagement is particularly important in a business structure like ours, given a diverse ownership structure. We engage our colleagues by setting environmental goals 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	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?**

No

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)

220251

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

C6.3

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

Reporting year

Scope 2, location-based

1071683

Scope 2, market-based (if applicable)

1066148

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

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

No emissions from this source

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

No emissions from this source

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.

Source

Non-hotels, such as residences

Relevance of Scope 1 emissions from this source

Emissions are not evaluated

Relevance of location-based Scope 2 emissions from this source

Emissions are not evaluated

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

Emissions are not evaluated

Explain why this source is excluded

Non-hotels, such as residences, represent approximately 2% of Hyatt's global room count. In addition to the limited impact on our global emissions, in many instances each unit's energy is managed independently. For this reason, the emissions are not evaluated at this time.

(C6.5) Account for your organization's gross global Scope 3 emissions, disclosing and explaining any exclusions.**Purchased goods and services****Evaluation status**

Relevant, calculated

Metric tonnes CO₂e

317467

Emissions calculation methodology

Quantis/WRI Scope 3 Screening Tool was used to estimate the emissions of this category. The total spend across Hyatt's managed hotels for this Scope 3 category was estimated using sample hotels to represent Hyatt's various brands. Product categories within the Quantis tool that were evaluated due to relevance to hotels' purchasing included Food and Beverages; Textiles and Textile Products; Pulp and Paper; Chemicals and Chemical Products, Plastics, and Electrical/Optical Equipment.

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

0

Please explain

Estimation is required because of hotels' decentralized supply chain, including many purchasing decisions made at the hotel level. In addition to the Quantis estimations, emissions for outsourced laundry is included based on reported data collected from Hyatt's managed hotels. While primary data is difficult to obtain from decentralized suppliers, Hyatt is working to advance responsible sourcing of products and services associated with concerns for climate risks, water risks, deforestation, human rights, waste, public health, resource scarcity, biodiversity, and animal welfare.

Capital goods**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

Capital expenses are managed by hotel owners. Only 7% by room count of Hyatt's hotel portfolio was owned or leased by Hyatt at December 31, 2020. Therefore emissions related to capital expenses are negligible.

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

Relevant, calculated

Metric tonnes CO₂e

213326

Emissions calculation methodology

DEFRA Conversion Factors for GHG reporting were used to calculate fuel-and-energy-related activities.

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

80

Please explain**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

Emissions related to upstream transportation & distribution are part of the life cycle impact of the products and services listed above.

Waste generated in operations

Evaluation status

Relevant, calculated

Metric tonnes CO2e

21387

Emissions calculation methodology

Waste data collected from Hyatt's managed hotels was used to estimate this data. Where there were data gaps, the emerging waste methodology for the hotel industry in development by World Wildlife Fund was followed to fill in gaps. This data was then multiplied by the Mixed Municipal Solid Waste emission factor published by the US Environmental Protection Agency.

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

56

Please explain

Business travel

Evaluation status

Relevant, calculated

Metric tonnes CO2e

5329

Emissions calculation methodology

Quantis/WRI Scope 3 Screening Tool was used to estimate the emissions of this category for Hyatt's business air travel.

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

0

Please explain

Employee commuting

Evaluation status

Relevant, calculated

Metric tonnes CO2e

47175

Emissions calculation methodology

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

0

Please explain

Quantis/WRI Scope 3 Screening Tool was used to estimate the emissions of this category for Hyatt's business air travel.

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

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 provides hospitality and lodging services, and does not produce, process, transport, or dispose of goods for sale.

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

Hyatt provides hospitality and lodging services, and does not produce, process, transport, or dispose of goods for sale.

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

Hyatt provides hospitality and lodging services, and does not produce, process, transport, or dispose of goods for sale.

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

At December 31, 2020, 7% of Hyatt's hotel rooms were in owned or leased hotels. Some of these hotels may lease small amounts of space to retailers or restaurants. These emissions would be negligible, and frequently included in Scope 1 and 2.

Franchises

Evaluation status

Relevant, calculated

Metric tonnes CO₂e

363576

Emissions calculation methodology

This data is based on reported information collected from 46% of Hyatt's franchised properties. Primary data was reduced compared to past years due to the impact of COVID-19 on our business. Extrapolation based on room count and service type was used to represent 100% of Hyatt's franchised properties.

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

46

Please explain

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 has some investment in property ownership. Emissions associated with these investments are covered in our Scope 1 and 2.

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?

No

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

0.00061

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

1286399

Metric denominator

unit total revenue

Metric denominator: Unit total

2100000000

Scope 2 figure used

Market-based

% change from previous year

67

Direction of change

Increased

Reason for change

The 67% increase reflects a 30 % decrease in emissions over a 58% decrease in revenue. COVID-19 was the primary reason for both the numerator and denominator to decrease in this way. In typical years, energy efficiency efforts are the primary focus, though other factors such as changes in the portfolio mix also contribute to changes in intensity values. Note that hotel brands' reported revenue values include sources of revenue such as franchise hotels, for which emissions are included in Scope 3.

Intensity figure

0.0807

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

1255460

Metric denominator

square meter

Metric denominator: Unit total

15560251

Scope 2 figure used

Market-based

% change from previous year

33

Direction of change

Decreased

Reason for change

The 33% decrease reflects a 29% decrease in emissions over a 6% increase in square meters for the hotels in this boundary. COVID-19 was the primary reason for the numerator to decrease in this way. In typical years, energy efficiency efforts are the primary focus, though other factors such as changes in the portfolio mix also contribute to changes in intensity values. We have defined the boundary of this row to exclude hotels that newly opened or left the portfolio during the year.

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	219980	IPCC Fourth Assessment Report (AR4 - 100 year)
CH4	113	IPCC Fourth Assessment Report (AR4 - 100 year)
N2O	158	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	80862
China	53272
India	9831
Republic of Korea	7770
Australia	3906
Indonesia	1678
Mexico	4329
Canada	2445
United Arab Emirates	4350
Japan	5167
United Kingdom of Great Britain and Northern Ireland	1193
France	1191
Germany	69
Saudi Arabia	3906
Malaysia	7159
Thailand	1243
Turkey	4646
Other, please specify (Rest of World)	29169

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)
Americas	92315
Asia Pacific	89797
Europe Africa Middle East & Southwest Asia	38140

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	277272	277791	795142	2029
China	313150	313150	598689	
India	97328	85378	152132	16624
Republic of Korea	26455	26455	53912	
Australia	18071	18071	27228	
Indonesia	31555	31555	42703	
Mexico	15794	15794	34892	
Canada	4102	4519	20948	
United Arab Emirates	56810	56810	139906	
Japan	35398	35398	96784	
United Kingdom of Great Britain and Northern Ireland	2041	2945	8590	
France	3381	3174	28601	
Germany	10534	14290	33002	
Saudi Arabia	21792	21792	57191	
Malaysia	17530	17530	26484	
Thailand	15453	15453	31870	
Turkey	5037	5037	10806	
Other, please specify (Rest of World)	119981	121006	296066	3322

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)
Americas	317650	318586
Asia Pacific	489071	489071
Europe Africa Middle East & Southwest Asia	264962	258491

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?

Decreased

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	0	No change	0	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. Changes in emissions in 2020 compared to 2019 are primarily a reflection of the impact of COVID-19 on business. Therefore, the impact of renewable energy is considered to be negligible for this year's calculations.
Other emissions reduction activities	0	No change	0	During a typical year, emission reduction activities can contribute to the change in year over year emissions. Changes in emissions in 2020 compared to 2019 are primarily a reflection of the impact of COVID-19 on business. Therefore, the impact of emissions reduction activities is considered to be negligible for this year's calculations.
Divestment	0	No change	0	The sale and acquisition of owned hotels would be 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 would be included in "changes in boundary" along with changes in Hyatt's managed hotels.
Mergers	0	No change	0	Not applicable
Change in output	596711	Decreased	32	COVID-19 had a significant impact on business output during 2020. This impact was calculated by subtracting impacts associated with portfolio changes (see changes in boundary below) from the total difference in emissions between 2019 and 2020. This numerator of 596,711 MT CO2 was divided by Hyatt's 2019 Scope 1 and Scope 2 market-based emissions of 1,836,395 MT CO2e. Other variables that could have impacted the changes in emissions include reduction efforts, weather, outsourcing laundry, renewable energy, and updates in emission factors. However, these are considered to be negligible impacts for the 2020 calculations.
Change in methodology	0	No change	0	Hyatt's methodology has remained the same; however, emission factors are updated as new sets are released.
Change in boundary	46715	Increased	2.5	Each year new Hyatt hotels open, and existing Hyatt hotels are closed, de-flagged or transition to franchise. The emission factors of the locations where these changes occur also has an impact on Hyatt's emissions. The estimated changes in 2020 emissions that resulted from these transitions is an increase of 2.54%. The numerator used to estimate this is 46,715 MT CO2e and the denominator used is Hyatt's 2019 Scope 1 and Scope 2 market-based emissions of 1,836,395 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?

Market-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	No

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	1138113	1138113
Consumption of purchased or acquired electricity	<Not Applicable>	22058	1980237	2002295
Consumption of purchased or acquired heat	<Not Applicable>	0	56552	56552
Consumption of purchased or acquired steam	<Not Applicable>	0	129654	129654
Consumption of purchased or acquired cooling	<Not Applicable>	0	286474	286474
Consumption of self-generated non-fuel renewable energy	<Not Applicable>	<Not Applicable>	<Not Applicable>	<Not Applicable>
Total energy consumption	<Not Applicable>	25090	3591030	3616121

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

959933

MWh fuel consumed for self-generation of electricity

MWh fuel consumed for self-generation of heat

959933

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

53.1148

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.). The majority of fuel is used for the generation of heat.

Fuels (excluding feedstocks)

Propane Gas

Heating value

Unable to confirm heating value

Total fuel MWh consumed by the organization

67786

MWh fuel consumed for self-generation of electricity**MWh fuel consumed for self-generation of heat**

67786

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.). The majority of fuel is used for the generation of heat.

Fuels (excluding feedstocks)

Fuel Oil Number 2

Heating value

Unable to confirm heating value

Total fuel MWh consumed by the organization

77618

MWh fuel consumed for self-generation of electricity**MWh fuel consumed for self-generation of heat**

77618

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**

73.96

Unit

kg CO2e per million Btu

Emissions factor source

2015 Climate Registry Default Emissions Factors - Released April 2015 - 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.). The majority of fuel is used for the generation of heat.

Fuels (excluding feedstocks)

Fuel Oil Number 5

Heating value

Unable to confirm heating value

Total fuel MWh consumed by the organization

6858

MWh fuel consumed for self-generation of electricity**MWh fuel consumed for self-generation of heat**

6858

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.) The majority of fuel is used for the generation of heat.

Fuels (excluding feedstocks)

Motor Gasoline

Heating value

Unable to confirm heating value

Total fuel MWh consumed by the organization

11138

MWh fuel consumed for self-generation of electricity

MWh fuel consumed for self-generation of heat

11138

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

lb 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.) The majority of fuel is used for the generation of heat.

Fuels (excluding feedstocks)

Butane

Heating value

Unable to confirm heating value

Total fuel MWh consumed by the organization

3760

MWh fuel consumed for self-generation of electricity

MWh fuel consumed for self-generation of heat

3760

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.) The majority of fuel is used for the generation of heat.

Fuels (excluding feedstocks)

Diesel

Heating value

Unable to confirm heating value

Total fuel MWh consumed by the organization

11021

MWh fuel consumed for self-generation of electricity

MWh fuel consumed for self-generation of heat

11021

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.). The majority of fuel is used for the generation of heat.

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

Power purchase agreement (PPA) with a grid-connected generator without energy attribute certificates

Low-carbon technology type

Other, please specify (Wind and solar)

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

India

MWh consumed accounted for at a zero emission factor

7967

Comment

Sourcing method

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

Low-carbon technology type

Low-carbon energy mix

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

Austria

MWh consumed accounted for at a zero emission factor

1796

Comment

Sourcing method

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

Low-carbon technology type

Low-carbon energy mix

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

Netherlands

MWh consumed accounted for at a zero emission factor

1526

Comment

Sourcing method

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

Low-carbon technology type

Low-carbon energy mix

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

Canada

MWh consumed accounted for at a zero emission factor

83

Comment

Sourcing method

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

Low-carbon technology type

Hydropower

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

India

MWh consumed accounted for at a zero emission factor

8657

Comment

Sourcing method

Unbundled energy attribute certificates, Renewable Energy Certificates (RECs)

Low-carbon technology type

Low-carbon energy mix

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

United States of America

MWh consumed accounted for at a zero emission factor

2029

Comment

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, but we 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.

At the end of 2020, Hyatt owned or leased 7% by room count of our portfolio. As countries and businesses increase focus on climate change, we anticipate certain hotel owners will elect to invest in net zero carbon buildings. In the meantime, Hyatt's Global Technical Standards outlines criteria for building and renovating hotels to incorporate energy efficiency and renewable energy where options are feasible.

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, but we are actively considering verifying within the next two years

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 through Avendra, a procurement solutions company specialized in hospitality-related business. 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. In addition to this step, Hyatt began to introduce the EcoVadis supplier questionnaire to a small group of suppliers through Avendra and is working to expand this rollout. The questionnaire covers a wide range of environmental and social topics, including climate change. Furthermore, Hyatt is advancing responsible sourcing criteria across key products categories, including criteria addressing climate change. Recent milestones have included transitioning to soap made with palm oil certified to the Roundtable on Sustainable Palm Oil (RSPO) standards at Hyatt Place and Hyatt House hotels in the Americas and introducing coffee featuring beans from Rainforest Alliance Certified farms that is offered in restaurants, banquets, and function areas at participating brands in the U.S. and Canada. To learn more about Hyatt's responsible sourcing efforts, visit [Hyatt.com/WorldOfCare](https://www.hyatt.com/WorldOfCare)

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 (Communication)

% 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 making information about Hyatt's sustainability efforts and initiatives publicly available on Hyatt.com/WorldOfCare, and through on-property mechanisms like offering linen and terry reuse programs. For corporate customers, Hyatt contributed to the development of the Hotel Carbon Measurement Initiative (HCMI) led by Sustainable Hospitality Alliance. With corporate customers' increasing focus on climate change and sustainability, Hyatt actively works to understand its needs related to advancing sustainable practices and seamless communication.

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.

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 franchise operators.

HOTEL OWNERS: Hyatt's commitment to environmental sustainability as part of our environmental, social and governance strategy is directly shared with owners and developers. Hyatt's Sustainable Design Guidelines are reviewed with these stakeholders during the design process. After a hotel opens, we continue to engage with hotel owners by identifying impactful capital expenditure 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 franchisors 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.

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

Hyatt's CEO is the chair of the AHLA board. Hyatt further 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.

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 groups.

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.

SUSTAINBLE HOSPITALITY ALLIANCE: Hyatt supports the Sustainable Hospitality Alliance (formerly the International Tourism Partnership) 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 the Alliance's work to develop industry-level carbon and water goals that support the UN Sustainable Development Goals.

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 and the ESG Steering Committee 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

Hyatt 10K.pdf

Page/Section reference

27, 31, 43

Content elements

Risks & opportunities

Comment

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

Publication

In mainstream reports

Status

Complete

Attach the document

Hyatt 10K.pdf

Hyatt Proxy.pdf

Page/Section reference

13

Content elements

Governance

Strategy

Comment

Governance and climate change as a focus is outlined in Hyatt's Proxy.

C15. Signoff

C-FI

(C-FI) Use this field to provide any additional information or context that you feel is relevant to your organization's response. Please note that this field is optional and is not scored.

Forward-Looking Statements

Forward-Looking Statements in this report, which are not historical facts, are forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995. Our actual results, performance or achievements may differ materially from those expressed or implied by these forward-looking statements. In some cases, you can identify forward-looking statements by the use of words such as "may," "could," "expect," "intend," "plan," "seek," "anticipate," "believe," "estimate," "predict," "potential," "continue," "likely," "will," "would" and variations of these terms and similar expressions, or the negative of these terms or similar expressions. Such forward-looking statements are necessarily based upon estimates and assumptions that, while considered reasonable by us and our management, are inherently uncertain. Factors that may cause actual results to differ materially from current expectations include, but are not limited to, the duration of the COVID-19 pandemic and its short and longer-term effects, including the demand for travel, transient and group business, and levels of consumer confidence, and the pace of recovery following the pandemic, any additional resurgence, or COVID-19 variants; the impact of the COVID-19 pandemic, any additional resurgence, or COVID-19 variants, and the impact of actions that governments, businesses, and individuals take in response, on global and regional economies, travel limitations or bans, and economic activity, including the duration and magnitude of its impact on unemployment rates and consumer discretionary spending; the broad distribution of COVID-19 vaccines and wide acceptance by the general population of such vaccines; the ability of third-party owners, franchisees, or hospitality venture partners to successfully navigate the impacts of the COVID-19 pandemic, any additional resurgence, or COVID-19 variants; general economic uncertainty in key global markets and a worsening of global economic conditions or low levels of economic growth; the rate and the pace of economic recovery following economic downturns; levels of spending in business and leisure segments as well as consumer confidence; declines in occupancy and average daily rate; limited visibility with respect to future bookings; loss of key personnel; domestic and international political and geo-political conditions, including political or civil unrest or changes in trade policy; hostilities, or fear of hostilities, including future terrorist attacks, that affect travel; travel-related accidents; natural or man-made disasters such as earthquakes, tsunamis, tornadoes, hurricanes, floods, wildfires, oil spills, nuclear incidents, and global outbreaks of pandemics or contagious diseases, such as the COVID-19 pandemic, or fear of such outbreaks; our ability to successfully achieve certain levels of operating profits at hotels that have performance tests or guarantees in favor of our third-party owners; the impact of hotel renovations and redevelopments; risks associated with our capital allocation plans, share repurchase program, and dividend payments, including a reduction in, or elimination or suspension of, repurchase activity or dividend payments; the seasonal and cyclical nature of the real estate and hospitality businesses; changes in distribution arrangements, such as through internet travel intermediaries; changes in the tastes and preferences of our customers; relationships with colleagues and labor unions and changes in labor laws; the financial condition of, and our relationships with, third-party property owners, franchisees, and hospitality venture partners; the possible inability of third-party owners, franchisees, or development partners to access capital necessary to fund current operations or implement our plans for growth; risks associated with potential acquisitions and dispositions and the introduction of new brand concepts; the timing of acquisitions and dispositions, and our ability to successfully integrate completed acquisitions with existing operations; failure to successfully complete proposed transactions (including the failure to satisfy closing conditions or obtain required approvals); our ability to successfully execute on our strategy to expand our management and franchising business while at the same time reducing our real estate asset base within targeted timeframes and at expected values; declines in the value of our real estate assets; unforeseen terminations of our management or franchise agreements; changes in federal, state, local, or foreign tax law; increases in interest rates and operating costs; foreign exchange rate fluctuations or currency restructurings; lack of acceptance of new brands or innovation; general volatility of the capital markets and our ability to access such markets; changes in the competitive environment in our industry, including as a result of the COVID-19 pandemic, industry consolidation, and the markets where we operate; our ability to successfully grow the World of Hyatt loyalty program; cyber incidents and information technology failures; outcomes of legal or administrative proceedings; violations of regulations or laws related to our franchising business; and other risks discussed in the Company's filings with the U.S. Securities and Exchange Commission ("SEC"), including our annual report on Form 10-K and our Quarterly Reports on Form 10-Q, which filings are available from the SEC. These factors are not necessarily all of the important factors that could cause our actual results, performance or achievements to differ materially from those expressed in or implied by any of our forward-looking statements. We caution you not to place undue reliance on any forward-looking statements, which are made only as of the date of this press release. We undertake no obligation to update publicly any of these forward-looking statements to reflect actual results, new information or future events, changes in assumptions or changes in other factors affecting forward-looking statements, except to the extent required by applicable law. If we update one or more forward-looking statements, no inference should be drawn that we will make additional updates with respect to those or other forward-looking statements.

C15.1

(C15.1) Provide details for the person that has signed off (approved) your CDP climate change response.

	Job title	Corresponding job category
Row 1	Director of Environmental Affairs	Environment/Sustainability manager

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