



2021 CORPORATE RESPONSIBILITY REPORT



FEATURED HERE AND ON COVER:
THE DON CESAR



Locally known as the
“Pink Palace,” an iconic
Florida landmark with
unparalleled beachfront
location



Award-winning historic
hotel, renovated to
embrace and enhance
its rich history



Three Palm
Florida Green
Lodging property



Innovative food
waste reduction
measures

CONTENTS

INTRODUCTION

- 5 Company Overview
- 7 Message from Our President & CEO
- 8 COVID-19 Impacts & Reflections
- 10 ESG Highlights

VALUE CREATION THROUGH RESPONSIBLE INVESTMENT

- 12 Strategy & Themes
- 14 Stakeholder Engagement
- 16 Material Issues
- 17 United Nations Sustainable Development Goals
- 18 2025 Performance Targets

ENVIRONMENTAL STEWARDSHIP

19



- 20 Green Building & Eco-Design
- 26 Energy & Emissions
- 30 Water
- 32 Waste
- 34 Biodiversity

SOCIAL RESPONSIBILITY

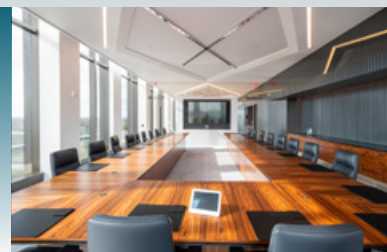
36



- 37 Health & Well-Being
- 40 Human Rights
- 43 Community Engagement
- 49 Diversity & Inclusion
- 51 Human Capital

GOVERNANCE

53



- 54 Board Oversight
- 55 Ethics & Values
- 56 Risk Management

APPENDICES

- 59 ESG Performance Data
- 61 Global Reporting Initiative Index
- 69 Sustainability Accounting Standards Board Disclosures
- 71 Task Force on Climate-related Financial Disclosures Report
- 76 Independent Assurance Statement

ABOVE LEFT: ANDAZ MAUI AT WALEA RESORT

ABOVE CENTER: JUNIOR ACHIEVEMENT FINANCE PARK

ABOVE RIGHT: HOST CORPORATE OFFICE BOARDROOM

INTRODUCTION



COMPANY OVERVIEW

Host Hotels & Resorts, Inc. is the largest publicly traded lodging real estate investment trust (REIT) with a geographically diverse portfolio of luxury and upper-upscale hotels.

Host offers a diversified portfolio of iconic and irreplaceable properties located in the top hotel markets across the United States, unprecedented scale and an integrated analytics platform to drive internal and external growth, and a powerful and flexible, investment-grade balance sheet. Together these key pillars form the foundation of Host, the premier lodging REIT.

2020 Facts & Figures¹



\$13.8B

IN TOTAL
ENTERPRISE VALUE



79

PROPERTIES IN
CONSOLIDATED PORTFOLIO,
46,100 ROOMS



99%

OF REVENUES FROM
U.S. PROPERTIES



~165

EMPLOYEES,
57% WOMEN



ONLY LODGING REIT
IN THE **S&P 500**



ONLY
**INVESTMENT
GRADE**
LODGING REIT

ESG AWARDS & RECOGNITION

Member of Dow Jones Sustainability Indices

Powered by the S&P Global CSA

Dow Jones Sustainability World (2nd consecutive year)
and **North America member**
(4th consecutive year)



BARRON'S

**Most
Sustainable
REITs
2021**

Barron's **Top 10 Most
Sustainable REITs** (ranked
#2 among publicly-traded
REITs and only lodging
REIT included)

Sustainability Yearbook Member 2021

S&P Global

S&P Global's Sustainability
Yearbook of **World's Most
Sustainable Companies**



CDP Climate Change **A List**
(A score for the 6th year)
and **Supplier Engagement
Leaderboard member**
(first time)

NEWSWEEK

Newsweek's List of **Most
Responsible Companies
in America** (ranked #1
among REITs)



ISS **Prime** Corporate
ESG Rating



Top 20% of Green Street
Advisors Ranking on
Corporate Governance

MESSAGE FROM OUR PRESIDENT & CEO



“Never complacent, we are encouraged by what we have achieved and will carry this momentum and the same focus and determination into the future as we work to create differentiated returns and partner with our stakeholders to advance critical issues at the intersection of climate, inclusion, community, health and well-being.”

For nearly a decade, Host has reported publicly on its corporate responsibility performance. But this year, the topics covered in Host’s 2021 Corporate Responsibility Report seem markedly more important.

The COVID-19 pandemic has presented opportunities for introspection and reinvention for many organizations. At Host, we were able to transform challenge into opportunity by focusing on the goal of EBITDA growth through our strategic objectives of redefining our operational model, seeking to gain market share and allocating capital strategically. We entered 2020 with the highest quality portfolio and the strongest balance sheet in the company’s history. Additionally, while continuing to execute as a values- and culture-driven organization, we were dedicated to taking care of our employees and putting their health, safety and well-being first. Regardless of our mainly remote working environment, we furthered our investment in and commitment to culture, employee engagement and employee benefit programs. We also sustained our investment in and strengthened our engagement with our brands, hotels and communities.

The COVID-19 pandemic also provided the hospitality industry and the entire world with a stark reminder of the importance of adaptability, resiliency and connection as a global community. At the same time, the need to address systemic

inequalities has become clearer than ever. And transitioning to a low-carbon economy has become an important imperative for businesses and society.

I believe that Host’s disciplined and integrated approach to environmental, social and governance (ESG) issues will continue to distinguish and guide us in the coming years and propel each of our business strategies forward. I am proud that Host has developed an industry-leading corporate responsibility platform that is thoughtful, strategic and focused on the triple bottom line. As a REIT, our program is centered around the concept of responsible investment and brought to life through our commitments and actions across our three main themes—Environmental Stewardship, Social Responsibility and Governance—and our EPIC values of Excellence, Partnership, Integrity and Community.

Each year, Host’s award-winning Corporate Responsibility program continues to evolve and achieve impressive new milestones. Guided by our 2025 science-based emission target and context-based water target, we continue to identify impactful environmental efficiency projects with compelling returns, while also increasing our pipeline of LEED®-certified hotels and use of renewable energy. We continue to leverage the power of artificial intelligence, enterprise analytics and leading-edge technologies to reduce our environmental footprint.

Our values and culture are at the heart of everything we do at Host. In 2021, we will be leveraging the results of our culture and engagement surveys as part of our larger effort to provide opportunities for employee discussion, learning and feedback to become an even stronger, more agile and more inclusive organization. We are also evolving and advancing our social and corporate citizenship programs—including the formal launch of our diversity and inclusion (D&I) program—to match Host’s long-term commitment to advancing diversity and inclusion within our workplace. Notably, Host’s support of the Arne M. Sorenson Hospitality Fund will help carry on the legacy of former Marriott president and chief executive officer Arne Sorenson and his inspiring passion for service, human rights, environmental sustainability and diversity, equality and inclusion.

Never complacent, we are encouraged by what we have achieved and will carry this momentum and the same focus and determination into the future as we work to create differentiated returns and partner with our stakeholders to advance critical issues at the intersection of climate, inclusion, community, health and well-being.

JAMES F. RISOLEO
President, Chief Executive Officer and Director

COVID-19 IMPACTS & REFLECTIONS

This Report covers Host's corporate responsibility performance for calendar year 2020, during which the COVID-19 pandemic presented unprecedented challenges for our company, the hospitality industry and the world.

As such, please note that 2020 metrics reported herein—particularly regarding Host's economic and environmental performance—reflect the business impacts from decreased business demand and occupancy during the pandemic.

The publication of this Report also presents us with the opportunity to reflect on four major accomplishment themes that emerged from Host's pandemic response. We believe that each of these themes will make our organization stronger and better positioned to continue to lead on ESG performance in a post-pandemic world.



DRIVING POST-PANDEMIC EFFICIENCIES

We utilized the COVID-19 pandemic as an opportunity to work with our operators to redefine operating models with the goal of generating higher levels of profitability at lower levels of occupancy. Specific focus areas included driving efficiencies through the cross-utilization of management functions and adopting productivity-enhancing technologies. As a result of these efforts, Host has set a target with its operators to achieve \$100-150 million of potential long-term reductions in annual hotel expenses upon returning to pre-pandemic business levels.



PLANNING FOR FUTURE GROWTH

Host entered 2020 with the highest quality portfolio and the strongest balance sheet in the company's history. In 2020, we also increased our access to credit as a precautionary measure to preserve financial flexibility. As a result, we continued to invest in our portfolio through the Marriott Transformational Capital Program and other major renovations aimed at gaining market share as part of our capital allocation strategy to achieve best-in-class EBITDA growth. In 2021, at the time of publication, we have opportunistically deployed capital to acquire new properties, including Hyatt Regency Austin; Four Seasons Resort Orlando at Walt Disney World® Resort; Baker's Cay Resort Key Largo, Curio Collection by Hilton; and a luxury downtown Houston hotel, formerly operated as the Hotel Alessandra. These acquisitions also give Host exposure to new growing leisure markets within the United States.

LEFT: ORLANDO WORLD CENTER MARRIOTT

PLEASE FOLLOW
SOCIAL DISTANCING
GUIDELINES



Hand Sanitizer

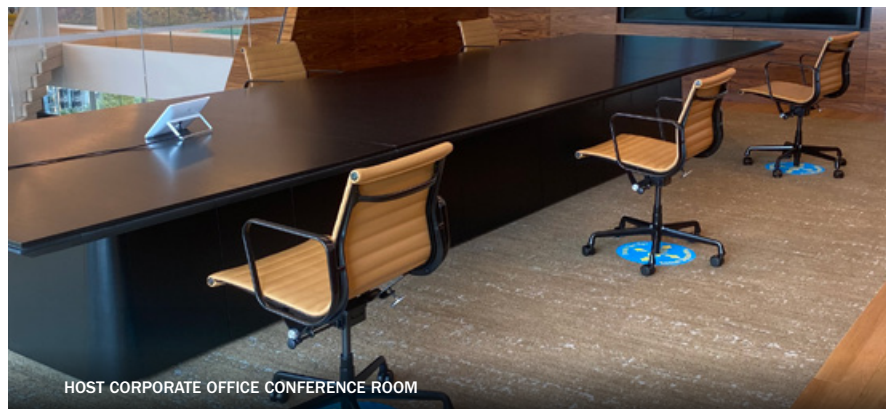
MARRIOTT
ORLANDO WORLD CENTER



TAKING CARE OF OUR EMPLOYEES

First and foremost, Host has continued to focus on ensuring that our employees are safe, supported and connected during the COVID-19 pandemic and while working remotely. We have offered increased flexibility and expanded benefits to support employees as they navigate through the pandemic, including a dedicated and regularly updated COVID-19 resources page on our intranet. We also have conducted regular virtual all-employee meetings hosted by senior management while department heads held their own virtual department meetings and social activities.

We regularly surveyed our employees to understand their sentiments around the pandemic—both personally and professionally—and sought to understand what support they may need as well as their feelings about returning to the office. These points of feedback were key inputs as we devised a safe, thoughtful and comprehensive return to office strategy. We also convened a Return to Office team comprised of employees from across the company to provide input on our return to office plans and safety protocols. To help ensure a seamless transition, we implemented a series of progressive employee return phases that allowed for small groups of employees to come into the office on a voluntary basis following stringent health and safety protocols, including contact tracing and daily health attestation. At the time of publication, we have implemented the first broad phase of our return to office plan, which is an optional phase intended to give employees time and flexibility to adjust to being back in the office at their preferred pace before our full return.



HOST CORPORATE OFFICE CONFERENCE ROOM



SUPPORTING OUR COMMUNITIES

In support of COVID-19 relief, Host partnered with Feeding America, Direct Relief, World Central Kitchen in Washington, D.C., Food Banks Canada and Gerando Falcoes in Brazil to provide critical support to affected communities in our key markets—with a focus on hunger relief, medical supplies and industry recovery efforts. Our relief efforts provided financial support to organizations on the frontlines of response and in support of the travel and tourism industry, hotel employees and supply chain.

In collaboration with several of our hotels in Hawaii, Host partnered with Maui farmers to donate food baskets and deliver personal messages of hope and support to workers impacted by the effects of COVID-19 on the Hawaii hospitality industry. Through Host's partnership with World Central Kitchen and 1 Hotel South Beach, we delivered 900 meals to at-risk individuals—including homeless women and youth—as well as local hospitality workers affected by the COVID-19 pandemic in Miami.

Host's employees participated in a virtual food drive in support of DC Food Project's "Weekend Bag Program." Launched when schools shut down due to COVID-19, this emergency program provides D.C. students and their families with healthy non-perishable food items to last them over the weekend when they may not have access to food.



FAIRMONT KEA LANI, MAUI

ESG HIGHLIGHTS

ENVIRONMENTAL STEWARDSHIP



Emissions reduction target approved by Science Based Targets initiative at the **1.5-degree** Celsius level of ambition



8 LEED-certified hotels, including two LEED Gold hotels as well as Host's corporate headquarters



Context-based **water reduction target** focusing on top-10 properties with high water risk

11 LEED projects in the pipeline, supporting green bond strategy

RIGHT: VILLAS AT ANDAZ MAUI AT WAILEA RESORT



Second green bond issuance totaling \$750 million, bringing total raised to \$1.4B

Internal price of carbon set at **\$100 per ton** to reflect social costs of carbon and prioritize low carbon investments



SOCIAL RESPONSIBILITY

Participated in the **CEO Action for Diversity & Inclusion™** coalition

CEO ACTION FOR DIVERSITY & INCLUSION



First lodging REIT to sign on to industry 5-Star Promise as an owner to advance safety, non-discrimination and human rights within the hospitality industry



Five-year pledge to support the American Hotel & Lodging Association (AHLA) Foundation's Opening Doors to Opportunity campaign



13-year average tenure for our employees

Multi-dimensional performance reviews for 100% of employees



165+ charities supported in 2020, including **116** employee-selected charities

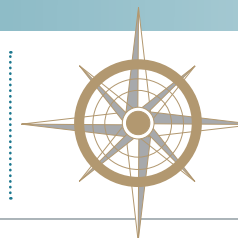


GOVERNANCE

ESG oversight from our Board's Nominating and Corporate Governance Committee



Cross-functional **Corporate Responsibility Advisory Committee**, representing nearly every department at Host



ESG Executive Steering Committee that guides corporate responsibility strategies and engagement with Board

VALUE CREATION THROUGH RESPONSIBLE INVESTMENT



STRATEGY & THEMES

Responsible Investment

As the premier lodging REIT and a sustainability industry leader, we are committed to creating long-term value through investing responsibly in our business, environment, people, stakeholders and community.

Our Corporate Responsibility program is centered around the concept of responsible investment—an overarching strategy that guides our focus and actions across our three main themes of Environmental Stewardship, Social Responsibility and Governance.



Defining Principles

We believe that a disciplined and proactive approach to addressing critical ESG topics enables us to create long-term value for our stockholders, optimize investments in our portfolio, maximize our human capital and maintain our position as a sustainability leader in the lodging REIT sector. Our management approach is driven by people, culture, policies, targets and performance monitoring to maximize the value from our investments of time, talent and financial resources. This approach directly supports Host's business strategy and goals.

How We Execute

Host's responsible investment strategy is guided by the following actions across our three themes:

ENVIRONMENTAL STEWARDSHIP 	SOCIAL RESPONSIBILITY 	GOVERNANCE 
<p>We are investing in solutions that conserve and restore natural capital to assist Host in mitigating climate change and biodiversity impacts, with the goal of achieving best-in-class returns.</p>	<p>We are committed to advancing health, well-being and opportunity for all Host stakeholders, including investors, employees, partners and communities.</p>	<p>Our responsible investment strategies are guided by executive and board-level oversight, our EPIC values and ethical standards, and a disciplined approach to risk management and sustainable value creation.</p>

Return on Sustainability Investments

From 2016-2020, Host has invested in over 675 sustainability projects that have substantially increased the operational efficiency and resiliency of our hotels. The expected utility savings from these combined investments is approximately \$21 million annually.

Our targeted energy-saving return on investment (ROI) projects—including plant improvements and LED retrofits—have generated cash-on-cash returns of approximately 15-20%, based on a post-completion analysis of a representative sampling of these projects. We also expect to achieve compelling returns on water-saving ROI projects. For example, early cash-on-cash returns for an investment in low flow plumbing fixtures at Boston Marriott Copley Place was 52%.

Host utilizes a proprietary ROI diagnostic tool to identify sustainability projects. Using the tool, we prioritize investments at the property-level in consideration of energy and water consumption, utility costs and available rebates. Following implementation, our Enterprise Analytics team performs ROI verification reviews of select projects to confirm project performance and enable continuous improvement of our ROI models.



675

SUSTAINABILITY
PROJECTS



\$21M

EXPECTED UTILITY
SAVINGS ANNUALLY



15-20%

AVERAGE CASH-
ON-CASH RETURNS

Green Bond Financing

In 2019, Host issued the first green bond in the lodging industry and achieved the lowest effective bond pricing in our company's history. And in 2020, Host issued a follow-up green bond, bringing the total capital raised from green bonds to \$1.4 billion for sustainability-related investments.

The allocation of these proceeds has been used to increase the number of LEED-certified properties in our portfolio. Other eligible green projects include investments in energy efficiency, water efficiency and renewable energy.






ANDAZ MAUI AT WAILEA RESORT

STAKEHOLDER ENGAGEMENT

We identify stakeholders and prioritize engagement activities based on our values, business model and potential degree of influence since we own but do not operate the hotels in our consolidated portfolio.



How We Engage

STAKEHOLDERS	OUR INFLUENCE AND ENGAGEMENT METHODS
 <p>INVESTORS AND ANALYSTS</p> <p>●</p>	<p>We report ESG performance through our 10-K filings, Proxy Statement, investor presentations, corporate website, Corporate Responsibility Report and CDP Climate Change response. We also engage directly with individual investors to discuss ESG issues of interest.</p> <p>Our stockholder and investor outreach includes investor road shows, analyst meetings, investor days and industry conferences. In 2020, we significantly expanded our governance-focused outreach. Throughout the year, we reached out to investors representing approximately 70% of our outstanding shares and held conversations with 24 investors representing approximately 43% of the company's stockholder base. (Further detail on the process and outcomes from engagement can be found on pages 19-22 of our 2021 Proxy Statement.)</p>
 <p>THIRD-PARTY HOTEL MANAGEMENT COMPANIES</p> <p>●</p>	<p>As a lodging REIT, we are prohibited by law from operating our hotels. We partner with premium brands and leading management companies, including Marriott®, Hyatt®, Accor® and Hilton®, to manage our hotels.</p> <p>Third-party hotel management companies or operators are responsible for day-to-day operations at our hotels and receive a management fee based on the revenues and profitability of each hotel. Host maintains economic (or financial) control of the properties through several mechanisms, including budget approval rights and control over investing and financing decisions.</p> <p>Our asset managers conduct quarterly business reviews of our consolidated hotels to assess property and business risks. Full business reviews are supported by monthly review calls with each hotel's general manager. We incentivize environmental performance through the payment of variable incentive management fees and Host's Environmental Stewardship Award given at our General Managers Meeting.</p>
 <p>SUPPLIERS</p> <p>● ●</p>	<p>Host's direct supply chain primarily consists of building products as well as furniture, fixtures and equipment for hotels in support of renovations. We have identified and carefully vetted a set of strategic suppliers, which represent nearly 89% of the total 2020 spend. Engagement activities include our Supplier Excellence Survey, Host Supplier Conferences and factory site visits. We also procure office supplies and equipment for our corporate offices.</p> <p>Host's indirect supply chain primarily consists of materials and products in support of renovation activities and day-to-day operations of its hotels by its hotel managers. We hire contracting firms to manage and implement construction projects and these firms procure building materials. Additionally, our hotel operators maintain their own supply chains to support day-to-day operations.</p>

OUR STAKEHOLDERS

● Direct Stakeholder		● Indirect Stakeholder	
Investors and Analysts ●	Third-Party Hotel Management Companies ●	Suppliers ● ●	Industry Associations ●
Host Employees ●	Workers ●	Hotel Guests ●	Communities ● ●

Stakeholder Engagement (Continued)

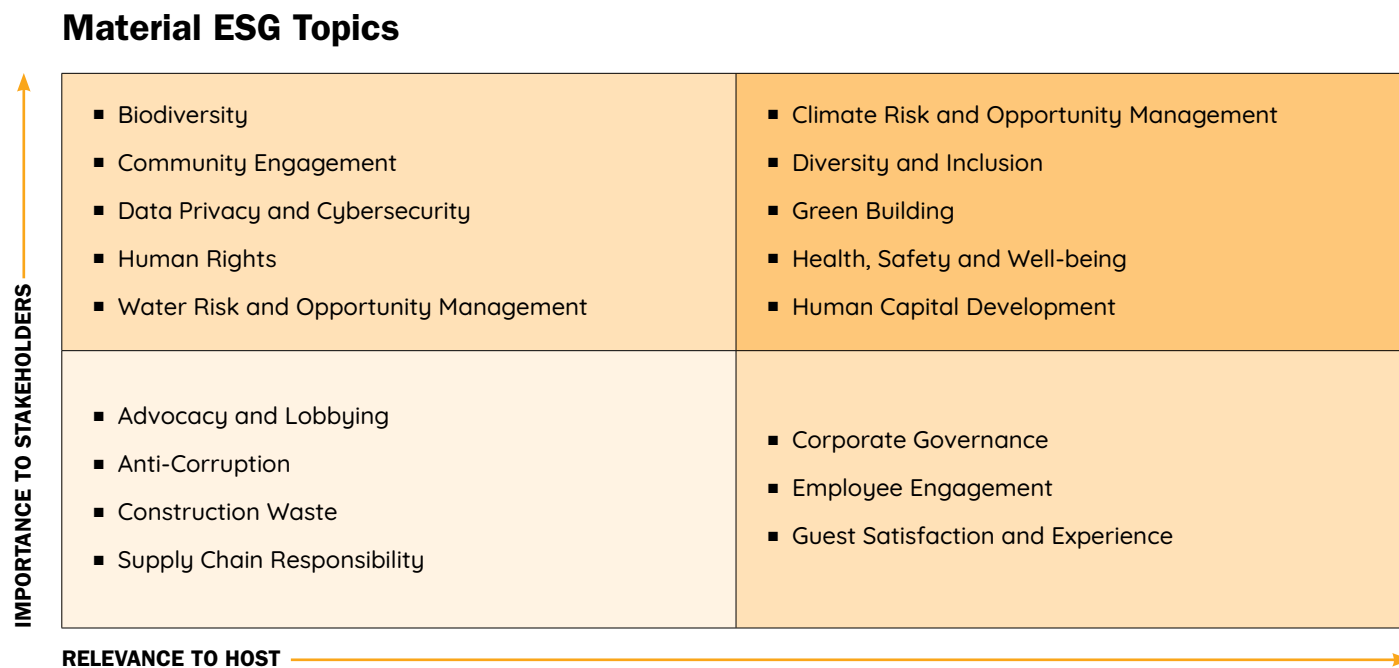
STAKEHOLDERS	OUR INFLUENCE AND ENGAGEMENT METHODS
 <p>INDUSTRY ASSOCIATIONS</p>	<p>Host supports the advancement of material ESG issues within the real estate and lodging industries through our participation in committees, working groups and forums for the American Hotel & Lodging Association (AHLA), National Association of Real Estate Investment Trusts® (Nareit), Real Estate Roundtable (RER) and the Urban Land Institute (ULI).</p>
 <p>HOST EMPLOYEES</p>	<p>Host maintains direct control of its approximately 165 employees. We maintain a set of multi-faceted and continually evolving employee engagement activities and wellness programs—all of which are grounded in Host’s EPIC values and promote well-being and a sense of community.</p>
 <p>WORKERS</p>	<p>Third-party contractors hire workers to complete construction projects at our hotels. Our operators hire workers who are responsible for daily operations at our hotels. While Host does not have any direct or indirect control, we set forth our standards and expectations for compliance with all relevant laws within contractual agreements with contracting firms and hotel operators.</p>
 <p>HOST GUESTS</p>	<p>Because we are prohibited by tax law from operating our hotels, our operators have primary responsibility for and direct interactions with guests at our hotels. We monitor guest satisfaction at each property with our operators and utilize the feedback to inform investment decisions that seek to enhance guest experience.</p>
 <p>COMMUNITIES</p>	<p>We have a strong, long-standing legacy of supporting local communities where our employees live and where our offices and hotels are located. Our employee-centric charitable giving program allows employees to select organizations to support and organize local community service events.</p> <p>We also consider local communities and impacts on biodiversity in how we design and execute on major development projects. Through Host’s enterprise analytics function, we are able to leverage the power of artificial intelligence to monitor and respond to market trends within the communities of current and prospective hotels within our investment portfolio.</p>

MATERIAL ISSUES

ESG Materiality Matrix

Host's ESG materiality matrix is intended to serve as a strategic and iterative tool to guide how we monitor issues and focus efforts to advance our responsible investment initiatives. To develop the matrix, we considered the priority issues among investors—including those identified by the Sustainability Accounting Standards Board (SASB)—when assessing the ESG performance of real estate companies.

Additionally, we considered ESG issues that are relevant to the travel and tourism industry and that have been prioritized by leading industry associations, including the AHLA, International Tourism Partnership and World Travel & Tourism Council. We also engaged cross-functional leaders within Host, including our ESG Executive Steering Committee, to review and provide input on the ESG materiality matrix.



Please note that the ESG materiality matrix includes topics that Host has direct control over as a hotel owner. Since we own but do not operate the hotels within our consolidated portfolio, we also considered our degree of influence. In addition, we considered ESG issues that are directly controlled by the operational and procurement practices of our third-party hotel management companies that are responsible for daily operations at the hotels we own. Examples of these ESG issues include responsible sourcing of food, food waste, regenerative agriculture, single-use plastics and hospitality skills for the future.

UNITED NATIONS SUSTAINABLE DEVELOPMENT GOALS

Host aligns its corporate responsibility efforts to meaningfully support the United Nations Sustainable Development Goals (SDGs), which are a collection of 17 widely adopted, global goals set by the United Nations General Assembly for realization by the year 2030.

We have prioritized the following global goals that are most relevant to our business and where we have identified the greatest opportunities to drive measurable results:



HEALTH AND WELL-BEING

Promoting health and well-being in our offices, owned hotels and communities



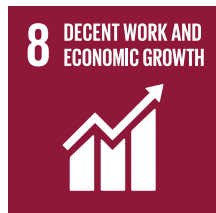
EDUCATION

Advancing work-readiness, entrepreneurship, financial literacy and hospitality industry skills



WATER

Increasing water efficiency at our owned hotels and prioritizing areas with highest risk



EMPLOYMENT AND ECONOMIC GROWTH

Creating inclusive opportunities, protecting labor rights and fostering a safe working environment



SUSTAINABLE CITIES AND COMMUNITIES

Engaging in industry collaborations and local projects to advance sustainable cities and communities



CLIMATE CHANGE

Executing on a science-based target to help limit rises in global temperatures, and increasing the resilience of our hotel portfolio



BIODIVERSITY

Aligning with hotel operators, thought leaders and conservation organizations to protect biodiversity

2025 PERFORMANCE TARGETS

Host's third-generation environmental targets and first-generation social targets reflect our expanded ambition to create value through responsible investment through 2025.

Please note that 2020 progress toward Host's environmental targets reflects hotel closings and lower occupancy resulting from the COVID-19 pandemic.

Environmental Targets

2025 TARGET*	STATUS	2020 PROGRESS
55% reduction in greenhouse gas intensity per square foot	✓ On Track	57% reduction per square foot (37% reduction per square foot, pre-pandemic)
25% reduction in energy intensity per square foot	✓ On Track	40% reduction per square foot (14% reduction per square foot, pre-pandemic)
30% electricity use from renewable energy	↗ Beginning of Journey	New on-site renewable energy projects approved; Plan to increase green power purchases to reach at least 10% by 2022
25% reduction in water consumption per occupied room	✓ On Track	51% increase per occupied room** (24% reduction per square foot, pre-pandemic)
75% of major renovation projects with waste diversion	✓ On Track	91% of projects with waste diversion

* 2008 is the base year for Host's greenhouse gas emissions, energy and water intensity targets.

** Includes a context-based sub-goal to prioritize water initiatives at top-10 properties with high water risk. Excludes irrigation water withdrawals from maintenance of golf courses at three properties.

Social Targets

2025 TARGET	STATUS	2020 PROGRESS
100% of employees trained on unconscious biases	✓ On Track	Baseline concept introduced via an online training module; sourcing of an external training partner to conduct more comprehensive diversity training—which will include unconscious bias—is currently underway
Conduct at least two engagement surveys	✓ On Track	Initial culture survey completed in fall 2020 followed by an engagement survey, which was conducted in spring 2021
Include at least two women and two persons of color in each initial candidate pool for externally sourced executive level positions	↗ Beginning of Journey	Commitment to include in external searches for department head and above positions; progress will be commenced as related business needs arise

ENVIRONMENTAL STEWARDSHIP



GREEN BUILDING & ECO-DESIGN

ISO 14001 Certification

Host's environmental management system (EMS) for its entire consolidated portfolio has been third-party, ISO 14001-certified since 2016. ISO 14001 is the leading global standard for a holistic and disciplined environmental management system.

Through the ISO 14001 certification process, Host focuses on continuous improvement for our most significant environmental impacts. We evaluate our entire consolidated portfolio on a quarterly basis to identify new greenhouse gas emissions, and energy and water reduction opportunities. We also conduct site audits to improve energy, water and building performance.² These EMS processes are overseen by Host's vice president of energy and sustainability and senior vice president of engineering and sustainability in addition to executive sponsorship by the executive vice president, development, design & construction.

A commitment to ISO 14001 management principles has enabled Host to drive substantial improvements in environmental efficiency from our 2008 baseline.

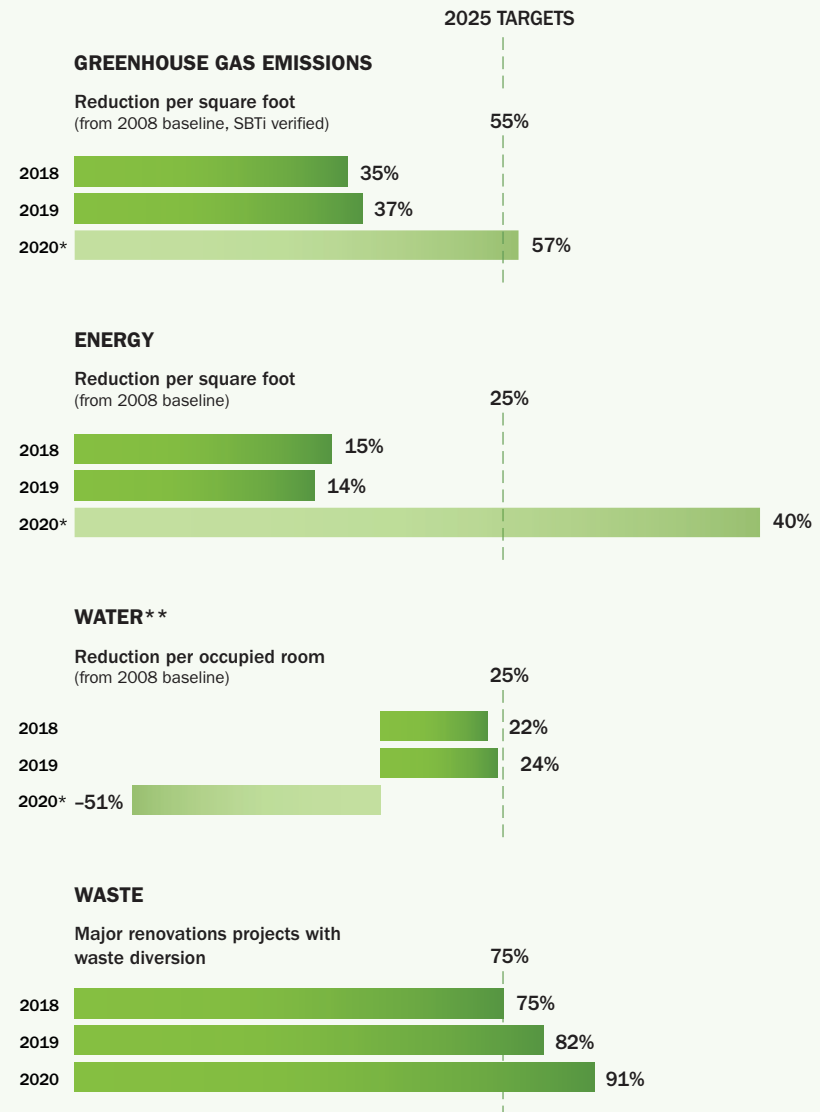
Environmental Targets

To develop Host's environmental targets, we utilized both a top-down and bottom-up approach to model reduction opportunities. Our top-down, or enterprise-level, assessment considered our portfolio strategy, industry trends, power grid improvements and best practice frameworks, including the Science Based Targets initiative (SBTi). We also considered alignment with environmental targets and strategies employed by the hotel brands, including Marriott, Hyatt, Accor and Hilton, that are responsible for daily operations at hotels owned by Host.

Our bottom-up, or property-level, assessment considered alignment with Host's 10-year capital plans, ROI diagnostic tool findings and historical performance data for specific hotels. We also considered technology advancements to evaluate the types of investments that we could make to support the environmental targets.

² On-site audits have been on hold during the COVID-19 pandemic.

ANNUAL PROGRESSION TOWARD 2025 TARGETS



* Reflects reduced occupancy during COVID-19 pandemic.

** Excludes irrigation water used on golf courses at three properties starting in 2019.



GROUND-UP SUSTAINABLE DEVELOPMENT AND LEED DESIGN

Host applied leading sustainable design and construction principles and is pursuing LEED Silver certification at the new **AC HOTEL SCOTTSDALE NORTH**, a 165-key ground-up development on an underutilized parking lot alongside The Westin Kierland Resort & Spa. Built with non-toxic paints, coatings, flooring, ceilings and insulation, the property was also designed with tree shading and light-colored paving and roof membrane to mitigate heat island effect. Over 98% of stormwater is managed off-site by a catch basin on an adjacent golf course, and natural lighting is featured throughout the property. Over 90% of spaces have access to quality views to the outdoors and the scenic Arizona landscape.

Opened in January 2021, the hotel is designed to maximize energy and water efficiency. The building's energy performance is estimated to be 15% more efficient over baseline building types. We also anticipate a 28% increase in indoor water efficiency from low-flow plumbing fixtures. Additionally, we have installed a rooftop solar photovoltaic array to offset 10% of building energy usage.

LEED Certifications

Host is actively focused on continuing to increase the number of LEED-certified properties in our consolidated portfolio and has made significant strides. In 2020, we launched a new initiative to more deeply integrate the LEED criteria into our approach for new major renovation projects. For example, Host's two new ground-up developments—AC Hotel Scottsdale North and new luxury villas at the Andaz Maui at Wailea Resort—are expected to receive LEED Silver certifications in 2021. Marriott Marquis San Diego Marina and Marina Del Rey Marriott are also in the process of obtaining LEED Silver certifications. Additionally, we plan to allocate proceeds from Host's green bonds to include an additional seven LEED-certified projects or hotels within our portfolio.

Today, Host owns eight LEED-certified properties, including two LEED Gold-certified properties. In 2020, Host's corporate headquarters also received LEED Gold certification.



Since developing an alternative pathway for compliance for Hyatt Regency Maui Resort and Spa, we have helped to address historical challenges and create an industry solution for existing hotels and resorts seeking LEED certification. As a result, Hyatt Regency Maui Resort and Spa became the first resort or hotel property in Hawaii to achieve LEED Gold certification under the Existing Buildings Operations and Maintenance (EBOM) rating system.



LEED GOLD CERTIFICATION
HYATT REGENCY SAN FRANCISCO AIRPORT
received LEED EBOM Gold certification following a full renovation of the hotel.

Industry-Specific Certifications

Other industry-specific green building certifications include the Green Key Eco-Rating Program and Green Seal Hotels and Lodging. Grand Hyatt Atlanta in Buckhead and Grand Hyatt San Francisco have received 5 Keys, which is the highest level of certification within the Green Key Eco-Rating Program. JW Marriott Washington, DC has also received Platinum Level Certification within the U.S. Department of Energy's Superior Energy Performance Program and was the first hotel in the United States to receive ISO 50001 certification for its energy management system.

Climate Resilience

Host proactively works to mitigate risks associated with hurricanes, wildfires and rising sea levels within our key markets, including those in California, Florida, Hawaii and Texas. Our resilience strategy is anchored in preventive maintenance, continuous enhancements and thoughtful risk management.

Host has developed a strategic plan for each property in its portfolio, which is based on the analysis of regional physical risks, age and condition of each property. Over the past five years, Host has invested over \$120 million in replacements and restorations of exterior walls, windows, roofs, doors and grounds to further increase the resilience of our hotels from hurricane risks. We also continue to improve resiliency by investing in stand-by emergency power generators and ensuring that critical equipment—including electrical switchgear, major mechanical equipment and telephone switches—is located above grade and above storm surge levels at coastal properties.

Our Risk Management team maintains crisis management and transition plans for extreme weather events. We facilitate emergency preparedness and response webinars with hotel operators annually in preparation for extreme weather events including floods, hurricanes, earthquakes and other natural disasters. All Host properties are required to develop emergency response procedures tailored to meet the specific risks associated with their geography and unique construction attributes. We maintain a network of strategic subcontractors with rapid response capability to support our hotels when they are subjected to damage from natural disasters.

Host considers storm risk in its portfolio strategy through diversification and avoiding many risk-prone destination markets. We conduct a formal review annually to determine our exposure to physical risk and engage in financial



GREEN CERTIFICATIONS

In addition to a 5 Green Key rating, the **GRAND HYATT SAN FRANCISCO** is certified through the California Green Lodging Program by demonstrating water and energy conservation, waste minimization, recycling, environmentally friendly purchasing, program sustainability and pollution prevention. As part of Hyatt's Global Care & Cleanliness Commitment, the hotel also achieved the Global Biorisk Advisory Council (GBAC) STAR™ accreditation by proving its approach to cleaning, disinfection and infection prevention to protect visitors, guests and hotel staff.

modelling based on historical storms to predict worst-case scenarios to determine insurance needs and potential capital investments. Host's Investments team also considers climate risks within the due diligence processes for acquisitions, with review and oversight from executive

management and the Board of Directors. Host's Asset Management; Development, Design & Construction and Enterprise Analytics teams support these due diligence processes.

Distributed Energy Systems

Since 2015, we have invested over \$60 million in distributed energy systems—including co-generation—that increase resiliency and eliminate our reliance on less efficient district utilities.

Total Investment: \$60.9M
Total Estimated Annual Cost Savings: \$9.5M

DECENTRALIZED ENERGY INVESTMENT	STEAM TO GAS CONVERSION	SOLAR PV	CO-GENERATION
Properties	<ul style="list-style-type: none"> ■ New York Marriott Marquis ■ Sheraton New York Times Square Hotel ■ San Antonio Marriott Riverwalk 	<ul style="list-style-type: none"> ■ Andaz Maui at Wailea Resort ■ Fairmont Kea Lani, Maui ■ Hyatt Regency Maui Resort and Spa 	<ul style="list-style-type: none"> ■ New York Marriott Downtown ■ New York Marriott Marquis ■ The Logan
Investment	\$24.4M	\$8.5M	\$28M
Estimated Annual Cost Savings	\$5M	\$0.8M	\$3.7M



Engagement with Hotel Operators

Unlike other REIT industries, Host does not have tenants in the traditional sense and many traditional tenant best practices, like green leases, aren't applicable to Host as a lodging REIT. Our operators are the closest equivalent to a tenant for Host. We share a common financial interest in advancing green building and eco-design and closely partnering to support both Host's and the brand's environmental stewardship goals. For example, Host conducts annual webinars with hotel operators' property engineering teams to provide resources, guidance and case studies on operational best practices to maximize returns on investments. These webinars help Host and operators assess and prepare potential efficiency projects for budgetary approvals.

Sustainable Sourcing

In our supply chain engagement with brands, suppliers, designers and architects, we seek to identify sustainable, locally sourced construction materials that use recycled or repurposed products, low VOC paints, and have received third-party sustainability certifications.

We actively select and partner with suppliers, including Milliken and Interface, that are committed to leading the path toward a low-carbon, circular economy. We also work with EPA SmartWay® logistics providers to optimize sourcing and distribution of products such as furniture, fixtures and equipment to our construction and renovation projects in the United States. Over the past five years, we estimated cost savings of approximately \$265,000 through this program.

SUPPLIER EXCELLENCE SURVEY

Host launched a pilot [Supplier Excellence Survey](#) to engage with our furniture, fixture and equipment suppliers to better understand ESG initiatives, quality management and design and specification controls. Forty-five strategic tier 1 suppliers representing 71% of addressable spend participated in the survey. In 2020, Host conducted webinars to communicate survey results and initial supplier expectations, which will inform strategic supplier selections and procurement decisions.

For the second Supplier Excellence Survey launched in 2021, all strategic suppliers were invited to participate and questions were expanded to deepen its emphasis on supplier diversity and support property LEED certifications through procurement decisions.



LEADING-EDGE SUSTAINABILITY PRACTICES AND BIOPHILIC DESIGN

1 HOTEL SOUTH BEACH is at the forefront of leading-edge sustainability practices. Designed with biophilic design principles for both environmental and human health purposes, the hotel is LEED Silver-certified and used recycled materials—including reclaimed and repurposed wood from Alaska and Colorado—in its redevelopment. Energy and water consumption are monitored in real-time across the entire property.

The hotel also employs innovative waste measures including compostable room amenities and reusable wooden key cards to support its Plastic-Free Initiative, as well as a composting machine to separate organic waste. Additionally, the hotel has partnered with Food Rescue US to donate leftover food from events to nearby shelters and Debris Free Oceans to help eradicate marine debris.



ENVIRONMENTAL STEWARDSHIP AWARD

At our General Managers Meeting, we present an Environmental Stewardship Award to promote and recognize best practices among our operators.

The criteria for Host's Environmental Stewardship Award is based on the following three factors: reduction of carbon emissions, energy and water use; identification and implementation of value-enhancing, high ROI initiatives; and green building certification achievements.

The recipient of Host's Environmental Stewardship Award at the 2020 General Managers Meeting was **HYATT REGENCY MAUI RESORT AND SPA**, which is a LEED Gold EBOM-certified property. Host has invested and installed one of the largest rooftop photovoltaic solar systems in Hawaii, producing enough power for 2,144 homes for a year and providing over 10% of the resort's annual electricity. Additionally, we have upgraded to high-efficiency central plant and guest room HVAC systems and automated controls. The property increased its waste-to-landfill diversion rates to 75% and uses municipal greywater, instead of potable water, to irrigate its grounds.

Our Green Team

Since 2008, Host's dedicated and passionate Green Team has worked to champion sustainability in all areas of the company by promoting environmentally responsible practices at our corporate headquarters. This includes partnering with our building management company, fellow tenants and employees to encourage and implement sustainability programs. The team also educates and provides resources to employees on green practices and organizes annual employee events to commemorate Earth Day.

Host's Green Team has engaged our workforce to enable single-stream waste diversion and implement e-waste and ink toner cartridge recycling and collaborative document shredding programs. Host's Green Team ensures that our office systems and supplies reflect our values and commitment to environmental stewardship. This includes the purchasing of compostable eco-products, Fair Trade coffee, water filtration systems to replace bottled water, reusable shipping boxes and packaging materials, and Forest Stewardship Council-certified printers and copier paper.

RECYCLING AND REUSE AS PART OF HOST'S OFFICE MOVE



As part of the move to Host's new corporate headquarters in downtown Bethesda, Maryland and the decommissioning of our former corporate headquarters, we helped to recycle more than 100,000 pounds of electronic waste and furniture. We also offered employees the opportunity to purchase desk chairs and other furniture from Host's old office building for personal and home office use while working from home. Proceeds were donated to two charities: World Central Kitchen in support of food relief in our local community, and National Black Child Development Institute in support of their mission to improve and advance the quality of life for Black children and their families through education and advocacy.



100K+

RECYCLED POUNDS OF
ELECTRONIC WASTE AND
FURNITURE



\$3,000

FOR WORLD CENTRAL
KITCHEN IN SUPPORT OF
FOOD RELIEF



\$4,000

RAISED FOR NATIONAL
BLACK CHILD
DEVELOPMENT INSTITUTE

ENERGY & EMISSIONS

FAIRMONT KEA LANI, MAUI

Science-Based Target at 1.5°C Level of Ambition

Host is the first hospitality company and one of the first 20 companies globally to have its greenhouse gas emissions target approved by the Science Based Targets initiative (SBTi). Our third-generation 2025 target is in line with the SBTi's 1.5-degree Celsius ambition level, making Host the first hospitality company and among the first three real estate companies in North America to set emissions reduction targets in line with the Paris Agreement's highest level of ambition.

Since our 2008 baseline year, we have focused on improving energy efficiency within our hotels. We will continue to identify additional energy efficiency initiatives but also increase renewable electricity consumption to support Host's 2025 science-based GHG emissions target.

Host's absolute emissions reductions are the equivalent to sequestering more than 255,000 acres of forests in one year—more than 300 times the size of New York City's Central Park.³



³ Based on 2009-2019 pre-pandemic gains from our 2008 baseline. Estimated acres of forests sequestered is based on U.S. Environmental Protection Agency's GHG Equivalencies Calculator.

Energy Efficiency

Over the past five years, we have completed over 675 projects to help increase our energy efficiency. These projects include renewable energy investments, building automation systems, LED lighting retrofits, and HVAC and central plant enhancements. In 2020—while in the midst of the COVID-19 pandemic—we completed more than 100 projects that contributed to nearly 25,000 MWhs in estimated energy savings and avoided over 15,000 metric tons in estimated greenhouse gas emissions.

Host's portfolio-wide energy efficiency has benefited from the installation of intelligent demand side guestroom energy management systems. With an attractive payback period, these systems are currently in place at approximately 80% of our consolidated portfolio. Our energy efficiency initiatives are also supported by Host's investments in elevator and escalator modernizations and replacements of roofing, façade and window systems with improved insulation and reflective values.

We also continue to invest in maximizing the efficiency of HVAC and central plant systems. For example, the New York Marriott Downtown has upgraded micro-turbine controls and its energy management system to enable more efficient production of both electric and waste heat. Inefficient steam absorption chillers have been



replaced with staged electric stack chillers to manage and better respond to energy demands at the property. The project is expected to reduce energy intensity of the hotel by 24% and annual utility costs by approximately \$500,000.

100% of Host's properties in our consolidated portfolio are equipped with energy efficient technologies (including LED lighting and upgrades to HVAC and central plant systems).



ENERGY STAR® Ratings

We actively use ENERGY STAR ratings to help evaluate the performance of hotels compared to other properties in our key markets. In 2020, 97% of our hotels—including all our properties located in the United States—participated in the ENERGY STAR program. Over the past six years, we have increased our portfolio weighted average ENERGY STAR rating by nearly 25% before the COVID-19 pandemic.

The use of ENERGY STAR has been historically challenging for large, full-service and luxury hotels, compared with select service hotels and other building types,

INTERNET OF THINGS (IoT) ENERGY MANAGEMENT PROJECT



In 2020, Host began the second phase of its Internet of Things (IoT) Energy Management project, where we are leveraging cloud-based building analytic tools that use algorithms and machine learning based on information gathered from our hotel's building management systems to monitor energy performance in real-time and help identify and validate new energy ROI projects. During the first phase, five hotels participated in commissioning pilots where hundreds of sensors were used to gather system-level data to optimize building performance. In the second phase, the commissioning pilots will be expanded to a targeted set of additional properties.

Concurrently, during the COVID-19 pandemic, Host's Enterprise Analytics team utilized data from low occupancy hotels to perform an energy analysis benchmarking exercise to better understand the distinctions between fixed and variable consumption.

due to their extensive services, amenities and public space volume. We have supported the Sustainability Committee of the AHLA's initiative to help evaluate and advance the use of ENERGY STAR scores for the hospitality sector.

Renewable Energy

To support Host's science-based emissions target, we have set a target to achieve 30% consumption of renewable electricity by 2025. To support this target, Host's renewable energy strategy is focused on utilizing a mix of on-site and off-site renewable energy sources.

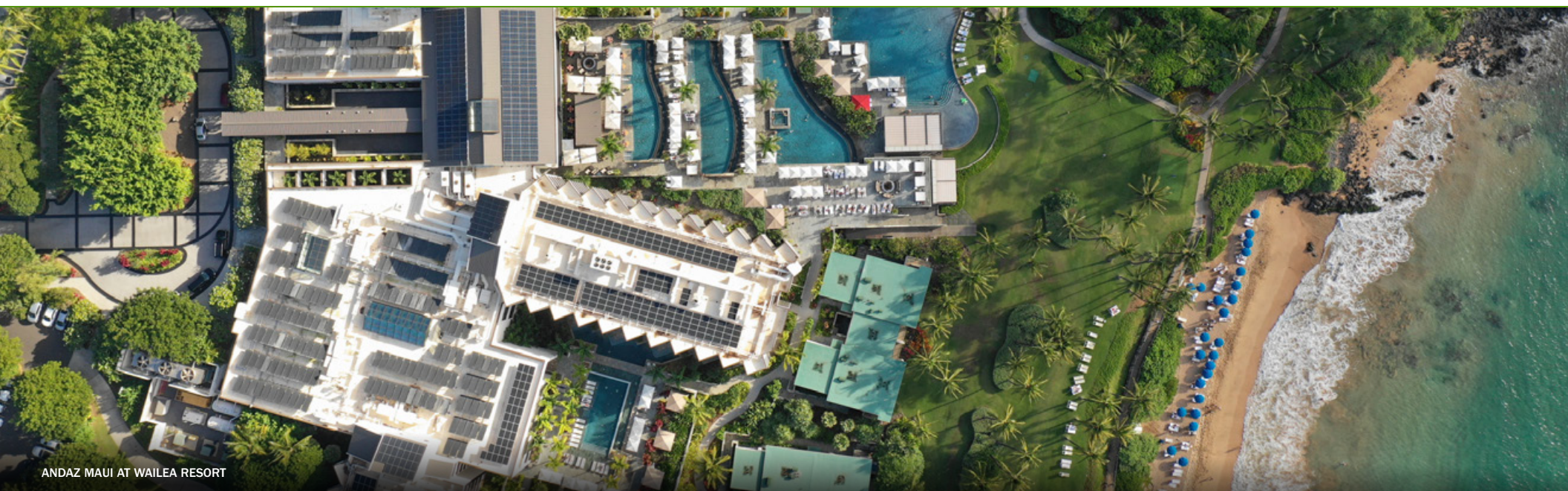
Our first phase of work toward achieving this target has been focused on on-site renewable energy generation. Host has now installed two megawatts of on-site solar photovoltaic (PV) systems totaling \$7.1 million of invested capital and leveraging \$3.9 million in renewable energy incentives. These investments have resulted in \$524,000 in estimated combined annual cost savings and 1,900 metric tons of associated annual emissions reductions. These solar PV systems are in place at Fairmont Kea Lani, Maui and Hyatt Regency Maui Resort and Spa.

Additional renewable energy investments in our portfolio include a 600-kilowatt solar PV system at The Phoenician, A Luxury Collection Resort, and solar thermal systems at the Andaz Maui at Wailea Resort, Manchester Grand Hyatt San Diego and Grand Hyatt Atlanta in Buckhead. We have also installed rooftop solar systems as part of our construction of AC Hotel Scottsdale North and additional villas at the Andaz Maui at Wailea Resort.

The second and most impactful phase of our work to reach 30% renewable electricity consumption will be accelerating our purchases of renewable energy credits from utility providers. As a sub-goal, by 2022 we aim to reach at least 10% of portfolio-wide electricity consumption from renewable sources through green power purchases. Concurrently, we plan to expand the number of on-site solar PV systems within our consolidated portfolio. New solar PV investments at three hotels in Washington, D.C. and one expansion project in Hawaii have been approved. We are also evaluating solar PV investments in California, Florida, Hawaii, Massachusetts and New Jersey.

Host's renewable energy investments have the current production capacity to power more than 460 homes annually.





Internal Price of Carbon

Host has continued with our pilot project to apply a shadow price to help prioritize investment decisions in energy efficiency technologies and low carbon energy sources. The shadow price is applied as part of Host's ROI Diagnostic Tool to develop our pipeline of sustainability investments.

We have decided to apply a fixed price of \$100 per ton in alignment with the recommendations set forth in a joint report of the World Bank and the International Monetary Fund. The price of \$100 per ton is designed to reflect the "true costs of carbon," including social implications associated with human health impacts. As market conditions evolve and we incorporate lessons learned from our pilot project, we will assess whether to include variance in the internal price of carbon that we use.

Electric Vehicle Adoption

In our role as an owner, we aim to support the adoption of electric vehicles (EVs). In 2020, Host began engaging with EV charging manufacturers to upgrade existing chargers at more than 25 properties, enabling data analytics to track

usage across properties. Led by a cross-functional team at Host, we plan to roll out this EV charging initiative to additional hotels in 2021. At our corporate headquarters, we also provide employees with on-site EV charging services.

Policy Advocacy

Host supports the efforts of Nareit, AHLA and RER to advocate for tax policies that incentivize investments in energy efficiency and decarbonization of buildings in the United States.

In 2019, a coalition of real estate and environmental organizations, including Nareit, AHLA and RER sent a letter to the U.S. Senate Finance Committee and U.S. House Committee on Ways and Means to advocate for the Energy Efficient Qualified Improvement Property (E-QUIP) category for depreciation of energy-efficient building equipment. In addition to ongoing engagement on E-QUIP, other activities include advocating for Congress to appropriate adequate funding of the EPA ENERGY STAR program to maintain the same level of services it provides to building owners, managers and tenants and supporting various bills to advance energy codes and efficiency in buildings and modernize the nation's electric grid.

WATER

THE WESTIN KIERLAND RESORT & SPA

Water Efficiency

Using Host's ISO 14001-certified management system, we continue to prioritize water efficiency in support of our 2025 target to reduce water intensity per occupied room by 25% from our 2008 baseline.

Over the past decade, we have installed low flow faucets, showerheads and toilets in guestrooms, public and back of the house areas across our portfolio. These investments have delivered substantial efficiency gains and cost savings. In 2020, we completed

Host's absolute water reductions are the equivalent to the size of over 1,000 Olympic-sized swimming pools.⁴



⁴ Based on 2009-2019 pre-pandemic gains from our 2008 baseline.

the installation of nearly 3,000 low flow toilets at The Westin Kierland Resort & Spa, New Orleans Marriott and Manchester Grand Hyatt San Diego with expected annual water savings of 12 million gallons of water. Host has also invested in upgrading commercial laundry plants with resource-efficient, fully-automated tunnel systems at The Ritz-Carlton, Naples and Orlando World Center Marriott. These systems maximize the use of recycled water and achieve up to a 40% reduction in water consumption, in addition to using less energy, fewer detergents and reduced wastewater.

Innovative Technologies

We employ innovative technologies to target landscaping and laundry service, which are two large sources of water consumption at our hotels. For example, Host has installed smart irrigation management systems that use cloud-based data to optimize watering schedules based on weather forecasts and landscape-specific parameters. Sophisticated irrigation systems on many of our golf courses enable the control of individual sprinkler heads to deliver water with



THE PHOENICIAN, A LUXURY COLLECTION RESORT

pinpoint precision and avoid overwatering. We have also implemented on-site wastewater laundry recycling systems and high efficiency laundry equipment, which are estimated to use 70% less water.

We continue to identify compelling new methods to further reuse and recycle water. For example, we use reclaimed non-potable water for the irrigation of golf courses and property grounds at Orlando World Center Marriott, The Westin Kierland Resort & Spa, Hyatt Regency Maui Resort and Spa and The Phoenician, A Luxury Collection Resort. And at Grand Hyatt Atlanta in Buckhead, a rainwater collection system is used to supplement the property's landscaping needs.

100% of Host's properties in our consolidated portfolio are equipped with water efficient technologies (including low flow fixtures).



Major Renovation Projects

Several of Host's properties feature world-class, championship golf courses on-site. The maintenance of these pristine golf courses often requires significant

withdrawals of water. As part of Host's recent renovation at The Phoenician, A Luxury Collection Resort, we reduced the golf course from 27 to 18 holes and significantly decreased our water footprint by eliminating 45 acres of water-intensive turf. To further optimize water consumption, the course employs dry retention basins designed to collect, store and reuse rainwater from the surrounding development as part of the golf course irrigation system.

Context-Based Approach

As part of Host's 2025 water efficiency target, we have established a context-based sub-goal to prioritize water initiatives at our top-10 properties with high water risk.

In 2020, we completed Host's first formal, portfolio-wide water assessment. We used the World Resources Institute's Aqueduct Tool to identify hotels located in areas with either high or extremely high baseline water stress. Based on the assessment, we are initially prioritizing a set of high-priority hotels in Arizona, California, Colorado, Florida and New Jersey. In addition to reducing water intensity at these hotels, we are identifying further stakeholder engagement opportunities with hotel operators, suppliers and community organizations to support Host's 2025 context-based water goal.

WASTE

Construction Waste

In 2020, Host diverted waste from 91% of major renovation projects. During the 2020 construction of AC Hotel Scottsdale North, 77% of construction and demolition waste was diverted from landfill. We have prioritized construction waste reduction and make purchasing decisions in support of reduced waste whenever possible. This focus on construction waste reduction also supports our responsible investment strategy through associated cost savings.

Since 2014, we have diverted more than 30,000 tons of wall coverings, carpet, carpet pad, case goods, mattresses and other materials from major renovation projects. We also analyze the use of roof coating systems as an alternative to roof replacements and as a waste diversion strategy.

Waste diverted from development projects since 2014 is the equivalent to the capacity of more than 5,000 garbage trucks.



Operational Waste

We collect waste data directly from brands and engage with our brands to support the deployment of best practices to reduce operational waste—including paper, plastic, food and electronic waste—at our hotels. We also benefit from brand targets to reduce waste. For example, approximately 70% of our hotels are managed under the Marriott brand, which has set a target to reduce waste-to-landfill by 45% from 2016 to 2025. Individual hotels also set waste reduction targets. Notably, Hyatt Regency Maui Resort and Spa has reached 80% waste diversion as part of its Zero Waste Journey initiative—doubling its diversion rate over the 2-year period.

In 2020, 78% of our portfolio reported waste data with over 40% of operational waste diverted from landfill.



AC HOTEL SCOTTSDALE NORTH



REDUCING FOOD WASTE USING ARTIFICIAL INTELLIGENCE

At **THE DON CESAR**, new technology has been installed that utilizes artificial intelligence and visual recognition to look at food waste, identify which items are being discarded and then analyze the cost of that waste. This food waste weighing calculation system is comprised of both a physical scale and a software system that weighs food waste by component parts coming out of the main restaurant. Based on information output, changes to portion size or non-sellers can be made to limit overproduction, reduce waste and improve profitability. Host is exploring opportunities to pilot this new technology at additional hotels within our portfolio in the future.

Food Waste

Our managers utilize innovative methods to divert food waste from landfills, which includes composting, on-site food bio-digesters, donations to local pig farms and converting food waste into livestock feed. Denver Marriott Tech Center participated in the Hotel Kitchen food waste pilot, an initiative developed by the World Wildlife Fund (WWF) and AHLA, with support from The Rockefeller Foundation. The result of the pilot informed the development of a toolkit with innovative strategies to engage hotel owners, property teams and guests in cutting waste from hotel kitchens.

Single-Use Plastics

We continued to deepen our partnerships with the brands and independent operators that are responsible for daily operations at our hotels to eliminate plastic straws and transition to reusable bulk amenities—which not only reduce waste but also protect the health of land, oceans and waterways. Marriott, Hyatt, Accor and Hilton have each committed to either reduce or stop using single-use plastic straws and toiletries. Several hotels in our portfolio have reduced or completely removed the use of plastic water bottles by making reusable bottles and water stations readily available to guests. For example, guests at Hyatt Regency Maui Resort and Spa are given a reusable water bottle to fill at water stations located conveniently throughout the facility, thereby avoiding the use of about 400,000 bottles a year. W Seattle is also transitioning to 100% compostable cutlery, plates, bowls, glasses and cups for its back-of-house operations.



400K

BOTTLES A YEAR
AVOIDED



2M+

POUNDS OF
USED OIL RECYCLED

Kitchen Oil Recycling

In 2020, our hotels continued to recycle kitchen oil for conversion to fuel. This is an emerging best practice that Host continues to expand throughout our portfolio of hotels. Our operators recycled more than two million pounds of used oil from 44 of our properties since 2018, which is the equivalent of removing nearly 350 cars from the road annually.

BIODIVERSITY

Development, Design and Construction

While Host's core business is to buy, own and sell hotel real estate, we also seek to maximize the value of real estate within our existing portfolio. These initiatives include hotel expansion, timeshare or residential development on excess land, redevelopment or expansion of meeting space, restaurants and retail space and the acquisition of development entitlements for under-utilized land.

We recognize that development, redevelopment and renovation activities can impact biodiversity. Therefore, Host is committed to maintaining biodiversity of surrounding environments and engages with third-party consultants to perform Environmental Impact Studies and Site Assessments to ensure that development, construction and future operational activities are in strict adherence with all applicable environmental laws and plans are developed to minimize impact.

We seek to integrate industry-recognized sustainability guidelines—most notably the LEED standards—in our development, redevelopment and renovation projects. LEED certification is assessed in all major projects and we partner closely with our operators, procurement firms, LEED-accredited architects, engineers, designers, consultants and in-house staff on execution. For example, as part of our new renovation project at The Ritz-Carlton, Naples, we have designed the outdoor lighting systems to Backlight, Uplight, and Glare (BUG) Ratings to minimize potential disruptions to local turtle populations. This design specification also aligns with LEED criteria.

Portfolio-Wide Biodiversity Assessment

In 2020, we conducted Host's first portfolio-wide biodiversity assessment. Our hotels were assessed based on proximity to World Conservation Union (IUCN) designation I-IV sites, UNESCO Natural World Heritage Sites, UNESCO Man and the Biosphere Reserves and wetlands designated under the Convention on Wetlands of International Importance—also known as the Ramsar Convention. The biodiversity assessment also considered potential upstream and downstream impacts. We have identified six properties located in Hawaii and Florida that are in IUCN IV protected areas.



CONSERVATION MEASURES IN HAWAII

FAIRMONT KEA LANI, MAUI (above) is located within the Humpback Whale National Marine Sanctuary and Molokai Island Marine. To protect the critically endangered Hawksbill sea turtle, the hotel has partnered with the United States Fish and Wildlife Service and the Hawaii Department of Land and Natural Resources' Dawn Patrol Volunteer Program. Fairmont Kea Lani, Maui has also helped to plant 100 native trees to support rebuilding habitats along the slopes of the Haleakala volcano. Additionally, the hotel's staff engages in daily beach clean-ups and provides complimentary reef-friendly sunscreen to guests.

HYATT REGENCY MAUI RESORT AND SPA is also located within the Humpback Whale National Marine Sanctuary and Molokai Island Marine. Biodiversity protection measures at this property include beach erosion and restoration efforts along 300 feet of shoreline, the implementation of stormwater management features and guest education on proper sunscreen use to minimize potential impacts on the nearby reef ecosystem. Guests are also invited to participate in an on-site, self-guided sustainability tour.

Industry Engagement and Partnerships

Host is an active participant in the Urban Land Institute (ULI), which works to provide leadership in the responsible use of land and in creating and sustaining thriving communities worldwide. Host's executive vice president of development, design & construction; vice president of capital expenditures; and vice president of energy and sustainability have helped to develop ULI whitepapers to advance sustainability best practices within the real estate industry.

Host is also an active participant in the Real Estate Roundtable (RER), whose Sustainability Policy Advisory Committee focuses on advancing sustainable development policies that encourage progressive land use, including brownfield redevelopment and transit-oriented development.

Host was an initial investor and is a lodging REIT anchor partner at Fifth Wall, a leading-edge venture capital firm focused on redefining how the world interacts with the built environment. Through this affiliation, Host is investing in advancing sustainability through new technologies within the real estate industry.



Combatting Deforestation

We recognize the importance of protecting forests, which are under threat and critical to addressing climate change due to their role in storing and capturing greenhouse gas emissions and regulating climate. Timber is the most relevant forest risk commodity within our supply chain. In 2020, Host continued to partner with our largest furniture suppliers to increase our procurement of products that either have Forest Stewardship Council (FSC) certification or align with best practices advocated within leading certification frameworks.

The Future of Food

Across our portfolio, our hotel managers are accelerating initiatives to serve food that is locally, sustainably and/or regeneratively sourced. For example, Grand Hyatt Washington has transformed its menu to prioritize the sourcing of Marine Stewardship Council-certified salmon, grass-fed beef, naturally-raised

chicken and organically-farmed local produce. In 2020, approximately 95% of fish served to guests at Fairmont Kea Lani, Maui was also locally sourced.

As pollinators, bees provide critical ecosystem services for food production. In recent years, the world's populations of bees have been in rapid decline. To address this problem, San Francisco Marriott Fisherman's Wharf is engaged in a beekeeping initiative, which, in 2020, produced nearly 200 pounds of honey that was served to guests or donated.

Orlando World Center Marriott features a 1,500 square foot hydroponic system with the capacity to grow up to 25,000 plants—including lettuce, fruits and herbs—in a soil-free environment that also offers filtered air and water. As a result of the recirculating water system, the hydroponic system also uses 90% less water than traditional farming methods.



GROWING FOOD ONSITE

EMBASSY SUITES BY HILTON CHICAGO DOWNTOWN MAGNIFICENT MILE has transformed its atrium into a greenhouse for urban farming. Utilizing plentiful natural light, the property's Sky Garden is able to grow nearly 1,000 individual plants and herbs annually and provides both a compelling food source and green space for guests. The Sky Garden has been recognized as the largest indoor greenhouse in a commercial building in the City of Chicago.

SOCIAL RESPONSIBILITY



HEALTH & WELL-BEING

Our Hotels

The health, safety and security of hotel guests and workers are always the highest priority for our third-party hotel management companies that are responsible for daily operations at our hotels. And in a post-pandemic environment, promoting health and well-being at our hotels is even more critical to Host.

In our role as an owner, Host works closely with these hotel operators to monitor their performance and execution of identified opportunities and best practices—including conducting on-site audits and technical assessments, aligning with ISO 45001 and OHSAS 18001 management principles and taking the recommended COVID-19 safety precautions for guests. Host's Asset Management team also conducts site visits to ensure there are no safety hazards, in addition to reviewing health and safety performance metrics with hotel operators, including worker's compensation expenses and the number of incident-free days.



Learn more about Marriott's [Commitment to Clean](#), Hyatt's [Global Care and Cleanliness](#), Accor's [ALLSAFE](#) and Hilton's [CleanStay](#) programs to protect the health of guests during the COVID-19 pandemic.

BUSINESS GROWTH FROM WELLNESS EXPERIENCES

The Global Wellness Institute has cited wellness tourism as a \$639 billion industry with a projected increase to \$919 billion by 2022. In collaboration with our brands, Host is capitalizing on this trend and is increasingly emphasizing wellness as a competitive differentiator.

The Westin brand is embracing wellness and biophilic design, a philosophy focused on a connection with nature to promote creativity, health and well-being and reduce stress. Host is incorporating these brand standards into current and upcoming Westin-branded renovation designs. Our Westin properties have also launched an industry-leading "Let's Rise" wellness campaign.



WELL-BEING AND THE GUEST EXPERIENCE

With oversight from Host's Asset Management team, our operators are also increasingly integrating health and well-being into the guest experience. Examples of these offerings include healthy and organic food options, the option to have in-room air purifiers, the option to select a hypoallergenic room, as well as rooms with workout equipment and on-demand streaming fitness programs. In support of wellness initiatives, Host has invested in state-of-the-art equipment and cutting-edge services to enhance the spas and fitness centers at our resorts, such as **MARRIOTT MARQUIS SAN DIEGO MARINA** (above), which features Pelotons and daily instructor-led fitness classes. Several of our other hotels offer a guest package with in-room Pelotons, accompanied by spectacular views and post-workout snacks.

Development, Design and Construction

During the development, design and construction of properties, we identify and execute on opportunities to enhance the health, well-being, safety and satisfaction of the guests who will stay at our hotels. Our operators regularly monitor indoor air quality, test for legionella and perform general safety inspections. We also make capital investments to comply with regulations including the Americans with Disabilities Act (ADA) Standards for Accessible Design. To define expectations and procedures for contractors, we utilize our Safety Management for Managed Construction Project Policy and Renovation Checklists.

We also engage construction contractors who are focused on safety and provide Host with regular reporting on safety performance on-site at renovation projects.

Our Employees

Host is strongly committed to protecting the health, safety and well-being of our employees. Our holistic wellness program is designed to promote and support the physical, mental and emotional health and wellness of our employees. Free preventive care services—including flu shots, routine check-ups and screenings and health service discounts—are provided through our company's insurance provider. In addition to these health benefits, we also proactively invest in ergonomics to ensure office comfort and safety.

WELLNESS SERVICES FOR OUR EMPLOYEES

- Interactive wellness portal to track physical, mental and financial health, fitness, nutrition and other indicators of health and well-being
- Health risk assessments, flu shots and biometric screenings
- Mental health coverage and enhanced mental health and wellness support through the Employee Assistance Program
- Access to health coaches via phone consultations
- Competitive incentive program to reward healthy behaviors
- Workplace ergonomic consultations and use of sit-stand desks
- On-site fitness facility; and monthly subsidy for fitness classes including yoga, Pilates, cycling and Crossfit
- Special wellness events such as a company walking challenge



Through our healthcare provider, employees also have access to telehealth services, weight management and tobacco cessation programs, fitness club memberships, acupuncture, chiropractic care, massage therapy and the Healthyroads™ mind/body program. Employees may select from two health insurance plans with either a flexible spending account or health savings account option.

Prioritizing Mental Health During COVID-19

In 2020, Host expanded our available resources to support the mental health and well-being of our employees during the COVID-19 pandemic. Through our healthcare provider, we offered an expanded offering of up to six confidential sessions with licensed clinicians to support emotional wellness along with virtual meetings with counselors and informative webcasts to help employees deal with COVID-19 anxiety, fears and concerns. Employees were also able to participate in a virtual lunch and learn focused on managing anxiety, and strategies and tools to handle the stress and the myriad of emotions related to the pandemic. Additionally, guidance and resources were provided specifically for people managers to assist them with managing remote teams and supporting employees' health and well-being during stressful times.

Through our Virgin Pulse app, employees had access to additional resources focused on staying active, reducing stress, staying productive, sleeping well and eating healthfully. These resources included virtual exercise classes and Whil, a mindfulness, sleep and well-being solution focused on emotional intelligence, calmness and relaxation techniques.

Benefits Programs

Our benefit programs are designed to meet the needs of our workforce and support our employees and their families by offering comprehensive and competitive programs that provide flexibility and choice in coverage. Benefits span from health and wellness programs to flexible work arrangements, paid parental leave, adoption and surrogacy assistance, employee stock purchase plan, 401(k) matching, tuition reimbursement and hotel discounts. Additional employee benefits include income protection such as disability and life insurance as well as an employee assistance program.

Learn more about Host's [Total Rewards](#) for our employees.



FITWEL-CERTIFIED CORPORATE HEADQUARTERS

In 2020, Host's new corporate headquarters was certified as a Fitwel Multi-Tenant Whole Building, a leading certification system committed to building health.

Host's corporate headquarters features a Wellness Room and Mother's Rooms with breast pumps and pumping supplies for new mothers. We also provide employees with sit-stand desks, dual monitors and ergonomic chairs in their workspaces as well as on-site ergonomic consults.

The design of Host's corporate headquarters promotes collaboration, communication and community to connect and engage our employees. We integrated intentional design features and amenities to foster relationship building and the valuable informal interactions that arise from people not sitting at their workstations all day. Examples include an open floorplan and central rotunda (which we call the "office heart") and casual seating areas around centralized amenities, such as pantries, for informal meetings.

Work-Life Balance

In more typical years, we encourage work-life balance and provide employees with flexible schedule options, including flex time with non-traditional in/out-of-office hours. This includes paid time off in addition to holidays and reduced working hours during Host's "Summer Fridays."

In 2020, we focused on mental health and well-being and support for our employees, including offering increased flexibility and extending "Summer Fridays" to span from June to December to support and promote healthy employee work-life balance while working from home during the COVID-19 pandemic. We also offered increased flexibility via a relaxed Paid Time Off (PTO) policy during the pandemic. From March 2020 through December 2021, employees do not have to use PTO if they are unable to work because they are sick with COVID-19, caring for a family member who is sick with COVID-19 or covering virtual schooling responsibilities, which many of our employees with children faced.

Parental Leave and Family Support

Host provides eight weeks of paid parental leave to employees for the birth, adoption or placement of a child for foster care. This time off can be taken consecutively or in smaller increments at the employee's discretion. For employees that take the eight weeks of Parental Leave consecutively, we also offer a four week return to work transition period during which they may work 80% of their weekly scheduled hours at full pay. Our goal is to provide our new parents with a balanced and manageable return to full time work.

To further support parents, a flexible spending account (FSA) option for dependent care is provided to employees. Additionally, Host's adoption and surrogacy assistance program enables eligible employees who meet the program's conditions to be reimbursed up to \$25,000 per child for qualified expenses.

HUMAN RIGHTS

Our Commitments

Respect for human rights is at the core of our values at Host. We believe that we have a responsibility to manage our business in a manner consistent with fundamental human rights and to help advance the protection and promotion of human rights within the communities in which we operate.

We strive to respect and promote human rights in accordance with the United Nations Declaration of Human Rights in our relationships with our employees and the companies we do business with.

These commitments are codified in Host's [Human Rights Policy](#) and [Supplier Code of Conduct](#).

Due Diligence Processes

Host performs due diligence background checks regarding all joint venture partners, hotel operators and similar third parties. Additionally, Host has developed its [Supplier Excellence Survey](#) to evaluate supplier practices in support of international human rights standards and the existence of grievance mechanisms. The survey is also used to evaluate our suppliers' practices to protect, respect and remedy human rights within their own supply chains. Additionally, we utilize third-party procurement firms to further vet Host's suppliers.

Risk Assessments

Approximately 84% of the hotels in Host's consolidated portfolio by room count are managed by Marriott and Hyatt, each of which conduct ongoing human rights risks assessments for their workers at hotels owned by Host. The remaining 16% of hotels are managed by Hilton, Accor and best-in-class independent operators of boutique hotels. Each of the brands report on risk assessments and follow-up actions in alignment with the UK Modern Slavery Act requirements.

Marriott maintains an executive-level Human Rights Council to advance its human rights policies and programs, and implements an ongoing risk management process to identify, prevent and mitigate relevant human rights risks. Hilton has embedded human rights due diligence into its Enterprise Risk Management System and is focused on creating and partnering with cross-industry networks to support policies for advancing international human rights as part of its 2030 Travel with Purpose goals.

To support brand risk assessments, Host has conducted its own human rights risk assessment, based on our investments and identified stakeholders. As part of the human rights risk assessment, we evaluated trends regarding reported human trafficking cases within our key markets. Reported cases were most prevalent in California, Texas, Florida, New York and Georgia.

5-Star Promise for Hotel Workers

In 2018, Host supported the development of and became the first lodging REIT to formally sign the AHLA's 5-Star Promise as an owner to advance safety, non-discrimination and human rights within the hospitality industry. Host also actively supports the AHLA Worker Safety Initiative. Additionally, Host's brand partners—Marriott, Hyatt, Accor and Hilton—are signatories to the AHLA 5-Star Promise.

AHLA'S 5-STAR PROMISE

- Industry-wide training on safety, security and advancement of diversity
- Anti-sexual harassment policies in multiple languages
- Worker training on identifying and reporting sexual harassment
- Worker safety devices for U.S. hotel employees
- Partnerships to combat sexual assaults and human trafficking



Training

Each of our brands continue to accelerate and advance human rights training for hotel workers at Host's properties:

In our role as asset managers, we will continue to monitor that our operators are following through with their commitments on training and education.



Remediation Actions

A major part of our human rights work has been collaborating with our hotel operators to combat sexual harassment at our hotels. As a lodging REIT, Host is not allowed to operate or manage its hotels pursuant to specific provisions of the U.S. tax code. We must hire eligible independent contractors to do so, and, accordingly, we engage the premier companies in the hospitality industry to operate and manage our hotels under long-term contracts.

Within our tax framework, we work with the hospitality industry and our operators to address worker safety risks and sexual harassment. We have played an active role in the hospitality industry's emergence as a leader in this area.

A key element of the 5-Star Promise is to provide hotel employees with wireless safety devices—sometimes known as panic buttons—to alert security in the case of inappropriate behavior by hotel guests. In 2020, Host completed installation of these safety devices across our portfolio.⁵

Host's Asset Management team also works with our operators to ensure the development and implementation of effective policies and practices to promote worker safety and prevent sexual harassment in our hotels.

(Remediation Actions continued on page 42.)

⁵ Excludes our properties in Brazil.

BRANDS

HUMAN RIGHTS TRAINING HIGHLIGHTS



Marriott has made human trafficking awareness training a requirement for all of Marriott's on-property employees and has trained more than 725,000 associates on human trafficking awareness to date. Marriott's comprehensive training addresses human trafficking, child exploitation and forced labor. This training is available in 15 languages.

The purpose of Marriott's human rights training is designed to raise awareness of all forms of human trafficking and educate employees on the indicators and what they can do if they suspect potential issues.



Human trafficking training is a brand standard for all Hyatt hotels, including franchisees, and is available in 12 languages. These training modules are integrated into new hire orientations at Hyatt's managed properties, are a part of mandatory compliance training for key functions and are made available to franchise partners who must offer this or another equivalent training.

Additionally, an enhanced version of the training for global security teams is in place to equip them to work with potential victims and authorities when a situation is reported.



As part of its WATCH program, Accor provides its workers with a variety of training and awareness-raising tools at the hotels, which target different groups including general managers and team leads. Films, e-learning modules, training modules and guideline sheets are used and are available in a variety of languages.



In 2020, 100% of Hilton's U.S.-managed hotels delivered harassment-free workplace training and diversity and inclusion and unconscious bias training. Hilton also developed a training module on modern slavery risks in labor sourcing, which they made available for the entire industry, in collaboration with the International Tourism Partnership.

Over the past four years, there has been a low incidence of formal sexual harassment complaints at our hotels managed by our two major operators, Marriott and Hyatt.⁶ While we are pleased that the number of formal reported complaints is low, we are aware that studies indicate that workplace harassment is underreported. We will continue to work with our operators to strengthen policies, procedures and training, and to ensure effective investigations of complaints. Our objective is to create an environment where employees of our hotel managers at our properties feel comfortable coming forward to report sexual harassment without fear of retaliation.

KEY PARTNERSHIPS

As part of the 5-Star Promise, our industry and brands have committed to broaden vital partnerships with wide-ranging national organizations that target sexual violence and assault and trafficking and promote workplace safety, including the National Alliance to End Sexual Violence, ECPAT-USA and Polaris.

Host has continued to make financial contributions to support critical organizations that are at the forefront of driving solutions to protect vulnerable groups, including children at risk for sexual exploitation.



\$11,000

FOR PHOENIX DREAM CENTER
TO HELP 30 HUMAN TRAFFICKING
VICTIMS RECOVER

⁶ In 2020, based on information provided by Marriott, there were no formal sexual harassment complaints at our Marriott-managed properties. Formal complaints would include attorney demand letters, equal employment opportunity (EEOC) federal and state administrative charges and lawsuits. There were two formal sexual harassment complaints in 2017, none in 2018 and one in 2019 at our Marriott-managed properties. All have been resolved and all settlements included customary non-disclosure language. Our second largest hotel operator is Hyatt and, according to Hyatt, there were no formal sexual harassment complaints at Host's Hyatt-operated hotels in 2017, 2018 or 2019 and one EEOC complaint in 2020 by an employee of a third-party vendor operating at the hotel.



PREVENTING HUMAN TRAFFICKING

During Host's 2020 General Managers meeting in Scottsdale, Arizona, Host connected with the local community and helped raise awareness about how the hotel industry can prevent human trafficking by partnering with the Phoenix Dream Center.

The Phoenix Dream Center helps human trafficking victims by providing outreach, safe housing and specialized programming including therapeutic healing centers, education services and more.

To support the recovery and rehabilitation of the victims and their families, Host donated over \$11,000 to the Phoenix Dream Center, which will help 30 girls recover from human trafficking. The funds will provide recovery costs to help a young girl get out of her human trafficking trauma and into the recovery program—including transportation and emergency medical assistance, as well as additional security coverage while the young girl is in transition.

COMMUNITY ENGAGEMENT

Our Key Markets

Host owns a geographically diverse portfolio of hotels within major urban and resort destinations with 99% of our revenues coming from properties in the United States.

We maintain the largest presence in the following states and districts:

LOCATION OF KEY MARKETS	NUMBER OF HOTELS	% OF 2020 REVENUE ⁷
Florida⁸	11	27%
California⁹	15	22%
Arizona	4	9%
Hawaii	4	8%
New York	3	7%
Washington, D.C.	5	4%
Massachusetts	3	3%

Host's Asset Management; Development, Design & Construction; Enterprise Analytics; Investments; Risk Management; and Corporate Communications teams work collaboratively to monitor community health and prosperity within our key markets. We assess local economic growth and sustainable development initiatives—including transportation and green spaces—as well as specific social issues within communities—including affordability, crime and homelessness.

⁷ 2020 revenue by market reflects occupancy levels during COVID-19 pandemic.

⁸ Includes Florida Gulf Coast (12% of 2020 revenue) and Orlando (4% of 2020 revenue), Miami (7% of 2020 revenue) and Jacksonville (3% of 2020 revenue).

⁹ Includes San Francisco / San Jose (8% of 2020 revenue), San Diego (8% of 2020 revenue), Los Angeles (4% of 2020 revenue) and Orange County (1% of 2020 revenue).

Role of Tourism in Local Economies

Tourism is a powerful accelerator to create social and economic value with our key markets. Prior to the COVID-19 pandemic, the World Travel & Tourism Council estimated that 10.3% of global GDP is supported by the travel industry's direct, indirect and induced impacts.¹⁰ In leisure markets like Hawaii, the social and economic benefits from travel are even more pronounced.

The general managers at Host's properties often play an important role in driving local economic development while simultaneously addressing social challenges. For example, in 2020, the general manager at Andaz Maui at Wailea Resort served as chairman of the Hawaii Tourism and Lodging Association, which developed the Safe Travels program in Hawaii to facilitate the re-opening of tourism during the COVID-19 pandemic.

(Role of Tourism in Local Economies continued on page 44.)



AFFORDABLE HOUSING IN HAWAII

Host joined other REITs operating in Hawaii to establish and contribute to the Nareit Hawaii Community Giving Initiative of the Nareit Foundation, a charitable campaign dedicated to supporting affordable housing projects in Hawaii. Through the campaign, over \$1 million in grants have been awarded to local non-profits with programs that will create and supplement affordable housing solutions and improve the quality of life for families in Hawaii.

In 2020, a grant was awarded to Pu'uuhonua O Wai'anae in support of its community-based plan to provide affordable housing for homeless residents living in tents at Waianae Boat Harbor and to help build a permanent village of affordable homes. An additional grant was awarded to the Hale O Hawai'i community land trust to construct a new, affordable home for a family displaced by the Kilauea volcano eruption, with construction expected to begin this year. In 2021, a grant was awarded to Honolulu Habitat for Humanity to build six new, affordable single-family homes this year in the Waimanalo and Papakolea communities, two of which will be for veteran families.

¹⁰ 2019 Economic Impact Report — <https://wttc.org/Research/Economic-Impact>



THE LEGENDARY “PINK PALACE”

An iconic Florida landmark known by locals as the Pink Palace, **THE DON CESAR** completed a three-year transformational renovation aimed at connecting the Roaring ‘20s to the 2020s. The hotel was opened at the height of The Great Gatsby era in 1928 and has a long list of famous guests including F. Scott Fitzgerald, Al Capone, Lou Gehrig and Franklin D. Roosevelt. In 1942, the hotel was converted into a military hospital for veterans returning from war and later a Veterans Administration headquarters. It was placed on the National Register of Historic Places in 1974 and was a founding member of Historic Hotels of America in 1989.

The travel industry is also uniquely positioned to support local businesses and foster entrepreneurship and new business ventures, with 80% of economic impacts distributed to small and medium-size enterprises.¹¹

Preservation and Enhancement of Iconic Properties

Within Host’s investment strategy, we are focused on owning iconic and irreplaceable assets. As such, we consider the role that our properties play to support the culture, vibrancy and uniqueness of destinations.

As part of Host’s renovation at The Phoenician, A Luxury Collection Resort, we partnered with the Historical Preservation Office to restore and maintain the property’s historic Jokake Inn. The Jokake Inn was originally constructed by a local artist in the early 1900s and is considered an enduring symbol of the hospitality of the old Southwest.

Development, Design and Construction

Host considers social and economic impacts—such as pedestrian walkways, public art, traffic flow, crime and adjacent uses—and works closely with local regulators to address any potential community concerns prior to design and development. Our approach during the development and design phases considers the local community and regulatory input in addition to property-specific considerations. During construction, we consider a range of local community impacts, which may include noise, dust control, traffic, safety, and historical and cultural preservation. For example, as part of the construction of additional luxury villas at the Andaz Maui at Wailea Resort, we developed plans to help protect local beaches and archaeological sites, and we monitored ground vibration during excavation to ensure we did not impact neighboring properties. For new developments, we often follow the LEED process, which helps us to identify additional opportunities to create positive local community impacts during design, implementation and occupancy.

We monitor impacts through the establishment of site-specific plans and management systems to ensure compliance with local regulations and permits. Additionally, our projects are subject to federal, state and local codes. We monitor decibel levels, schedule construction activities during agreed-upon

¹¹ “Travel & Tourism as a Catalyst for Social Impact”, February 2021 — <https://wtcc.org/Portals/0/Documents/Reports/2021/Travel%20and%20Tourism%20as%20a%20Catalyst%20for%20Social%20Impact.pdf?ver=2021-02-25-183248-583>

hours approved by local officials and neighboring communities. On new construction projects, we have used alternative pile installation techniques to reduce noise levels. We also control dust through site treatments and develop traffic control plans that include routes for trucks and establish less intrusive times of day to have products delivered to construction sites.

Another major area of focus is the accessibility of properties. During the design phase of every major renovation project, we engage ADA compliance consultants to review existing accessibility and identify opportunities for improvements. Host has made substantial investments over the past five years to support compliance with ADA regulations and associated best practices.

Corporate Citizenship

Each year, Host directly supports communities through strategic and industry collaborations, sponsorships, financial contributions, emergency relief and volunteerism. We support organizations that align with our business priorities and corporate responsibility strategy, as well as the SDGs and causes that our employees care about.

Guided by our EPIC values, we strive to go above and beyond to support local communities, including where our corporate headquarters, offices and hotels are located. We are proud of our continued contributions and support of Host's long-term strategic partners—including local chapters of American Red Cross, Big Brothers Big Sisters, Habitat for Humanity and Junior Achievement—during the COVID-19 pandemic. (*Corporate Citizenship continued on page 46.*)

2020 CORPORATE CITIZENSHIP HIGHLIGHTS



165+

charities supported

116

employee-selected
community
investments

Year 5

of \$500,000, 5-year
pledge to support the
AHLA Foundation's
initiative to support
youth education and
training for careers
in the hospitality
industry

\$850K

donated to support
COVID-19 relief efforts
in all of Host's key
markets, with a focus
on hunger relief,
medical supplies and
industry recovery
efforts



TEAM EPIC SERVICE, CAPITAL AREA FOOD BANK

In 2020, nearly one-third of our total charitable contributions for the year were allocated to employee requests and programs. As an employee-driven program, we also match employee donations dollar-for-dollar (up to \$500 per employee per year) and support our employees' charities of choice. In 2020, approximately 60% of our employees participated in our unique employee giving program, where they nominate, select and make a contribution to a different charity each month of the year, and employee contributions are then matched by Host.

Sharpening Our Focus

To further support the SDGs and align with our corporate responsibility strategy and priorities, Host has refreshed our charitable giving focus areas:

GIVING CATEGORIES

Education and Youth Empowerment

Children and youth education, empowerment and career development—including mentorships, scholarships, entrepreneurship and workforce readiness



Environment

Environmental sustainability and the conservation, restoration and protection of natural capital



Health and Well-being

Promoting physical, mental and social health and well-being for various populations and communities, as well as disaster relief



Human Welfare

Supporting vulnerable populations as well as underserved, at-risk and disadvantaged communities; and protecting, promoting and advancing diversity, equality and inclusion



Team EPIC Service

Our Service Team is comprised of employee volunteers and helps plan, organize and lead community service events and activities for the company throughout the year. Additionally, volunteer events are organized by the company with organizations that align with our CR program and business strategies.

In 2020, Host's small staff of approximately 165 employees continued to make a big difference in our local community, supporting and participating in various company and employee-led community service events and virtual activities.

Virtual Service Events During the Pandemic

During the pandemic, we pivoted to virtual community service events, which included supporting those on the frontlines and local families impacted by COVID-19. For example, employees created digital thank you cards with messages of gratitude that were compiled and distributed to frontline healthcare workers at local hospitals. Additionally, we partnered with World Central Kitchen to deliver meals from local restaurants to emergency room staff.

Youth Education and Mentoring

Host has had a long-standing relationship with AHLA's Foundation to help support the development of the individuals and research that serve the hospitality industry. In 2020, we completed a five-year, \$500,000 pledge to the Opening Doors to Opportunity Campaign, which enabled the Foundation to strengthen its academic scholarship, professional development and industry research programs. Host's landmark contribution—alongside others—ultimately allowed for the expansion of career development programs by increasing the number of individuals served through the Foundation's programs by 1,000% and supported nearly 23,500 hotel employees along their career journeys by providing scholarships, skills development and mentoring.

Since 2014, Host has also served as a corporate partner with Junior Achievement of Greater Washington, which delivers programs to foster work-readiness, entrepreneurship and financial literacy skills. Over the past seven years, Host has volunteered at JA Finance Park® to help take middle school students through real-life scenarios where they were assigned a career, salary, credit score, debt, family and financial obligations. Guided by our employee volunteers, the simulation helps students to understand and experience the challenges of making real-life financial decisions that will lay the foundation for how they manage their financial responsibilities in the future.

Additionally, a group of about 20 Host employees serve as mentors to local elementary school students through Big Brothers Big Sisters of the National Capital Area. Host mentors maintained engagement with students via Zoom calls in 2020.



HOST'S STOREFRONT AND VIRTUAL SIMULATIONS AT JA FINANCE PARK

As a sponsor of JA Finance Park in Montgomery County—a reality-based mock city where students experience the challenges of making real-life financial decisions—Host employee volunteers designed and built out the entertainment storefront. During the 2019-2020 school year alone, more than 7,000 students were served in Host's storefront. For the 2020-2021 school year, Junior Achievement continued to serve students through Finance Park during the COVID-19 pandemic through virtual simulations. Host employees helped develop and test virtual curriculums to ensure students could continue to take part in these vital programs amid the shift to e-learning.

Support for Low-Income Families

Nearly 700,000 residents within the Washington, D.C. metro area are at risk of hunger, and 1-in-5 children are food insecure. This problem was only exacerbated during the COVID-19 pandemic. Safe and affordable housing is another challenge for low-income families in our local community. In 2020, Host completed its eighth year of supporting Habitat for Humanity Metro Maryland to help provide housing to local low-income families. Throughout our years of partnership, Host employees and executives have taken part in 12 Build Days including sending an all-female team to the Women Build event.



In 2020, Host employees participated in a virtual food drive in support of DC Food Project's "Weekend Bag Program," which provides students and their families with healthy non-perishable food items to last them over the weekend when they may not have access to food, especially with schools closed due to COVID-19. Host's employee volunteerism and financial support helped to provide 50,000 meals—feeding over 470 students and their families for up to 10 days. Host has also supported the Capital Area Food Bank, which is the largest organization in our community working to combat hunger and its root causes.



50,000

MEALS PROVIDED



470+

STUDENTS AND THEIR
FAMILIES FED FOR UP TO
10 DAYS



HELPING PEOPLE EXPERIENCING HOMELESSNESS

In early 2020, prior to the COVID-19 pandemic, approximately 35% of our workforce volunteered to make blankets and assemble more than 500 care packages with snacks and cards of encouragement for Bethesda Cares—a local organization dedicated to preventing and ending homelessness in our community.

HOLIDAY GIVING

At the end of 2020, in lieu of Host's traditional holiday gift giving event, we made a donation on behalf of our employees to five employee-selected local charities that help children and families in need—Casey Cares Foundation, Manna Food Center, National Center for Children and Families, The Children's Home and The Family Tree.

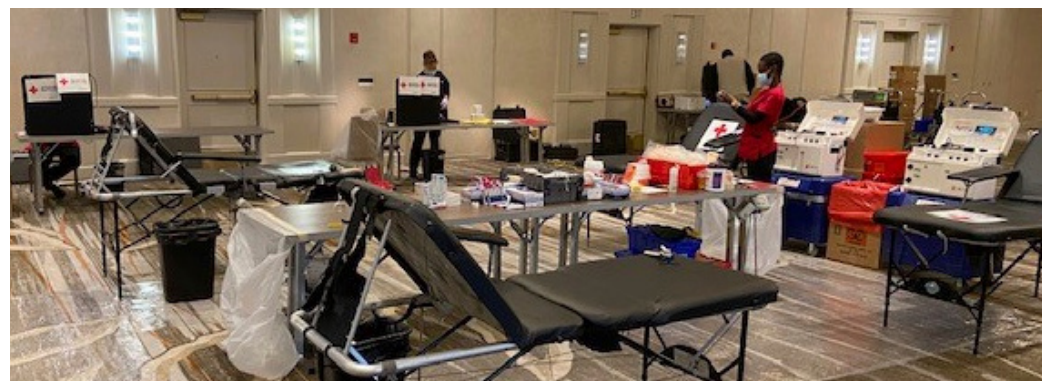


Disaster Relief

Host continues to support disaster relief in the United States and around the world. Host has a long-standing partnership with American Red Cross, National Capital & Greater Chesapeake Region, serving as a member of the Ready 365: Partners in Preparedness Giving Program.

Through our partnership with American Red Cross, Host makes contributions to support international, national and local relief efforts—including relief for hurricanes, earthquakes, flooding and other natural disasters. In 2020, we helped provide critical support to the people affected by the devastating wildfires in Australia.

To help rebuild facilities following a tornado, Host also provided financial support to our charitable partner Warrior Canine Connection, a local community organization that utilizes a mission-based trauma recovery model to help recovering veterans reconnect with life, their families, their communities and each other.



GIVING BLOOD DURING COVID-19

To assist with critical blood supply shortages as a result of COVID-19, Host partnered with the American Red Cross, National Capital & Greater Chesapeake Region to hold a blood drive at **GAITHERSBURG MARRIOTT WASHINGTONIAN CENTER**, a Host-owned property. While its operations were temporarily suspended, the hotel opened its doors to the local community by offering its unused ballroom space to host the drive. Throughout the three-day blood drive, a total of 147 donors volunteered to give blood, including 50 first-time donors. A total of 122 units of blood were collected, with the capacity to save more than 340 lives.

DIVERSITY & INCLUSION

Our Pledge for Action

We believe that racism, discrimination and intolerance have no place in our world, and are not tolerated at Host. We are committed to fostering a space where we listen, learn and act; treat each other as equals; show support and respect to each other and our partners; and encourage freedom of expression and understanding of differences. We appreciate that our employees' unique viewpoints, diverse backgrounds and experiences working together lead us to better business outcomes and we attribute this, in part, to our ongoing success.

Host's CEO has joined the CEO Action for Diversity & Inclusion™ coalition and personally pledged to continue to advance diversity and inclusion within our workplace. The scope of this pledge supports equity for all, including Blacks, Latinos, Asians, Native Americans, the LGBTQ community, people with different abilities, veterans and women.

**CEO ACTION
FOR DIVERSITY
& INCLUSION**

FOUR GOALS: CEO ACTION FOR DIVERSITY & INCLUSION PLEDGE

Make our workplace a trusting place to have complex, and sometimes difficult, conversations

Implement and expand unconscious bias education

Share best—and even unsuccessful—practices

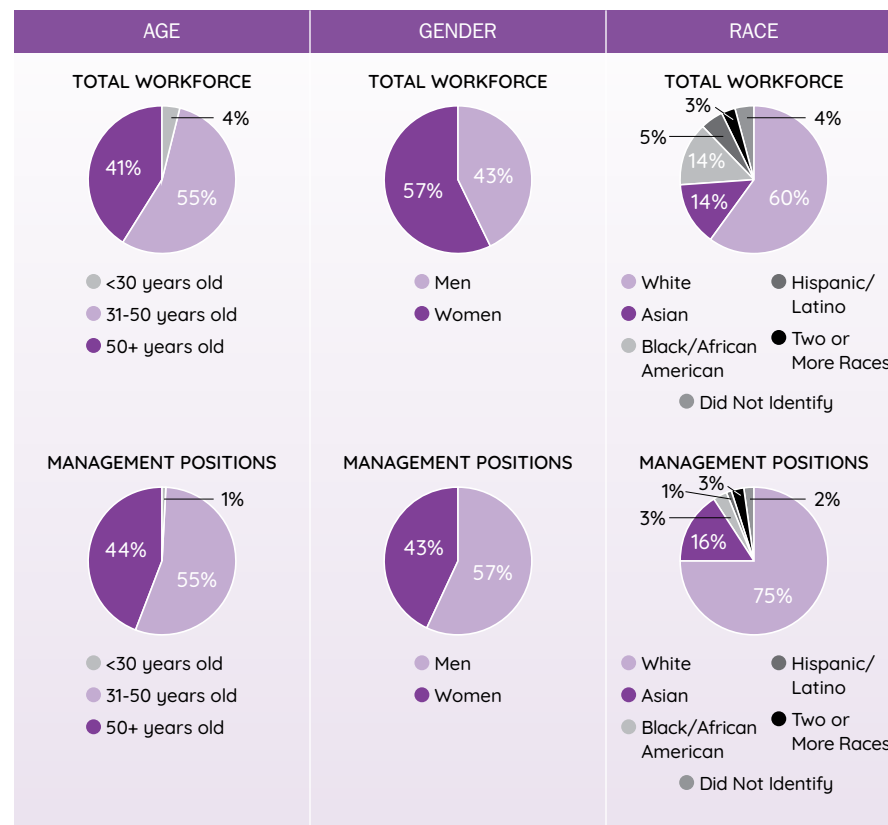
Have Board oversight for Host's action plans

Listening and Learning

In 2020, we initiated our diversity and inclusion (D&I) programmatic efforts to formally incorporate our current programs, culture, values, corporate responsibility endeavors and training while also establishing and expanding on a framework for how we look at diversity and inclusion at Host and in our communities. As one of the first steps to inform Host's long-term commitment to D&I, we conducted a series of exercises to both listen and learn. In 2020, 10 interviews were conducted with senior leadership, which were followed by seven focus groups with a total of 40 employees participating, representing approximately 25% of our workforce. We have also introduced the concept of unconscious bias via an introductory online training module with 100% employee participation. In 2021, we formally launched our D&I program with several robust celebratory and educational events to help employees better understand, appreciate and recognize our diverse employees

and communities—including the launch of a new discussion platform for employees to engage in open and honest dialogue on a variety of D&I topics.

2020 Workforce Composition¹²



43% of management positions at Host are held by women.



In 2020, 67% of our new hires were women and 67% were minority employees. Additionally, 55% percent of internal promotions were women and nearly 30% were minority employees.

¹² Data is based on Host's approximately 165 employees at corporate headquarters and regional offices, as of December 31, 2020.

Board Diversity

Host's Board is committed to a diversified membership in terms of professional background, experience, thought, perspective, age, tenure, gender and ethnicity. Five of the last seven Board members added are either women or bring diversity to the Board. Currently, 22% of Host's board members are women and 11% are ethnically diverse.

Pay Equity

Host utilizes compensation benchmarking surveys to monitor pay equity. We also review compensation across gender and ethnicity in addition to our overarching compensation practices. Additionally, in 2020, we embarked on a formal study on pay equity. We plan to utilize these results to inform future strategies and address any identified pay gaps within our workforce.

WOMEN'S INSPIRATIONAL NETWORK

Inspired by women leaders while attending AHLA's ForWard conferences to help advance women in hospitality, Host created the Women's Inspirational Network (WIN). Launched in early 2021, WIN is a new employee resource group for women intended to foster development and networking opportunities among women within Host's workforce. Events held by WIN have included hosting a Fireside Chat with two of our newest women leaders, book discussions and social networking happy hours. Another area of focus has been giving back to women in our local community through supporting female-focused charities, including partnering with N Street Village, a community of empowerment and recovery for women.



Supplier Diversity

Host has expanded its [Supplier Excellence Survey](#) to include more targeted questions on diversity. The results will be used to obtain baseline information on our supplier base, and to develop a procurement program in 2021 and beyond to support businesses with diverse, minority-ownership including women, minority groups, veterans, people with disabilities and the LGBTQ+ community.

Systemic Change

Host has a long-standing history of giving back and helping to strengthen our communities with a focus on at-risk communities and youth education, and we are working to develop additional holistic and integrated partnerships so we can more directly support our Black and Brown communities. We are encouraged by the recent actions that our operators have taken to address systemic disparities at several of our properties. In 2020, examples included the development of a new intern program designed to introduce minorities to the hospitality industry, goals to increase representation of women and minorities in leadership roles and action plans to increase spend with women-owned and black-owned suppliers.



MARRIOTT-SORENSEN CENTER FOR HOSPITALITY LEADERSHIP AT HOWARD UNIVERSITY

Host has pledged to support the new [Arne M. Sorenson Hospitality Fund](#). The fund, established by Marriott International, will support the programmatic and career development elements of the Marriott-Sorenson Center for Hospitality Leadership at Howard University, one of the nation's leading historically Black colleges and universities.

The Marriott-Sorenson Center for Hospitality Leadership will feature a world class program that expands educational and professional opportunities for Howard students and aims to build the next generation of leaders in the hospitality industry.

LGBTQ Community

Through Host's giving initiatives, we actively support charities working to support and empower LGBTQ communities. In 2020, we supported The DC Center for the LGBT Community, The Trevor Project and SMYAL (Supporting and Mentoring Youth Advocates and Leaders). Host is also a member of the Human Rights Campaign's Business Coalition for the Equality Act, which supports federal legislation that would provide the same basic protections to LGBTQ people as are provided to other protected groups under federal law.

HUMAN CAPITAL

Employee Engagement

The current average tenure of Host's employees is approximately 13 years, which we believe is a reflection of our employee engagement practices. Always looking to improve, Host continues to evolve and further strengthen our programs and practices to encourage individual contributions, reinforce Host's EPIC values and culture and maximize retention.

We hold regular all employee meetings to provide business updates and recognize our accomplishments. Prior to the COVID-19 pandemic, we introduced informal "stairwell chats" with our CEO to provide employees with the opportunity to gather together to hear about industry trends and timely company updates. In 2020, we increased the frequency of company-wide communications, including regular virtual all employee meetings to keep employees informed, engaged and connected while working from home. During the pandemic, we also utilized virtual meet-ups to come together—including a summer book club and walking challenge—and departments hosted various virtual socialization opportunities such as new hire welcome lunches, happy hours, trivia contests and virtual scavenger hunts.

35% of employees participated in Host's virtual walking challenge—one of our virtual employee engagement and wellness activities—walking a total of 3,640 miles in two weeks.



LEADING WITH CULTURE

In 2020, Host conducted a culture survey to gather employee sentiment on our culture and better understand what Host as a company consciously or unconsciously demonstrates to employees in the areas of decision making, people, organizational change and strategy. With a 95% participation rate, the culture survey focused on four main areas—employee experience, operations, agility and strategy. Virtually no distinctions were observed when comparing responses across employees of different genders and races. An overview of the results was shared with all employees.

The culture survey provided a baseline to inform Host's 2021 employee engagement survey, which will further pinpoint cultural areas that should be preserved or evolved in support of Host's business objectives and people strategy. Results from both surveys will be used together to form a holistic view of Host from employees' perspectives to craft a thoughtful multi-year culture strategy.



Through the EPIC Rewards recognition program, we are able to monetarily recognize each other's accomplishments. We also foster a sense of community through social gatherings and our Team EPIC Service events.

Additionally, we conduct surveys to obtain feedback on various topics and to inform how we execute on specific programs. For example, employee surveys have informed how Host designed its new corporate headquarters, developed employee-centered COVID-19 response practices and programs and helped to create and shape our new Women's Inspirational Network.

Training and Education

All of our employees are given the opportunity to participate in a variety of training and education programs such as external training, professional certifications, executive and leadership coaching, continuing education and professional memberships. Select departments have also participated in targeted leadership programs, which are focused on team effectiveness to elevate organizational performance. (*Training and Education continued on page 52.*)

Our senior management team encourages employees to continue their education and professional development and we back up this commitment with a generous tuition reimbursement program. The program is designed to assist with undergraduate and graduate program expenses in alignment with career development plans by providing a partial reimbursement of tuition expenses.



In 2021, Host launched the company-wide Host Challenge (formerly known as the “EA Challenge”), our internal cross-functional, business focused event designed to promote innovation, creative thinking and team building. Open to employees across the company, the Host Challenge created opportunities for employees to learn more about others’ areas of expertise outside of their department, venture beyond their typical work responsibilities and gain exposure to the broader insights of the executive team. New ideas and innovative solutions generated through the challenge may be implemented at Host and our hotels to enhance our long-term competitiveness in the marketplace.

CROWDSOURCING INNOVATION

The COVID-19 pandemic provided Host with the unique opportunity to pause, roll-up our sleeves, think deeply about the changing world and explore critical questions—including **What does the future of hospitality look like? And how can Host maximize value in a post-pandemic world?**

To support Host’s initiative to redefine the operating model, cross-functional teams teamed up to explore ideas and technologies that can enable the “hotel of the future.” Ideas were crowdsourced online, and a series of pilots—including automated call handling technology, robotic vacuum cleaners and the use of artificial intelligence to reduce food waste—were launched at select hotels. These pilots are designed to enhance efficiency and profitability across virtually all aspects of hotel operations.



Career Development

All Host employees receive performance reviews. As part of these reviews, employees complete a self-evaluation on accomplishments, opportunities for improvement and demonstration of our values and competencies—all of which form the foundation for a review meeting with their manager. During the review meeting, managers provide targeted feedback to support personal and professional growth. In 2020, we introduced a more holistic feedback process that gave employees a multi-dimensional, 360-degree view of performance from multiple sources beyond their manager, including key stakeholders and colleagues. Given that this was a unique year, we adapted our review process to be less based on numerical ratings and more centered around qualitative feedback. For our senior level population, we introduced performance calibration discussions to ensure that we are assessing performance using consistent criteria, thus ensuring a more fair and consistent process.

In addition to annual performance reviews, we encourage regular and ongoing feedback. We also engage third-party firms to provide coaching to select managers and executives.

Succession Planning

Host develops talent management and succession action plans, which are overseen and reviewed at least annually by our Board of Directors. Specifically, we engage in a detailed discussion of our leadership bench and succession plans with a focus on identifying successors for key positions at the executive level.

We also have succession conversations at the departmental level where we identify high potential talent at Host. Further training and development opportunities are identified for these individuals to strategically enhance their contributions to our business and their readiness for successive roles within the organization. Additionally, select high potential individuals are given exposure and visibility to Board members through formal presentations and informal events.

Our past three CEOs, over a span of almost 20 years, have all come from within the organization. We have followed the same approach with respect to other senior management positions including our chief investment officer. In 2020, our new chief financial officer and corporate controller were internal candidates who had each been with Host for more than 10 years.

GOVERNANCE



BOARD OVERSIGHT

Board Independence and Composition

Seven of Host's nine Board members are independent. Host's Chairman and CEO are the only management directors. Our Board also maintains three fully-independent Board committees—Audit, Nominating and Corporate Governance, and Compensation Policy.

Additionally, Host's Board has an independent lead director with a robust set of responsibilities, which includes presiding over executive sessions of the Board; convening and acting as chair of meetings of the independent directors; and providing feedback to and consulting with the chairman and CEO on any concerns of the Board.

Annually, Host's Board conducts a self-assessment to review the Board's effectiveness, using the criteria developed by the Nominating and Corporate Governance Committee.

The Board is also committed to thoughtful membership refreshment, with five new directors added since 2016. All new directors participate in an orientation program to familiarize them with the company's business and their responsibilities as directors, which includes industry dynamics, strategic goals and risks. Host supports directors' periodic participation in continuing education programs to assist them in performing their Board responsibilities.

ESG Oversight

Host's entire Board is responsible for risk oversight and has designated committees to provide oversight of certain key risks. Oversight of Host's policies, programs and strategies related to corporate and social responsibility matters including human rights, human capital management and other social and public matters is part of the charter for the Nominating and Corporate Governance Committee.

Host's executive vice president, human resources and corporate responsibility and executive vice president, development, design & construction provide updates to the Board's Nominating and Corporate Governance Committee, which typically meets 3-4 times per year. On an annual basis, Host's Corporate Responsibility team presents progress against ESG targets to our CEO during our disclosure preparation. Additionally, our CEO chairs Host's Capital

Expenditure and Investment Committees, which meet regularly to review and approve significant investments including those identified to support our 2025 environmental and social targets and responsible investment strategies.

ESG Executive Steering Committee

In 2020, Host formed an ESG Executive Steering Committee to provide oversight of Host's corporate responsibility strategy and engagement with the Board, company leadership and external stakeholders. Encompassing our environmental, social and governance focus areas, Host's executive vice president, human resources and corporate responsibility, and executive vice president, development, design & construction, serve as the executive sponsors, with Host's, executive vice president, general counsel and senior vice president, investor relations also serving on the Executive Steering Committee.



*Also member of the Corporate Responsibility Disclosure Team

**Includes members of the Corporate Responsibility Advisory Committee

Corporate Responsibility Advisory Committee

To support our Board and CEO, Host's Corporate Responsibility team, executive sponsors and Executive Steering Committee formally engage and convene a cross-functional Corporate Responsibility Advisory Committee representing nearly every department at Host. Several Advisory Committee members also serve on Host's Capital Expenditure Committee and Investment Committee.

We have also established distinct responsibilities across Host's functional areas to execute on our responsible investment strategies. These cross-functional responsibilities include asset-level sustainability assessments, 10-year capital plans, investment decisions, ROI validation, project management, utility management and stakeholder engagement.

ETHICS & VALUES

Code of Business Conduct and Ethics

Host maintains a robust Code of Business Conduct and Ethics that covers a series of topics including confidentiality of information, conflicts of interest, discrimination, environmental stewardship and health and safety.

All Host officers and employees complete annual compliance training and certification. Written acknowledgment from suppliers occurs when they sign our contracts which reference Host's Code of Business Conduct and Ethics. We also maintain a Supplier Code of Conduct.

Host maintains a confidential hotline that can be accessed by phone and e-mail for all stakeholders. Officers and employees who use the hotline are guaranteed confidential treatment. Potential violations can also be reported to a third-party website. We maintain an "open door" policy to encourage seeking advice on any ethical questions or concerns in good faith without fear of retaliation. Anyone who attempts to engage in retaliation is subject to discipline, including termination.

Anti-Corruption Systems and Procedures

Host is committed to conducting its business in compliance with all laws prohibiting bribery and other corrupt and unethical practices. All employees complete our Code of Business Conduct and Ethics training annually. The training focuses on Host's stance on ethical business conduct and includes

topics on anti-bribery and anti-corruption, such as prohibiting employees from giving and receiving gifts or bribes.

In addition to our Code of Conduct, Host maintains a separate Antibribery Compliance Manual. We conduct background checks for all employees holding sensitive positions and all domestic new hires.

Additional practices include monthly analysis and annual testing of Host's books, records and accounts; audits regarding Host's activities in high-risk countries; detailed guidelines concerning gifts, travel and entertainment involving foreign officials or charities; and monthly third-party vendor checks.

Host engages in a formal anti-corruption assessment in conjunction with a third-party audit firm on an annual basis. Host's employees, joint venture partners, vendors and other third parties are included in the assessment.

EPIC Values

Host's Code of Conduct and Ethics is centered around our corporate EPIC values, which stand for Excellence, Partnership, Integrity and Community:



PASSIONATE ABOUT EXCELLENCE

We have a passion for excellence in everything we do. We value initiative and creativity, and believe focus and discipline are essential to everyday excellence.

DEDICATED TO PARTNERSHIP

We are dedicated to partnership and hold a deep respect for the talents and roles of others. We succeed through teamwork and communication.

COMMITTED TO INTEGRITY

We are committed to integrity and ethical behavior and to our responsibilities and commitments. We are honest with ourselves and with others.

ONE WITH OUR COMMUNITY

We are one with our community and our many communities. We recognize our responsibility to others. The balance in our lives reflects the importance of caring for others internally and externally.

Believing in and being committed to these values is what differentiates us as we strive to be a top employer.

Public Policy Participation

Host's Code of Business Conduct and Ethics explicitly states that company funds may not be used to contribute to candidates, political party committees or political action committees. We engage on public policy indirectly through our affiliations with trade associations. In 2020, we paid \$86,481 in dues associated with lobbying to the following trade associations:

TRADE ASSOCIATIONS	PUBLIC POLICY PRIORITIES
National Association of Real Estate Investment Trusts (Nareit)	<ul style="list-style-type: none"> ■ Provides a representative voice for REITs and publicly-traded United States real estate companies ■ Leads on issues regarding tax and financial reporting; and energy efficiency investments for REITs
Real Estate Roundtable (RER)	<ul style="list-style-type: none"> ■ Focuses on tax, capital and credit, homeland security, environment and energy ■ Promotes sustainable development policies that encourage high performance, energy-efficient green buildings and progressive land use—including brownfields redevelopment and transit-oriented development
United States Travel Association (USTA)	<ul style="list-style-type: none"> ■ Advocates for policies that help grow and sustain the travel business ■ Promotes tourism, trade and infrastructure development

In 2020, these trade associations shifted their public policy focus to responding to the COVID-19 pandemic. Host also actively supports AHLA, which promotes the economic interests of the United States hospitality industry and advocates for worker safety, hotel accessibility and immigration reform. In 2020, no AHLA dues were associated with lobbying. Hotels owned by Host also contribute to AHLA.

Host's CEO currently serves as chairman and executive board member of Nareit, executive committee member of AHLA, member of the USTA CEO Roundtable and member of RER.

RISK MANAGEMENT

Business Intelligence

Host has developed a best-in-class enterprise analytics platform, where we use our business intelligence systems to benchmark and monitor hotel performance and cost controls. We conduct deep-dive analytic reviews across brands and properties to identify new opportunities that could increase profit and manage sensitivity to financial, market, operational and environmental risks.

Host has embarked in a first-of-its-kind joint development agreement with IBM Research to enhance our predictive analytics capabilities so that we can adapt in real-time to changing market conditions. We are utilizing artificial intelligence and machine learning to extract predictive insights from structured and unstructured data, including news stories and social media. Using 1.3 billion discrete data points, these insights help us to predict how specific key markets might perform. For example, during the COVID-19 pandemic, we were able to use both structured and unstructured data to model various recovery scenarios in Host's key markets.

Host's dedicated Enterprise Analytics team also conducts detailed strategic reviews on market pricing, customer trends, online presence and market share targets within our portfolio. The size and composition of our portfolio and our affiliation with leading brands and operators in the industry allows Host's Enterprise Analytics team to benchmark similar hotels, pilot new technologies and identify best practices and efficiencies that can improve long-term profitability.

Guest Satisfaction and Experience

On a monthly basis, our operators present guest satisfaction data—including guest surveys and online reviews collected at each of our hotels—to Host’s Asset Management team. Key drivers of guest satisfaction—including check-in experience, cleanliness and the condition of rooms and the overall property—are assessed. In 2020, our composite guest satisfaction score across hotels was 4.26 out of 5 points based on aggregate reviews from leading sources, including Google, TripAdvisor and Hotels.com.

PORTFOLIO-WIDE GUEST SATISFACTION SCORES (on 1-5 point scale)			
2017	2018	2019	2020 ¹³
4.30	4.34	4.36	4.26

We work with our hotel operators to understand their action plans should customer satisfaction issues arise and have recognized properties with exceptional customer satisfaction during past General Managers awards ceremonies. Customer satisfaction data with regards to the condition of rooms and properties is also used to inform investment decision making for refurbishments and renovations.

Data Privacy and Cybersecurity

It is the responsibility of our operators to protect the data privacy of financial and other forms of information such as personally identifiable information provided by guests. Host does not have access to personal data from guests who stay at our properties, and Host’s corporate IT systems have no connectivity to hotel and/or third-party operator technology platforms.

As the owner, we engage with our operators to monitor performance and compliance with best practices, as reflected in the ISO 27001 and NIST frameworks, and applicable regulations, including the California Consumer Privacy Act. Additionally, Host’s Audit Committee provides oversight of cybersecurity risks.

As part of Host’s overall cybersecurity strategy, one of our key objectives is to provide meaningful, engaging and continuous cybersecurity training for all employees. To deliver appropriate and pertinent training materials, email phishing campaigns were utilized to establish a baseline of performance and have since run multiple carefully designed and relevant campaigns. Host employees are instructed to report all information security events, including suspicious activity, to our Information Technology team utilizing a special Network Security email address, or by contacting the Service Desk if a suspicious email has been opened.

Host conducts internal testing to identify potential vulnerabilities to our IT infrastructure and information security management systems. We have engaged a third-party to conduct annual penetration testing. As part of this process, a controlled penetration test from outside of Host’s network and against its Internet-facing systems determines whether Host systems are susceptible to threats from external attacks. In addition, spear phishing attacks were performed against a sampling of employees to determine the effectiveness of security awareness training and relevant technical security controls intended to minimize the risk or impact of these attacks.

In 2021, we rolled out a new mandatory, company-wide cybersecurity training course. The training course consisted of four modules that covered “becoming a human firewall,” combatting phishing and protecting company information and systems both in the office and when working remotely.

¹³ The modest decrease in 2020 guest satisfaction scores is attributed to having a more limited data set, based on decreased occupancy, and reflecting limitations in guest amenities that were provided to conform with safety requirements during the COVID-19 pandemic.

APPENDICES



ESG PERFORMANCE DATA

Please note that any significant variances in 2020 data compared to prior reporting years reflect business impacts from COVID-19 on economic, environmental and/or social performance metrics herein.

ECONOMIC

BUSINESS PERFORMANCE	2020	2019	2018	2017
Revenue (in millions)	\$1,620	\$5,469	\$5,524	\$5,387
Total assets (in millions)	\$12,890	\$12,305	\$12,090	\$11,693
Dividends declared per common share	\$0.20	\$0.85	\$0.85	\$0.85
CONSOLIDATED PORTFOLIO				
Number of properties	79	80	93	94
Number of LEED-certified properties	8	8	8	4
Millions of square feet in consolidated portfolio	46.9	47.2	50.9	51.6

ENVIRONMENTAL

GREENHOUSE GAS EMISSIONS (metric tons of CO2 equivalents)	2020	2019	2018	2017
Scope 1 emissions	69,689	101,616	110,298	104,031
Scope 2 emissions (location-based)	167,837	246,000	279,606	309,473
Combined Scope 1 and 2 emissions	237,526	347,616	389,904	413,504
Emissions intensity (kilograms per square foot)	5.07	7.36	7.65	8.01
Cumulative reduction in emissions intensity (per square foot) from 2008 baseline	57.0%	37.5%	35.1%	32.0%
ENERGY CONSUMPTION (in megawatt hours)				
Direct energy consumption	385,197	559,420	608,999	571,711
Indirect energy consumption	490,784	702,930	743,598	777,694
Total energy consumption	875,981	1,262,350	1,352,596	1,349,405
Energy intensity (kilowatt hours per square foot)	18.68	26.74	26.52	26.13
Cumulative reduction in energy intensity (per square foot) from 2008 baseline	39.9%	14.0%	14.7%	15.9%
WATER WITHDRAWALS (in kilo-gallons)				
Total water withdrawals ¹⁴	1,868,239	2,640,019	2,674,889	2,596,514
Water intensity (per occupied room)	0.32	0.16	0.18	0.17
Cumulative reduction in water intensity (per occupied room) from 2008 baseline ¹⁵	-51.3%	24.0%	22.1%	25.1%

¹⁴ Based on municipal water withdrawals.

¹⁵ 2019-2020 data excludes irrigation water withdrawals from maintenance of golf courses at three properties.

ESG PERFORMANCE DATA

SOCIAL				
EMPLOYEES	2020	2019	2018	2017
Number of employees	163	178	185	208
Percentage of men employees	43%	43%	44%	46%
Percentage of women employees	57%	57%	56%	54%
COMMUNITY	2020	2019	2018	2017
Number of charities supported	169	200	135	150
Number of employee-selected charities supported	116	160	100	100
Number of employee volunteer hours	110	600	670	460
Number of service events	4	13	13	10
SUPPLIERS	2020	2019	2018	2017
Number of strategic suppliers	130	137	124	120
Percentage of spend with strategic suppliers	89%	93%	82%	87%
Percentage of participating strategic suppliers responding to Host's Supplier Excellence Survey ¹⁶	87%	52%	*	*
INDUSTRY ASSOCIATIONS				
Company dues associated with lobbying expenses	\$86,481	\$93,249	\$82,712	\$97,624

¹⁶ Supplier Excellence Survey was launched in 2019.

GLOBAL REPORTING INITIATIVE (GRI) INDEX

To facilitate stakeholders in understanding and benchmarking our corporate responsibility performance, Host's reporting follows the Global Reporting Initiative (GRI) disclosure framework, which is an internationally recognized set of indicators for economic, environmental and social topics of business performance.

In the GRI Index, we provide references to locate content in this report as well as provide direct answers to indicators and direct readers to external sources on our corporate website.

The GRI guidelines help companies in selecting material content and key performance indicators. For additional information, please visit www.globalreporting.org.

General Disclosures:

DISCLOSURES	DESCRIPTION	REFERENCES
ORGANIZATIONAL PROFILE		
102-1	Name of the organization	Host Hotels & Resorts, Inc. ("Host")
102-2	Activities, brands, products and services	Company Overview, page 5 2020 Annual Report and 10-K Filing , page 1 of printed 10-K ("Business")
102-3	Location of headquarters	Our corporate headquarters are located at 4747 Bethesda Avenue, Suite 1300, Bethesda, Maryland 20814.
102-4	Location of operations	Company Overview, page 5 Portfolio Map 2020 Annual Report and 10-K Filing , pages 12-15 of printed 10-K ("Our Consolidated Hotel Portfolio")
102-5	Ownership and legal form	Host is a Maryland Corporation and a publicly traded REIT.
102-6	Markets served	Our Key Markets, page 43 2020 Annual Report and 10-K Filing , page 16 of printed 10-K ("Revenues by Market Location")
102-7	Scale of the organization	Company Overview, page 5 ESG Performance Data, page 59
102-8	Information on employees and other workers	Stakeholder Engagement, pages 14-15 Workforce Composition, page 49 ESG Performance Data, page 60 2020 Annual Report and 10-K Filing , pages 18-19 of printed 10-K ("Human Capital Resources") Please note that Host does not use temporary or seasonal workers. In 2020, more than 99% of our employees were full-time employees. Host also engages a limited number of contractors for professional and project management services at the corporate level.

DISCLOSURES	DESCRIPTION	REFERENCES
ORGANIZATIONAL PROFILE (Continued)		
102-9	Supply chain	Stakeholder Engagement, page 14 2020 Annual Report and 10-K Filing , pages 8-11 and 48-49 of printed 10-K (“Managers and Operational Agreements” and “Capital Projects”)
102-10	Significant changes to the organization and its supply chain	None during the reporting period.
102-11	Precautionary principle or approach	Strategy & Themes, page 12 2025 Performance Targets, page 18 Green Building & Eco-Design, pages 20-25 Environmental Policy Strategy and Themes
102-12	External initiatives	ESG Highlights, page 10 Sustainable Development Goals, page 17 5-Star Promise for Hotel Workers, page 40 CEO Action for Diversity & Inclusion, page 49
102-13	Membership of associations	Stakeholder Engagement, page 15
STRATEGY		
102-14	Statement from most senior decision-maker	Message from our CEO, page 7
102-15	Key impacts, risks, and opportunities	Strategy & Themes, pages 12-13 ESG Materiality Matrix, page 16 2025 Performance Targets, page 18 TCFD Report, page 74 (“Risk Management”) CDP Climate Change 2021 Response Strategy and Themes
ETHICS & INTEGRITY		
102-16	Values, principles, standards, and norms of behavior	Ethics & Values, pages 55-56 Code of Business Conduct and Ethics Human Rights Policy
102-17	Mechanisms for advice and concerns about ethics	Code of Business Conduct and Ethics , page 5 (“The Importance of Speaking Up”)

DISCLOSURES	DESCRIPTION	REFERENCES
GOVERNANCE		
102-18	Governance structure of the organization, including committees of the highest governance body and those responsible for decision-making on economic, environmental and social impacts.	Board Oversight, page 54 Governance 2021 Proxy Statement
STAKEHOLDER ENGAGEMENT		
102-40	List of stakeholder groups	Stakeholder Engagement, page 14
102-41	Collective bargaining agreements	2020 Annual Report and 10-K Filing , pages 18-19 of printed 10-K (“Human Capital Resources”) <p>None of Host’s employees are covered by collective bargaining agreements.</p> <p>Our third-party operators are responsible for hiring and maintaining the labor force at each of our hotels, some of which employ unionized labor. As we are not the employer nor bound by any collective bargaining agreement, it is the responsibility of each property’s management company to enter into such labor contracts.</p>
102-42	Identifying and selecting stakeholders	Stakeholder Engagement, page 14
102-43	Approach to stakeholder engagement	Stakeholder Engagement, pages 14-15 Guest Satisfaction and Experience, page 57
REPORTING PRACTICE		
102-45	Entities included in the consolidated financial statements	2020 Form 10-K , pages 136-151 (“Notes to Financial Statements, Exhibit 21.1: Subsidiaries”)
102-46	Defining report content and topic boundaries	ESG Materiality Matrix, page 16 <p>Our corporate responsibility disclosures cover our consolidated portfolio and do not cover investments and joint ventures where we do not have a controlling interest.</p>
102-47	List of material topics	ESG Materiality Matrix, page 16
102-48	Restatements of information	None during the reporting period.

DISCLOSURES	DESCRIPTION	REFERENCES
REPORTING PRACTICE (Continued)		
102-49	Changes in reporting	None during the reporting period.
102-50	Reporting period	Our reporting period is calendar year 2020.
102-51	Date of most recent report	2020
102-52	Reporting cycle	Annual
102-53	Contact point for questions regarding the report	For more information, contact us at corporate.responsibility@hosthotels.com .
102-56	External assurance	Independent Assurance Statement, page 76 We received assurance for our greenhouse gas emissions, energy consumption, water withdrawals and measured waste performance metrics during the reporting period.

Specific Disclosures: Management Approach and Topic-Specific Disclosures

MATERIAL TOPICS	GRI DISCLOSURES	RESPONSE
ECONOMIC		
Economic Performance	103 Management approach	Strategy & Themes, pages 12-13 2020 Annual Report and 10-K Filing 2021 Investor Presentation
	201-1 Direct economic value generated and distributed	ESG Performance Data, pages 59-60 2020 Annual Report and 10-K Filing , page 86 of printed 10-K ("Consolidated Statement of Operations")
	201-2 Financial implications and other risks and opportunities for the organization's activities due to climate change	TCFD Report, pages 71-75 CDP Climate Change 2021 Response
	201-3 Coverage of the organization's defined benefit plan obligations	2020 Annual Report and 10-K Filing , page 121 of printed 10-K ("Profit Sharing and Post-employment Benefits Plans") We contribute to defined contribution plans for the benefit of employees who meet certain eligibility requirements and who elect participation in the plans. The discretionary amount to be matched by the company is determined annually by Host's Board of Directors. Our recorded liability for this obligation is not material.

MATERIAL TOPICS	GRI DISCLOSURES		RESPONSE
ECONOMIC (Continued)			
Indirect Economic Impacts	103	Management approach	Community Engagement, pages 43-48 Social Responsibility Corporate Citizenship
	203-1	Infrastructure investments and services supported	Community Engagement, pages 43-48 Social Responsibility Corporate Citizenship
Anti-Corruption	103	Management approach	Ethics & Values, page 55 Code of Business Conduct and Ethics
	205-1	Operations assessed for risks related to corruption	Anti-Corruption Systems and Procedures, page 55
	205-2	Communication and training on anti-corruption policies and procedures	Anti-Corruption Systems and Procedures, page 55
	205-3	Confirmed incidents	Host is not involved in any legal cases regarding corrupt practices.
ENVIRONMENTAL			
Energy	103	Management approach	Energy & Emissions, pages 26-29 Environmental Policy Environmental Projects
	302-1	Energy consumption within the organization ✓ Assured by third-party verifier	ESG Performance Data, page 59 Independent Assurance Statement, page 76
	302-3	Energy intensity	ESG Performance Data, page 59
Water	103	Management approach	Water, pages 30-31 Environmental Policy Environmental Projects
	303-1	Water withdrawal by source ✓ Assured by third-party verifier	ESG Performance Data, page 59 Independent Assurance Statement, page 76
Biodiversity	103	Management approach	Biodiversity, pages 34-35 Environmental Policy, page 5
	304-1	Operational sites owned, leased, managed in, or adjacent to, protected areas and areas of high biodiversity value outside protected areas	Portfolio-Wide Biodiversity Assessment, page 34

MATERIAL TOPICS	GRI DISCLOSURES	RESPONSE
ENVIRONMENTAL (Continued)		
Emissions	103 Management approach	Energy & Emissions, pages 26-29 Environmental Policy
	305-1 Scope 1 emissions ✓ Assured by third-party verifier	ESG Performance Data, page 59 Independent Assurance Statement, page 76
	305-2 Scope 2 emissions ✓ Assured by third-party verifier	ESG Performance Data, page 59 Independent Assurance Statement, page 76
	305-3 Scope 3 emissions ✓ Assured by third-party verifier	TCFD Report ("Metrics and Targets"), page 75 Independent Assurance Statement, page 76
	305-4 Greenhouse gas emissions intensity	ESG Performance Data, page 59
	305-5 Reduction of greenhouse gas emissions	ISO 14001 Certification, page 20 Energy Efficiency, pages 26-27
Effluents and Waste	103 Management approach	Waste, pages 32-33
	306-2 Waste by type and disposal method ✓ Assured by third-party verifier	Independent Assurance Statement, page 76 In 2020, 21% of operational waste generated was recycled, and the remainder was sent to landfill.
Supplier Environmental Assessment	103 Management approach	Sustainable Sourcing, page 24 Our Green Team, page 25 Supplier Code of Conduct Environmental Policy, page 8
	308-1 New suppliers that were screened using environmental criteria	Stakeholder Engagement, page 14 Supplier Code of Conduct

MATERIAL TOPICS	GRI DISCLOSURES	RESPONSE
SOCIAL		
Employment	103 Management approach	Stakeholder Engagement, page 15 Health & Well-being, pages 38-39 Employee Engagement, page 51 Careers What Makes Us Special
	401-1 New employee hires and employee turnover	2020 Annual Report and 10-K Filing , pages 18-19 of printed 10-K (“Human Capital Resources”) In 2020, our voluntary turnover rate was 7.7%, and total turnover rate was 9.4%.
	401-2 Benefits	Benefits Programs, page 38 Careers (Total Rewards)
	401-3 Parental leave	Parental Leave and Family Support, page 39 Careers (Total Rewards)
Occupational Health and Safety	103 Management approach	Health & Well-being, pages 37-39 Human Rights Policy
	403-2 Type of injury and rates of injury, occupational diseases, lost days, and absenteeism, and number of work-related fatalities	As our employees are in an office environment, there is a low risk of safety incidents occurring each year. In 2020, there were no known lost days due to workplace injuries for Host employees and the lost time incident rate was 0.827 for contractors in major renovation projects. Host has a historical record of no work-related fatalities for our employees.
Training and Education	103 Management approach	Human Capital, pages 51-52
	404-2 Programs for upgrading employee skills and transition assistance programs	Human Capital, pages 51-52 Careers (Total Rewards)
	404-3 Percentage of employees receiving regular performance and career development reviews	Career Development, page 52 ESG Performance
Diversity and Equal Opportunity	103 Management approach	Diversity & Inclusion, pages 49-51 Human Rights Policy
	405-1 Diversity of governance bodies and employees	2020 Workforce Composition, page 49 Board Diversity, page 50 2021 Proxy Statement , page 4 (“Snapshot of Director Diversity and Experience”)

MATERIAL TOPICS	GRI DISCLOSURES		RESPONSE
SOCIAL (Continued)			
Human Rights Assessment	103	Management approach	Human Rights, pages 40-42 Human Rights Policy Supplier Code of Conduct
	412-3	Significant investment agreements and contracts that include human rights clauses or that underwent human rights screening	Due Diligence Processes, page 40 Marriott Modern Slavery Statement Hyatt Modern Slavery and Human Trafficking Statement Accor Slavery and Human Trafficking Statement Hilton Slavery and Human Trafficking Statement
Local Communities	103	Management approach	COVID-19 Impacts & Reflections, pages 8-9 Stakeholder Engagement, page 15 Community Engagement, pages 43-48 Corporate Citizenship
	413-1	Operations with local community engagement, impact assessments and development programs	Community Engagement, pages 43-48
Supplier Social Assessment	103	Management approach	Due Diligence Processes, page 40 Supplier Diversity, page 50 Supplier Code of Conduct Human Rights Policy
	414-1	New suppliers that were screened using labor practices criteria	Due Diligence Processes, page 40 Supplier Code of Conduct Human Rights Policy
Public Policy	103	Management approach	Public Policy Participation, page 56 Code of Business Conduct and Ethics, pages 23-24
	415-1	Political contributions	Public Policy Participation, page 56 ESG Performance Data, page 60 2021 Proxy Statement, pages 26-27 (“Political Contributions Policy and Trade Association Memberships”)
Customer Health and Safety	103	Management approach	Health & Well-being, pages 37-38
	416-1	Assessment of the health and safety impacts of product and service categories	Health & Well-being, pages 37-38
Customer Privacy	103	Management approach	Data Privacy and Cybersecurity, page 57
	418-1	Substantiated complaints regarding breaches of customer privacy and losses of customer data	None during the reporting period for Host.

SUSTAINABILITY ACCOUNTING STANDARDS BOARD (SASB) DISCLOSURE

The Sustainable Accounting Standards Board (SASB) is an independent, private sector organization with a mission to develop and disseminate sustainability accounting standards that help public corporations disclose material, decision-useful information to investors. (For additional information on SASB, please visit www.sasb.org.)

To support investors and stakeholders, Host has provided the following disclosures based on the SASB Standard for Real Estate Companies.

Activity Metrics*

METRIC	CODE	2020 RESPONSE
Number of assets	IF-RE-000.A	79 hotels ¹⁷
Leasable floor area	IF-RE-000.B	46,894,884 square feet ¹⁸
% of indirectly managed assets	IF-RE-000.C	100% indirectly managed ¹⁹
Average occupancy rate	IF-RE-000.C	26.0% occupancy rate, reflecting COVID-19 pandemic

* All of Host's owned assets are within the hotel property subsector.

Accounting Metrics*

ENERGY MANAGEMENT

Energy consumption data coverage (% of total floor area)	IF-RE-130a.1	100% coverage
Total energy consumed	IF-RE-130a.2	875,981 megawatt hours
% grid electricity, % renewable	IF-RE-130a.2	99.2% grid electricity, 0.8% renewable
Like-for-like change in energy consumption	IF-RE-130a.3	30.4% annual like-for-like decrease
% of eligible portfolio with energy rating and certified to ENERGY STAR®	IF-RE-130a.4	97% of eligible properties participate in the ENERGY STAR® program ²⁰
How building energy management considerations are integrated into property investment analysis and operational strategy	IF-RE-130a.5	Description is provided on pages 20-25 ("Green Building & Eco-Design") and 26-29 ("Energy & Emissions") herein.

* All of Host's owned assets are within the hotel property subsector.

¹⁷ We also own non-controlling interests in five domestic and one international joint venture that own hotels and in a timeshare joint venture in Hawaii.

¹⁸ As a lodging REIT, we typically do not lease floor area to tenants. Host's closest equivalent to tenants are the third-party hotel managers that are responsible for daily operations at our hotels owned by Host.

¹⁹ Pursuant to REIT law, Host does not operate its hotels owned by Host.

²⁰ We did not seek formal ENERGY STAR® certifications during the reporting year.

Accounting Metrics

METRIC	CODE	2020 RESPONSE
WATER MANAGEMENT		
Water withdrawal data coverage (% of total floor area)	IF-RE-140a.1	100% coverage
Water withdrawal data coverage (% floor area in regions with “high” or “extremely high” baseline water stress)	IF-RE-140a.1	32.5% coverage
Total water withdrawn	IF-RE-130a.2	7,072 thousand cubic meters
Total water withdrawn (% in regions with “high” or “extremely high” baseline water stress)	IF-RE-130a.2	48% of water withdrawals were from properties in Arizona, Calgary, California, Colorado, Florida and New Jersey where “high” or “extremely high” water stress has been identified using the WRI Aqueduct Tool.
Like-for-like change in water withdrawn	IF-RE-130a.3	29.0% annual like-for-like increase
Water management risks and discussion of strategies and practices to mitigate those risks	IF-RE-130a.4	Description is provided on pages 20-25 (“Green Building & Eco-Design”) and 30-31 (“Water”) herein.
MANAGEMENT OF TENANT SUSTAINABILITY IMPACTS		
% of new leases that contain a cost recovery clause for resource efficiency-related capital improvements	IF-RE-410a.1	100% of agreements with third-party hotel management companies ²¹
Associated leased floor area	IF-RE-410a.1	46,894,884 square feet ²²
% of tenants that are separately metered for grid electricity and water withdrawals	IF-RE-410a.2	Not applicable to Host, because we do not typically have multiple tenants at properties. Each property has a singular third-party management companies that occupies and manages the hotel.
Approach to measure, incentivize, and improve sustainability impacts of tenants	IF-RE-410a.3	Description is provided on pages 14 (“Stakeholder Engagement”) and 24-25 (“Engagement with Hotel Operators” and “Host’s Environmental Stewardship Award”) herein.
CLIMATE CHANGE ADAPTATION		
Area of properties located in 100-year flood zones	IF-RE-450a.1	4,373,010 square feet ²³
Climate change risk exposure analysis, degree of systematic portfolio exposure and strategies for mitigating risks	IF-RE-450a.2	Description is provided on pages 26-29 (“Energy & Emissions”) and 71-75 (“TCFD Report”) herein. Further detail can also be found in Host’s most recent CDP Climate Change 2021 response .

²¹ Leases are not directly applicable to Host. Instead, we have long-term management agreements with third-party hotel managers that are responsible for daily operations at hotels owned by Host. As the owner, Host is responsible for making capital improvements.

²² As a lodging REIT, we typically do not lease floor area to tenants. Host’s closest equivalent to tenants are the third-party hotel managers that are responsible for daily operations at hotels owned by Host.

²³ We have identified 10 properties in high hazard flood zones. Seven of these properties in Florida. We also identified properties in Arizona, Hawaii, Texas and New York.

TASK FORCE ON CLIMATE-RELATED FINANCIAL DISCLOSURES (TCFD) REPORT

The Financial Stability Board's Task Force on Climate-related Financial Disclosure (TCFD) has developed a voluntary, consistent climate-related financial risk disclosure for use by companies in providing information to investors, lenders, insurers and other stakeholders. (For additional information on TCFD, please visit www.fsb-tcf.org.)

Host's TCFD report is organized around the framework's four main tenets, which are governance, strategy, risk management, and metrics and targets.

RECOMMENDED DISCLOSURE	RESPONSE	REFERENCES
GOVERNANCE Disclose the organization's governance around climate-related risks and opportunities.		
Board's oversight of climate-related risks and opportunities	Direct oversight is provided by the Board's Nominating and Corporate Governance Committee, and our CEO, who serves on the Host's Board of Directors.	ESG Oversight, page 54 CDP Climate Change 2021 Response (C1.1), pages 3-5
Management's role in assessing and managing climate-related risks and opportunities	<p>Host's Corporate Responsibility team and executive sponsors formally engage and convene a cross-functional Corporate Responsibility Advisory Committee representing 12 departments at Host.</p> <p>Several Corporate Responsibility Advisory Committee members also serve on Host's Capital Expenditure Committee and Investment Committee, which is chaired by Host's CEO.</p>	ISO 14001 Certification, page 20 Corporate Responsibility Advisory Committee, page 55 CDP Climate Change 2021 Response (C1.2 and 2.2), pages 5-7 and 11-18

RECOMMENDED DISCLOSURE	RESPONSE	REFERENCES
STRATEGY Disclose the actual and potential impacts of climate related risks and opportunities on the organization’s businesses, strategy and financial planning.		
Climate-related risks and opportunities identified over short-term, medium-term and long-term horizon	We use the following time horizons for identified climate risks and opportunities: Short-term (1-2 years), Medium-term (3-6 years) and Long-term (7-10 years):	
	SHORT- AND MEDIUM-TERM	
	Climate Risks	Climate Opportunities
	<ul style="list-style-type: none">■ Changing customer behavior■ Extreme weather events■ Increased stakeholder concern	<ul style="list-style-type: none">■ Decentralized energy generation■ More efficient buildings■ Renewable energy and energy efficacy programs■ Shift in consumer preferences
	LONG-TERM OR UNKNOWN	
	Climate Risks	Climate Opportunities
	<ul style="list-style-type: none">■ Uncertainty in market signals■ Rising sea levels	<ul style="list-style-type: none">■ Low emission goods and services
We identify risks and opportunities based on a potential scenario where at least 1% of prior year’s GAAP operating profit could be impacted.		
		Material Issues, page 16 United Nations Sustainable Development Goals, page 17 2025 Performance Targets, page 18 CDP Climate Change 2021 Response (C2.1, 2.3 and C2.4), pages 10-11, 18-31 and 31-41

RECOMMENDED DISCLOSURE	RESPONSE	REFERENCES
STRATEGY (Continued) Disclose the actual and potential impacts of climate-related risks and opportunities on the organization's businesses, strategy and financial planning.		
Impact on businesses, strategy and financial planning	<p>We evaluate all geographical locations where Host owns assets in addition to potential new locations under evaluation. Additionally, we assess environmental and socioeconomic trends, which may impact our asset values in addition to revenue and costs in our major markets.</p> <p>Impact on Business</p> <p>In the short-to-medium term, we consider our greatest potential risk to be changing consumer behavior, which is managed through active engagement with the brands that manage our hotels, including Marriott®, Hyatt® and Hilton®, and independent operators.</p> <p>Over a longer-term horizon, we consider our greatest risk to be rises in sea levels, which inform our acquisition strategy. For example, prior to the acquisition of 1 Hotel South Beach in 2020, we evaluated the condition, location and overall resilience of the hotel. We determined that the potential risks related to sea level rise were mitigated based on its unique location at a higher elevation that is further away from the shore compared to other nearby hotels. Additionally, we considered the strong, long-term commitment to climate change adaptation measures that the city of Miami has undertaken.</p> <p>Impact on Strategy and Financial Planning</p> <p>Recent examples on how identified climate risks and opportunities have impacted Host's strategy and financial planning include:</p> <ul style="list-style-type: none"> ■ Establishment of 2025 environmental targets ■ Completion of approximately 120 completed emissions reduction projects (representing \$45 million invested) in 2020 ■ Decision to have Host's two ground-up development projects in Arizona and Hawaii designed for LEED certification ■ Approval of new renewable energy investments in California, Hawaii and Washington, D.C. 	<p>Strategy & Themes, pages 12-13</p> <p>Green Building & Eco-Design, pages 20-25</p> <p>Energy & Emissions, pages 26-29</p> <p>Climate Resilience, pages 22-23</p> <p>CDP Climate Change 2021 Response (C3.3, C3.4 and C3.4a), pages 43-49</p>
Impact of different scenarios, including a 2°C scenario	<p>Host's new 2025 emissions reduction target has been re-approved by the Science Based Targets initiative (SBTi) at the level of ambition required to limit rises in global temperatures by no more than 1.5° Celsius.</p> <p>Our emissions reduction target is based on a linear pathway, where we have focused on energy intensity and efficiency specifications through our 2025 target, and from 2021-2050, we plan to increase our use of renewable energy for generation of electricity both on-site and offsite, as outlined by the Sectoral Decarbonization Approach and its methodology for power generation.</p> <p>We also consider qualitative scenarios based on the transition to a low carbon economy.</p>	<p>Science-Based Target at 1.5°C Level of Ambition, page 26</p> <p>CDP Climate Change 2021 Response (C3.2a), pages 42-43</p>

RECOMMENDED DISCLOSURE	RESPONSE	REFERENCES
RISK MANAGEMENT Disclose how the organization identifies, assesses and manages climate-related risks.		
Process for identifying and assessing climate-related risks	<p>Host’s Corporate Responsibility team maintains ongoing strategic oversight to identify, assess and respond to climate-related risks that may impact our reputation, profitability and access to capital.</p> <p>At the asset level, Host’s Asset Management; Enterprise Analytics; and Development, Design & Construction departments work collaboratively with hotel managers, energy consultants, architects and engineers to monitor regional business and regulatory conditions, review energy costs quarterly and identify mitigation and adaptation opportunities.</p>	<p>Material Issues, page 16</p> <p>Stakeholder Engagement, pages 14-15</p> <p>ESG Oversight, page 54</p> <p>Corporate Responsibility Advisory Committee, page 55</p> <p>CDP Climate Change 2021 Response (C2.2), pages 11-18</p>
Processes for managing climate-related risks	PHYSICAL RISKS	
	Physical Risks	Processes
	<ul style="list-style-type: none">■ Extreme weather events■ Rising sea levels	<ul style="list-style-type: none">■ 1.5° science-based target■ Context-based water sub-goal■ On-site energy generation (including solar)■ Building exterior resilience investments■ Preventive maintenance■ Emergency response plans
	TRANSITION RISKS	
	Transition Risks	Processes
	<ul style="list-style-type: none">■ Changing customer behavior■ Increased stakeholder concern■ Uncertainty in market signals	<ul style="list-style-type: none">■ LEED certifications■ ISO 14001-certified environmental management system■ Artificial intelligence enabled platform (co-created with IBM Watson)■ Internet of things (IoT) energy management pilot■ Commodity forward-purchase agreements■ Strategic supplier program
Integration into overall risk management	<p>We conduct interview reviews of potential business impacts at the company-level and asset-level. Annually, our cross-functional Corporate Responsibility Advisory Committee also participates in reviews of climate-related risks with Host’s Corporate Responsibility team.</p> <p>The decision-making process with regards to mitigation, transfer, accept and/or control of potential climate change risks and opportunities considers the following materiality-based factors:</p> <ul style="list-style-type: none">■ Degree of business impacts■ Degree of influence (as an owner)■ Needs, concerns and key business drivers of our stakeholders.	<p>Strategy & Themes, page 12</p> <p>ESG Oversight, page 54</p> <p>Corporate Responsibility Advisory Committee, page 55</p> <p>Climate Resilience, pages 22-23</p> <p>CDP Climate Change 2021 Response (C2.1b and C2.2), pages 10-18</p>

RECOMMENDED DISCLOSURE	RESPONSE	REFERENCES														
METRICS & TARGETS Disclose the metrics and targets used to assess and manage relevant climate-related risks and opportunities.																
Metrics used by the organization to assess climate-related risks and opportunities	<p>The primary metrics used is emissions intensity per square foot.</p> <p>Other metrics used include absolute Scope 1 and 2 emissions, Scope 3 emissions, number of LEED-certified properties, ENERGY STAR scores and cash-on-cash returns for Host’s targeted energy ROI projects.</p> <p>We also consider the number of properties located in high hazard flood zones, the number of properties in areas with “high” or “extremely high” water stress and our investments in resiliency and water efficiency measures at these properties.</p>	Return on Sustainability Investments, page 13 2025 Performance Targets, page 18 Environmental Targets, page 20 Distributed Energy Systems, page 23 CDP Climate Change 2021 Response (C4.1, 4.2 and C12), pages 49-54 and 90-94														
Scope 1, 2 and 3 greenhouse gas emissions	<p>2020 performance data is as follows*:</p> <table><tr><th>Greenhouse Gas Emissions</th><th>2020 Performance (metric tons of CO2e)</th></tr><tr><td>Scope 1</td><td>69,869</td></tr><tr><td>Scope 2 (location-based)</td><td>167,837</td></tr><tr><td>Scope 2 (market-based)</td><td>167,610</td></tr><tr><td>Scope 3 (business air travel)</td><td>123</td></tr><tr><td>Scope 3 (upstream leased assets**)</td><td>29</td></tr><tr><td>Scope 3 (purchased goods)</td><td>56,234</td></tr></table> <p><i>* All metrics have been third-party assured.</i> <i>** Represents Host's corporate offices.</i></p>	Greenhouse Gas Emissions	2020 Performance (metric tons of CO2e)	Scope 1	69,869	Scope 2 (location-based)	167,837	Scope 2 (market-based)	167,610	Scope 3 (business air travel)	123	Scope 3 (upstream leased assets**)	29	Scope 3 (purchased goods)	56,234	ESG Performance Data, page 59 Independent Assurance Statement, page 76 CDP Climate Change 2021 Response (C5-10), pages 63-88
Greenhouse Gas Emissions	2020 Performance (metric tons of CO2e)															
Scope 1	69,869															
Scope 2 (location-based)	167,837															
Scope 2 (market-based)	167,610															
Scope 3 (business air travel)	123															
Scope 3 (upstream leased assets**)	29															
Scope 3 (purchased goods)	56,234															
Targets used and performance against targets	<p>2020 progress against Host’s 2025 climate-related targets is as follows:</p> <table><tr><th>2025 Targets</th><th>2020 Progress*</th></tr><tr><td>55% reduction in Scope 1 and 2 intensity per square foot (from 2008 base year)</td><td>57% reduction from 2008-2020</td></tr><tr><td>25% reduction in energy intensity per square foot (from 2008 base year)</td><td>40% reduction from 2008-2020</td></tr><tr><td>30% consumption of renewable electricity</td><td>0.8% renewable electricity consumption</td></tr></table> <p>Recognizing the nexus between climate and water, Host’s 2025 water efficiency target includes a context-based sub-goal to prioritize water initiatives at 10 properties with highest water risk.</p> <p><i>* 2020 progress has been accelerated due to low occupancy at hotels during the COVID-19 pandemic. Prior to the pandemic, Host had achieved a 37% reduction in Scope 1 and 2 intensity and an 14% reduction in energy intensity per square foot from our 2008 base year.</i></p>	2025 Targets	2020 Progress*	55% reduction in Scope 1 and 2 intensity per square foot (from 2008 base year)	57% reduction from 2008-2020	25% reduction in energy intensity per square foot (from 2008 base year)	40% reduction from 2008-2020	30% consumption of renewable electricity	0.8% renewable electricity consumption	2025 Performance Targets, page 18 Environmental Targets, page 20 CDP Climate Change 2021 Response (C4.1 and 4.2), pages 49-54						
2025 Targets	2020 Progress*															
55% reduction in Scope 1 and 2 intensity per square foot (from 2008 base year)	57% reduction from 2008-2020															
25% reduction in energy intensity per square foot (from 2008 base year)	40% reduction from 2008-2020															
30% consumption of renewable electricity	0.8% renewable electricity consumption															

INDEPENDENT ASSURANCE STATEMENT



100 Beard Sawmill Rd., 6th Floor
Shelton, CT 06484
Phone 203-447-2800
Fax 203-447-2900
www.icomplisustainability.com

Independent Third Party Assurance Statement

To the Board and stakeholders of Host Hotels & Resort, L.P.:

iCompli Sustainability, a division of BPA Worldwide, Inc., was commissioned by Host Hotels & Resort, L.P. ("Host") to provide independent third party assurance of specific environmental performance data from its business activities during the period January 1, 2020, to December 31, 2020.

Assurance Standards

This engagement has been managed in accordance with ISO 14064-3:2019 - *Greenhouse gases – Specification with guidance for the verification and validation of greenhouse gas statements*. The format of the engagement was structured to meet the limited level of assurance requirements.

Assurance Objectives

The objective of the assurance process was to provide Host with an independent assurance opinion on whether the specific environmental performance data within Host reports:

- adheres to the ISO 14064-3 principles of relevance, completeness, consistency, accuracy, and transparency.
- was reported according to the requirements of the WBCSD/WRI Greenhouse Gas (GHG) Protocol Corporate Accounting and Reporting Standard, Revised Edition (2004).

Assurance Scope

Host engaged iCompli Sustainability to verify the following specific environmental performance data:

- Scope 1 GHG emissions
- Scope 2 GHG emissions
- Scope 3 GHG emissions (business travel, upstream leased assets, purchased goods)
- Scope 1 and Scope 2 Emissions Year-on-Year Performance
- Performance towards GHG intensity target
- Energy consumption
- Water withdrawal
- Waste generated

The organizational boundary of the verification was Host's consolidated lodging portfolio of 80 hotels, primarily located in the United States, and five hotels located in Brazil and Canada.

Assurance Approach and Limitations

iCompli Sustainability conducted the verification in accordance with the requirements of ISO 14064-3:2019 - *Greenhouse gases – Specification with guidance for the verification and validation of greenhouse gas statements*. iCompli Sustainability reviewed Host's corporate sustainability database (dated June 23, 2021) and evaluated the data for conformity with the requirements of the WBCSD/WRI Greenhouse Gas (GHG) Protocol Corporate Accounting and Reporting Standard, Revised Edition (2004). Host's reported energy consumption, Scope 1, 2 and 3 GHG emissions, water withdrawal and waste generated was considered free of material misstatement if found to be within the defined materiality threshold of 5%. Host's data statements were tested according to a risk-based approach and the review of controls to manage these risks, including:

- Management system and procedural review for accuracy, reliability and reproducibility;
- Testing and re-calculation of representative sources and processes;
- Engagement with Host staff at headquarters and with hotel property staff in San Diego, CA to interview facility personnel, understand operations, and review relevant documents and records; and
- Audit of a sample of original source activity data (supplier invoices) of energy consumption, water withdrawal and waste generated representing a cross-section of Host properties.

Host reported the following specific environmental performance data totals for the 2020 calendar year:

Indicator	Quantity	Unit of Measure
Scope 1	69,689	Tonnes CO ₂ e
Scope 2 (location-based)	167,837	Tonnes CO ₂ e
Scope 2 (market-based)	167,610	Tonnes CO ₂ e
Scope 3 – Business Air Travel	123	Tonnes CO ₂ e
Scope 3 – Upstream Leased Assets	29	Tonnes CO ₂ e
Scope 3 – Purchased goods	56,234	Tonnes CO ₂ e
Year-on-Year Performance (Scope 1 and Scope 2 only)	-31.7	Percent change
Performance towards GHG intensity target ¹	-57.0	Percent change
Water consumption	1,868,239	kGal
Measured waste generated ²	14,066	Tonnes
Scope 1 Energy Data	385,196,958	kWh
Scope 2 Energy Data	490,784,126	kWh

¹ Performance towards GHG intensity target is based on the 2008 baseline.

² Waste generation data is representative of 78% of the total portfolio.

Conclusions

Based on the process and procedures conducted, there is no evidence that Host's statement:

- is not materially correct; and
- is not a fair representation of GHG, water and waste data; and
- has not been prepared in accordance with the WBCSD/WRI Greenhouse Gas (GHG) Protocol Corporate Accounting and Reporting Standard, Revised Edition (2004).

Recommendations

As part of the assurance engagement, iCompli Sustainability has provided Host with a series of recommendations to ensure the continual improvement of the collection, storage, analysis, and reporting of specific sustainability performance data at the corporate and facility level.

Independence

iCompli Sustainability has not been responsible for the preparation of any part of the sustainability performance information, nor have we undertaken any commissions that would conflict with our independence. Responsibility for producing the sustainability performance information belonged to Host and its sustainability reporting advisors. iCompli Sustainability is, and remains, an independent assurer over the specific sustainability performance information. The verification team has over 30 years of combined experience in conducting assurance of GHG emissions, environmental and health and safety information.

Attestation

Joe Rizzo
Director, Sustainability Services
iCompli Sustainability
Shelton, Connecticut, USA

June 30, 2021