



Welcome to your CDP Climate Change Questionnaire 2019

C0. Introduction

C0.1

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

Wyndham Hotels & Resorts (NYSE: WH) is the world's largest hotel franchising company, with approximately 8,700 hotels across more than 80 countries on six continents. Through its network of approximately 812,000 rooms appealing to the everyday traveler, Wyndham commands a leading presence in the economy and midscale segments of the lodging industry. The Company has a portfolio of 20 hotel brands, including Super 8®, Days Inn®, Ramada®, Microtel Inn & Suites®, La Quinta®, Wingate®, AmericInn®, Hawthorn Suites®, Trademark Collection®, and Wyndham®. Wyndham Hotels & Resorts is also a leading provider of hotel management services, with more than 400 properties under management. The Company's award-winning Wyndham Rewards® loyalty program offers over 75 million enrolled members the opportunity to redeem points at tens of thousands of hotels, vacation club resorts and vacation rentals globally. For more information, visit www.wyndhamhotels.com.

We primarily target economy and midscale guests, as they represent the largest demographic in the United States and around the world. We have the leading position in the economy and midscale segments of the hotel industry, where our hotel brands represent approximately two of every five branded rooms in the United States. Approximately 70% of the Wyndham-branded hotels are located in the United States and approximately 30% are located internationally. In addition to hotel franchising, we are a leading hotel management company. Our portfolio of managed hotels includes more than 400 third-party-owned properties and two owned properties. As of December 31, 2018, we had approximately 16,200 employees.

Please note that, on May 31, 2018, Wyndham Hotels became an independent, public company when it was spun-off from Wyndham Worldwide Corporation, its former parent, which is now known as Wyndham Destinations. Wyndham Hotels' common stock trades on the New York Stock Exchange under the ticker "WH".



C0.2

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

	Start date	End date	Indicate if you are providing emissions data for past reporting years
Row 1	January 1, 2018	December 31, 2018	No

C0.3

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

- Argentina
- Bahrain
- Belgium
- Canada
- China
- Costa Rica
- Ethiopia
- France
- India
- Indonesia
- Jordan
- Malaysia
- Paraguay
- Peru
- Portugal
- Puerto Rico
- Qatar
- Singapore
- Spain
- Thailand

Turkey
United Arab Emirates
United Kingdom of Great Britain and Northern Ireland
United Republic of Tanzania
United States of America
Uruguay

C0.4

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

USD

C0.5

(C0.5) Select the option that describes the reporting boundary for which climate-related impacts on your business are being reported. Note that this option should align with your consolidation approach to your Scope 1 and Scope 2 greenhouse gas inventory.

Operational control

C1. Governance

C1.1

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

Yes



C1.1a

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

Position of individual(s)	Please explain
Board-level committee	<p>The highest level of responsibility within Wyndham Hotels & Resorts for the management of climate-related issues is held by the Corporate Governance Committee of our Board of Directors. Specific responsibilities of the Corporate Governance Committee include providing input into the strategy and direction of our sustainability, climate and energy programs as part of their oversight for our Social Responsibility program.</p> <p>Wyndham Hotels & Resorts is also fortunate to retain the Board services of The Right Honourable Brian Mulroney, who is the former Prime Minister of Canada. As Prime Minister, Mr. Mulroney has been recognized for environmental leadership – named the “Greenest Prime Minister in Canadian History” for legislative efforts to improve air quality, maintain biodiversity, and reduce pollution.</p> <p>Additional oversight on climate-related issues and our Company’s Social Responsibility program is provided by our Chief Executive Officer, who also serves on our Board of Directors.</p>

C1.1b

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

Frequency with which climate-related issues are a scheduled agenda item	Governance mechanisms into which climate-related issues are integrated	Please explain



<p>Scheduled – some meetings</p>	<p>Reviewing and guiding strategy Reviewing and guiding risk management policies Monitoring implementation and performance of objectives</p>	<p>Our Board of Directors' Corporate Governance Committee receives updates from our Chief Social Responsibility Officer to support their oversight role with regards to providing input into the strategy and direction of our climate and energy programs, which are part of our Company's overall Social Responsibility program. Examples of content covered in debriefing includes updates on our environmental goals and performance.</p> <p>The Audit Committee also provides further oversight on our enterprise-wide programs for risk assessment and risk management.</p> <p>The entire Board also maintains an active role in providing oversight with respect to management of our risks, which include those associated with climate change. The Board focuses on the most significant risks facing us and our general risk management strategy and seeks to ensure that risks undertaken by us are consistent with a level of risk that is appropriate for our Company and aligned with the achievement of our business objectives and strategies.</p> <p>While each committee is responsible for providing oversight with respect to the management of risks, the entire Board is regularly informed about our risks through committee reports and management presentations.</p>
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C1.2

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

Name of the position(s) and/or committee(s)	Responsibility	Frequency of reporting to the board on climate-related issues
Chief Sustainability Officer (CSO)	Both assessing and managing climate-related risks and opportunities	Quarterly

C1.2a

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

ORGANIZATIONAL STRUCTURE: Climate-related issues are monitored by Wyndham Hotels & Resorts' dedicated Social Responsibility Team, which is led by our Chief Social Responsibility Officer. She is two reporting levels from our Chief Executive Officer, and directly reports to our Chief Administrative Officer.

ASSOCIATED RESPONSIBILITIES: Wyndham Hotels & Resorts' Social Responsibility Team is responsible for advancing our sustainability, energy and climate strategies, monitoring our operational performance and communicating our progress to key stakeholders, which include our guests, investors and employees.

MONITORING OF CLIMATE-RELATED ISSUES: Examples of current processes whereby our Social Responsibility Team monitors climate-related issues include the following: (1) utilizing our proprietary Wyndham Green Toolbox to track, measure and report energy and emissions performance globally; (2) executing on our Business Continuity Plans to protect against physical climate-related risks; and (3) advancing efforts to integrate the Wyndham Green program throughout our value chain by engaging and educating executive and brand leaders, team members, strategic development, franchisees and our suppliers.

MANAGEMENT'S ROLE: The monitoring of climate-related issues is supported by oversight from our Chief Executive Officer and executive sponsorship from our Chief Administrative Officer and Chief Social Responsibility Officer. We also employ a dedicated Senior Director of Sustainability who is tasked with monitoring climate-related issues as his exclusive responsibility. Since 2010 as part of Wyndham Worldwide, and now part of Wyndham Hotels & Resorts in 2018, this role has been critical to develop and advance our Wyndham Green Toolbox environmental management system and to drive reduction in the energy and emissions intensity of our owned and managed hotels.

C1.3

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

Yes

C1.3a

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

Who is entitled to benefit from these incentives?

Environment/Sustainability manager

Types of incentives

Monetary reward

Activity incentivized

Energy reduction target

Comment

Setting, Tracking, measuring and reporting our progress toward our planned targeted 2025 emissions reductions is an incentivized indicator for our Senior Director of Sustainability.

Who is entitled to benefit from these incentives?

Chief Sustainability Officer (CSO)

Types of incentives

Monetary reward

Activity incentivized

Emissions reduction target

Comment



Overseeing our Company's social responsibility programs, goals and performance (including our progress toward Wyndham Hotels and Resorts' planned targeted 2025 emissions reductions) is part of the annual objectives and key responsibilities for our Chief Social Responsibility Officer.

Who is entitled to benefit from these incentives?

Business unit manager

Types of incentives

Recognition (non-monetary)

Activity incentivized

Behavior change related indicator

Comment

The Executive Vice President of managed hotel operations is responsible for supporting and driving compliance related to sustainability initiatives including energy and emissions related projects and targets.

Who is entitled to benefit from these incentives?

Other, please specify

SVP, Design and Construction

Types of incentives

Recognition (non-monetary)

Activity incentivized

Behavior change related indicator

Comment



The Senior Vice President of Design and Construction is responsible for supporting and integrating sustainability related initiatives including energy and emissions related projects and targets as they relate to initial design.

C2. Risks and opportunities

C2.1

(C2.1) Describe what your organization considers to be short-, medium- and long-term horizons.

	From (years)	To (years)	Comment
Short-term	1	2	We consider the 1-2 year time horizon when defining short-term objectives and monitoring near-term climate-related risks and opportunities.
Medium-term	3	6	We consider the 3-6 year time horizon when defining medium-term objectives (including emissions reduction targets). We also consider the 3-6 year time horizon when evaluating associated climate-related risks and opportunities from a medium-term time horizon.
Long-term	7	10	We consider the 7-10 year time horizon when defining long-term objectives (including renewable energy and resilience strategies). However, this may extend up to 25 years based on the asset and time frame of the management contract. We will re-evaluate time horizons for the 2020 CDP Climate submission. We also consider the 7-10 year time horizon when evaluating associated climate-related risks and opportunities (notably those regarding sea level rise and broader socioeconomic impact) from a long-term time horizon.



C2.2

(C2.2) Select the option that best describes how your organization's processes for identifying, assessing, and managing climate-related issues are integrated into your overall risk management.

Integrated into multi-disciplinary company-wide risk identification, assessment, and management processes

C2.2a

(C2.2a) Select the options that best describe your organization's frequency and time horizon for identifying and assessing climate-related risks.

	Frequency of monitoring	How far into the future are risks considered?	Comment
Row 1	Annually	>6 years	<p>Enterprise risks, including those related to sustainability, climate and energy, are identified and assessed on an ongoing basis. The results of these assessments are presented to the Board of Directors' Audit Committee.</p> <p>We also review climate-related risks using the Task Force for Climate-Related Financial Disclosures (TCFD) on an annual basis as part of the process for preparing our CDP Climate Change disclosures. This assessment helps to inform reporting to our Board's Corporate Governance Committee on Wyndham Hotels & Resorts' Social Responsibility program and our commitments to leadership in environmental sustainability.</p>

C2.2b

(C2.2b) Provide further details on your organization's process(es) for identifying and assessing climate-related risks.

PROCESSES AT COMPANY LEVEL: At the company level, our Social Responsibility team maintains daily strategic oversight to identify and manage issues related to climate change that may impact our Company's reputation, profitability and access to capital. Key methods include (1) actively tracking our global progress against our planned targeted emissions reductions to support a low carbon, science-based



pathway, and (2) engagement across our value chain to support the ongoing management of material climate-related risks and opportunities. Examples of value chain stakeholders that we engage include executive and brand leaders, team members, strategic development, owners of hotels we manage, franchisees and our suppliers.

Following our separation from our former parent company Wyndham Worldwide, these process and methods will now have oversight by our new Social Responsibility Leadership Council, which will be chaired by our Chief Executive Officer and Chief Social Responsibility Officer.

PROCESSES AT ASSET LEVEL: At the asset level, our Social Responsibility team identifies and assesses climate-related risks and opportunities by actively tracking, measuring and improving our environmental performance across properties. Key methods include (1) using our proprietary Green Toolbox environmental management system and (2) launching our Wyndham Green Certification to connect all of our performance improvement mechanisms into one comprehensive program. The Wyndham Green Certification program is designed to reduce cost through efficiency, increase recognition and help drive revenue from the environmentally conscious business and leisure travelers. Additionally, we maintain dedicated teams that identify and assess physical risks, including hurricanes and other extreme weather events, at the asset level through the development and management of business continuity and emergency preparedness plans.

DETERMINATION OF SIZE AND SCOPE OF RISKS: We consider all markets where we own, manage or franchise hotel property(ies). We also consider global environmental and socioeconomic trends, which may impact the value of our assets in addition to revenue and costs in our key markets, including those in the United States where our hotel brands represent approximately two of every five economy and mid-scale branded rooms in the country.

DETERMINATION OF SIGNIFICANCE: The criteria used to determine our priorities with regards to climate change risks and opportunities is based on the degree of potential market, physical, regulatory and/or business model impacts to Wyndham Hotels & Resorts. We also consider our value chain impacts, industry trends and level of stakeholder interest among our employees, investors, customers and franchisees.

For example, increasing building energy efficiency has been prioritized due to (1) cost savings and risk mitigation opportunities, (2) importance to our stakeholders and (3) alignment with our company's vision and strategic goals. Based on this prioritization, we are committed to leadership in sustainability and are embarking on a multi-decade journey to reduce our greenhouse gas emissions in alignment with what is required to limit the rise in global temperatures in alignment with Intergovernmental Panel on Climate Change (IPCC) recommendations.



DEFINITION OF SUBSTANTIVE FINANCIAL AND STRATEGIC IMPACT: In our CDP 2019 Climate Change response, we use both qualitative and quantitative measures to select risks or opportunities that may have a substantial financial and strategic impact to our Company. Qualitative measures consider correlations to our business model, mission and value chain. Quantitatively, we generally consider a risk or opportunity to be substantive based on a scenario where at least 3% of our net income could be impacted. In 2018, this threshold was approximately \$5 million.

C2.2c

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

	Relevance & inclusion	Please explain
Current regulation	Relevant, always included	We consider potential risks and opportunities associated with current regulation. Examples of the type of risks considered include regulations pertaining to energy efficiency, energy consumption reporting and green building codes and standards at the local and state levels. We also consider national regulations, including the UK carbon tax, which directly affects franchisees in that market.
Emerging regulation	Relevant, always included	We consider potential risks and opportunities associated with emerging regulation. Examples of the type of emerging regulations considered include those associated with renewable energy and energy efficiency incentives, which we view as an opportunity across our portfolio of Wyndham-branded hotels.
Technology	Relevant, always included	<p>We consider potential technology risks and opportunities in the context of industry trends that might impact the travel and tourism industry, and our ability to support our strategic goals and vision to be the world's leading provider of select-service hotels.</p> <p>We view technological shifts associated with the transition to a low carbon economy as an opportunity for our Company to leverage emerging innovations to further reduce our value chain emissions and enhance the experience that we can provide for customers.</p>



Legal	Relevant, always included	<p>With support from our Legal department, our Social Responsibility team monitors relevant legal risks including those which may be associated with climate change and/or broader environmental, social and governance (ESG). Examples of potential climate-related legal risks could include potential liabilities associated with our disclosures on emissions reduction strategies and performance.</p> <p>We do not believe that climate-related legal risks are currently substantive to our business.</p>
Market	Relevant, always included	<p>Our Social Responsibility team actively monitors market risks associated with climate change. Examples of potential climate-related market risks that are relevant to our Company include (1) changing customer behavior (due to increased guest interest in sustainability), (2) uncertainty in market signals (due to the broader potential socioeconomic impacts associated with climate change), and (3) variability in the price of raw materials (most notably energy and fuel).</p> <p>With regards to changing customer preferences, we view this trend as more of an opportunity than a risk for our Company.</p>
Reputation	Relevant, always included	<p>Our Social Responsibility team actively monitors reputation risks associated with climate change. Examples of potential climate-related reputation risks that are relevant to our Company include those associated with access to capital as investors and lenders increasingly consider environmental, social and governance (ESG) performance to inform decision making.</p> <p>We also consider our reputation on climate-related issues among both current and prospective employees and within the communities where we operate.</p>
Acute physical	Relevant, always included	<p>Acute physical risks are identified and assessed cross-functionally across our Company with leadership driven by Social Responsibility, Business Continuity and Enterprise Risk Management teams. Examples of acute physical risks that are relevant to our Company include hurricanes and wildfires.</p>
Chronic physical	Relevant, always included	<p>Chronic physical risks are identified and assessed cross-functionally across our Company with leadership driven by Social Responsibility, Business Continuity and Enterprise Risk Management teams. Examples of chronic physical risks that are potentially relevant to our Company include rising sea levels, rising mean temperatures, changes in precipitation patterns (including droughts) and extreme variability in weather patterns.</p>



		Chronic physical risks are also considered in the context of revenue implications as demand for travel and tourism can be influenced by weather patterns in key markets.
Upstream	Relevant, always included	<p>We consider upstream risks in the context of our ability to (1) manage supply chain costs, (2) avoid business interruptions and (3) support our signature “Count on Me!” service culture.</p> <p>Examples of the type of upstream climate-related risks considered include volatility in the price of energy, fuel and commodities (including those used for furniture, fixture and equipment that we procure) and potential business disruptions to the operations of current properties and the development of new properties.</p>
Downstream	Relevant, always included	<p>We consider downstream risks in the context of our ability to (1) manage our environmental footprint associated with customers’ use of our Wyndham-branded properties; and (2) ensure that our guests and employees are safe in the event of extreme weather events.</p> <p>Examples of the type of downstream climate-related risks considered include increased energy costs and increased severity of extreme weather events (including hurricanes and wildfires).</p>

C2.2d

(C2.2d) Describe your process(es) for managing climate-related risks and opportunities.

MANAGEMENT PROCESSES: The potential impacts related to climate-related risks and opportunities are discussed and reviewed on an annual basis as part of the preparation process for our annual CDP Climate Change disclosures. We utilize the Task Force for Climate-Related Financial Disclosures (TCFD) framework. The geographic areas considered include all locations where our Company and its subsidiaries operate, with a focus on North America where approximately 70% of our Wyndham-branded properties are located.

The management process for climate-related risks and opportunities is ongoing throughout the year, and is informed by engagement between our Social Responsibility team and other cross-functional teams across brands and geographies (including our Business Continuity team, Supply Chain



Management team and the management teams at owned and managed properties. We have also initiated a Social Responsibility Leadership Council to support our management processes. Chaired by our Chief Executive Officer and Chief Social Responsibility Officer, the Social Responsibility Leadership Council is focused on (1) reinforcing and promoting an organizational culture that encourages the participation in sustainability initiatives, (2) ensuring that we are meeting our strategic performance goals and (3) driving engagement with team members, franchisees and guests.

PRIORITIZATION OF PHYSICAL AND TRANSITION RISKS: To prioritize our greatest physical and transition risks, we consider the risks that are most applicable to the travel and tourism industry. Specifically, we consider the greatest risks prioritized by the World Travel and Tourism Council (WTTTC) and the International Tourism Partnership (ITP). We also consider value chain impacts, the location of our properties and alignment with our Company's vision and strategic priorities. Additionally, we consider how physical and transition risks could also have broader socioeconomic impacts that could influence our revenues and profitability over the short-term (1-2 years), medium-term (3-6 years) and long-term (7-10 years).

EXAMPLES: Based on the processes, we have prioritized sea level rises as our greatest long-term physical risk due to (1) potential business disruptions, (2) impacts to demand for travel in key markets and (3) potential increases in insurance premiums. We have also prioritized increased stakeholder concern as our greatest transition risk due to increased interest among our guests, investors, team members and franchisees.

We also view the transition to a low carbon economy as a substantive financial opportunity for our Company as we work to differentiate ourselves in the marketplace and gain competitive advantages by establishing our Company as a leader in sustainability practices.

C2.3

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

Yes

C2.3a

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



Identifier

Risk 1

Where in the value chain does the risk driver occur?

Direct operations

Risk type

Transition risk

Primary climate-related risk driver

Reputation: Increased stakeholder concern or negative stakeholder feedback

Type of financial impact

Reduced revenue from decreased demand for goods/services

Company- specific description

Many factors influence our reputation and the value of our hotel brands including the perception held by guests, our franchisees, our other key stakeholders and the communities in which we do business. Our stakeholders (notably our customers, investors and team members) are increasingly interested in our approach to managing climate-related risks and opportunities. For example, we frequently get requests from corporate customers, government customers and meeting planners about our sustainability practices from within our portfolio of over 9,000 Wyndham-branded hotels. The information that we provide is used to inform their purchasing decisions and can directly impact our revenue associated with both franchisee and management fees. Also, due to our Company's scale within the hotel industry, we may be subject to increased scrutiny. In North America, two of every five branded rooms are represented by our Company. We are also the world's largest hotel franchisor and approximately 61 million people have enrolled in Wyndham Rewards since its inception.

Within our industry, third-party booking sites including Travelocity, Orbitz and Expedia include information on "green" or sustainable practices to help customers make decisions when booking room nights across our Company's portfolio of 20 brands. Additionally, industry research has indicated a correlation between sustainability and customer satisfaction within the hotel industry.

Time horizon



Medium-term

Likelihood

Unknown

Magnitude of impact

Medium-low

Are you able to provide a potential financial impact figure?

Yes, a single figure estimate

Potential financial impact figure (currency)

18,680,000

Potential financial impact figure – minimum (currency)

Potential financial impact figure – maximum (currency)

Explanation of financial impact figure

Estimated financial impact assumes the potential for an approximate 1% decrease in 2018 total revenue associated with our reputation among guests, employees and communities with regards to how we are addressing climate change.

Management method

We have developed a best-in-class program to integrate sustainability across our portfolio of owned, managed and franchised hotels. We have developed a proprietary online environmental management system, entitled the Wyndham Green Toolbox, to track, measure and report energy, emissions, water and waste diversion performance globally. In 2018, we continued to promote and execute on efficiency and conservation best practices across our 9,000+ branded hotels, including (1) energy efficient lighting, (2) occupancy controls, (3) air sealing, (4) water efficient fixtures and showerheads and (5) preventive maintenance.

We also continue to partner with Avis Budget Group and participate in the United ecoSkies program to reduce our environmental impacts



attributed to Scope 3 business travel emissions, which includes air travel, car service and car rentals. We will report full year Scope 3 data related to business travel in 2020.

We also partner with guests on sustainability through our linen and towel re-use program and the ability to donate reward points to support disaster relief.

Cost of management

7,000,000

Comment

Annually, we invest approximately \$7 million in emissions reduction projects and other expenses associated with our Environmental Sustainability programs to manage this risk.

Identifier

Risk 2

Where in the value chain does the risk driver occur?

Direct operations

Risk type

Physical risk

Primary climate-related risk driver

Acute: Increased severity of extreme weather events such as cyclones and floods

Type of financial impact

Reduced revenues from lower sales/output

Company- specific description

Increases in the frequency and severity of extreme weather events, such as hurricanes and wildfires, could impact travel demand in specific markets, lead to supply chain interruptions and may cause damage to physical assets. For example, we recorded a \$20 million write-down of



property and equipment in 2017 related to damage sustained from Hurricane Maria at our owned Wyndham Grand Rio Mar Beach Resort and Spa in Puerto Rico. The property damage was fully recoverable through insurance coverage. In 2017, our overall operating expenses also increased as a result of higher operating expenses at our owned hotel in Puerto Rico due to the impacts from Hurricane Maria.

Our business model is asset-light, as we receive a management fee from our 400-plus managed property portfolio, as well as a percentage of each franchised hotel's room revenues, but do not own the underlying properties. Except for our two owned hotels: (1) the Wyndham Grand Rio Mar Beach Resort and Spa in Puerto Rico and (2) the Wyndham Grand Orlando Bonnet Creek, we are able to mitigate and transfer some of the risks associated with extreme weather events to third parties.

Time horizon

Short-term

Likelihood

More likely than not

Magnitude of impact

Medium

Are you able to provide a potential financial impact figure?

Yes, a single figure estimate

Potential financial impact figure (currency)

8,100,000

Potential financial impact figure – minimum (currency)

Potential financial impact figure – maximum (currency)

Explanation of financial impact figure



Estimated financial impact assumes the potential for an approximate 5% decrease in 2018 net income associated with business disruptions and increased insurance premiums.

Management method

Our Corporate Security and Business Continuity teams work with all of our owned, leased and managed assets that are deemed to be business critical and develop risk profiles. Based on the risk profile, a recovery time objective (RTO) is determined – this is how quickly the location has to be operating at what capacity. Once the RTO is determined, appropriate business recovery solutions are designed for the location to meet that objective. All managed properties are also provided an emergency preparedness guide to assist them in not only preparing for an emergency event but also for managing one as it occurs.

We have a dedicated 24/7 toll free number for property managers to report critical incidents and immediately receive guidance and support in managing the event and minimizing the impact of the event on our properties. All critical locations have been entered into a system by latitude and longitude. When any event occurs within a pre-designated radius of the property, Wyndham gets an email alert along with the senior leaders and property manager for that location. This allows us to receive an early warning system and permits us to proactively take measures to minimize the adverse impact of the event.

Cost of management

7,000,000

Comment

Annually, we invest approximately \$7 million in resiliency investments and other expenses associated with our Environmental Sustainability programs and Business Continuity Plans to manage this risk.

Identifier

Risk 3

Where in the value chain does the risk driver occur?

Direct operations



Risk type

Physical risk

Primary climate-related risk driver

Chronic: Rising sea levels

Type of financial impact

Reduced revenues from lower sales/output

Company- specific description

Many of our Wyndham-branded hotels and resorts are located in coastal areas that could be threatened should sea levels dramatically rise. Additionally, the two resorts that we own are located in coastal areas. For example, the Wyndham Grand Rio Mar Beach Resort and Spa is located in Puerto Rico; and the Wyndham Grand Orlando Bonnet Creek is located in Florida.

Should sea levels dramatically rise, our resorts located in coastal areas may experience decreased revenue and/or property damage that could impact the revenue and cash flow generated from these assets. Additionally, broader socio-economic impacts associated with rising sea levels could impact overall demand for travel and tourism. For example, disruptions to the travel or hotel industries could adversely affect our franchised hotels, the operations of current and potential franchisees, developers and owners of hotels with which we have hotel management contracts.

Time horizon

Long-term

Likelihood

Unknown

Magnitude of impact

Medium-low

Are you able to provide a potential financial impact figure?

Yes, a single figure estimate



Potential financial impact figure (currency)

24,880,000

Potential financial impact figure – minimum (currency)

Potential financial impact figure – maximum (currency)

Explanation of financial impact figure

Estimated financial impact assumes the potential for an approximate 0.5% decrease in 2018 total assets should rising sea levels impact revenue, cash flows and/or the overall value of our Company.

Management method

Our energy and water strategies are based on a low-carbon, science-based target pathway and our local, context-based water risk assessments using tools developed by the World Resource Institute (WRI) and World Wildlife Fund (WWF). We have also engaged with our industry to advance climate change mitigation and adaptation strategies within travel and tourism. For example, we provided guidance for the “Connecting Global Climate Action” Report, which coincided with the COP 21 Climate Change agreements made in Paris. Additionally, we have contributed to the development of industry-wide Leading the Challenge on Climate Change policy and participated in the establishment of emissions measurement guidelines for the hotel industry, which is entitled the Hotel Carbon Measurement Initiative (HCMI).

At the company level, we continue to embark on a multi-decade journey to reduce our greenhouse gas emissions in alignment with what is required to limit the rise in global temperatures in alignment with Intergovernmental Panel on Climate Change (IPCC) recommendations. At the asset level, the developers and owners of hotels with which we have hotel management contracts also actively monitor and manage potential risks associated with rising sea levels in relevant markets. Examples include assessments of a property’s siting and resiliency attributes in addition to an assessment of adaption measures, including seawalls and protective barriers, which local governments have undertaken.

Cost of management

7,000,000

Comment



Annually, we invest approximately \$7 million in resiliency investments and other expenses associated with our Environmental Sustainability programs to manage this risk.

C2.4

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

Yes

C2.4a

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

Identifier

Opp1

Where in the value chain does the opportunity occur?

Direct operations

Opportunity type

Resource efficiency

Primary climate-related opportunity driver

Move to more efficient buildings

Type of financial impact

Reduced operating costs (e.g., through efficiency gains and cost reductions)

Company-specific description



Our portfolio of managed hotels includes more than 400 third-party-owned properties and two owned properties. For some of these managed hotels, we are able to receive incentive management fees which are tied to the financial performance of the hotel. Energy costs can directly impact the financial performance of our managed hotels. For example, hotels consume energy at higher intensity levels than other types of commercial buildings due to continuous 24/7 operations. Also, due to increased guests' interest in sustainability, we have the opportunity to achieve competitive differentiation which could positively impact the fees that we receive from third-party owners and franchisees that are tied to occupancy rates and revenues at our 9,000 plus Wyndham-branded hotels.

As such, increasing the energy efficiency of our Wyndham-branded hotels can help to increase our management revenues and franchise revenues in addition to supporting global efforts to reduce greenhouse gas emissions.

Time horizon

Medium-term

Likelihood

More likely than not

Magnitude of impact

Medium-low

Are you able to provide a potential financial impact figure?

Yes, a single figure estimate

Potential financial impact figure (currency)

4,860,000

Potential financial impact figure – minimum (currency)

Potential financial impact figure – maximum (currency)



Explanation of financial impact figure

Estimated financial impact assumes the potential for an approximate 3% increase in 2018 net income due to reduced energy spend associated with efficiency gains.

Strategy to realize opportunity

To capitalize on this opportunity, we are focused on fully and deeply integrating our Wyndham Green program throughout our value chain by engaging brand leaders, team members, franchisees and suppliers. In 2019, we will be launching our Wyndham Green Certification which is intended to connect all of our efficiency strategies into one comprehensive program. Our initial focus is on low cost, high ROI operational and product improvements followed by more capital intensive projects. More importantly, the certification also focuses on education of both the team members and guests while raising awareness on opportunities to increase efficiency.

The Wyndham Green Certification Program is a progressive five-level program that is ordered to build from the “Core” to “Expert” level. Each level is comprised of 5-7 actions that address recommended building efficiencies in addition to other industry best practices. Based on an initial quality assurance screening, over 1,400 properties are expected to be eligible for certification at program launch.

We are also focused on continuing to maximize building efficiency at our corporate headquarters, which recently received a LEED® Gold re-certification. The recertification designates Wyndham Hotels & Resorts’ corporate campus as one of the highest-performing buildings in the country and reflects our Company’s commitment to minimizing its environmental footprint.

Cost to realize opportunity

7,000,000

Comment

Annually, we invest approximately \$7 million in efficiency investments and other expenses associated with our Environmental Sustainability programs to capitalize on this opportunity.

Identifier

Opp2



Where in the value chain does the opportunity occur?

Customer

Opportunity type

Products and services

Primary climate-related opportunity driver

Shift in consumer preferences

Type of financial impact

Better competitive position to reflect shifting consumer preferences, resulting in increased revenues

Company-specific description

Our guests are increasingly interested in practices that promote sustainable tourism across each touchpoint during their experience within our portfolio of over 9,000 Wyndham-branded hotels. Examples include check-in experience, room operations and maintenance, restaurants and local excursions. In response to this interest, third-party booking sites including Travelocity, Orbitz and Expedia now include information on “green” or sustainable practices to help customers make decisions when booking room nights across our Company’s portfolio of 20 brands. Additionally, industry research has indicated a correlation between sustainability and customer satisfaction within the hotel industry.

Our brands are among the most respected in the industry and have won numerous awards for the quality and consistency of service they provide. We intend to continue to drive favorable consumer perception of our brands, for which sustainability is now an important attribute. Additionally, as part of our growth strategy, we are targeting millennials who have demonstrated a higher interest in sustainability than older generations. We also frequently get requests from corporate customers, government customers and meeting planners about our sustainability practices, and we have been informed that the information we provided is used to inform their purchasing decisions and can directly impact our revenue associated with both franchisee and management fees.

Time horizon

Medium-term

Likelihood



More likely than not

Magnitude of impact

Medium

Are you able to provide a potential financial impact figure?

Yes, a single figure estimate

Potential financial impact figure (currency)

18,680,000

Potential financial impact figure – minimum (currency)

Potential financial impact figure – maximum (currency)

Explanation of financial impact figure

Estimated financial impact assumes the potential for an approximate 1% increase in 2018 revenue due to increased competitive advantage associated with our energy, climate and broader sustainability strategies.

Strategy to realize opportunity

In recognition of this opportunity, we are launched a new Social Responsibility Leadership Council. Chaired by our Chief Executive Officer and Chief Social Responsibility Officer, the Social Responsibility Leadership Council's mandate is focused on (1) driving engagement with guests and (2) building brand value to respond to shifts in consumer preferences. The Social Responsibility Leadership Council is designed to support our ability to chart a new path as an independent company while building upon our past successes as part of Wyndham Worldwide.

We continue to advance our programs to engage and partner with guests to promote sustainability. For example, by participating in our towel and linen re-use program at our hotels, guests can choose not to have their linens and towels laundered every day – reducing both water and energy consumption. Guests are also able to donate Wyndham Rewards points to support disaster relief.

We also aim to differentiate our brand-affiliated hotels by engaging in leading best practices for sustainability. For example, The Alexander, a



Dolce Hotel, has been awarded LEED® Silver certification in the New Construction & Major Renovations category. The Alexander is the only hotel in Indianapolis with LEED® certification. Our Travelodge by Wyndham brand is also driving awareness of conservation through its first multi-year campaign, #Travelarge, in partnership with the National Parks Conservation Association.

Cost to realize opportunity

7,000,000

Comment

Annually, we invest approximately \$7 million in efficiency investments and other expenses associated with our Environmental Sustainability programs to capitalize on this opportunity.

Identifier

Opp3

Where in the value chain does the opportunity occur?

Direct operations

Opportunity type

Resilience

Primary climate-related opportunity driver

Participation in renewable energy programs and adoption of energy-efficiency measures

Type of financial impact

Increased market valuation through resilience planning (e.g., infrastructure, land, buildings)

Company-specific description

Following the Paris climate agreement and in response to increased corporate demand for renewable energy procurement, the regulatory landscape for renewable energy incentives globally may shift over the next decade. The further development and enactment of renewable energy regulations at the national, state and local levels may create new investment opportunities for our Company. Additionally, we have the



opportunity to capitalize on rebates from utilities and governments in support of our energy efficiency measures.

Our ability to utilize more renewable energy and further increase energy efficiency could result in higher incentive management fees from the associated cost savings across the portfolio of more than 400 hotels that we manage. Additionally, investing in onsite renewable energy can increase the resilience of our 9,000 plus Wyndham-branded hotels and help increase the value of our Company and protect our cash flow from climate-related risks.

Time horizon

Medium-term

Likelihood

Likely

Magnitude of impact

Medium-low

Are you able to provide a potential financial impact figure?

Yes, a single figure estimate

Potential financial impact figure (currency)

4,860,000

Potential financial impact figure – minimum (currency)

Potential financial impact figure – maximum (currency)

Explanation of financial impact figure

Estimated financial impact assumes the potential for an approximately 3% increase in 2018 net income due to decreased requirements for energy spend across our portfolio of managed hotels and resorts and increased resilience against potential business disruptions.



Strategy to realize opportunity

The use of renewable energy is central to our long-term sustainability strategy. We continue to evaluate opportunities to increase the amount of renewable energy that our managed properties consume. Examples include the installation of onsite solar PV systems, the purchase of renewable energy certificates (RECs) and the purchase of carbon offsets. Our renewable energy strategies are design to complement our green building strategies. For example, in tandem with The Alexander, a Dolce Hotel, becoming the first hotel in Indianapolis to receive LEED® Silver certification, the hotel also committed to derive 35% of its electricity from renewable energy sources in collaboration with the local utility in Indianapolis. In addition, our managed property in Belgium, Dolce Brussels, has an onsite solar array capable of supplying approximately 240MWhs which is 5 to 10% of the total electricity for the property.

We continue to promote energy efficiency through our emphasis on low cost, high return projects across our portfolio of 9,000 plus Wyndham-branded hotels. With the launch of our Wyndham Green Certification, we will be connecting all of our efficiency strategies into one comprehensive program. The Wyndham Green Certification Program is a progressive five-level program that is ordered to build from the “Core” to “Expert” level. Each level is comprised of 5-7 actions that address recommended building efficiencies in addition to other industry best practices.

Cost to realize opportunity

7,000,000

Comment

Annually, we invest approximately \$7 million in expenses and emissions reduction investments, including those related to renewable energy, to capitalize on this opportunity.

C2.5

(C2.5) Describe where and how the identified risks and opportunities have impacted your business.

	Impact	Description
Products and services	Impacted	Potential risks associated with product and services (most notably our guest nights at our portfolio of two owned properties, more than 400 managed properties and 8,700 franchised properties) include extreme weather events and shifts in consumer preferences.



		<p>These risks have been integrated into our business strategy and planning process through our (1) commitment to achieving emissions reductions to support a low-carbon, science-based pathway; (2) launch of the Green Certification Program and Social Responsibility Leadership Council; and (3) execution of our Business Continuity programs and associated emergency response plans.</p> <p>The management of these risks also presents the opportunity for Wyndham Hotels & Resorts to increase operational efficiency and establish competitive advantages.</p> <p>The potential magnitude of these risks and opportunities is currently considered to be medium-low (in the context of our current revenue and total assets).</p>
<p>Supply chain and/or value chain</p>	<p>Impacted</p>	<p>Upstream potential risks associated with our supply chain include changes in the cost of energy, fuel and commodities in addition to broader uncertainty in market signals associated with climate change. For example, energy costs can impact the incentive management fees that we receive based on the profitability of our managed hotels. We also maintain a vast supplier network to provide goods and services to our managed properties around the globe. Our procurement of (1) Operating Supplies, (2) Furniture and Fixtures, (3) Food and Beverage, and (4) Technology Services for managed properties comprises a significant component of our supply chain spend.</p> <p>Downstream potential risks within our value chain (notably the use of guest rooms and common areas at our Wyndham-branded hotels) include those associated with extreme weather events and shifts in consumer preferences. The management of risks may also present the opportunity for our Company to increase long-term revenue growth and establish competitive advantages by engaging guests on sustainability.</p> <p>These risks have been integrated into our business strategy and planning process through our (1) commitment to achieving emissions reductions to support a low-carbon, science-based pathway; (2) launch of the Green Certification Program and Social Responsibility Leadership Council; and (3) execution of our Business Continuity programs and associated emergency response plans.</p>



		<p>The potential magnitude of these risks and opportunities is currently considered to be medium-low (in the context of our current net income and total assets).</p>
Adaptation and mitigation activities	Impacted	<p>Our identification of both acute physical risks (notably hurricanes and wildfires) and chronic physical risks (notably sea level rises for our coastal resorts) have influenced our adaptation and mitigation activities.</p> <p>These risks have been integrated into our business strategy through (1) business continuity planning activities, (2) partnerships with developers and owners of hotels to support resiliency assessments and (3) our decision to centralize our mitigation activities across our portfolio of 9,000 plus Wyndham-branded hotels through the Green Certification Program.</p> <p>We believe that our adaptation and mitigation activities could also potentially create competitive advantages as we seek to differentiate our portfolio of Wyndham-branded hotels in terms of both energy efficiency and climate resilience.</p> <p>The potential magnitude of these risks and opportunities is currently considered to be medium-low (in the context of our current net income and total assets).</p>
Investment in R&D	Not impacted	<p>We do not make any investments, which are classified as research and development expenses, in our financial disclosures.</p>
Operations	Impacted	<p>Potential risks associated with operations (most notably our guest nights at our portfolio of two owned properties, of more than 400 managed properties and 8,700 franchised properties) include potential increases in the price of energy and fuel. Potential opportunities include further increasing of the energy efficiency of our buildings and deepening our participation in renewable energy programs (including power purchase agreements or “PPAs”).</p> <p>These risks have been integrated into our business strategy and planning process through our (1) commitment to achieving emissions reductions to support a low-carbon, science-based pathway; (2) launch of the Green Certification Program and Social Responsibility Leadership Council; and (3) investments and capital projects to support energy efficiency and renewable energy consumption.</p>



		<p>Our renewable energy strategies are design to complement our green building strategies. For example, in tandem with The Alexander, a Dolce Hotel, becoming the first hotel in Indianapolis to receive LEED® Silver certification, the hotel also committed to derive 35% of its electricity from renewable energy sources in collaboration with the local utility in Indianapolis.</p> <p>The potential magnitude of these risks and opportunities is currently considered to be medium-low (in the context of our current net income and total assets).</p>
Other, please specify		

C2.6

(C2.6) Describe where and how the identified risks and opportunities have been factored into your financial planning process.

	Relevance	Description
Revenues	Impacted	<p>The most significant risk identified as having a potential impact to our revenues is related to reputation as guests (particularly millennials), corporate customers, governmental customers and meeting planners are increasingly interested in climate change and broader sustainability issues. The management of these risks also presents the potential opportunity to increase revenue through competitive differentiation.</p> <p>We continue to advance our programs to engage and partner with guests to promote sustainability. For example, by participating in our towel and linen re-use program at our hotels, guests can choose not to have their linens and towels laundered every day – reducing both water and energy consumption. Guests are also able to donate Wyndham Rewards points to support disaster relief.</p> <p>Additionally, our new Social Responsibility Leadership Council’s mandate is focused on (1) driving engagement with guests and (2) building brand value to respond to shifts in consumer preferences.</p> <p>Examples of how these risks and opportunities have been integrated into our financial planning process include our investments in emissions reductions activities and additional expenses associated with our Environmental Sustainability</p>



		<p>programs.</p> <p>The potential magnitude of these risks and opportunities is currently considered to be medium-low (in the context of our current revenue and total assets).</p>
Operating costs	Impacted	<p>The most significant risk identified as having a potential impact to our operating costs is changes in the cost of energy, fuel and commodities. For example, energy costs can impact the incentive management fees that we receive based on the profitability of our managed hotels. We also maintain a vast supplier network to provide goods and services to our managed properties around the globe. Our procurement of (1) Operating Supplies, (2) Furniture and Fixtures, (3) Food and Beverage, and (4) Technology Services for managed properties comprises a significant component of our supply chain spend.</p> <p>Potential opportunities associated with managing this risk include increasing energy efficiency in buildings and participating in renewable energy programs.</p> <p>Examples of how these risks and opportunities have been integrated into our financial planning process include our evaluation of the following opportunities to support our long-term sustainability strategy: (1) installation of onsite solar PV systems, (2) purchase of renewable energy certificates and (3) purchase of carbon offsets to support local communities.</p> <p>The potential magnitude of these risks and opportunities is currently considered to be medium-low (in the context of our current net income and total assets).</p>
Capital expenditures / capital allocation	Impacted	<p>The most significant risks identified as having a potential impact to our capital expenditures are (1) the need to mitigate risks associated with increases in the cost of energy, fuel and commodities and (2) the need to reduce our operational footprint from a reputational perspective and achieve progress to support the transition to a low carbon economy.</p> <p>Potential opportunities associated with managing this risk include the increasing energy efficiency in buildings and participating in renewable energy programs.</p>



		<p>Examples of how these risks and opportunities have been integrated into our financial planning process include our investments in our sustainability programs, including the Green Certification Program. Our initial focus is on low cost, high ROI operational and product improvements followed by more capital intensive projects. More importantly, the certification also focuses on education of both the team members and guests while raising awareness on opportunities to increase efficiency.</p> <p>Please note that our business model is asset-light. We own only two of our more than 9,000 plus Wyndham-branded hotels. Most capital expenditures to increase energy efficiency are directly funded by the owners and franchisees of our Wyndham-branded hotels.</p> <p>The potential magnitude of these risks and opportunities is currently considered to be medium-low (in the context of our current net income and total assets).</p>
Acquisitions and divestments	Not impacted	Climate-related issues have currently not impacted Wyndham Hotels & Resorts' planning and decision-making process with regards to acquisitions and divestments.
Access to capital		<p>We believe that increase interest from the investment community in the area of environmental, social and governance risk is a climate-related opportunity for our Company. In 2019, we published our first Social Responsibility Report as Wyndham Hotels & Resorts. We utilized the Global Reporting Initiative to guide report content, and had our environmental performance data third-party assured.</p> <p>Examples of how these risks and opportunities have been integrated into our financial planning process include (1) our evaluation of strategy and investments to reduce our operational footprint; and (2) the allocation of management time and consulting fees on reporting, communications and the receipt of third-party assurance for our environmental performance data.</p> <p>The potential magnitude of this opportunity is currently considered to be medium-low (in the context of our total assets).</p>
Assets	Impacted	The most significant risks associated with the value of our assets are extreme weather events in the short-term and rising sea levels in the long-term. For example, we recently recorded a write-down of property and equipment related to



		<p>damage sustained from Hurricane Maria at our owned Wyndham Grand Rio Mar Beach Resort and Spa in Puerto Rico.</p> <p>Our business model is asset-light, as we generally receive a percentage of each franchised and managed hotel’s room revenues. We do not own the underlying properties with the exception of two owned hotels: (1) the Wyndham Grand Rio Mar Beach Resort and Spa in Puerto Rico and (2) the Wyndham Grand Orlando Bonnet Creek, which we also manage. Because we only own a small fraction of our more than 9,000 plus Wyndham-branded hotels and maintain insurance coverage, we are able to mitigate and transfer some of the risks associated with extreme weather events and rising sea levels to third parties.</p> <p>Examples of how these risks have been integrated into our financial planning process include (1) investments to maintain and continue to enhance our Business Continuity Plans; and (2) the evaluation of strategies and investments to support our low carbon, science-based pathway to reduce our operational footprint.</p> <p>The potential magnitude of these risks and opportunities is currently considered to be medium (in the context of our current net income and total assets).</p>
Liabilities	Not impacted	We do not believe that risks and opportunities associated with climate change have directly impacted our liabilities, but we continue to monitor increased lender and rating agency interest in environmental, social and governance (ESG) performance.
Other		

C3. Business Strategy

C3.1

(C3.1) Are climate-related issues integrated into your business strategy?

Yes

C3.1a

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

Yes, qualitative and quantitative

C3.1c

(C3.1c) Explain how climate-related issues are integrated into your business objectives and strategy.

I. HOW BUSINESS STRATEGY INFLUENCED BY CLIMATE CHANGE

Our business strategy is driven by the following strategic goals: fostering a values-driven culture, elevating the brand experience and capturing greater property-level market share.

Climate change has influenced how we execute on each of these strategic goals in the following ways: (1) As part of our strategic vision to foster a values-driven culture, we understand that it is essential to protect our natural capital and resources to deliver long-term sustainable value for our stakeholders; and (2) Differentiating our Company and its brands through our sustainability practices will also help strengthen the brand experience and increase our property-level market share across the economy and mid-scale segments (where we currently lead) and upscale segment (where we have a growing presence). As such, we are actively engaging guests (particularly millennials), corporate customers, government customers and meeting planners on sustainability. We also continue to utilize our proprietary Wyndham Green Toolbox to track, measure and report energy and emissions performance globally.

II. EMISSIONS REDUCTION TARGETS

Although now an independent pure-play hospitality company following our spin-off from our former parent company, Wyndham Worldwide, we are committed to regaining a leadership position in environmental disclosure and performance. Wyndham Hotels & Resorts' strategy is currently guided by our 2025 target to reduce Scope 1 and 2 emissions intensity by 40%. We will be setting 2018 as our new baseline specific to Wyndham Hotels & Resorts and establishing climate-related targets in alignment with leading criteria for science-based targets for our Scope 1 and 2 emissions.

III. BUSINESS DECISIONS IMPACTED BY CLIMATE CHANGE



In 2018, the most substantive business decisions impacted by climate change were (1) the development of a refreshed sustainability strategy to align with our new corporate name, business strategies and independent pure-play hospitality company status after our spin-off from our former parent company Wyndham Worldwide and (2) the creation of a new CEO-chaired Social Responsibility Leadership Council to chart our path as Wyndham Hotels while building upon our past successes as part of Wyndham Worldwide.

IV. ASPECTS IMPACTING STRATEGY

Our vision is to be the world's leading provider of select-service hotels. This vision and our assessment of our greatest climate-related risk and opportunities have impacted our strategy in the following ways: (1) We are committed to leadership in sustainability and are embarking on a multi-decade journey to reduce our greenhouse gas emissions in alignment with what is required to limit the rise in global temperatures in alignment with Intergovernmental Panel on Climate Change (IPCC) recommendations; and (2) We are focused on advancing efforts to integrate the Wyndham Green program throughout our value chain.

V. SHORT-TERM STRATEGY

Examples of how climate change has influenced our short-term strategy (1-2 years) include our Company's prioritization of the following three focus areas: (1) reducing our environmental footprint in alignment with reductions required for science-based emission targets and context-based water targets; and (2) launching the Wyndham Green Certification Program to further harmonize best practices across our portfolio of more than 9,000 plus Wyndham-branded hotels and (3) expanding our impact through engagement with hotel owners, hotel developers, franchisees, suppliers and guests.

VI. LONG-TERM STRATEGY

Examples of how climate change has influenced our long-term strategy (3-10 years) includes the ongoing evaluation of the following strategies: (1) installing onsite solar PV systems and other forms of renewable and/or decentralized energy generation; (2) purchasing renewable energy certificates (RECs) and carbon offsets to support local communities, (3) increasing the number of LEED® and ENERGY STAR® certified properties in our managed portfolio, and (4) deepening our impact through engagement with hotel owners, hotel developers, franchisees, suppliers and guests.

VII. STRATEGIC ADVANTAGE

As a pure play hotel company, Wyndham Hotels & Resorts will leverage the Wyndham Green Toolbox and Green Certification Program to help strengthen our brands and the value that we are able to provide to our managed properties and large franchisee network. Additionally,



we continue to engage our employees through our sustainability practices. For example, our corporate headquarters recently received a LEED® Gold re-certification, which designates Wyndham Hotels & Resorts’ corporate campus as one of the highest-performing buildings in the country.

VIII. INFLUENCE OF PARIS AGREEMENT

The Paris agreement has significantly influenced our sustainability strategies. Specifically, our commitment to reduce our operational footprint based on a low carbon, science-based pathway is designed to match the level of ambition set forth in the Paris agreement and advocated by the scientific community to avoid or mitigate catastrophic impacts from climate change.

C3.1d

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

Climate-related scenarios	Details
2DS	<p>Our current 2025 emissions target, developed under our former parent company Wyndham Worldwide, has been designed to help support the leading scenarios to limit global temperature rise by 2 degrees Celsius. Our target is based on a linear pathway, where we plan to focus on energy intensity and efficiency specifications through our 2025 target, and from 2025-2050 to explore increasing renewable energy for generation of electricity both onsite and offsite, as outlined by the Sectoral Decarbonization Approach (SDA) and its methodology for power generation.</p> <p>The following assumptions were used: (1) We assessed projected portfolio growth against current emissions reduction plan and strategies and the recommendations set forth in the leading scenario that would require limiting the rise in global temperatures to no more than 2° Celsius compared to pre-industrial temperatures and require a 66% target reduction by 2050. (2) We also considered the SDA trajectory of growth and the scenarios presented in the IEA projecting energy rise in service buildings of 26% and 77% in Organization for Economic Co-operation and Development (OECD) countries and non-OECD countries, respectively.</p> <p>An example of how the scenario analysis has directly influenced our business objectives and strategy is that we align our emissions reduction strategies and investments in energy efficiency and renewable energy use to support our multi-decade journey to reduce our greenhouse gas emissions in alignment with what is required to limit the rise in global temperatures in alignment with Intergovernmental</p>

Panel on Climate Change (IPCC) recommendations.

C4. Targets and performance

C4.1

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

Intensity target

C4.1b

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

Target reference number

Int 1

Scope

Scope 1 +2 (market-based)

% emissions in Scope

100

Targeted % reduction from base year

40

Metric

Metric tons CO₂e per square foot*



Base year

2010

Start year

2014

Normalized base year emissions covered by target (metric tons CO2e)

0.00984

Target year

2025

Is this a science-based target?

Yes, we consider this a science-based target, but this target has not been approved as science-based by the Science Based Targets initiative

% of target achieved

9.1

Target status

Retired

Please explain

Having initially achieved its 20% reduction target six years ahead of schedule, our former parent company Wyndham Worldwide set an expanded target of 40% by 2025, which supports a science-based target to reduce emissions by 90% in 2050.

During the 2018 reporting year, we spun-off from Wyndham Worldwide. In 2019, we plan to set a next generation emissions target that will match this level of ambition under our new corporate name of Wyndham Hotels & Resorts. Note the percent change in absolute emissions reflects Wyndham Hotels and Resorts data for 2018 and may not correlate until the 2020 CDP filing.

% change anticipated in absolute Scope 1+2 emissions

-26.4

% change anticipated in absolute Scope 3 emissions

C4.2

(C4.2) Provide details of other key climate-related targets not already reported in question C4.1/a/b.

Target

Renewable electricity consumption

KPI – Metric numerator

Percentage of total electricity generated through onsite renewable energy or purchased through renewable energy credits

KPI – Metric denominator (intensity targets only)

Base year

2018

Start year

2018

Target year

2035

KPI in baseline year

0

KPI in target year

10



% achieved in reporting year

0.05

Target Status

Retired

Please explain

During the 2018 reporting year, we spun-off from Wyndham Worldwide.

As part of Wyndham Worldwide, we were executing on a target to generate 10% of total electricity through onsite renewable energy by 2035.

We are currently in the process of defining our renewable energy strategies and establishing associated targets for Wyndham Hotels & Resorts.

Part of emissions target

yes

Is this target part of an overarching initiative?

No, it's not part of an overarching initiative

C4.3

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

Yes

C4.3a

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

	Number of initiatives	Total estimated annual CO2e savings in metric tonnes CO2e (only for rows marked *)
Under investigation	0	0

To be implemented*	75	8,000
Implementation commenced*	5	500
Implemented*	20	5,000
Not to be implemented		

C4.3b

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

Initiative type

Low-carbon energy purchase

Description of initiative

Solar PV

Estimated annual CO2e savings (metric tonnes CO2e)

1,317

Scope

Scope 2 (market-based)

Voluntary/Mandatory

Voluntary

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

46,000

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

600,000



Payback period

11-15 years

Estimated lifetime of the initiative

16-20 years

Comment

Dolce Brussels generates over 200 MWhs per year from an onsite solar system. In addition, Dolce Alexander is the first hotel in Indianapolis to receive LEED® Silver certification. WH&R's corporate office at 22 Sylvan Way, which received LEED Gold for O&M, purchases renewable energy credits to cover 100% of its electricity consumption plus offsets 100% of its natural gas usage.

Initiative type

Energy efficiency: Building services

Description of initiative

Other, please specify

Certification: Lighting and HVAC controls

Estimated annual CO2e savings (metric tonnes CO2e)

5,000

Scope

Scope 2 (market-based)

Voluntary/Mandatory

Voluntary

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

250,000

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



500,000

Payback period

1-3 years

Estimated lifetime of the initiative

6-10 years

Comment

As part of our internal certification roll out we identified operationally controlled locations implementing external certifications to understand savings typically associated with LED and HVAC controls. These are expected to deliver a significant savings opportunity. Note: the investment above reflects estimated pre-rebate and incentive value.

The estimated lifetime of the initiatives based on most LED and HVAC control technology is roughly 7 to 10 years.

C4.3c

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

Method	Comment
Financial optimization calculations	<p>When considering investments in emissions reduction activities, we consider internal rates of returns and payback period for specific projects. We continue to prioritize low-cost, high-return investments through our Green Certification Program.</p> <p>In addition to financial optimization calculations, we also consider efficiency investments to accompany end-of-life replacements for HVAC systems, chillers, boilers and other equipment.</p> <p>Additionally, as appropriate, we consider factors beyond financial optimization calculations in the context of our reputation and other identified climate-related risks and opportunities (including those related to resilience against acute and chronic physical risks.)</p> <p>Please note that our business model is asset-light. We own only two of our 9,000 plus Wyndham-branded hotels. Most capital</p>

expenditures to increase energy efficiency are directly funded by the owners and franchisees of our Wyndham-branded hotels.

C4.5

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

Yes

C4.5a

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

Level of aggregation

Group of products

Description of product/Group of products

Franchised Hotels

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

Avoided emissions

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

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

61

Comment



We enable franchisees to reduce Scope 1 and 2 emissions through access to our sustainability programs (including our green certification, towel and linen re-use and energy efficient lighting). We also provide franchisees with advisory services and access to our proprietary Wyndham Green Toolbox environmental management system.

As part of our certification process and initial survey over 25% of our North American franchisees would qualify for some level of certification.

C5. Emissions methodology

C5.1

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

Scope 1

Base year start

January 1, 2018

Base year end

December 31, 2018

Base year emissions (metric tons CO₂e)

57,578

Comment

Our new base year will be set at 2018. The 2018 emissions reflect our operational control boundary as a pure play hotel company. These emissions have been third-party assured.

Scope 2 (location-based)

Base year start



January 1, 2018

Base year end

December 31, 2018

Base year emissions (metric tons CO₂e)

235,785

Comment

Our new base year will be set at 2018. The 2018 emissions reflect our operational control boundary as a pure play hotel company. These emissions have been third-party assured

Scope 2 (market-based)

Base year start

January 1, 2018

Base year end

December 31, 2018

Base year emissions (metric tons CO₂e)

234,622

Comment

Our Scope 2 market-based emissions include renewable energy certificates (RECs). For example, our Dolce Brussels generates over 200 MWhs annually from onsite solar and our LEED Gold headquarters at 22 Sylvan Way uses RECs to offset 100% of annual electricity usage.

C5.2

(C5.2) Select the name of the standard, protocol, or methodology you have used to collect activity data and calculate Scope 1 and Scope 2 emissions.

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

C6. Emissions data

C6.1

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

Reporting year

Gross global Scope 1 emissions (metric tons CO₂e)

57,578

Start date

January 1, 2018

End date

December 31, 2018

Comment

The majority of our Scope 1 emissions are generated from natural gas consumption at our managed properties.

C6.2

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

Row 1

Scope 2, location-based

We are reporting a Scope 2, location-based figure

Scope 2, market-based

We are reporting a Scope 2, market-based figure



Comment

Our Scope 2 market-based emissions include renewable energy certificates (RECs) purchased by hotels within our portfolio of managed properties.

C6.3

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

Reporting year

Scope 2, location-based

235,785

Scope 2, market-based (if applicable)

234,622

Start date

January 1, 2018

End date

December 31, 2018

Comment

Our Scope 2 market-based emissions include renewable energy certificates (RECs). For example, our Dolce Brussels generates over 200 MWhs annually from onsite solar and our LEED Gold headquarters at 22 Sylvan Way uses RECs to offset 100% of annual electricity usage.

C6.4

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

Yes

C6.4a

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

Source

Perfluorocarbons (PFCs)

Relevance of Scope 1 emissions from this source

Emissions are not relevant

Relevance of location-based Scope 2 emissions from this source

Emissions are not relevant

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

Emissions are not relevant

Explain why this source is excluded

These gases are not statistically relevant to our business.

Source

Sulfur Hexafluoride (SF6)

Relevance of Scope 1 emissions from this source

Emissions are not relevant

Relevance of location-based Scope 2 emissions from this source

Emissions are not relevant

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

Emissions are not relevant

Explain why this source is excluded

These gases are not statistically relevant to our business.

C6.5

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

Purchased goods and services

Evaluation status

Relevant, not yet calculated

Explanation

As part of Wyndham Worldwide, we estimated the life cycle emissions of our directly purchased goods and services for managed properties.

Our procurement of (1) Operating Supplies, (2) Furniture and Fixtures, (3) Food and Beverage, and (4) Technology Services comprises a significant component of this supply chain spend.

We are in the process of evaluating our emissions from this source to reflect the spin-off and our new operations as an independent pure-play hospitality company.

Capital goods

Evaluation status

Not relevant, explanation provided

Explanation

The life cycle emissions for capital goods are believed to not be relevant at the current time due to long replacement cycles.



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

Evaluation status

Not relevant, explanation provided

Explanation

We have evaluated fugitive emissions, which we consider to be a Scope 1 emission source. Based on industry estimates from Cornell University, the related emissions are believed to be statistically insignificant for our Company.

Upstream transportation and distribution

Evaluation status

Relevant, not yet calculated

Explanation

We do not calculate, but we do consider the life cycle emissions associated with transportation and distribution of goods that we procure.

Waste generated in operations

Evaluation status

Relevant, not yet calculated

Explanation

To reduce our Scope 3 emissions associated with waste-to-landfill, we are currently focused on establishing a credible baseline for waste generated in operations.

Wyndham Hotels & Resorts is evaluating a commitment to achieve a waste diversion rate of 40% by 2025. We also plan to offer a single-use plastic minimization program to our owned and managed properties that will uphold our commitment to the environment while ensuring our customers continue to have a positive guest experience.

We continue to partner with Avis Budget Group and participate in the United ecoSkies program to reduce our environmental impacts attributed to Scope 3 business travel emissions, which include air travel, car service and car rentals.

Due to the spin-off in 2018 we will report full year business travel data in 2020.

Business travel

Evaluation status

Relevant, not yet calculated

Explanation

We continue to partner with Avis Budget Group and participate in the United ecoSkies program to reduce our environmental impacts attributed to Scope 3 business travel emissions, which include air travel, car service and car rentals.

Due to the spin-off in 2018 we will report full year business travel data in 2020.

Employee commuting

Evaluation status

Not relevant, explanation provided

Explanation

We do not believe that Scope 3 emissions from employee commuting would reach the threshold for relevance in the context of our combined Scopes 1-3 emissions.

To reduce emissions associated with employee commuting, we offer a flexible work program that includes telecommuting.

Upstream leased assets

Evaluation status

Not relevant, explanation provided



Explanation

Emissions related to leased properties are included as part of Scope 1 and 2 emissions and fall under the specified operational control boundary.

Downstream transportation and distribution

Evaluation status

Not relevant, explanation provided

Explanation

Emissions related to downstream transportation and distribution are not relevant to our business model as a pure-play hospitality company that does not manufacture products.

Processing of sold products

Evaluation status

Not relevant, explanation provided

Explanation

Emissions related to processing of sold products are not relevant to our business model, which is asset-light and whereby our revenues are based on franchise and management fees.

Use of sold products

Evaluation status

Not relevant, explanation provided

Explanation

Emissions related to the use of sold products are currently captured within our Scope 1 and 2 emissions (where we measure the emissions associated with guest use of rooms and common areas at managed hotels).

End of life treatment of sold products



Evaluation status

Not relevant, explanation provided

Explanation

Emissions related to the end-of-life treatment of sold products are not relevant to our business model.

Downstream leased assets

Evaluation status

Not relevant, explanation provided

Explanation

Emissions related to downstream leased assets are not relevant to our business model.

Franchises

Evaluation status

Relevant, not yet calculated

Explanation

Franchisees are an important part of our business model that results in notable Scope 3 emissions. We do not currently have a credible, consolidated emissions data set based on the large scale of our franchisee network.

Investments

Evaluation status

Not relevant, explanation provided

Explanation

Our investments are currently captured within our Scope 1 and 2 emissions inventory.

Other (upstream)



Evaluation status

Not relevant, explanation provided

Explanation

We have not identified any other upstream Scope 3 emissions sources at this time.

Other (downstream)

Evaluation status

Not relevant, explanation provided

Explanation

We have not identified any other downstream Scope 3 emissions sources at this time.

C6.7

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

No

C6.10

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

Intensity figure

0.000157

Metric numerator (Gross global combined Scope 1 and 2 emissions)

293,363



Metric denominator

unit total revenue

Metric denominator: Unit total

1,868,000,000

Scope 2 figure used

Market-based

% change from previous year

0

Direction of change

No change

Reason for change

In 2018, our revenue was \$1.868 billion and our emissions per dollar of revenue are 0.000157.

Our 2018 emissions are considered to be our baseline, including the completion of our acquisition of La Quinta Holdings which was under operational control for seven months of 2018.

Intensity figure

0.008934

Metric numerator (Gross global combined Scope 1 and 2 emissions)

293,363

Metric denominator

square foot



Metric denominator: Unit total

32,835,449

Scope 2 figure used

Market-based

% change from previous year

0

Direction of change

No change

Reason for change

In 2018, our square footage was just under 33 million and our emissions per square foot are 0.0008934.

Our 2018 emissions are considered to be our baseline, including the completion of our acquisition of La Quinta Holdings which was under operational control for seven months of 2018.

C7. Emissions breakdowns

C7.1

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

Yes

C7.1a

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

Greenhouse gas	Scope 1 emissions (metric tons of CO ₂ e)	GWP Reference
CO ₂	56,821	IPCC Fourth Assessment Report (AR4 - 100 year)
CH ₄	60	IPCC Fourth Assessment Report (AR4 - 100 year)
N ₂ O	39	IPCC Fourth Assessment Report (AR4 - 100 year)
HFCs	658	IPCC Fourth Assessment Report (AR4 - 100 year)

C7.2

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

Country/Region	Scope 1 emissions (metric tons CO ₂ e)
Argentina	881
Bahrain	316
Belgium	1,107
Canada	1,013
China	5,362
Costa Rica	37
Ethiopia	149
France	482
India	53
Indonesia	97
Jordan	87
Malaysia	4
Peru	311



Portugal	388
Puerto Rico	1,358
Qatar	244
Singapore	3,150
Spain	264
United Republic of Tanzania	62
Turkey	168
United Arab Emirates	496
United Kingdom of Great Britain and Northern Ireland	250
Uruguay	306
United States of America	40,993

C7.3

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

By business division

C7.3a

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

Business division	Scope 1 emissions (metric ton CO2e)
Managed and Owned Hotels	55,924
Corporate Space	1,654

C7.5

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

Country/Region	Scope 2, location-based (metric tons CO2e)	Scope 2, market-based (metric tons CO2e)	Purchased and consumed electricity, heat, steam or cooling (MWh)	Purchased and consumed low-carbon electricity, heat, steam or cooling accounted in market-based approach (MWh)
Argentina	2,863	2,863	7,621	0
Bahrain	20,324	20,324	41,671	0
Belgium	639	597	8,532	244
Canada	842	842	8,532	0
China	16,459	16,459	26,123	0
Costa Rica	4	4	370	0
Ethiopia	0	0	1,301	0
France	313	313	5,944	0
India	65	65	89	0
Indonesia	4,004	4,004	5,466	0
Jordan	1,425	1,425	2,864	0
Malaysia	3,935	3,935	5,984	0
Paraguay	1	1	5,794	0
Peru	130	130	492	0
Portugal	678	678	2,349	0
Puerto Rico	4,867	4,867	10,682	0
Qatar	10,611	10,611	21,785	0

Singapore	3,141	3,141	7,944	0
Spain	792	792	3,203	0
United Republic of Tanzania	1,659	1,659	2,802	0
Thailand	336	336	696	0
Turkey	32	32	68	0
United Arab Emirates	19,319	19,319	44,522	0
United Kingdom of Great Britain and Northern Ireland	604	604	2,150	0
Uruguay	92	92	3,407	0
United States of America	142,649	141,529	313,206	3,240

C7.6

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

By business division

C7.6a

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

Business division	Scope 2, location-based emissions (metric tons CO ₂ e)	Scope 2, market-based emissions (metric tons CO ₂ e)
Managed and Owned Hotels	230,592	230,550
Corporate Space	5,193	4,072



C7.9

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

This is our first year of reporting, so we cannot compare to last year

C8. Energy

C8.1

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

More than 0% but less than or equal to 5%

C8.2

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

	Indicate whether your organization undertakes this energy-related activity
Consumption of fuel (excluding feedstocks)	Yes
Consumption of purchased or acquired electricity	Yes
Consumption of purchased or acquired heat	No
Consumption of purchased or acquired steam	No
Consumption of purchased or acquired cooling	Yes
Generation of electricity, heat, steam, or cooling	Yes

C8.2a

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

	Heating value	MWh from renewable sources	MWh from non-renewable sources	Total MWh
Consumption of fuel (excluding feedstock)	HHV (higher heating value)	1,056	308,715	309,771
Consumption of purchased or acquired electricity		3,415	479,466	482,881
Consumption of purchased or acquired cooling		0	45,883	45,883
Consumption of self-generated non-fuel renewable energy		244		244
Total energy consumption		4,715	834,064	838,779

C8.2b

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

	Indicate whether your organization undertakes this fuel application
Consumption of fuel for the generation of electricity	Yes
Consumption of fuel for the generation of heat	Yes
Consumption of fuel for the generation of steam	No
Consumption of fuel for the generation of cooling	No
Consumption of fuel for co-generation or tri-generation	No

C8.2c

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

Fuels (excluding feedstocks)



Natural Gas

Heating value

HHV (higher heating value)

Total fuel MWh consumed by the organization

292,912

MWh fuel consumed for self-generation of electricity

0

MWh fuel consumed for self-generation of heat

0

Comment

Fuels (excluding feedstocks)

Fuel Oil Number 2

Heating value

HHV (higher heating value)

Total fuel MWh consumed by the organization

481

MWh fuel consumed for self-generation of electricity

0

MWh fuel consumed for self-generation of heat

0



Comment

Fuels (excluding feedstocks)

Diesel

Heating value

HHV (higher heating value)

Total fuel MWh consumed by the organization

1,983

MWh fuel consumed for self-generation of electricity

0

MWh fuel consumed for self-generation of heat

0

Comment

Fuels (excluding feedstocks)

Motor Gasoline

Heating value

Total fuel MWh consumed by the organization

3,668



MWh fuel consumed for self-generation of electricity

0

MWh fuel consumed for self-generation of heat

0

Comment

Fuels (excluding feedstocks)

Propane Gas

Heating value

HHV (higher heating value)

Total fuel MWh consumed by the organization

10,727

MWh fuel consumed for self-generation of electricity

0

MWh fuel consumed for self-generation of heat

0

Comment

C8.2d

(C8.2d) List the average emission factors of the fuels reported in C8.2c.



Diesel

Emission factor

73.96

Unit

kg CO2 per million Btu

Emission factor source

Diesel – Stationary: The Climate Registry, 2018 Gen. Reporting Protocol - USA Commercial

Comment

Fuel Oil Number 2

Emission factor

73.96

Unit

kg CO2 per million Btu

Emission factor source

Number 2 Fuel Oil: The Climate Registry, 2018 Gen. Reporting Protocol - USA Commercial

US EPA MRR, Final Rule (40 CFR 98) - Commercial Sector 2013

Fuel Oil: Department for Environment Food and Rural Affairs (DEFRA), 2018 Guidelines to DEFRA

Comment

Motor Gasoline



Emission factor

8.78

Unit

kg CO2 per gallon

Emission factor source

Gasoline (Petrol) – Mobile: The Climate Registry, 2018 Gen. Reporting Protocol - USA Transport

Comment

Natural Gas

Emission factor

53.06

Unit

kg CO2 per million Btu

Emission factor source

The Climate Registry, 2018 Gen. Reporting Protocol - USA Commercial
US EPA MRR, Final Rule (40 CFR 98) - Commercial Sector 2013

Comment

Propane Gas

Emission factor

62.87



Unit

kg CO2 per million Btu

Emission factor source

The Climate Registry, 2018 Gen. Reporting Protocol - USA Commercial

Comment

C8.2e

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

	Total Gross generation (MWh)	Generation that is consumed by the organization (MWh)	Gross generation from renewable sources (MWh)	Generation from renewable sources that is consumed by the organization (MWh)
Electricity	244	244	244	244
Heat	0	0	0	0
Steam	0	0	0	0
Cooling	0	0	0	0

C8.2f

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

Basis for applying a low-carbon emission factor

Off-grid energy consumption from an on-site installation or through a direct line to an off-site generator owned by another company



Low-carbon technology type

Solar PV

Region of consumption of low-carbon electricity, heat, steam or cooling

Europe

MWh consumed associated with low-carbon electricity, heat, steam or cooling

244

Emission factor (in units of metric tons CO₂e per MWh)

0

Comment

Reported figures are based on hotels that generate solar energy onsite during the reporting period.

Basis for applying a low-carbon emission factor

Energy attribute certificates, Renewable Energy Certificates (RECs)

Low-carbon technology type

Concentrated solar power (CSP)

Region of consumption of low-carbon electricity, heat, steam or cooling

North America

MWh consumed associated with low-carbon electricity, heat, steam or cooling

3,415

Emission factor (in units of metric tons CO₂e per MWh)

0

Comment

Our corporate offices purchased RECs in alignment with our commitment to sustainability.

C9. Additional metrics

C9.1

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

Description

Energy usage

Metric value

838,779

Metric numerator

Total MWhs (direct and indirect)

Metric denominator (intensity metric only)

% change from previous year

0

Direction of change

No change

Please explain

In 2018, we set a new baseline for Wyndham Hotels to reflect our separation from Wyndham Worldwide. Our 2018 baseline will be track performance moving forward for Wyndham Hotels as an independent pure-play hospitality company.



C10. Verification

C10.1

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

	Verification/assurance status
Scope 1	Third-party verification or assurance process in place
Scope 2 (location-based or market-based)	Third-party verification or assurance process in place
Scope 3	No emissions data provided

C10.1a

(C10.1a) Provide further details of the verification/assurance undertaken for your Scope 1 and/or Scope 2 emissions and attach the relevant statements.

Scope

Scope 1

Verification or assurance cycle in place

Annual process

Status in the current reporting year

Complete

Type of verification or assurance

Limited assurance



Attach the statement

 DT Independent Accountant Review Report - WHR GHG statement.pdf

Page/ section reference

Page 1

Relevant standard

Attestation standards established by AICPA (AT105)

Proportion of reported emissions verified (%)

100

Scope

Scope 2 location-based

Verification or assurance cycle in place

Annual process

Status in the current reporting year

Complete

Type of verification or assurance

Limited assurance

Attach the statement

 DT Independent Accountant Review Report - WHR GHG statement.pdf

Page/ section reference



Page 1

Relevant standard

Attestation standards established by AICPA (AT105)

Proportion of reported emissions verified (%)

100

Scope

Scope 2 market-based

Verification or assurance cycle in place

Annual process

Status in the current reporting year

Complete

Type of verification or assurance

Limited assurance

Attach the statement

 DT Independent Accountant Review Report - WHR GHG statement.pdf

Page/ section reference

Page 1

Relevant standard

Attestation standards established by AICPA (AT105)

Proportion of reported emissions verified (%)

100

C10.2

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

Yes

C10.2a

(C10.2a) Which data points within your CDP disclosure have been verified, and which verification standards were used?

Disclosure module verification relates to	Data verified	Verification standard	Please explain
C6. Emissions data	Other, please specify Emission Intensity and Energy Consumption	Attestation standards established by AICPA (AT105)	In addition to assuring our 2019 Scope 1 and 2 emissions, Deloitte and Touche assured the following data points: (1) emissions intensity, (2) energy consumption, and (3) water consumption.  1
C7. Emissions breakdown	Other, please specify Emission Intensity and Energy Consumption	Attestation standards established by AICPA (AT105)	In addition to assuring our 2019 Scope 1 and 2 emissions, Deloitte and Touche assured the following data points: (1) emissions intensity, (2) energy consumption, and (3) water consumption.  1
C8. Energy	Other, please specify Emission Intensity and Energy Consumption	Attestation standards established by AICPA (AT105)	In addition to assuring our 2019 Scope 1 and 2 emissions, Deloitte and Touche assured the following data points: (1) emissions intensity, (2) energy consumption, and (3) water consumption.  1



C9. Additional metrics	Other, please specify Emission Intensity and Energy Consumption	Attestation standards established by AICPA (AT105)	In addition to assuring our 2019 Scope 1 and 2 emissions, Deloitte and Touche assured the following data points: (1) emissions intensity, (2) energy consumption, and (3) water consumption. 📎 1
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📎 1DT Independent Accountant Review Report - WHR specified indicators in 2018GRI report.pdf

C11. Carbon pricing

C11.1

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

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

C11.2

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

No

C11.3

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

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



C12. Engagement

C12.1

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

Yes, our suppliers

Yes, our customers

Yes, other partners in the value chain

C12.1a

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

Type of engagement

Compliance & onboarding

Details of engagement

Included climate change in supplier selection / management mechanism

% of suppliers by number

100

% total procurement spend (direct and indirect)

100

% Scope 3 emissions as reported in C6.5

0

Rationale for the coverage of your engagement



The reported supplier coverage is based on (1) our Supplier Code Conduct and the (2) assessment of environmental practices of our largest suppliers using our Responsible Supplier Survey.

In all instances we expect adherence to our Core Values in addition to complying with the Supplier Code of Conduct and all applicable laws and regulations in all locations where they conduct business.

Our Strategic Sourcing team works with our Social Responsibility team to ensure a wide range of product and service options that align with our strong commitment to environmental, social and governance (ESG) issues globally.

We continue to evaluate our suppliers through our Responsible Supplier Survey, the survey not only focuses on sustainability and green products but also includes questions on philanthropy initiatives and human rights.

We recognize each supplier as “Responsible” based on the resulting score from the survey criteria. The program is designed to encourage innovation for competitive differentiation, cost and associated risk reduction within our supply chain, brand enhancement and to foster collaboration and engagement with our suppliers, franchisees and other stakeholders.

The survey is comprised of over 50 questions. In the survey, we include questions that are specific to energy and greenhouse gas emissions.

Impact of engagement, including measures of success

Our percentage of “green” spend is the enterprise metric that we use to measure the impact from our engagement with suppliers.

The metric is calculated based on the results from our Responsible Survey. In 2018, our estimated “green” was more than 25% of our procurable expense.

We also partner with suppliers to measure and track impacts across specific product category.

For example, we are engaged in a long-standing partnership with ECOLAB that spans nearly 3,500 Wyndham properties. ECOLAB is a global leader in water, energy and hygiene technologies and services that operates at the center of the water-energy-food nexus to deliver an “eROI”

(or environmental return of investment).

In 2018, impact metrics generated from our partnership with Ecolab included (1) 85 gallons of water saved, (2) nearly 3,200 metric tons of carbon emissions avoided and (3) nearly 400,000 pounds of waste avoided.

Comment

Other examples of “green” purchasing practices include (1) uniforms made from upcycled waste, (2) energy-efficient TVs in guest rooms, (3) mattresses produced through a less energy-intensive process, (4) guest key cards made from recycled content, (5) eco-cups that are made from recycled content and are compostable, (6) and office supplies made from recycled content.

C12.1b

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

Type of engagement

Education/information sharing

Details of engagement

Run an engagement campaign to educate customers about the climate change impacts of (using) your products, goods, and/or services

% of customers by number

100

% Scope 3 emissions as reported in C6.5

0

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

Coverage is based on our key engagement activities with customers, which include company-wide programs to partner and integrate sustainability into the guest experience.



For example, by participating in our towel and linen re-use program at our hotels, guests can choose not to have their linens and towels laundered every day – reducing both water and energy consumption. Guests are also able to donate Wyndham Rewards points to support disaster relief. Additionally, we plan to offer a single-use plastic minimization program to our owned and managed properties that will uphold our commitment to the environment while ensuring our customers continue to have a positive guest experience.

We also aim to differentiate our brand-affiliated hotels by engaging in leading best practices for sustainability. For example, The Alexander, a Dolce Hotel, has been awarded LEED® Silver certification in the New Construction & Major Renovations category. The Alexander is the only hotel in Indianapolis with LEED® certification. Our Travelodge by Wyndham brand is also driving awareness of conservation through its first multi-year campaign, #Travelarge, in partnership with the National Parks Conservation Association.

To accelerate our efforts, we are launching a new Social Responsibility Leadership Council, which will be chaired by our Chief Executive Officer and Chief Social Responsibility Officer. The Social Responsibility Leadership Council's mandate is focused on driving engagement with guests on climate-related and overall sustainability issues.

The Social Responsibility Leadership Council is designed to support our ability to chart a new path as an independent company while building upon our past successes as part of Wyndham Worldwide.

Impact of engagement, including measures of success

Currently, the primary metrics that we use to measure our impact and the success of our guest engagement programs are (1) participation rates for our linen and towel re-use programs and (2) number of Wyndham Rewards points donated to support disaster relief.

We welcome over 150 million guests annually worldwide, and see tremendous opportunity to deepen impact through engagement with our guests on climate change and sustainability over the next decade.

C12.1c

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



We are the world’s largest hotel franchisor, with nearly 9,200 Wyndham-branded hotels located in over 80 countries, more than 8,700 of which are franchised. We license our 20 renowned hotel brands to independently owned and operated franchisees, who pay us royalty and other fees to use our brands and services. In 2018, more than 60% of our revenue was generated from franchisee fees. We enable franchisees to reduce Scope 1 and 2 emissions through access to our sustainability programs (including towel and linen re-use and energy efficient lighting). We also provide franchisees with educational opportunities and access to our proprietary Wyndham Green Toolbox environmental management system. In 2019 we launched our internal Wyndham Green Certification program to address environmental concerns as well as engage and educate our franchisees and guests. We also use venues such as the Wyndham Hotel & Resorts conference and hotel management programs to provide learning opportunities in the areas of social responsibility including environmental sustainability which was highlighted in a recent webinar on Wednesday (WOW). Using the vast reach of these voluntary programs and leveraging our Wyndham University we can influence thousands of people annually.

C12.3

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

- Trade associations
- Other

C12.3b

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

- Yes

C12.3c

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

Trade association



American Hotel & Lodging Association (AHLA)

Is your position on climate change consistent with theirs?

Consistent

Please explain the trade association's position

The American Hotel & Lodging Association (AHLA) is a national association for hoteliers, and has a government affairs department that seeks to support the economic interests of the United States hospitality industry.

Climate change adaptation and mitigation is not currently a central regulatory and legislative priority for the AHLA, but the association provides climate change and sustainability management resources for the industry. Examples include providing members with resources on emergency preparedness and best practices on environmental stewardship.

Information on AHLA's 2019 policy agenda can be found at: https://www.ahla.com/sites/default/files/2019PolicyGuide1_8Pages.pdf.

Additional information on AHLA's public policy positions and efforts (including those of its political action committee entitled "HotelPAC") can be found at: <https://www.ahla.com/advocacy>.

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

We continue to partner with the American Hotel & Lodging Association to advance environmental and social programs, including the new 5-Star Promise, aimed at enhancing hotel safety for team members and guests.

Our Chief Executive Officer is currently the Chair of AHLA's Board of Directors. As part of Wyndham Worldwide, we also previously participated in numerous AHLA-supported initiatives to promote the advancement of climate change mitigation and adaptation within our industry. For example, we worked with AHLA to set industry sustainability guidelines for hotels as part of the AHLA Green Task Force and to develop industry measurement standards for greenhouse gas emissions and water consumption.

Trade association

U.S. Travel Association (USTA)

Is your position on climate change consistent with theirs?

Consistent

Please explain the trade association's position

The United States Travel Association (USTA) is a trade organization that advocates for policies that help grow and sustain the travel business.

Climate change mitigation and adaptation are promoted within USTA's focus on modernizing travel infrastructure and promoting national parks. Information on USTA's top issues can be found at: <https://www.ustravel.org/issues>.

Information on USTA's political action committee (entitled "Travel PAC") is also available at: <https://www.ustravel.org/programs/travel-pac>.

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

Our Chief Executive Officer is a past Chair of USTA's Board of Directors. Wyndham Hotels & Resorts is also a Chairman's Circle level member of the USTA.

C12.3e

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

Other climate-related engagement activities include the following:

(1) INTERNATIONAL TOURISM PARTNERSHIP (ITP): We have a longstanding partnership with the ITP. In collaboration with the ITP, Wyndham has worked to define the material topics for the travel and tourism industry and further developed science-based industry targets for water consumption and carbon emissions.

(2) WORLD TRAVEL AND TOURISM COUNCIL (WTTC): We have worked closely with the World Travel and Tourism Council (WTTC) since 2009, as part of Wyndham Worldwide. We continue to partner as Wyndham Hotels & Resorts to focus on establishing sustainability and climate change guidelines for the industry.

(3) UNITED STATES GREEN BUILDING COUNCIL (USGBC): We have partnered with the New Jersey Chapter of USGBC to promote the building of environmentally responsible and high performing structures, and have closely engaged with the New Jersey Chapter and have worked closely with the organization to support sustainability outreach and education within the state and have positively impacted over 15 pieces of New Jersey legislation.

C12.3f

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

Our processes to ensure that indirect activities are consistent with our overall climate change strategy are as follows: (1) Prior to entering into new affiliations or industry group or expanding the scope of current affiliations or industry group, an organization's policy positions are among the several factors that we would consider. (2) Through membership and committee participation, we would be able to monitor whether their activities are consistent with our climate and energy strategy. (3) Additionally, we utilize our annual disclosures to the CDP Climate Change program as an opportunity to further review and assess whether the public policy positions of trade associations for which Wyndham Hotels & Resorts has an affiliation are consistent with our own climate change strategy.

In 2018, we did not directly engage with policy makers on climate change issues. Examples of past direct engagement have included (1) engagement with the New Jersey chapter of the U.S. Green Building Council and (2) engagement with local governments to integrate sustainability into resort development and/or major renovation plans for managed properties.

C12.4

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

Publication

In voluntary sustainability report



Status

Complete

Attach the document

 Wyndham-GRI-2019-Final_print 7-29-19.pdf

Page/Section reference

Pages 7 (“Our Social Responsibility Programs”), 10-11 (“Governance”), 37-42 (“Leadership in Sustainability”), and 53-54 (“GRI Index”) of our 2019 Social Responsibility Report

Content elements

- Governance
- Strategy
- Emissions figures
- Emission targets
- Other metrics

Comment

In 2019, we published our first Social Responsibility Report as Wyndham Hotels & Resorts. We utilized the Global Reporting Initiative (GRI) Standards to guide report content, and had our environmental performance data third-party assured.

Publication

In mainstream reports

Status

Complete

Attach the document



 07a66b37-b5b1-4c86-9949-cba03f9f3417.pdf

Page/Section reference

Pages 18-19 and 23 (“Risk Factors”) of our 2018 10-K Filing

Content elements

Risks & opportunities

Comment

Climate change is listed as a specific risk factor in our 10-K filing.

C14. Signoff

C-FI

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

Since the split from Wyndham Worldwide in June 2018, Wyndham Hotels & Resorts has become the worlds' largest hotel franchisor of approximately 9200 properties and hotel manager over 400 non-owned properties. As a franchisor and a property manager, we do not own these hotel assets and are not responsible for the capital investments that may, or may not, made at these properties.

C14.1

(C14.1) Provide details for the person that has signed off (approved) your CDP climate change response.

	Job title	Corresponding job category
Row 1	Senior Director	Environment/Sustainability manager



Submit your response

In which language are you submitting your response?

English

Please confirm below

I have read and accept the applicable Terms