

Hyatt Hotels Corp  
Form DEF 14A  
April 04, 2019  
Table of Contents

**UNITED STATES**  
**SECURITIES AND EXCHANGE COMMISSION**  
**Washington, D.C. 20549**  
**SCHEDULE 14A**  
**(Rule 14a-101)**  
**Proxy Statement Pursuant to Section 14(a) of the**  
**Securities Exchange Act of 1934**  
**(Amendment No.    )**

Filed by the Registrant

Filed by a Party other than the Registrant

Check the appropriate box:

Preliminary Proxy Statement

**Confidential, For Use of the Commission Only (as permitted by Rule 14a-6(e)(2))**

Definitive Proxy Statement

Definitive Additional Materials

Soliciting Material Pursuant to §240.14a-12

**Hyatt Hotels Corporation**

**(Name of Registrant as Specified in Its Charter)**

**(Name of Person(s) Filing Proxy Statement, if Other Than the Registrant)**

Payment of Filing Fee (Check the appropriate box):

No fee required.

Fee computed on table below per Exchange Act Rules 14a-6(i) (1) and 0-11.

(1) Title of each class of securities to which transaction applies:

- (2) Aggregate number of securities to which transaction applies:
  
- (3) Per unit price or other underlying value of transaction computed pursuant to Exchange Act Rule 0-11 (set forth the amount on which the filing fee is calculated and state how it was determined):
  
- (4) Proposed maximum aggregate value of transaction:
  
- (5) Total fee paid:

Fee paid previously with preliminary materials:

Check box if any part of the fee is offset as provided by Exchange Act Rule 0-11(a)(2) and identify the filing for which the offsetting fee was paid previously. Identify the previous filing by registration statement number, or the form or schedule and the date of its filing.

- (1) Amount previously paid:
  
- (2) Form, Schedule or Registration Statement No.:
  
- (3) Filing Party:
  
- (4) Date Filed:



**Table of Contents**

150 North Riverside Plaza, Chicago, IL 60606 Tel: 312.750.1234

[www.hyatt.com](http://www.hyatt.com)

April 4, 2019

Dear Stockholder:

You are cordially invited to attend the 2019 Annual Meeting of Stockholders (the *Annual Meeting*) of Hyatt Hotels Corporation to be held at 150 North Riverside Plaza, Chicago, Illinois, 60606, on Wednesday, May 15, 2019, at 9:30 a.m., local time.

At the Annual Meeting you will be asked to (1) elect four directors to our board of directors, (2) ratify the appointment of Deloitte & Touche LLP as our independent registered public accounting firm, (3) approve, on an advisory basis, the compensation paid to our named executive officers, and (4) transact any other business as properly may come before the Annual Meeting or any adjournment or postponement thereof.

It is important that your shares be represented and voted whether or not you plan to attend the Annual Meeting in person. You may vote on the Internet, by telephone or by completing and mailing a proxy card. Voting over the Internet, by telephone or by written proxy will ensure your shares are represented at the Annual Meeting. If you do attend the Annual Meeting, you may withdraw your proxy should you wish to vote in person. Please read the enclosed information carefully before voting.

Sincerely,

Thomas J. Pritzker

*Executive Chairman of the Board*

Mark S. Hoplamazian

*President and Chief Executive Officer*

**Table of Contents**

**HYATT HOTELS CORPORATION**

**150 North Riverside Plaza,**

**Chicago, Illinois 60606**

**Notice of Annual Meeting of Stockholders**

**To Be Held May 15, 2019**

NOTICE HEREBY IS GIVEN that the 2019 Annual Meeting of Stockholders (the *Annual Meeting*) of Hyatt Hotels Corporation (*Hyatt*) will be held at 150 North Riverside Plaza, Chicago, Illinois, 60606, on Wednesday, May 15, 2019, at 9:30 a.m., local time, for the following purposes:

1. To elect four directors to hold office until the 2022 annual meeting of stockholders;
2. To ratify the appointment of Deloitte & Touche LLP as Hyatt's independent registered public accounting firm for the fiscal year ending December 31, 2019;
3. To conduct an advisory vote to approve the compensation paid to our named executive officers; and
4. To transact any other business as properly may come before the Annual Meeting or any adjournment or postponement thereof.

Information relating to the above matters is set forth in the attached proxy statement. Stockholders of record at the close of business on March 22, 2019 are entitled to receive notice of and to vote at the Annual Meeting and any adjournment or postponement thereof.

This Notice of Annual Meeting of Stockholders, proxy statement and proxy card are being sent to stockholders beginning on or about April 4, 2019.

By Order of the Board of Directors

**Margaret C. Egan**

*Executive Vice President, General Counsel*

*and Secretary*

Chicago, Illinois

April 4, 2019

**Important Notice Regarding the Availability of Proxy Materials for the  
Stockholder Meeting to be Held on May 15, 2019.**

**The proxy statement for the Annual Meeting and Annual Report**

**for the fiscal year ended December 31, 2018 are available at <http://wfss.mobular.net/wfss/h/>.**

**PLEASE CAREFULLY READ THE ATTACHED PROXY STATEMENT. EVEN IF YOU PLAN TO ATTEND THE ANNUAL MEETING, PLEASE PROMPTLY COMPLETE, EXECUTE, DATE AND RETURN THE ENCLOSED PROXY CARD IN THE ACCOMPANYING POSTAGE-PAID ENVELOPE. NO POSTAGE IS NECESSARY IF MAILED IN THE UNITED STATES. YOU MAY ALSO VOTE ELECTRONICALLY VIA THE INTERNET OR BY TELEPHONE BY FOLLOWING THE INSTRUCTIONS ON THE PROXY CARD. IF YOU VOTE BY INTERNET OR TELEPHONE, THEN YOU NEED NOT RETURN A WRITTEN PROXY CARD BY MAIL. STOCKHOLDERS WHO ATTEND THE ANNUAL MEETING MAY REVOKE THEIR PROXIES AND VOTE IN PERSON IF THEY SO DESIRE.**

**Table of Contents****Table of Contents**

<b><u>ARTICLE I: PROXY MATERIALS AND ANNUAL MEETING</u></b>	<b>1</b>
<b><u>QUESTIONS AND ANSWERS ABOUT THE PROXY MATERIALS AND THE ANNUAL MEETING</u></b>	
1. Q: <u>Why am I receiving these materials?</u>	1
2. Q: <u>When and where is the Annual Meeting?</u>	1
3. Q: <u>What is the purpose of the Annual Meeting?</u>	1
4. Q: <u>How can I attend the Annual Meeting?</u>	1
5. Q: <u>What should I do if I receive more than one set of proxy materials?</u>	2
6. Q: <u>What is the difference between holding shares as a record holder versus a beneficial owner?</u>	2
7. Q: <u>Who can vote and how do I vote?</u>	2
8. Q: <u>What are my voting choices, and how many votes are required for approval or election?</u>	3
9. Q: <u>How will Hyatt's dual class ownership structure impact the outcome of the voting at the Annual Meeting?</u>	3
10. Q: <u>How will voting agreements entered into with or among Hyatt's major stockholders impact the outcome of the voting at the Annual Meeting?</u>	3
11. Q: <u>What is the effect of a withhold or an abstain vote on the proposals to be voted on at the Annual Meeting?</u>	4
12. Q: <u>What is the effect of a broker non-vote on the proposals to be voted on at the Annual Meeting?</u>	4
13. Q: <u>Who counts the votes?</u>	4
14. Q: <u>Revocation of proxy: May I change my vote after I return my proxy?</u>	5
15. Q: <u>What if I sign and return a proxy card but do not specify a choice for a matter when returning the proxy?</u>	5
16. Q: <u>What constitutes a quorum?</u>	5
17. Q: <u>Where can I find the voting results of the Annual Meeting?</u>	5
18. Q: <u>Who will pay the costs of soliciting these proxies?</u>	5
19. Q: <u>What happens if additional matters are presented at the Annual Meeting?</u>	5
20. Q: <u>What is the deadline under Rule 14a-8 under the Securities Exchange Act of 1934, as amended, for stockholders to propose actions to be included in our proxy statement relating to our 2020 annual meeting of stockholders and identified in our form of proxy relating to the 2020 annual meeting?</u>	5
21. Q: <u>What is the deadline under our bylaws for stockholders to nominate persons for election to the board of directors or propose other matters to be considered at our 2020 annual meeting of stockholders?</u>	6
22. Q: <u>How do I submit a potential director nominee for consideration by the board of directors for nomination?</u>	6
<b><u>ARTICLE II: CORPORATE GOVERNANCE</u></b>	<b>7</b>
<u>Proposal 1 Election Of Directors</u>	7
<u>Communications with the Board of Directors</u>	15
<u>Code of Business Conduct and Ethics</u>	15
<u>Corporate Governance Guidelines</u>	15
<u>Director Independence</u>	15
<u>Committees of the Board of Directors</u>	16

<u>Compensation of Non-Employee Directors</u>	21
<u>Talent and Compensation Committee Report</u>	24
<u>Talent and Compensation Committee Interlocks and Insider Participation</u>	24
<b><u>ARTICLE III: EXECUTIVE COMPENSATION</u></b>	<b>25</b>
<u>Compensation Discussion and Analysis</u>	25
<u>Summary Compensation Table</u>	36
<u>Grants of Plan-Based Awards 2018</u>	37
<u>Outstanding Equity Awards at Fiscal Year End 2018</u>	39
<u>Option Exercises and Stock Vested</u>	41
<u>Non-Qualified Deferred Compensation Table</u>	41
<b><u>ARTICLE IV: INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM</u></b>	<b>46</b>
<u>Proposal 2 Ratification of Appointment of the Independent Registered Public Accounting Firm</u>	46
<u>Independent Registered Public Accounting Firm s Fees</u>	46
<u>Policy on Audit Committee Preapproval of Audit and Permissible Nonaudit Services of the Independent Registered Public Accounting Firm</u>	47
<b><u>ARTICLE V: REPORT OF THE AUDIT COMMITTEE OF THE BOARD OF DIRECTORS</u></b>	<b>48</b>
<b><u>ARTICLE VI: ADVISORY VOTE TO APPROVE EXECUTIVE COMPENSATION</u></b>	<b>49</b>
<u>Proposal 3 Advisory Vote to Approve Executive Compensation</u>	49
<b><u>ARTICLE VII: STOCK</u></b>	<b>50</b>
<u>Security Ownership of Certain Beneficial Owners and Management</u>	50
<u>Section 16(a) Beneficial Ownership Reporting Compliance</u>	56
<b><u>ARTICLE VIII: CERTAIN RELATIONSHIPS AND RELATED PARTY TRANSACTIONS</u></b>	<b>57</b>
<u>Certain Relationships and Related Party Transactions</u>	57
<u>Related Party Transaction Policy and Procedures</u>	62



**Table of Contents**

<b><u>ARTICLE IX: MISCELLANEOUS</u></b>	<b>63</b>
<u>Availability Of Annual Report on Form 10-K</u>	63
<u>List of the Company's Stockholders</u>	63
<u>Delivery of Proxy Materials to Households</u>	63
<u>Other Matters That May Come Before the Annual Meeting</u>	63

**Table of Contents**

**HYATT HOTELS CORPORATION**

**150 North Riverside Plaza**

**Chicago, Illinois 60606**

**PROXY STATEMENT**

**FOR THE ANNUAL MEETING OF STOCKHOLDERS**

**To Be Held May 15, 2019**

The board of directors of Hyatt Hotels Corporation (referred to herein as *Hyatt*, *we*, *us* or the *Company*) solicits your proxy to vote at the 2019 Annual Meeting of Stockholders (the *Annual Meeting*) to be held on Wednesday, May 15, 2019, beginning 9:30 a.m., local time, at 150 North Riverside Plaza, Chicago, Illinois, 60606, and at any adjournments or postponements thereof. This proxy statement is first being released to stockholders by the Company on or about April 4, 2019.

**Important Notice Regarding the Availability of Proxy Materials for the  
Stockholder Meeting to be Held on May 15, 2019.**

**The proxy statement for the Annual Meeting and Annual Report**

**for the fiscal year ended December 31, 2018 are available at <http://wfss.mobular.net/wfss/h/>.**

**ARTICLE I: PROXY MATERIALS AND ANNUAL MEETING**

**Questions and Answers about the Proxy Materials and the Annual Meeting**

**1. Q: Why am I receiving these materials?**

A: We are furnishing the enclosed Notice of Annual Meeting of Stockholders, proxy statement and proxy card to you, and to all stockholders of record as of the close of business on March 22, 2019, because the board of directors of Hyatt is soliciting your proxy to vote at the Annual Meeting and at any adjournment or postponement thereof. Also enclosed is our Annual Report for the fiscal year ended December 31, 2018, which, along with our proxy statement, is also available online at <http://wfss.mobular.net/wfss/h/>.

**2. Q: When and where is the Annual Meeting?**

A: The Annual Meeting will be held at 150 North Riverside Plaza, Chicago, Illinois, 60606, on Wednesday, May 15, 2019 at 9:30 a.m., local time.

**3. Q: What is the purpose of the Annual Meeting?**

A: At our Annual Meeting, stockholders will act upon the matters outlined in this proxy statement and in the Notice of Annual Meeting of Stockholders included with this proxy statement, including the election of four directors; the ratification of Deloitte & Touche LLP as our independent registered public accounting firm; the advisory vote to approve compensation paid to our named executive officers as disclosed pursuant to the compensation disclosure rules of the Securities and Exchange Commission (the *SEC*) (the *Say on Pay Advisory Vote*); and such other matters as may properly come before the meeting or any adjournment or postponement thereof.

**4. Q: How can I attend the Annual Meeting?**

A: Only stockholders who own shares of Hyatt common stock as of the close of business on March 22, 2019, the record date, will be entitled to attend the Annual Meeting. A valid admittance slip (or other written proof of stock ownership as described below) and a photo identification (such as a valid driver's license or passport) will be required for admission to the Annual Meeting. If you have any questions about attending the Annual Meeting or the requirements for admission, please call (312) 780-6000.

If your shares are registered in your name and you received your proxy materials by mail, an admittance slip appears at the back of this proxy statement. You should bring that admittance slip with you to the Annual Meeting.

---

**Table of Contents**

If you are a beneficial owner of shares of common stock and your shares are held in a brokerage account or by another nominee as further described in Question 6 below, you will be admitted to the Annual Meeting only if you present either a valid legal proxy from your bank or broker as to your shares, an admittance slip, or a recent bank or brokerage statement demonstrating that you owned shares of Hyatt common stock as of the close of business on March 22, 2019.

In addition, representatives of corporate or institutional stockholders should bring proof of authorization to represent such corporate or institutional stockholder at the Annual Meeting.

No cameras, recording devices, other electronic devices or large packages will be permitted at the Annual Meeting. Photographs and videos taken at the Annual Meeting by or at the request of Hyatt may be used by Hyatt, and by attending the Annual Meeting, you waive any claim or rights with respect to those photographs and their use.

**5. Q: What should I do if I receive more than one set of proxy materials?**

A: You may receive more than one set of voting materials, including multiple copies of this proxy statement and multiple proxy cards or voting instruction cards. For example, if you hold your shares in more than one brokerage account, you may receive a separate voting instruction card for each brokerage account. If you are a stockholder of record and your shares are registered in more than one name, you will receive more than one proxy card. Please vote each proxy card and voting instruction card that you receive.

**6. Q: What is the difference between holding shares as a record holder versus a beneficial owner?**

A: Most Hyatt stockholders hold their shares through a broker or other nominee rather than directly in their own name. There are some distinctions between shares held of record and those owned beneficially:

*Record Holders:* If your shares are registered directly in your name with our transfer agent, EQ Shareowner Services, you are considered, with respect to those shares, the stockholder of record or record holder. As the stockholder of record, you have the right to grant your voting proxy directly to Hyatt or to vote in person at the Annual Meeting. We have enclosed a proxy card for you to use.

*Beneficial Owners:* If your shares are held in a brokerage account or by another nominee, you are considered the beneficial owner of shares held in street name, and these proxy materials are being forwarded to you automatically, along with a voting instruction card from your broker, bank or nominee. As a beneficial owner, you have the right to direct your broker, bank or nominee how to vote and are also invited to attend the Annual Meeting. Since a beneficial owner is not the stockholder of record, you may not vote these shares in person at the meeting unless you obtain a legal proxy from the broker, bank or nominee that holds your shares, giving you the right to vote the shares at the meeting. Your broker, bank or nominee has enclosed or provided voting instructions for you to use in directing how to vote your shares. If you do not provide specific voting instructions by the deadline set forth in the materials you receive from your broker, bank or other nominee, your broker, bank or nominee can vote your shares with respect to discretionary items, but not with respect to non-discretionary items. The election of directors and the Say on Pay Advisory Vote are considered non-discretionary items, while the ratification of the appointment of our independent registered public accounting firm is considered a discretionary item. For non-discretionary items for which you do not give your broker instructions, the shares will be treated as broker non-votes. See Question 12 below for more information about broker non-votes.

**7. Q: Who can vote and how do I vote?**

A: Only holders of our common stock at the close of business on March 22, 2019, the record date, will be entitled to notice of and to vote at the Annual Meeting. To ensure that your vote is recorded promptly, please vote as soon as possible, even if you plan to attend the Annual Meeting in person. Most stockholders have four

options for submitting their votes:

in person at the Annual Meeting with a proxy card/legal proxy;

by mail, using the paper proxy card;

by telephone, by calling the toll-free telephone number on the proxy card; or

through the Internet, using the procedures and instructions described on the proxy card.

Beneficial owners may vote by telephone or Internet if their bank or broker makes those methods available, in which case the bank or broker will enclose the instructions with the proxy materials.

**2 Hyatt Hotels Corporation**    *2019 Proxy Statement*

**Table of Contents**

For further instructions on voting, see your proxy card. If you vote by proxy using the paper proxy card, by telephone or through the Internet, the shares represented by the proxy will be voted in accordance with your instructions. If you attend the Annual Meeting, you may also submit your vote in person, and any previous votes that you submitted by mail, telephone or Internet will be superseded by the vote that you cast at the Annual Meeting. Please note, however, that if your shares are held through a broker, bank or other nominee and you wish to vote at the Annual Meeting, you must obtain from your bank or broker a legal proxy issued in your name.

**8. Q: What are my voting choices, and how many votes are required for approval or election?**

A: In the vote on the election of four director nominees identified in this proxy statement to serve until the 2022 annual meeting of stockholders and until their respective successors have been duly elected and qualified, stockholders may (1) vote in favor of all nominees or specific nominees; or (2) withhold authority to vote for all nominees or specific nominees. A plurality of the voting power of the shares present in person or represented by proxy at the Annual Meeting and entitled to vote with respect to the election of directors shall elect the directors. **The board of directors unanimously recommends a vote FOR each of the nominees.**

In the vote on the ratification of the appointment of Deloitte & Touche LLP as Hyatt's independent registered public accounting firm for fiscal year 2019, stockholders may (1) vote in favor of the ratification; (2) vote against the ratification; or (3) abstain from voting on the ratification. Ratification of the appointment of Deloitte & Touche LLP as our independent registered public accounting firm for fiscal year 2019 will require the affirmative vote of a majority of the voting power of the shares present or represented by proxy at the Annual Meeting and entitled to vote on the proposal, however, stockholder ratification is not required to authorize the appointment of Deloitte & Touche LLP as our independent registered public accounting firm. **The board of directors unanimously recommends a vote FOR the ratification of the appointment of Deloitte & Touche LLP as our independent registered public accounting firm for fiscal year 2019.**

In the Say on Pay Advisory Vote, stockholders may (1) vote in favor of the proposal; (2) vote against the proposal; or (3) abstain from voting on the proposal. Approval, on an advisory basis, of the compensation paid to our named executive officers as disclosed pursuant to the SEC's compensation disclosure rules will require the affirmative vote of a majority of the voting power of the shares present or represented by proxy at the Annual Meeting and entitled to vote on the proposal. This resolution is advisory and not binding on the Company, the board of directors or the talent and compensation committee. **The board of directors unanimously recommends a vote FOR the approval, on an advisory basis, of the compensation paid to our named executive officers as disclosed pursuant to the SEC's compensation disclosure rules.**

**9. Q: How will Hyatt's dual class ownership structure impact the outcome of the voting at the Annual Meeting?**

A: The holders of our Class A common stock are entitled to one vote per share and the holders of our Class B common stock are entitled to ten votes per share on all matters to be voted upon at the Annual Meeting. Holders of Class A common stock and Class B common stock will vote together as a single class on all matters to be voted upon at the Annual Meeting.

At the close of business on March 22, 2019, we had outstanding and entitled to vote 38,396,235 shares of Class A common stock and 67,115,828 shares of Class B common stock. Collectively, the holders of Class A common stock on such date will be entitled to an aggregate of 38,396,235 votes, and, collectively, the holders of Class B common stock on such date will be entitled to an aggregate of 671,158,280 votes, on all matters to be voted upon at the Annual Meeting. Therefore, for all matters to be voted upon at the Annual Meeting, the holders of our Class B common stock will collectively hold approximately 94.6% of the total voting power of our outstanding common stock. See Question 10 for additional information.

**10. Q: How will voting agreements entered into with or among Hyatt's major stockholders impact the outcome of the voting at the Annual Meeting?**

A: Voting agreements entered into with or among Hyatt's major stockholders will result in all of the shares of our Class B common stock being voted consistent with the recommendations of Hyatt's board of directors. Pursuant to the terms of the Amended and Restated Global Hyatt Agreement (the *Amended and Restated Global Hyatt Agreement*) and the Amended and Restated Foreign Global Hyatt Agreement (the *Amended and Restated Foreign Global Hyatt Agreement*), Pritzker family business interests, which beneficially own in the aggregate 64,845,433 shares of our Class B common stock and 56,684 shares of our Class A common stock, or approximately 91.4% of the total voting power of our outstanding common stock, have agreed to vote their shares of our common stock consistent with the recommendation of our board of directors with

---

**Table of Contents**

respect to all matters (assuming agreement as to any such matter by a majority of a minimum of three independent directors (excluding for such purposes any Pritzker)) or, in the case of transactions involving us and an affiliate, assuming agreement of all of such minimum of three independent directors (excluding for such purposes any Pritzker). This voting agreement expires on the date upon which more than 75% of our fully diluted shares of common stock is owned by non-Pritzker family business interests. In addition, other existing stockholders that beneficially own in the aggregate 2,270,395 shares of our Class B common stock, or approximately 3.2% of the total voting power of our outstanding common stock, have entered into the Global Hyatt Corporation 2007 Stockholders Agreement (the *2007 Stockholders Agreement*) with us under which they have agreed to vote their shares of Class A and Class B common stock consistent with the recommendation of our board of directors, without any separate requirement that our independent directors agree with the recommendation. This voting agreement will expire on the date that Mr. Thomas J. Pritzker is no longer chairman of our board of directors. While these voting agreements are in effect, they may provide our board of directors with effective control over matters requiring stockholder approval. Because our board of directors (including all of our independent directors) has recommended a vote FOR proposal one, FOR proposal two, and FOR proposal three, each stockholder party to the voting agreements will be contractually obligated to vote in favor of proposal one, in favor of proposal two, and in favor of proposal three. Because the stockholders party to such voting agreements hold approximately 94.6% of the total voting power of our outstanding common stock, these voting agreements will cause the outcome of the vote on each of the matters to be voted upon at the Annual Meeting to be consistent with the recommendations of our board of directors.

As used in this proxy statement, the term *Pritzker family business interests* means (1) various lineal descendants of Nicholas J. Pritzker (deceased) and spouses and adopted children of such descendants; (2) various trusts for the benefit of the individuals described in clause (1) and trustees thereof; and (3) various entities owned and/or controlled, directly and/or indirectly, by the individuals and trusts described in (1) and (2).

**11. Q: What is the effect of a withhold or an abstain vote on the proposals to be voted on at the Annual Meeting?**

A: A withhold vote with respect to the election of directors will be considered present for purposes of determining a quorum. Because a plurality of the voting power of the shares present in person or represented by proxy at the Annual Meeting and entitled to vote with respect to the election of directors is required to elect a director (meaning that the four director nominees who receive the highest number of for votes will be elected) and each of our directors is running unopposed, a withhold vote will have no effect with respect to the outcome of election of directors.

An abstain vote with respect to the ratification of the appointment of Deloitte & Touche LLP as our independent registered public accounting firm for fiscal year 2019 or approval of the Say on Pay Advisory Vote will be considered present for purposes of determining a quorum. Because the affirmative vote of a majority of the voting power of the shares present or represented by proxy at the Annual Meeting and entitled to vote on each proposal will be required to approve these proposals (meaning that, of the shares represented at the Annual Meeting and entitled to vote, a majority of them must be voted for the proposal for it to be approved), an abstain vote will have the effect of a vote against each of these two proposals.

**12. Q: What is the effect of a broker non-vote on the proposals to be voted on at the Annual Meeting?**

A: A broker non-vote will occur if you are the beneficial owner of shares held by a broker or other custodian and you do not provide the broker or custodian with voting instructions on the election of directors and approval



of the Say on Pay Advisory Vote. This is because under applicable New York Stock Exchange ( *NYSE* ) rules, a broker or custodian may not vote on these matters without instruction from the underlying beneficial owner. A broker non-vote is not considered a vote cast or entitled to vote with respect to these matters and will not have any effect on the outcome of these matters. Under applicable NYSE rules, brokers and custodians may vote on the ratification of Deloitte & Touche LLP as our registered independent public accounting firm for fiscal year 2019 in their discretion, and therefore we do not expect any broker non-votes on this matter.

**13. Q: Who counts the votes?**

A: EQ Shareowner Services will count the votes. The board of directors has appointed a representative of EQ Shareowner Services as the inspector of elections.

---

**Table of Contents**

**14. Q: Revocation of proxy: May I change my vote after I return my proxy?**

A: Yes, you may revoke your proxy if you are a record holder by:

filing written notice of revocation with Hyatt's corporate secretary at our principal executive offices at 150 North Riverside Plaza, Chicago, Illinois 60606;

signing a proxy bearing a later date than the proxy being revoked and submitting it to Hyatt's corporate secretary at our principal executive offices at 150 North Riverside Plaza, Chicago, Illinois 60606; or

voting in person at the Annual Meeting.

If your shares are held in street name through a broker, bank, or other nominee, you need to contact the record holder of your shares regarding how to revoke your proxy.

**15. Q: What if I sign and return a proxy card but do not specify a choice for a matter when returning the proxy?**

A: Unless you indicate otherwise, the persons named as proxies on the proxy card will vote your shares: FOR all of the nominees for director named in this proxy statement; FOR the ratification of Deloitte & Touche LLP as our independent registered public accounting firm for fiscal year 2019; and FOR the approval of the Say on Pay Advisory Vote.

**16. Q: What constitutes a quorum?**

A: Presence at the Annual Meeting, in person or by proxy, of the holders of a majority of the voting power of the issued and outstanding shares of Hyatt's common stock entitled to vote at the Annual Meeting will constitute a quorum, permitting the Annual Meeting to proceed and business to be conducted. Proxies received but with items marked as abstentions or containing broker non-votes will be included in the calculation of the number of votes considered to be present at the meeting for purposes of determining whether a quorum is present.

**17. Q: Where can I find the voting results of the Annual Meeting?**

A: We will publish final results on a Current Report on Form 8-K within four business days after the Annual Meeting.

**18. Q: Who will pay the costs of soliciting these proxies?**

A: We will bear the entire cost of solicitation of proxies, including preparation, assembly, printing and mailing of this proxy statement, the proxy card and any additional information furnished to stockholders. Copies of solicitation materials will be furnished to banks, brokerage houses, fiduciaries and custodians holding shares of common stock beneficially owned by others to forward to such beneficial owners. We may reimburse persons representing beneficial owners of common stock for their reasonable costs of forwarding solicitation materials to such beneficial owners. Original solicitation of proxies may be supplemented by electronic means, mail, facsimile, telephone or personal solicitation by our directors, officers or other employees. No additional compensation will be paid to our directors, officers or other employees for such services.

**19. Q: What happens if additional matters are presented at the Annual Meeting?**

A: Other than the three proposals described in this proxy statement, we are not aware of any other properly submitted business to be acted upon at the Annual Meeting. If you grant a proxy, the persons named as proxy holders, Mr. Mark S. Hoplamazian and Ms. Margaret C. Egan, will have the discretion to vote your shares on any additional matters properly presented for a vote at the Annual Meeting, including matters of which the Company did not receive timely notice. If any of our nominees for director are unavailable, or are unable to serve or for good cause will not serve, the persons named as proxy holders will vote your proxy for such

other candidate or candidates as may be nominated by the board of directors.

**20. Q: What is the deadline under Rule 14a-8 under the Securities Exchange Act of 1934, as amended, for stockholders to propose actions to be included in our proxy statement relating to our 2020 annual meeting of stockholders and identified in our form of proxy relating to the 2020 annual meeting?**

A: December 6, 2019 is the deadline for stockholders to submit proposals to be included in our proxy statement and identified in our form of proxy under Rule 14a-8 under the Securities Exchange Act of 1934, as amended (the *Exchange Act* ). Proposals by stockholders must comply with all requirements of applicable rules of the SEC, including Rule 14a-8, and be received by our corporate secretary at our principal executive offices at 150 North Riverside Plaza, Chicago, Illinois 60606 no later than the close of business on December 6, 2019. We reserve the right to reject, rule out of order, or take other appropriate action with respect to any proposal that does not comply with Rule 14a-8 and other applicable requirements.

**Table of Contents**

**21. Q: What is the deadline under our bylaws for stockholders to nominate persons for election to the board of directors or propose other matters to be considered at our 2020 annual meeting of stockholders?**

A: Stockholders who wish to nominate persons for election to our board of directors or propose other matters to be considered at our 2020 annual meeting of stockholders must provide us advance notice of the director nomination or stockholder proposal, as well as the information specified in our bylaws, no earlier than January 16, 2020 and no later than the close of business on February 15, 2020. Stockholders are advised to review our bylaws, which contain the requirements for advance notice of director nominations and stockholder proposals. Notice of director nominations and stockholder proposals must be received by our corporate secretary at our principal executive offices at 150 North Riverside Plaza, Chicago, Illinois 60606. The requirements for advance notice of stockholder proposals under our bylaws do not apply to proposals properly submitted under Rule 14a-8 under the Exchange Act, as those stockholder proposals are governed by Rule 14a-8. We reserve the right to reject, rule out of order, or take other appropriate action with respect to any director nomination or stockholder proposal that does not comply with our bylaws and other applicable requirements.

**22. Q: How do I submit a potential director nominee for consideration by the board of directors for nomination?**

A: You may submit names of potential director nominees for consideration by the board of directors nominating and corporate governance committee for nomination by our board of directors at the 2020 annual meeting of stockholders. Your submission should be mailed to our corporate secretary at our principal executive offices at 150 North Riverside Plaza, Chicago, Illinois 60606. The section titled Article II Committees of the Board of Directors Nominating and Corporate Governance Committee below describes the information required to be set forth in your submission, and provides information on the nomination process used by our nominating and corporate governance committee and our board of directors. The deadline has passed to submit a potential director nominee to be considered for nomination by our board of directors at the 2019 Annual Meeting. December 1, 2019 is the deadline to submit a potential director nominee for consideration by our board of directors for nomination at the 2020 annual meeting of stockholders.

---

**Table of Contents**

**ARTICLE II: CORPORATE GOVERNANCE**

**Proposal 1 Election of Directors**

Hyatt's Amended and Restated Certificate of Incorporation provides that the total number of members of the board of directors shall consist of not less than five nor more than 15 members, with the precise number of directors to be determined by a vote of a majority of the entire board of directors. At present, the board of directors has fixed the number of members of the board of directors at 11. Hyatt's Amended and Restated Certificate of Incorporation further provides that the board of directors will be divided into three classes, as nearly equal in number as is practicable, designated Class I, Class II and Class III. Members of each class of the board of directors are elected for a term of office to expire at the third succeeding annual meeting of stockholders after their election, with each director to hold office until his or her successor is duly elected and qualified.

Class I, the class of directors whose term expires at the Annual Meeting, currently consists of four persons. In accordance with the recommendation of the nominating and corporate governance committee, the board of directors has unanimously nominated Paul D. Ballew, Mark S. Hoplamazian, Cary D. McMillan and Michael A. Rocca, the four incumbent directors whose terms expire at the Annual Meeting, to stand for re-election to the board of directors. Each of Messrs. Ballew, Hoplamazian, McMillan and Rocca has been nominated to hold office until the 2022 annual meeting of stockholders and until their respective successors have been duly elected and qualified. Unless otherwise instructed by the stockholder, the persons named in the enclosed proxy card will vote the shares represented by such proxy for the election of the nominees named in this proxy statement.

Each of the nominees has consented to serve as a director if elected. If any of the nominees should be unavailable to serve for any reason, the board of directors may designate a substitute nominee or substitute nominees (in which event the persons named on the enclosed proxy card will vote the shares represented by all valid proxy cards for the election of such substitute nominee or nominees). Alternatively, the board of directors may reduce the size of the board of directors or allow the vacancy or vacancies to remain open until a suitable candidate or candidates are identified by the board of directors.

**The board of directors unanimously recommends that the stockholders vote FOR each of Paul D. Ballew, Mark S. Hoplamazian, Cary D. McMillan and Michael A. Rocca as directors to serve and hold office until the 2022 annual meeting of stockholders and until their respective successors have been duly elected and qualified.**

**Table of Contents*****Our Board of Directors***

Set forth below is information regarding the business experience of each of our directors that has been furnished to us by the respective director. Each director has been principally engaged in the employment indicated for the last five years unless otherwise stated. Also set forth below for each director is a discussion of the experience, qualifications, attributes or skills that led the board of directors to conclude that the director is qualified and should serve as a director of Hyatt.

***Directors Standing for Re-Election*****PAUL D. BALLEW****Director since:** 2017

Paul D. Ballew has been a member of our board of directors since March 2017. Mr. Ballew served as Global Chief Data and Analytics Officer at the Ford Motor Company, a global automotive and mobility company, from December 2014 to April 2019. Prior to joining Ford, Mr. Ballew held senior positions in data and customer analytics at The Dun & Bradstreet Corporation, Nationwide Mutual Insurance Company, General Motors Corporation, and JD Power Associates. Mr. Ballew is also a former Research Officer and Senior Economist at the Federal Reserve Bank of Chicago. Mr. Ballew served as a Director of NeuStar, Inc. from June 2015 to June 2017.

**Age:** 55

Mr. Ballew brings to our board of directors extensive experience in customer analytics, data operations and strategy. Mr. Ballew also provides valuable insight regarding the future technological needs of Hyatt and the hospitality industry. Through his years of executive and technological leadership, Mr. Ballew provides the board with operations and technology experience, as well as important perspectives on innovation, management development, and global challenges and opportunities. Additionally, Mr. Ballew is sophisticated in financial and accounting matters.

**MARK S. HOPLAMAZIAN****Director since:** 2006

Mark S. Hoplamazian was appointed to our board of directors in November 2006 and named President and Chief Executive Officer of Hyatt Hotels Corporation in December 2006. Prior to being appointed to his present position, Mr. Hoplamazian served as President of The Pritzker Organization, LLC ( *TPO* ), the principal financial and investment advisor to certain Pritzker family business interests. During his 17 year tenure with TPO, he served as advisor to various Pritzker family-owned companies, including Hyatt Hotels Corporation and its predecessors. He previously worked in international mergers and acquisitions at The First Boston Corporation in New York. Mr. Hoplamazian serves on the Board of Directors of VF Corporation and serves on the Council on the University of Chicago Booth School of Business, the Executive Committee of the Board of Directors of World Business Chicago, the Board of Directors of Skills for Chicagoland's Future, New Schools for Chicago, and the Chicago Council on Global Affairs, and the Board of Trustees of the Aspen Institute and of the Latin School of Chicago. Mr. Hoplamazian is a

**Age:** 55

member of the World Travel & Tourism Council and the Commercial Club of Chicago and is a member of the Discovery Class of the Henry Crown Fellowship.

As Hyatt's President and Chief Executive Officer, Mr. Hoplamazian provides our board of directors with valuable insight regarding Hyatt's operations, management team, colleagues and culture, as a result of his day-to-day involvement in the operations of the business, and he performs a critical role in board discussions regarding strategic planning and development for the Company. The board of directors also benefits from Mr. Hoplamazian's historical knowledge of Hyatt based on his experience advising Hyatt on business and financial matters in his various prior roles at TPO. Mr. Hoplamazian is financially sophisticated and also has significant mergers and acquisitions and corporate finance experience.

**8 Hyatt Hotels Corporation**    *2019 Proxy Statement*

**Table of Contents**

**CARY D. MCMILLAN**

**Director since:** 2013

Cary D. McMillan has been a member of our board of directors since June 2013. Mr. McMillan is the Chief Executive Officer of True Partners Consulting LLC, a nationwide provider of tax and financial consulting services, headquartered in Chicago. Mr. McMillan co-founded True Partners Consulting LLC in 2005. Prior to joining True Partners Consulting LLC, he was Executive Vice President of Sara Lee Corporation, Chief Executive Officer of Sara Lee Branded Apparel and a member of Sara Lee Corporation's board of directors. Before joining Sara Lee in 1999 as its Chief Financial Officer, he was managing partner of Arthur Andersen's Chicago office. Mr. McMillan serves as a Director of American Eagle Outfitters, Inc. He served as a Director of Hewitt Associates from 2002 to 2010 and of McDonald's Corporation from 2003 to 2015. He is also active in the Chicago non-profit community. He currently is a Trustee of The Art Institute of Chicago, Millennium Park, and WTTW.

**Age:** 61

Mr. McMillan brings to our board of directors extensive management and operations experience as a senior executive at a global, complex consumer brand company. The board of directors values Mr. McMillan's knowledge of strategy and business development, finance and accounting skills and international operations experience. Mr. McMillan is also a certified public accountant and an audit committee financial expert. His experience as a former audit partner with Arthur Andersen LLP, as well as his service on the Audit Committee of American Eagle Outfitters, Inc. and prior service on the Audit Committee of McDonald's Corporation, provides him with extensive knowledge of financial and accounting issues.

**MICHAEL A. ROCCA**

**Director since:** 2008

Michael A. Rocca has been a member of our board of directors since March 2008. From 1994 to 2000, Mr. Rocca served as Senior Vice President and Chief Financial Officer of Mallinckrodt Inc., a pharmaceutical and medical device manufacturer. Prior to 1994, Mr. Rocca served in a variety of finance positions with Honeywell Inc., a diversified technology and manufacturing company, including Vice President, Treasurer and Vice President, Finance Europe. Mr. Rocca previously served as a Director of Lawson Software, Inc. from 2003 to 2011 and St. Jude Medical Inc. from 2004 to 2017.

**Age:** 74

Mr. Rocca is an audit committee financial expert and has extensive experience chairing public company audit committees. His background as Senior Vice President and Chief Financial Officer of Mallinckrodt Inc., various finance positions with Honeywell Inc. and overall financial and accounting expertise make Mr. Rocca particularly well-suited to assist our board of directors with its oversight responsibilities regarding Hyatt's financial statements and its financial reporting and disclosure practices.



**Table of Contents***Continuing Directors***THOMAS J. PRITZKER****Director since:** 2004

Thomas J. Pritzker has been a member of our board of directors since August 2004 and our Executive Chairman since August 2004. Mr. Pritzker served as our Chief Executive Officer from August 2004 to December 2006. Mr. Pritzker was appointed President of Hyatt Corporation in 1980 and served as Chairman and Chief Executive Officer of Hyatt Corporation from 1999 to December 2006. Mr. Pritzker is Chairman and Chief Executive Officer of TPO. Mr. Pritzker also serves as a Director of Royal Caribbean Cruises Ltd. He served as a Director of TransUnion Corp., a credit reporting service company, until June 2010 and as Chairman of Marmon Holdings, Inc. until March 2014. Mr. Pritzker is Chairman of the Board of Trustees of the Center for Strategic & International Studies; Director and Vice President of The Pritzker Foundation, a charitable foundation; Director and President of the Pritzker Family Philanthropic Fund, a charitable organization; and Director, Chairman and President of The Hyatt Foundation, a charitable foundation which established The Pritzker Architecture Prize. Mr. Pritzker is the father of Mr. Jason Pritzker, who is also a member of our board of directors.

**Age:** 68

Mr. Pritzker brings to our board of directors a deep understanding of Hyatt's operations and extensive knowledge of the hospitality industry as a result of his more than 30 year history with Hyatt, including as our former Chief Executive Officer. The Company also benefits from Mr. Pritzker's extensive network of contacts and relationships with owners and developers of hotels around the world as we pursue new opportunities and seek to enter into new management and franchise agreements. Additionally, Mr. Pritzker has significant experience leading boards of directors of for-profit and not-for-profit organizations.

**SUSAN D. KRONICK****Director since:** 2009

Susan D. Kronick has been a member of our board of directors since June 2009. Ms. Kronick has been an Operating Partner at Marvin Traub Associates, a retail business development firm, since 2012. From March 2003 until March 2010, Ms. Kronick served as Vice Chair of Macy's, Inc., the operator of Macy's and Bloomingdale's department stores. Ms. Kronick served as Group President, Regional Department Stores of Macy's, Inc. from April 2001 to February 2003; prior thereto she served as Chairman and Chief Executive Officer of Macy's Florida from June 1997 to March 2001. Ms. Kronick serves as a Director of American Airlines Group Inc. Ms. Kronick served as a Director of The Pepsi Bottling Group, Inc. from March 1999 to February 2010.

**Age:** 67

Ms. Kronick brings to our board of directors a strong background in marketing and experience in building industry leading brands as a result of the various management

positions she has held with Macy's, Inc., most recently as Vice Chair. As a result of her positions with Macy's, Inc., Ms. Kronick also has gained valuable financial and operations experience. Additionally, she contributes to the gender diversity of the board of directors.

**10 Hyatt Hotels Corporation** *2019 Proxy Statement*

**Table of Contents**

**MACKEY J. MCDONALD**

**Director since:** 2009 Mackey J. McDonald has been a member of our board of directors since June 2009. Mr. McDonald has served as a Senior Advisor to Crestview Partners, a private equity firm, since 2008. Mr. McDonald served as Chairman and Chief Executive Officer of VF Corporation, an apparel manufacturer, from 1998 until his retirement in August 2008.

**Age:** 72 From 1996 to 2006, he was the President of VF Corporation and prior thereto he served as VF Group Vice President. Mr. McDonald is a Director of Bernhardt Industries, Inc. Mr. McDonald served as a Director of The Kraft Heinz Company from 2015 to 2018, as a Director of Kraft Foods, Inc. from 2012 to 2015, as a Director of Wells Fargo & Company (formerly Wachovia Corporation) from 1997 to 2012, as a Director of VF Corporation from 1993 to 2008, as a Director of The Hershey Company from 1996 to 2007, and as a Director of Tyco International Ltd. from 2002 to 2007.

Mr. McDonald brings to our board of directors deep management and operations experience as well as experience building internationally recognized brands as a result of his leadership positions with VF Corporation. The board of directors also values Mr. McDonald's experience as a chief executive officer and significant public company board of directors and executive compensation experience, including his former service on the Human Resources Committee of Wells Fargo & Company (formerly Wachovia Corporation) and former service as Chairman of the Compensation and Human Resources Committee of Tyco International Ltd. and on the Compensation and Executive Organization Committee of The Hershey Company.

**PAMELA M. NICHOLSON**

**Director since:** 2014 Pamela M. Nicholson has been a member of our board of directors since March 2014. Ms. Nicholson currently serves as President and Chief Executive Officer of Enterprise Holdings, Inc., an auto rental and leasing company that operates Alamo Rent A Car, National Car Rental and Enterprise Rent-A-Car. Ms. Nicholson served as President and Chief Operating Officer of Enterprise Holdings, Inc. from 2008 to 2013. Ms. Nicholson also serves as a Director of Enterprise Holdings, Inc. and the Humane Society of Missouri. She served as a Director of Energizer Holdings, Inc. from 2002 to 2014.

**Age:** 59

Ms. Nicholson brings to the board significant senior executive and operations experience at a major, multi-national company in the travel industry, with demonstrated success in achieving high levels of customer satisfaction. The board also values Ms. Nicholson's experience as public company director. Ms. Nicholson also contributes to the gender diversity of the board.

**JASON PRITZKER**

**Director since:** 2014

## Edgar Filing: Hyatt Hotels Corp - Form DEF 14A

**Age:** 39

Jason Pritzker has been a member of our board of directors since March 2014. Mr. Pritzker serves as an investment professional at TPO. Mr. Pritzker co-founded Yapmo.com (now doing business as Konverse), where he also served as President from 2011 to 2013 and as a Director until March 2016. Mr. Pritzker also co-founded Visible Vote LLC, a mobile software company, where he served as President from March 2009 until May 2012. Mr. Pritzker is a Director of TMS International Corporation and Lithko Contracting LLC. Mr. Pritzker previously worked for Webb Wheel Products, a subsidiary of The Marmon Group, and as an analyst for Goldman, Sachs & Co. Mr. Pritzker is the son of Mr. Thomas J. Pritzker, our Executive Chairman.

The board of directors values Mr. Pritzker's expanding relationships with many of the owners and developers of our hotels around the world as we strive to maintain valuable relationships, pursue new opportunities and enter into new management and franchise agreements.

**Hyatt Hotels Corporation** 2019 Proxy Statement 11

**Table of Contents**

**RICHARD C. TUTTLE**

**Director since:** 2004 Richard C. Tuttle has been a member of our board of directors since December 2004. Mr. Tuttle is a founding Principal at Prospect Partners, LLC, a lower-middle-market private equity firm, and has held this position since 1998. Prior to founding Prospect Partners, he was Executive Vice President of Corporate Development for Health Care & Retirement Corp., now Manor Care, Inc., a healthcare services company. He served as a Director of Cable Design Technologies, Inc., now Belden Inc., for 17 years. Mr. Tuttle is Chairman of the boards of directors of ESI Lighting, Inc., Tender Products Corporation, Polymer Holding Corporation, World Data Products, Inc. and All Glass & Windows Holdings, Inc.

**Age:** 63

Mr. Tuttle contributes to our board of directors expertise in financing transactions and experience in working with operating companies and management teams as a result of his 30 years of experience in private equity. Having served as a director of the Company for fourteen years, Mr. Tuttle's long-standing knowledge of and familiarity with Hyatt and our operations benefits the board of directors. Additionally, he is sophisticated in financial and accounting matters.

**JAMES H. WOOTEN, JR.**

**Director since:** 2011 James H. Wooten, Jr. served as the Senior Vice President, General Counsel and Secretary of Illinois Tool Works Inc. ( *ITW* ), a worldwide manufacturer of engineered products and equipment from 2006 until his retirement in 2012. Mr. Wooten joined ITW in 1988 as Senior Attorney. He was named Associate General Counsel in 2000, and in 2005, he was promoted to Vice President, General Counsel and Secretary. Prior to joining ITW, Mr. Wooten practiced law at the firm of Gardner, Carton & Douglas, which is currently part of Drinker Biddle & Reath LLP. Mr. Wooten currently serves as a Director of Morae Global Corporation, Ann & Robert H. Lurie Children's Hospital of Chicago, Window to the World Communications, Inc. and Congo Square Theatre. He also serves on the Audit Committee of Ann & Robert H. Lurie Children's Hospital of Chicago.

**Age:** 70

Mr. Wooten brings to our board of directors extensive experience as an executive officer of a Fortune 200 company. Throughout his more than 20 years with ITW, Mr. Wooten developed deep expertise and experience in the areas of risk assessment and management, SEC reporting issues and the general financial and operational aspects of managing a global enterprise. The board of directors also values Mr. Wooten's experience on various private and not-for-profit company boards of directors and committees. As an African-American, Mr. Wooten contributes to the diversity of the board of directors.

Other than the relationships of Mr. Thomas J. Pritzker and Mr. Jason Pritzker as described above, there are no family relationships among any of our directors or executive officers.

Our Class II directors, whose terms will expire at the 2020 annual meeting of stockholders, are Mr. Thomas J. Pritzker, Ms. Nicholson, Mr. Tuttle and Mr. Wooten.

Our Class III directors, whose terms will expire at the 2021 annual meeting of stockholders, are Ms. Kronick, Mr. McDonald and Mr. Jason Pritzker.

While voting agreements entered into with or among our major stockholders are in effect, they may provide our board of directors with effective control over the election of directors. Directors can be removed from our board of directors only for cause. Vacancies on our board of directors, and any newly created director positions created by the expansion of the board of directors, can be filled only by a majority of remaining directors then in office.

Pursuant to our letter agreement with Mr. Thomas J. Pritzker, we have agreed that so long as he is a member of our board of directors we will use our commercially reasonable efforts to appoint him as our Executive Chairman as long as he is willing and able to serve in that office. If he is not re-appointed as Executive Chairman, he will be entitled to terminate his employment with the rights and entitlements available to him under our severance policies as if his employment were terminated by us without cause.

Pursuant to our letter agreement with Mr. Hoplamazian, we have agreed that so long as he is our President and Chief Executive Officer, we will use our commercially reasonable efforts to nominate him for re-election as a director prior to the end of his term. If he is not re-elected to the board of directors, he will be entitled to terminate his employment with the rights and entitlements available to him under our severance policies as if his employment were terminated by us without cause.

---

**Table of Contents**

During the fiscal year ended December 31, 2018, Hyatt's board of directors held eight meetings (and took action three times by unanimous written consent). The audit committee held eight meetings, the talent and compensation committee held five meetings (and took action one time by unanimous written consent), the nominating and corporate governance committee held five meetings (and took action one time by unanimous written consent), and the finance committee held eleven meetings (and took action three times by unanimous written consent). No incumbent director attended fewer than 75% of the total number of meetings of the board of directors and committees on which such director served during 2018. We do not have a policy regarding attendance of directors at our annual meetings of stockholders. All of our directors attended our 2018 annual meeting of stockholders.

***Board Leadership Structure***

The Hyatt Hotels Corporation Corporate Governance Guidelines (the *Corporate Governance Guidelines*) provide that the offices of the Chairman of the board of directors and Chief Executive Officer may be either combined or separated at the discretion of the board of directors. Mr. Thomas J. Pritzker currently serves as our Executive Chairman and Mr. Hoplamazian currently serves as our President and Chief Executive Officer. Prior to Mr. Hoplamazian being named to this position in December 2006, Mr. Thomas J. Pritzker served as our Executive Chairman and Chief Executive Officer. Mr. Hoplamazian also serves on our board of directors. As President and Chief Executive Officer, Mr. Hoplamazian is responsible for setting the strategic direction for the Company and the day-to-day leadership and performance of the Company, while Mr. Thomas J. Pritzker, as Executive Chairman, provides guidance to the President and Chief Executive Officer on a variety of key issues and sets, with input from Mr. Hoplamazian, the agenda for board of directors meetings and presides over meetings of the full board of directors. Our board of directors has determined that Mr. Thomas J. Pritzker's active involvement as Executive Chairman while Mr. Hoplamazian serves as President and Chief Executive Officer and a Director benefits the Company as a result of Mr. Thomas J. Pritzker's deep understanding of the Company's operations, relationships with owners and developers and extensive knowledge of the hospitality industry.

Our Corporate Governance Guidelines also provide that from time to time, the independent directors may determine that the board of directors should have a lead director. In the event that the independent directors make such a determination, the chairman of the nominating and corporate governance committee shall become the lead director on an *ex officio* basis. In the event that a lead director is designated, his or her duties would include: assisting the chairman of the board and board of directors in assuring compliance with, and implementation of, the Company's Corporate Governance Guidelines, coordinating the agenda for and moderating sessions of the board of directors non-management directors and acting as principal liaison between the non-management directors and the chairman of the board on sensitive issues. The Company currently has nine independent directors and to date they have not determined that the board of directors should have a lead director.

Our board of directors believes that this current board leadership structure is in the best interests of the Company and its stockholders at this time. Our Corporate Governance Guidelines provide the flexibility for our board of directors to modify or continue our leadership structure in the future, as it deems appropriate.

Our non-management directors regularly meet in executive session without management present and our independent directors meet in executive session at least once a year. The chairman of the nominating and corporate governance committee presides at such sessions.

***Board Role in Risk Oversight***

Management is responsible for the Company's day-to-day risk management activities and processes, and our board of directors' role is to engage in informed oversight of, and to provide direction with respect to, such risk management

activities and processes. In fulfilling this oversight role, our board of directors focuses on understanding the nature of our enterprise risks, including risk in our operations, finances and strategic direction. Our board of directors performs this oversight function in a variety of ways, including the following:

the board of directors receives management updates on our business operations, including cybersecurity, financial results and strategy and, as appropriate, discusses and provides feedback with respect to risks related to those topics;

the Company maintains a risk council that is led by our senior vice president of internal audit and is comprised of certain members of management from different functional areas and business units. The risk council is responsible for identifying, assessing, prioritizing and monitoring critical risks of the Company and periodically reports to the board of directors and the audit committee regarding the Company's risk management processes and procedures; and

while the full board is responsible to monitor enterprise risk management overall, the audit committee assists the board of directors in its oversight of risk management by discussing with management, the internal auditors and the



**Table of Contents**

independent auditors the Company's policies and procedures with respect to the process governing risk assessment and risk management. To this end, the audit committee discusses with management the Company's major financial, reporting and disclosure risk exposures and the steps management has taken to monitor and control such exposures. Additionally, the talent and compensation committee helps assess risk associated with the Company's compensation policies and procedures.

**14 Hyatt Hotels Corporation**     *2019 Proxy Statement*

## **Table of Contents**

### **Communications with the Board of Directors**

All interested parties who wish to communicate with any of our directors, including our non-management directors, can address their communications as follows:

Mail: Hyatt Hotels Corporation  
Attention: Corporate Secretary  
150 North Riverside Plaza  
Chicago, Illinois 60606

Email: [shareholdercommunications@hyatt.com](mailto:shareholdercommunications@hyatt.com)

Hyatt's corporate secretary will maintain a record of all such communications and promptly forward to the chairman of the nominating and corporate governance committee those that the corporate secretary believes require immediate attention. The corporate secretary will also periodically provide the chairman of the nominating and corporate governance committee with a summary of all such communications. The chairman of the nominating and corporate governance committee shall notify the board of directors or the chairs of the relevant committees of the board of directors of those matters that he believes are appropriate for further action or discussion.

### **Code of Business Conduct and Ethics**

The Company has adopted the Hyatt Hotels Corporation Code of Business Conduct and Ethics (the *Code of Ethics*), which is applicable to all of Hyatt's directors, officers, and colleagues, including the Company's President and Chief Executive Officer, Chief Financial Officer, Principal Accounting Officer or Controller and other senior financial officers performing similar functions. The Code of Ethics is posted on the Company's website at [www.hyatt.com](http://www.hyatt.com) under the headings Investor Relations Corporate Governance Code of Business Conduct and Ethics. The Company will furnish a copy of the Code of Ethics to any person, without charge, upon written request directed to: Treasurer and Senior Vice President, Investor Relations and Corporate Finance, Hyatt Hotels Corporation, 150 North Riverside Plaza, Chicago, Illinois 60606. In the event that the Company amends or waives any of the provisions of the Code of Ethics that applies to the Company's Chief Executive Officer, Chief Financial Officer, Principal Accounting Officer or Controller, and other senior financial officers performing similar functions, the Company intends to disclose the relevant information on its website.

### **Corporate Governance Guidelines**

The Company has adopted the Corporate Governance Guidelines to assist the board of directors in the exercise of its responsibilities. The Corporate Governance Guidelines are posted on the Company's website at [www.hyatt.com](http://www.hyatt.com) under the headings Investor Relations Corporate Governance Corporate Governance Guidelines. The Company will furnish a copy of the Corporate Governance Guidelines to any person, without charge, upon written request directed to: Treasurer and Senior Vice President, Investor Relations and Corporate Finance, Hyatt Hotels Corporation, 150 North Riverside Plaza, Chicago, Illinois 60606.

## Director Independence

Under our Corporate Governance Guidelines, our board of directors will be comprised of a majority of directors who qualify as independent directors under the listing standards of the NYSE. Directors who do not meet the NYSE's independence standards, including current and former members of management, also make valuable contributions to the board of directors and to Hyatt by reason of their experience and wisdom, and the board of directors expects that some minority of its members will not meet the NYSE's independence standards.

Only those directors who the board of directors affirmatively determines have no direct or indirect material relationship with the Company will be considered independent directors, subject to any additional qualifications prescribed under the listing standards of the NYSE. A material relationship is one that would interfere with the director's exercise of independent judgment in carrying out his or her duties and responsibilities as a director. The nominating and corporate governance committee and the board of directors annually review all relevant business relationships any director or nominee for director may have with Hyatt, including the relationships described in the section below titled "Article VIII Certain Relationships and Related Party Transactions." As a result of this review, the board of directors has determined that each of Messrs. Ballew, McDonald, McMillan, Rocca, Tuttle, Wooten and Mss. Kronick and Nicholson is an independent director under applicable SEC rules and the listing standards of the NYSE. The board of directors also determined that Mr. Richard A. Friedman, a former director, was an independent director under applicable SEC rules and the listing standards of the NYSE.

## **Table of Contents**

In making independence determinations, in addition to the relationships described below under Article VIII Certain Relationships and Related Party Transactions, the board of directors considered that certain of these directors serve or previously served together on other boards of directors, not-for-profit boards of directors and charitable organizations, certain directors serve as non-management directors or executive officers of companies with which Hyatt does business, and certain directors are affiliated with charitable organizations that received contributions from Hyatt of amounts within the criteria set forth in our Corporate Governance Guidelines. The board of directors also took into account that certain entities affiliated with the directors paid amounts to Hyatt for room accommodations and meeting space in the ordinary course of business.

## **Committees of the Board of Directors**

Our board of directors has a nominating and corporate governance committee, an audit committee, a talent and compensation committee, and a finance committee, each of which has the composition and responsibilities described below. Our board of directors may also establish from time to time any other committees that it deems necessary or desirable. The composition of each committee complies with the listing requirements and other rules of the NYSE.

### *Nominating and Corporate Governance Committee*

Our nominating and corporate governance committee consists of Messrs. Tuttle and McDonald, and Ms. Nicholson, with Mr. Tuttle serving as chairman. Our board of directors has determined that each of Messrs. Tuttle and McDonald and Ms. Nicholson is independent within the meaning of the listing standards of the NYSE. The nominating and corporate governance committee is established to:

assist the board of directors in identifying individuals qualified to be members of the board of directors consistent with criteria approved by the board of directors and set forth in the Corporate Governance Guidelines and to recommend director nominees to the board of directors;

take a leadership role in shaping Hyatt's corporate governance, including developing and recommending to the board of directors, and reviewing on at least an annual basis, the corporate governance guidelines and practices applicable to Hyatt;

recommend board committee nominees to the board of directors; and

oversee the evaluation of the board of directors' and management's performance.

Our board of directors has adopted a written charter for our nominating and corporate governance committee, which is available on our website at [www.hyatt.com](http://www.hyatt.com) under the headings Investor Relations Corporate Governance Committee Composition Nominating and Corporate Governance Committee Charter.

### *Selection of Director Nominees*

At an appropriate time prior to each annual meeting of stockholders, or if applicable, a special meeting of stockholders at which directors are to be elected or re-elected, the nominating and corporate governance committee will recommend to the board of directors for nomination such candidates as the nominating and corporate governance committee has found to be well qualified and willing and available to serve, and in each case, providing the nominating and corporate governance committee's assessment whether such candidate would satisfy the independence requirements of the NYSE.

Prior to making such recommendations to the board of directors, the nominating and corporate governance committee conducts inquiries into the background and qualifications of any potential candidates, including the following criteria set forth in our Corporate Governance Guidelines:

judgment, character, expertise, skills and knowledge useful to the oversight of Hyatt's business;

diversity of viewpoints, backgrounds and experiences;

business or other relevant experience; and

the extent to which the integrity of the candidate's expertise, skills, knowledge and experience with that of the other directors will build a board of directors that is effective, collegial and responsive to the needs of Hyatt. The nominating and corporate governance committee also considers such other relevant factors as it deems appropriate, including requirements that the members of the board of directors as a group maintain the requisite qualifications under the applicable NYSE listing standards for independence for the board of directors as a whole and for populating the audit, compensation and nominating and corporate governance committees. While there are no specific minimum qualifications that a director candidate must possess, the nominating and corporate governance

## **Table of Contents**

committee recommends those candidates who possess the highest personal and professional integrity, have prior experience in corporate management or our industry, maintain academic or operational expertise in an area relating to our business and demonstrate practical and mature business judgment. As described above, our Corporate Governance Guidelines specify that the value of diversity of viewpoints, backgrounds and experiences on the board of directors should be considered by the nominating and corporate governance committee in the director identification and nomination process. The nominating and corporate governance committee seeks nominees with a broad diversity of experience, professions, skills, geographic representation and backgrounds. The nominating and corporate governance committee does not assign specific weighting to particular criteria and no particular criterion is necessarily applicable to all prospective nominees. We believe that the backgrounds and qualifications of the directors, considered as a group, should provide a composite mix of experience, knowledge and abilities that will allow the board of directors to fulfill its responsibilities. Nominees are not discriminated against on the basis of race, religion, national origin, sexual orientation, disability or any other basis proscribed by law.

The nominating and corporate governance committee will consider stockholder recommendations for candidates to be nominated by our board of directors for election at the 2020 annual meeting of stockholders. Stockholders who want to recommend a potential director candidate for consideration by the nominating and corporate governance committee should send a written notice, addressed to the corporate secretary at our principal executive offices at 150 North Riverside Plaza, Chicago, Illinois 60606. This notice must include the same information as would be required under our bylaws in a stockholder's notice to nominate a director at the 2020 annual meeting of stockholders. These information requirements are set forth in Sections 3.8(a)(2)(x) and 3.8(a)(2)(z)(i) (vii) of our bylaws. We also consider potential director candidates recommended by current directors, officers, employees and others. We may also retain the services of search firms to provide us with candidates, especially when we are looking for a candidate with a particular expertise, quality, skill or background.

The nominating and corporate governance committee screens all potential candidates in the same manner, regardless of the source of the recommendation. The review is typically based on any written materials provided with respect to potential candidates, and the nominating and corporate governance committee reviews the materials to determine the qualifications, experience and background of the candidates. Final candidates are typically interviewed by one or more members of the nominating and corporate governance committee. In making its determinations, the nominating and corporate governance committee evaluates each individual in the context of our board of directors as a whole, with the objective of assembling a group that can best perpetuate the success of our company and represent stockholder interests through the exercise of sound judgment. After review and deliberation of all feedback and data, including input from our Executive Chairman and our President and Chief Executive Officer, the nominating and corporate governance committee makes a recommendation to the full board of directors regarding whom should be nominated by the board of directors.

The nominating and corporate governance committee did not receive any timely director recommendations from a stockholder for consideration at the 2019 Annual Meeting. December 1, 2019 is the deadline established by the nominating and corporate governance committee for submission of potential director nominees for consideration by the nominating and corporate governance committee for nomination at the 2020 annual meeting of stockholders.

## ***Audit Committee***

Our audit committee, which was established in accordance with section 3(a)(58)(A) of the Exchange Act, consists of Messrs. McMillan, Ballew, Rocca, Tuttle and Wooten, with Mr. McMillan serving as chairman. Our board of directors determined that each of Messrs. McMillan, Ballew, Rocca, Tuttle and Wooten is independent within the meaning of applicable SEC rules and the listing standards of the NYSE applicable to the audit committee members, and has determined that each of Messrs. McMillan and Rocca is an audit committee financial expert, as such term is

defined in the rules and regulations of the SEC. The audit committee has oversight responsibilities regarding:

the integrity of our financial statements and our financial reporting and disclosure practices;

the soundness of our system of internal controls regarding finance and accounting compliance;

the annual independent audit of our consolidated financial statements;

the independent registered public accounting firm's qualifications and independence;

the engagement of our independent registered public accounting firm;

the performance of our independent registered public accounting firm;

the performance of our internal audit function and approval of the internal audit plan;

our compliance with legal and regulatory requirements in connection with the foregoing, including our disclosure controls and procedures;

**Table of Contents**

compliance with our Code of Ethics;

assisting the board of directors in its oversight of risk management by discussing with management, the internal auditors and the independent auditors the Company's policies and procedures with respect to the process governing risk assessment and risk management, and discussing with management the Company's major financial, reporting and disclosure risk exposures and the steps management has taken to monitor and control such exposures;

reviewing and approving procedures with respect to employee submission of, and the Company's response to, complaints received regarding accounting, internal accounting controls or auditing matters;

addressing requests for waivers of conflict of interest situations and addressing certain concerns related to accounting, internal accounting controls and auditing matters as provided in our Corporate Governance Guidelines; and

reviewing related party transactions pursuant to our written policy described below under Article VIII Certain Relationships and Related Party Transactions Related Party Transaction Policy and Procedures.

Our board of directors has adopted a written charter for our audit committee, which is available on our website at [www.hyatt.com](http://www.hyatt.com) under the headings Investor Relations Corporate Governance Committee Composition Audit Committee Charter.

***Finance Committee***

Our finance committee consists of Messrs. Thomas J. Pritzker, McMillan and Jason Pritzker, and Ms. Kronick, with Mr. Thomas J. Pritzker serving as chairman. The finance committee is responsible for reviewing with Company management strategies, plans, policies and significant actions relating to corporate finance matters, including, without limitation, the following matters (which are subject to the finance committee's approval to the extent the amounts in question are greater than the minimum value thresholds set forth in the finance committee charter for such matters):

long and short-term financings, including, without limitation, borrowing of funds, issuance of debt securities and interest rate or foreign currency derivative contracts;

exemption elections regarding credit swaps that would otherwise be required to be cleared through the Commodities Future Trading Commission;

any development matters, including (i) initial investment in, (ii) initial management or licensing of, (iii) initial acquisition of, and/or (iv) the provision of any other financial commitments relating to, the chain of hotels, resorts, vacation ownership and residential properties that are to be wholly-owned, partially-owned, managed, leased, licensed or franchised by the Company;



## Edgar Filing: Hyatt Hotels Corp - Form DEF 14A

asset management matters that impact the Company's existing management agreements, license agreements, franchise agreements, joint venture agreements, contracts, financial instruments, and ownership interest of the Company's full service and select service hotels and Hyatt-branded residential and vacation ownership properties licensed or managed by affiliates of the Company;

acquisitions and dispositions;

capital expenditures and leasing arrangements; and

over budget and unbudgeted managed cost commitments.

The above-listed items are subject to approval of the full board of directors in the event that the amounts in question exceed the maximum value thresholds set forth in the finance committee charter.

Our finance committee is also responsible for reviewing and making recommendations to the full board of directors regarding the following matters, which require approval of the full board of directors:

designation and issuance of equity securities of the Company and matters related to the sale and marketing thereof; and

changes in the Company's capital structure, including, but not limited to (i) cash and stock dividend policies; (ii) programs to repurchase the Company's stock; (iii) issues relating to the redemption and/or issuance of any preferred stock of the Company; and (iv) stock splits.

Our board of directors has adopted a written charter for our finance committee, which is available on our website at [www.hyatt.com](http://www.hyatt.com) under the headings Investor Relations Corporate Governance Committee Composition Finance Committee Charter.

**Table of Contents**

***Talent and Compensation Committee***

Our talent and compensation committee consists of Ms. Kronick, Ms. Nicholson, and Messrs. McDonald and Wooten, with Ms. Kronick serving as chair. Mr. Richard A. Friedman served on the committee until his departure from our board of directors in May 2018. Our board of directors has determined that each member of our talent and compensation committee is independent within the meaning of the SEC rules and the listing standards of the NYSE applicable to compensation committee members. The talent and compensation committee has appointed a sub-committee (the *Section 162(m) and Section 16 subcommittee*) to take actions with respect to compensation that is intended to be grandfathered in under the Tax Cuts and Jobs Act of 2017 as exempt from the limitation on deductibility of annual compensation over \$1 million under Section 162(m) (*Section 162(m)*) of the Internal Revenue Code of 1986, as amended (the *Code*) and/or exempt from the short-swing rules under Rule 16b-3 of the Exchange Act. The talent and compensation committee is authorized to discharge the responsibilities of the board of directors relating to:

the establishment, maintenance and administration of compensation and benefit policies and programs designed to attract, motivate and retain personnel with the requisite skills and abilities to enable the Company to achieve its business objectives;

the goals, objectives and compensation of our Executive Chairman and President and Chief Executive Officer, including evaluating the performance of the Executive Chairman and President and Chief Executive Officer in light of those goals;

the compensation of our other executive officers and non-management directors;

ensuring that succession planning takes place for the President and Chief Executive Officer and other senior management positions;

our compliance with the compensation rules, regulations and guidelines promulgated by the NYSE, the SEC and other law, as applicable; and

the issuance of an annual report on executive compensation for inclusion in our annual proxy statement, or Form 10-K, as applicable.

Our board of directors has adopted a written charter for our talent and compensation committee, which is available on our website at [www.hyatt.com](http://www.hyatt.com) under the headings Investor Relations Corporate Governance Committee Composition Talent and Compensation Committee Charter.

During 2018, the talent and compensation committee relied upon information provided by Mercer (US) Inc. (*Mercer*) in setting compensation for our named executive officers, as more thoroughly discussed below under the section titled Compensation Consultant Fees and Services.

In making decisions about executive compensation, the talent and compensation committee considered input from Mercer, our Executive Chairman, our President and Chief Executive Officer and our Chief Human Resources Officer. However, the talent and compensation committee ultimately makes all compensation decisions regarding our executive officers.

The talent and compensation committee may delegate its duties to a subcommittee under the terms of its charter. In addition, under the terms of our Third Amended and Restated Hyatt Hotels Corporation Long-Term Incentive Plan, as amended (the *LTIP*), the talent and compensation committee may delegate to other members of the board of directors and to our officers the authority to make awards and to amend LTIP awards, except that it may not delegate to an officer the authority to make any awards to officers who are subject to Section 16 of the Exchange Act or who are covered employees within the meaning of Section 162(m), or to make awards to themselves. In addition to the delegation to the Section 162(m) and Section 16 subcommittee as described above, as part of the grant process the talent and compensation committee delegates its authority to Messrs. Thomas J. Pritzker, Hoplamazian and certain other executive officers to amend or modify award agreements made under the LTIP and take other actions with respect to such awards as they deem necessary, appropriate or advisable to carry out the purposes and intent of the talent and compensation committee's grant.

### *Compensation Consultant Fees and Services*

During 2018, Mercer was engaged by the talent and compensation committee to provide executive, director and other compensation services. During 2018, Mercer performed the following services:

provided information and data so that we could assess the competitiveness of our executive compensation programs;

provided advice about our current base salaries and incentive compensation;

**Table of Contents**

provided analysis regarding our total rewards program, equity awards, dilution and burn-rate under the LTIP; and

assisted with the preparation of the Compensation Discussion and Analysis ( *CD&A* ) section of this proxy statement.

The talent and compensation committee's decision to retain Mercer was based on Mercer's knowledge of Hyatt and the talent and compensation committee's satisfaction with Mercer's prior services. Mercer first provided services to Hyatt prior to our initial public offering in 2009 and has provided services to the talent and compensation committee consistently since then. The talent and compensation committee also reviewed the nature and extent of the relationship among the talent and compensation committee, Hyatt, Mercer, and the individuals at Mercer providing advice to the talent and compensation committee with respect to any conflicts or potential conflicts of interest. This covered the SEC's six factor test including the provision of other services to Hyatt, the amount of fees received from Hyatt as a percentage of total revenue of Mercer and its affiliates, the policies and procedures that are designed to prevent conflicts of interest, any business or personal relationship of the advisor with a member of the talent and compensation committee, any Hyatt stock owned by the advisor, and any business or personal relationship of the advisor with an executive officer at Hyatt. Based on that review, the talent and compensation committee believes that there are no conflicts of interest or potential conflicts of interest that would unduly influence Mercer's provision of advice to the talent and compensation committee. In that regard the individual executive compensation consultant:

receives no incentive or other compensation based on the fees charged to Hyatt for other services from other lines of business provided by Mercer or any of its affiliates;

is not responsible for selling other Mercer or affiliate services; and

is prohibited by Mercer's professional standards from considering any other relationships Mercer or any of its affiliates may have with Hyatt in rendering advice and recommendations.

The talent and compensation committee delegated to the President and Chief Executive Officer and Chief Human Resources Officer the authority to direct Mercer with respect to matters which are of general applicability to broad groups of employees at varying levels, do not involve equity compensation, are not limited to executive officers, and do not exceed \$200,000 in fees per individual statement of work. As such, management has the sole authority to engage Mercer for any such additional services without further approval so long as such services remain within the scope of the established parameters. During 2018, Mercer performed the following additional services:

provided tools used for market pricing, global transfers, and benefit and employment guidelines;

assisted with talent development and workforce planning; and

conducted work for the international insurance program including vendor meetings and actuarial calculations.

The following is a summary of the fees for professional services, as well as commissions with respect to international insurance matters, paid to Mercer and its affiliates for services rendered in 2018:

<b>Fee Category</b>	<b>2018</b>
Executive and Director Compensation Consulting	\$ 301,913
Non-Executive Compensation Consulting	\$ 494,041
Non-Executive Compensation Services by Affiliates of Mercer	\$ 731,000
<b>Total</b>	<b>\$ 1,526,954</b>

### *Compensation Risk Considerations*

The talent and compensation committee reviews and evaluates, in conjunction with management, the incentives and material risks arising from or relating to the Company's compensation programs and arrangements and determines whether such incentives and risks are appropriate. A team made up of members from our internal audit and human resources departments reviewed the Company's incentive compensation plans and programs in order to assess whether or not any such plans or programs could create risks that are reasonably likely to have a material adverse effect on the Company. Management then reviewed such assessment with the talent and compensation committee. In such assessment, the Company determined that the following policies, among others, discourage unreasonable or excessive risk-taking by executives:

base salary levels are intended to be commensurate with the overall experience, time in the role, performance of each named executive officer ( *NEO* ), and the competitive market so that the NEOs and other employees are not motivated to take excessive risks to achieve a level of financial security;

annual incentive plans include a diverse mix of corporate and individual performance metrics, including non-financial measures;

## **Table of Contents**

annual incentive payouts are capped to ensure that no payout exceeds a specified percentage of salary, thereby moderating the impact of short-term incentives;

the mix of short- and long-term incentives is weighted such that a significant percentage of total opportunity is in the form of long-term equity awards;

awards made under our LTIP to our NEOs are generally granted as a mix of time-vested stock appreciation rights ( *SARs* ), time-vested restricted stock units ( *RSUs* ) and performance-vested restricted stock units ( *PSUs* ) which, together, encourage NEOs to focus on earnings, returns and long-term stockholder value while incentivizing continued employment;

annual audit process and activities, controls and monitoring procedures are in place, including but not limited to talent and compensation committee oversight, that mitigate risks associated with incentive compensation plans;

in addition to our Chief Executive Officer and Chief Financial Officer being subject to the claw-back provisions of the Sarbanes-Oxley Act of 2002, the Company has adopted a compensation recovery policy, described below in the section titled *Article III Compensation Discussion and Analysis Share Ownership Requirement, Compensation Recovery Policy and Anti-Hedging/Anti-Pledging Policies* ;

hedging of our stock by our NEOs is prohibited under the Hyatt Hotels Corporation Insider Trading Compliance Policy (the *Insider Trading Policy* ); and

share ownership requirements align the long-term interests of NEOs and directors with the interests of stockholders. Based on these and other considerations, the talent and compensation committee concluded that there are no compensation policies or practices that create risks that are reasonably likely to have a material adverse effect on the Company.

## **Compensation of Non-Employee Directors**

We use a combination of cash and stock-based compensation to attract and retain qualified candidates to serve on our board of directors. In setting non-employee director compensation, we consider the significant amount of time that directors expend in fulfilling their duties as well as the skill level required of members of our board of directors. The talent and compensation committee reviews director compensation periodically and recommends changes to the board of directors when it deems them appropriate. The talent and compensation committee periodically requests and considers analyses prepared by Mercer, the talent and compensation committee's independent executive and director compensation consultant, of publicly-reported non-employee director compensation practices at our peer companies used to also benchmark executive compensation and generally seeks to target non-employee directors' total compensation (defined as total cash compensation and total equity compensation) at or near the median total compensation of the non-employee directors of our peers. In September 2018, at the request of our talent and compensation committee, Mercer performed and presented to the talent and compensation committee its biennial

study of publicly-reported non-employee director compensation practices at our peer group companies. Based on its review of that study, and in order to more closely align the compensation of our non-employee directors with those of our peer companies, the talent and compensation committee recommended, and the board approved, an increase in the Annual Fee (as defined and discussed below) effective January 1, 2019.

### *Retainers and Committee Fees*

Our directors who are also our employees do not receive any additional compensation for their services as directors. Accordingly, Messrs. Thomas J. Pritzker and Mark S. Hoptamajian did not receive any compensation for their services as directors during 2018. For 2018, members of the board of directors who were not our employees were entitled to receive annual retainers in the form of (i) a cash retainer of \$75,000 (the *Annual Fee* ) and (ii) shares of Class A common stock with a grant date fair value of \$150,000 (the *Annual Equity Retainer* ). Effective January 1, 2019, the Annual Fee was increased to \$85,000.

Directors are permitted to elect to receive the Annual Fee, which is paid on a quarterly basis, in shares of Class A common stock. Directors who choose to receive shares in lieu of cash are granted such shares on the 15th day of the last month of the quarter (or the next day NYSE trading day if such day was not a trading day). The Annual Fee is prorated and paid in cash in the event that any director does not serve for a full fiscal quarter.

Directors receive their Annual Equity Retainer on the date of the Company's annual meeting of stockholders, payable in arrears for service since the prior annual meeting. The Annual Equity Retainer is also prorated and paid in cash in the event the director does not serve for a full fiscal year.

**Table of Contents**

With respect to the Annual Equity Retainer and, if a director elects to receive shares in lieu of cash as part of the Annual Fee, the number of shares granted is calculated by dividing the value of the applicable retainer by the Company's closing stock price on the date of grant.

Committee members and the chairman of each committee received additional annual cash retainers in the amounts set forth below for 2018:

<b>Committee Name</b>	<b>2018 Retainers</b>	
	<b>Committee Member</b>	<b>Committee Chairman</b>
Audit Committee	\$ 15,000	\$ 25,000
Talent and Compensation Committee	\$ 10,000	\$ 25,000
Nominating and Corporate Governance Committee	\$ 10,000	\$ 15,000
Finance Committee(1)	\$ 10,000	\$ 15,000

(1) As an employee of the Company, Mr. Thomas J. Pritzker was not eligible to receive and did not receive a retainer for his service as chairman of the finance committee in 2018.

The chairman of each committee receives only the chairman retainer for such committee and does not also receive the committee member retainer. Committee retainers are paid in quarterly installments at the end of each fiscal quarter. All of our directors are reimbursed for reasonable expenses incurred in connection with attending board of director meetings and committee meetings and for attending corporate functions on our behalf. To encourage our directors to visit and personally evaluate our properties, our non-employee directors are eligible for complimentary and discounted rooms at Hyatt-owned, operated or franchised hotels, as well as the use of hotel services when on personal travel.

***New Directors***

In addition to the cash and stock retainers discussed above, any new non-employee director receives an initial retainer, with a grant date fair value of \$75,000 (the *Initial Equity Retainer*), in the form of shares of our Class A common stock. The initial retainer is granted on the date the director is first elected or appointed to the board of directors. The number of shares granted is calculated by dividing the grant date fair value of the initial equity retainer by the Company's closing stock price on the date of grant.

***Non-Employee Director Stock Ownership Guidelines***

Our Corporate Governance Guidelines require that each non-employee director accumulate and own, directly or indirectly, shares worth at least five times the Annual Fee (for a total of \$375,000 in 2018 and \$425,000 beginning January 1, 2019) held under the Directors Deferred Compensation Plan described below. Non-employee directors have up to five years to meet this ownership requirement. If, after the relevant accumulation period, the market value of such director's stock should fall below the target level, the director will not be permitted to sell any of our common stock until the market value again exceeds the target level. These sale limitations do not apply where the decline in value of the director's holdings of our common stock occurs in connection with a change of control transaction. Each non-employee director currently meets the guidelines with the exception of Mr. Ballew, who joined the board of directors on March 23, 2017, and has until March 2022 to meet the guideline.



Additionally, our directors are subject to our Insider Trading Policy which includes anti-hedging and anti-pledging policies. For additional information regarding these policies see below in the CD&A section of this proxy statement titled Share Ownership Requirement, Compensation Recovery Policy and Anti-Hedging/Anti-Pledging Policies.

*Directors Deferred Compensation Plan*

Pursuant to the Hyatt Hotels Corporation Deferred Compensation Plan for Directors (as amended and restated effective January 1, 2019, the *Directors Deferred Compensation Plan* ), each non-employee director may elect to defer all or any portion of his or her Annual Fee and/or Annual Equity Retainer until the earlier of (i) either January 31st of the year following the director's departure from the board of directors or the last business day of March of the fifth year following the year in which such retainer would have otherwise been paid (as elected by the director) or (ii) a change in control of the Company. Once an election to defer a retainer is made and becomes irrevocable it can be changed only for subsequent calendar years. During 2018, a director who elected to defer any of his or her Annual Fee could have such amount (i) denominated in cash and credited to a notional cash account, to be credited with interest quarterly at the prime rate, or (ii) denominated in RSUs representing the right to receive Class A common stock and credited to a notional RSU account eligible to be credited with dividend equivalents in the form of additional RSUs. Beginning January 1, 2019, deferral elections may only be denominated in RSUs representing the right to receive Class A common stock (and any corresponding dividend equivalents payable on such RSUs are paid to the director in cash on each applicable dividend payment date).

**Table of Contents*****2018 Director Compensation***

The following table provides information related to the compensation our non-employee directors earned or were paid for 2018:

<b>Name</b>	<b>Fees Earned or</b>	<b>Stock</b>	<b>Total</b>
	<b>Paid in Cash(1)</b>	<b>Awards(2)(3)</b>	
Paul D. Ballew	\$ 90,000	\$ 150,024	\$ 240,024
Richard A. Friedman	\$ 35,757	\$ 150,024	\$ 185,781
Susan D. Kronick	\$ 104,384	\$ 150,024	\$ 254,408
Mackey J. McDonald	\$ 100,676	\$ 150,024	\$ 250,700
Cary D. McMillan	\$ 106,236	\$ 150,024	\$ 256,260
Pamela M. Nicholson	\$ 85,030	\$ 150,024	\$ 235,054
Jason Pritzker	\$ 81,266	\$ 150,024	\$ 231,290
Michael A. Rocca	\$ 93,764	\$ 150,024	\$ 243,788
Richard C. Tuttle	\$ 105,030	\$ 150,024	\$ 255,054
James H. Wooten, Jr.	\$ 100,030	\$ 150,024	\$ 250,054

- (1) Messrs. Friedman, McDonald and Tuttle and Ms. Kronick elected to receive their Annual Fee of \$75,000 in the form of our Class A common stock. Pursuant to the Directors Deferred Compensation Plan, Messrs. Jason Pritzker and Wooten and Ms. Nicholson elected to defer their Annual Fees in the form of RSUs. As a result, Messrs. McDonald and Tuttle, and Ms. Kronick each received 976 shares in respect of the Annual Fee and Messrs. Jason Pritzker and Wooten and Ms. Nicholson each had 976 RSUs credited to their deferred compensation accounts under the Directors Deferred Compensation Plan. Mr. Friedman resigned from the board of directors effective May 16, 2018, so he received 231 shares in respect to his Annual Fee for his first quarter service and \$9,525 in respect to his prorated second quarter Annual Fee. Calculation of the number of shares or RSUs received or credited to the accounts of the directors was based on the fair market value of our Class A common stock on the date the retainers were payable (prior to the application of any applicable deferral). RSUs are reflected in the table contained in footnote (3) below.
- (2) Amounts shown represent the grant date fair value of stock or RSUs in payment of the Annual Equity Retainers in accordance with Financial Accounting Standards Board ( *FASB* ) Accounting Standards Codification ( *ASC* ) Topic 718, *Compensation - Stock Compensation* ( *ASC Topic 718* ). Messrs. McMillan, Jason Pritzker, Rocca, Wooten, and Ms. Nicholson elected to defer their Annual Equity Retainers into the Directors Deferred Compensation Plan.
- (3) As described above under Directors Deferred Compensation Plan, during 2018 directors were able to defer their Annual Equity Retainers into RSUs and their Annual Fees into either cash or RSUs. Effective January 1, 2019, directors are only able to elect to defer their Annual Equity Retainers and/or Annual Fees into RSUs. RSUs carry dividend equivalent rights, which in 2018 were credited as additional RSUs and these are not reflected in the table below. Effective January 1, 2019, dividend equivalent rights are credited as cash and paid to the director on the date of the corresponding dividend payment. The table below sets forth the aggregate number of outstanding RSUs held by directors under the Directors Deferred Compensation Plan as of December 31, 2018.

<b>Name</b>	<b>RSUs Beginning of Year Balance</b>	<b>RSUs Credited during the Year</b>	<b>RSUs Settled during the Year</b>	<b>RSUs End of Year Balance</b>
Mackey J. McDonald	6,058			6,058
Cary D. McMillan	9,007	1,846		10,853
Pamela M. Nicholson	12,330	2,822		15,152
Jason Pritzker	12,330	2,822		15,152
Michael A. Rocca(1)	11,751	1,846	2,744	10,853
Richard C. Tuttle	21,157			21,157
James H. Wooten, Jr.	13,830	2,822		16,652

- (1) Mr. Rocca's June 10, 2013 deferred RSUs in respect of 2,744 shares of our Class A common stock were settled in March 2018. The total fair market value of the stock and associated dividend equivalents upon settlement was \$207,419 (based upon the closing price of our Class A common stock on the date of settlement).

**Table of Contents**

**Talent and Compensation Committee Report**

The talent and compensation committee has reviewed the Compensation Discussion and Analysis set forth below and discussed its contents with the Company's management. Based on this review and discussion, the talent and compensation committee recommended to the board of directors that the Compensation Discussion and Analysis be included in this proxy statement and incorporated by reference in our Annual Report on Form 10-K for the fiscal year ended December 31, 2018.

Susan D. Kronick, Chair  
Mackey J. McDonald  
Pamela M. Nicholson  
James H. Wooten, Jr.

**Talent and Compensation Committee Interlocks and Insider Participation**

During 2018, each of Ms. Kronick and Messrs. McDonald, Friedman and Wooten served on our talent and compensation committee, with Mr. McDonald serving as chair until May 2018 and Ms. Kronick serving as chair beginning in May 2018. Mr. Friedman resigned from our board of directors in May 2018. None of these members of our talent and compensation committee has at any time been one of our executive officers or employees. None of our executive officers currently serves, or has served during the last completed fiscal year, on the talent and compensation committee or board of directors of any other entity that has one or more executive officers serving as a member of our talent and compensation committee or board of directors. Because of his affiliation with Goldman, Sachs & Co., Mr. Friedman, a former director, had certain relationships with the Company during 2018 that are required to be disclosed under the SEC rules relating to disclosure of related party transactions. See the section below titled "Article VIII - Certain Relationships and Related Party Transactions" for more information.

**Table of Contents****ARTICLE III: EXECUTIVE COMPENSATION****Compensation Discussion and Analysis**

The following discussion describes the compensation elements of our total rewards program for our NEOs, consisting of our Executive Chairman, Principal Executive Officer ( *PEO* ), Principal Financial Officer ( *PFO* ), former Principal Financial Officer ( *Former PFO* ), and our two other most highly compensated executive officers.

Our NEOs for 2018 were:

<b>Name</b>	<b>Position</b>
Thomas J. Pritzker	Executive Chairman of the Board
Mark S. Hoplamazian (PEO)	President and Chief Executive Officer
Joan Bottarini (PFO)(1)	Executive Vice President, Chief Financial Officer
Patrick J. Grismer (Former PFO)(2)	Former Executive Vice President, Chief Financial Officer
H. Charles Floyd	Executive Vice President, Global President of Operations
Mark R. Vondrasek(3)	Executive Vice President, Chief Commercial Officer

(1) Ms. Bottarini was promoted to Executive Vice President, Chief Financial Officer on November 2, 2018. Previously, she held the role of Senior Vice President, Finance Americas.

(2) Mr. Grismer resigned from the Company effective November 2, 2018.

(3) Mr. Vondrasek was appointed Executive Vice President, Chief Commercial Officer effective March 1, 2018. Previously, he held the role of Executive Vice President, Global Head of Loyalty & New Business Platforms. Our talent and compensation committee is responsible for establishing, maintaining and administering our compensation programs for our NEOs and other executives.

***Philosophy and Goals of Our Executive Compensation Program******Our Purpose***

We care for people so they can be their best.

***Our Vision***

A world of understanding and care.

***Our Mission***

To deliver distinctive experiences for our guests.

We believe that our purpose, vision, and mission promotes value creation for our stockholders. Our strategy to drive long-term sustainable growth and create value is focused on three areas: (i) maximizing our core business; (ii) integrating new growth platforms; and (iii) optimizing capital deployment. Our compensation philosophy is to provide an appropriate base of cash compensation and to align all incentive and long-term components of compensation to support long-term value creation for our stockholders. We have focused on defining annual financial and non-financial goals that we believe support and promote long-term value. To attract, recruit, develop, engage and retain the talent needed to deliver on our business strategy, our compensation programs are designed to:

appropriately motivate colleagues through the alignment of total rewards with performance goals;

be innovative and competitive, recognizing the ever-changing dynamics of the labor market and acknowledging that, in attracting, retaining and developing talent globally, we need to offer compelling career opportunities;

address the needs and preferences of colleagues as individuals and as members of high-performing teams;

retain colleagues with the capabilities required to execute our strategy; and

be cost effective and financially sustainable over time under varying business conditions.

To accomplish these goals, our executive compensation program is based on a total rewards program, which provides:

compensation, including cash (salary and short-term incentive compensation), as well as long-term stock-based compensation;

**Table of Contents**

benefits, including retirement-related, healthcare and other welfare programs;

work/lifestyle programs, including paid-time off ( *PTO* ), a specified number of free hotel stays and other programs that promote wellbeing; and

individual development.

Our total rewards program is designed to provide rewards for individual and organizational achievement of business objectives and to emphasize long-term incentive compensation and variable compensation.

*Executive Compensation Practices and Alignment with Stockholder Interests and Good Governance*

What We Do:	What We Don't Do:
<i>we do</i> emphasize pay for performance by focusing on variable pay over fixed pay	<i>we don't</i> allow repricing of stock options or SARs without stockholder approval
<i>we do</i> utilize the services of an independent compensation consultant to assist our talent and compensation committee	<i>we don't</i> provide for tax reimbursement payments or gross-ups (except in limited cases for employees on temporary expatriate assignments and/or relocations)
<i>we do</i> align executive officer and stockholder interests by providing equity based compensation in the form of SARs (which will only deliver value if our stock price increases), RSUs (which create baseline equity value and deliver additional value if our stock price increases), and PSUs (which are only earned based on performance against specified three-year financial goals)	<i>we don't</i> provide for single trigger severance or equity acceleration upon a change in control
<i>we do</i> require executive officers and non-employee directors to maintain specific market-competitive stock ownership levels to align their interests with stockholders	<i>we don't</i> allow hedging and, except in very limited circumstances, pledging by our executive officers and non-employee directors as stated in our Insider Trading Policy
<i>we do</i> have policies in place that provide for the forfeiture of vested and unvested equity awards as well as recovery of cash and equity compensation received in the event that an NEO or any other executive officer violates certain	<i>we don't</i> provide supplemental defined benefit pensions to executives  <i>we don't</i> provide excessive executive perquisites

restrictive covenants or engages in fraudulent or willful misconduct that results in a restatement of Hyatt's financial statements

*we do not* pay dividend equivalents with respect to unvested equity awards unless and until the underlying award subsequently vests

*we do* annually conduct risk assessments with respect to our compensation practices

*we do* generally provide limited severance protections for NEOs (see the section below titled "Potential Payments Upon Termination or Change in Control")

***Impact of Advisory Vote Approving Executive Compensation***

At the Company's 2018 annual meeting of stockholders, stockholders were provided the opportunity to cast an advisory vote approving the compensation programs for our NEOs ( "say-on-pay" ). That say-on-pay proposal received support from approximately 99.89% of the shares present and entitled to vote at the annual meeting, indicating strong stockholder approval of the compensation paid to our NEOs. The talent and compensation committee considered this high level of support for our say-on-pay proposal, among other considerations, and did not change its approach to executive compensation in 2018. The talent and compensation committee will continue to consider the outcome of the Company's say-on-pay votes when making future compensation decisions for our NEOs.



**Table of Contents**

*Market Data*

Mercer helps us assess the market competitiveness of our NEOs' annual cash compensation and long-term incentives. In doing so, Mercer uses several sources of information:

a primary peer group of publicly traded companies in the hospitality industry;

a secondary peer group consisting of a sub-set of companies (with revenues and market cap most similar to our own) of the primary peer group;

survey data for comparable positions in the hospitality/restaurant or lodging industry; and

general industry survey data for the talent and compensation committee's consideration which includes companies with which we compete for management talent, have a similar business profile to ours, have global operations and scope, and are in a consumer-facing and customer oriented service business.

In 2018, we reviewed the competitiveness of our NEO compensation against the primary peer group and then against the secondary peer group. The peer groups for 2018 were the same as the peer groups used for 2017. The primary peer group was selected based on several factors, including business mix and model, revenues, global presence and the strength of their brands. The primary peer group included:

Boyd Gaming Corporation*	MGM Resorts International*
Brinker International, Inc.*	Royal Caribbean Cruises, Ltd.*
Carnival Corporation	Starbucks Corporation
Darden Restaurants, Inc.*	The Wendy's Company*
Hilton Worldwide Holdings, Inc.*	Wyndham Worldwide Corporation*(1)
Host Hotels & Resorts, Inc.*	Wynn Resorts, Ltd.*
Las Vegas Sands Corporation	Yum! Brands, Inc.*
Marriott International Inc.	

(1) In May 2018, Wyndham Worldwide Corporation was split into Wyndham Destinations, Inc. and Wyndham Hotels & Resorts, Inc. Wyndham Worldwide Corporation was used for benchmarking purposes in 2018 based on disclosures for the year ended December 31, 2017.

The secondary peer group consists of companies (marked with an \* above) with revenues ranging from 0.4x - 2.5x Hyatt's revenues and a market cap ranging from 0.25x - 4x Hyatt's market cap.

For 2018, we set our base salaries, annual incentive targets and long-term incentives so that total compensation

references the market 50th percentile of the primary and secondary peer groups with the opportunity for upside based on superior performance. We believe that our pay mix is generally consistent with market practice.

**Table of Contents**

***Role of Outside Consultant***

Mercer provides consulting services to our talent and compensation committee to help:

assess the competitiveness of our executive compensation programs;

advise on current base salaries, incentive compensation and long-term stock-based compensation;

provide analysis regarding our equity awards and dilution and burn-rate under the LTIP;

review our incentive plan design, including the performance share unit program; and

assist with the preparation of this CD&A.

Mercer consultants also conduct studies on our plan design for retirement and international benefits and provide consulting services relating to talent management. See the section above titled **Article II Committees of the Board of Directors Talent and Compensation Committee Compensation Consultant Fees and Services** for further information regarding services performed by Mercer in 2018.

***Role of Executive Officers***

In making decisions about executive compensation, the talent and compensation committee invites our Executive Chairman, our President and Chief Executive Officer and our Chief Human Resources Officer to present various compensation proposals at committee meetings and to answer any questions the talent and compensation committee may have. The talent and compensation committee meets in executive session to determine Mr. Thomas J. Pritzker's compensation. With respect to the compensation of our President and Chief Executive Officer, the talent and compensation committee meets in executive session with our Executive Chairman and, from time to time, our Chief Human Resources Officer is present at such meetings. Mr. Hoplamazian provides input and recommendations to the talent and compensation committee for each NEO (other than Mr. Thomas J. Pritzker and himself) with respect to achievement of their individual goals under our annual incentive plan.

***Key Elements of Total Rewards in 2018***

Our total rewards program includes fixed and variable compensation as well as other benefits. We provide the following compensation elements to our NEOs:

Compensation Element	Purpose	Description
----------------------	---------	-------------

<b>Base Salary</b>	Fixed component of pay that fairly compensates the individual based upon level of responsibilities	Fixed cash payments
<b>Annual Incentive</b>	Aligns compensation with performance at the enterprise and regional or functional level	Variable annual cash award based on achievement of performance objectives as outlined in this CD&A
<b>Long-Term Incentive</b>	Reward for creating long-term stockholder value, provides alignment with stockholder interests	Value delivered as one-third SARs, one-third time-vested RSUs and one-third PSUs (based on an average Adjusted Return on Gross Assets ( <i>ROGA</i> ) goal and Managed and Franchised Adjusted EBITDA goal), with the exception of Mr. Thomas J. Pritzker who receives 100% of his long-term incentives in the form of SARs and Mr. Hoplamazian who receives 25% SARs, 25% RSUs, and 50% PSUs
<b>Employee Benefits</b>	Retirement, health and other benefits that provide comprehensive long-term financial security to a globally mobile workforce, enables us to maintain a healthy and productive workforce and attract and retain employees	401(k) plan and deferred compensation programs with matching and retirement contributions, PTO, health, life and disability insurance, and limited perquisites
<b>Severance Benefits</b>	Severance benefits provided to NEOs upon an involuntary termination of employment without cause and within the three months prior to or the twenty-four months following a change in control, upon termination of employment for good reason	Severance facilitates recruitment and retention of NEOs by providing income security in the event of involuntary job loss, as outlined in this CD&A, and further enables NEOs to focus on our best interests and those of our stockholders in the event of a potential transaction that could result in the NEO s termination

**Table of Contents****Salary**

Salaries for our NEOs are reviewed annually. Our NEOs' salaries for 2018 reflected several factors, including overall experience, time in the role, performance, market levels and the desire to provide an appropriate base as part of their overall total rewards. During 2018, the talent and compensation committee increased salaries in connection with our annual merit review and based on the factors above resulting in the year-over-year increases set forth in the following table.

<b>Name</b>	<b>Year-End 2017 Salary</b>	<b>Year-End 2018 Salary</b>	<b>Salary Increase %</b>
Thomas J. Pritzker	\$ 550,000	\$ 564,000	2.5%
Mark S. Hoplamazian	\$ 1,179,000	\$ 1,208,000	2.5%
Joan Bottarini(1)	\$ 305,080	\$ 675,000	121.3%
Patrick J. Grismer	\$ 794,000	\$ 814,000	2.5%
H. Charles Floyd	\$ 769,000	\$ 788,000	2.5%
Mark R. Vondrasek	\$ 625,000	\$ 640,000	2.4%

(1) Upon Ms. Bottarini's promotion to Executive Vice President, Chief Financial Officer on November 2, 2018, her salary was increased to \$675,000. On March 1, 2018, she had received a salary increase of 7% to \$326,300 as part of the annual salary increase cycle.

**Annual Incentive**

The Hyatt Hotels Corporation Amended and Restated Executive Incentive Plan (the *EIP*) provides at-risk compensation designed to reward executives for achievement of operating results over a one-year performance period. Incentives are based on both financial and non-financial metrics that are intended to balance overall focus on enterprise performance, regional/functional performance, and other strategic priorities that will strengthen our competitive position.

Under the terms of his letter agreement with us, Mr. Thomas J. Pritzker is not eligible for annual incentives under the EIP as his role is to focus on Hyatt's long-term growth and strategy. As such, he is eligible to receive only long-term incentive awards under the LTIP. The target and maximum annual incentive opportunities under the EIP for our other NEOs are determined annually by the talent and compensation committee based on references to market data and the individual's role in the organization, overall experience and time in the role. In particular, the talent and compensation committee considered the total compensation market data for these positions. The talent and compensation committee focused on delivering a total compensation package which would attract a high level of talent while weighting more of the NEOs' total compensation potential on variable and long-term incentives, thereby aligning their interests with those of our stockholders. For 2018 performance, the target and maximum annual incentive opportunities as a percentage of base salary for each NEO who participated in the EIP were as follows:

<b>Name</b>	<b>Target</b>	<b>Maximum</b>
Mark S. Hoplamazian	175%	350%
Patrick J. Grismer(1)	100%	200%

Joan Bottarini(2)	100%	200%
H. Charles Floyd	100%	200%
Mark R. Vondrasek	100%	200%

- (1) Mr. Grismer resigned from the Company effective November 2, 2018 and therefore was not eligible to receive a payment under the EIP.
- (2) Ms. Bottarini's target annual incentive increased upon her promotion from Senior Vice President, Finance Americas to Executive Vice President, Chief Financial Officer on November 2, 2018. Prior to November 2, 2018, her target annual incentive was 40% of base salary. Her 2018 annual incentive payment was pro-rated to reflect her annual incentive opportunity in each position.

**Table of Contents**

The talent and compensation committee applied the following incentive goals similar to those used in prior years to determine our NEOs' annual incentives:

*Hyatt's Financial Performance (60% of overall target award):* Similar to prior years, the talent and compensation committee used Adjusted Compensation EBITDA for purposes of determining the payout of this component. For Messrs. Hoplamazian, Floyd, and Vondrasek and Ms. Bottarini (for the portion of her annual incentive earned while she served as Executive Vice President, Chief Financial Officer), 60% of the overall target award was based on Hyatt Adjusted Compensation EBITDA goal. For the time that Ms. Bottarini served as Senior Vice President, Finance Americas, 25% of her overall target award was based on the Hyatt Adjusted Compensation EBITDA goal and 25% of her overall target award was based on the Americas Adjusted Compensation EBITDA goal.

	<b>Threshold</b>	<b>Target</b>	<b>Maximum</b>
Hyatt Adjusted Compensation EBITDA Goal	\$ 698 million	\$ 776 million	\$ 892 million
Americas Adjusted Compensation EBITDA Goal	\$ 625 million	\$ 695 million	\$ 799 million
Payout	50%	100%	200%

For 2018, we achieved Adjusted Compensation EBITDA of \$812 million<sup>1</sup>. Applying the payout scale for Hyatt Adjusted Compensation EBITDA, the talent and compensation committee awarded the NEOs 131.0% of their respective target annual incentives for this component (and 144.1% of Ms. Bottarini's target annual incentive for the Americas Adjusted Compensation EBITDA component based on Americas Adjusted Compensation EBITDA of \$741 million<sup>2</sup>). The results are interpolated for performance between threshold and target and maximum.

*Strategic Priorities (20% of overall target award):* In 2018, four strategic priorities were identified: (i) cultivate the best people and evolve the culture, (ii) build and deliver brand-led experiences, (iii) operate with excellence, and (iv) grow with intent. In support of these priorities, a dashboard was developed with various metrics under each priority to help the talent and compensation committee assess achievement of the applicable priority. Based on an assessment of the progress made towards the four strategic priorities in 2018, the talent and compensation committee awarded the NEOs 80% of their respective target annual incentives related to this component. For the time that Ms. Bottarini served as Senior Vice President, Finance Americas, the talent and compensation committee awarded her 80% of her target annual incentive related to this component which was weighted 10% of her overall annual incentive.

*Individual Business Goals ( IBGs ) and Discretion (20% of overall target award):* In 2018, certain IBGs (described in additional detail below) applied to each NEO and such IBGs were designed to incentivize the applicable NEO in his or her area of responsibility, as well as build brand value over time. For the time that Ms. Bottarini served as Senior Vice President, Finance Americas, this component was weighted 40% of her overall annual incentive.

***Hoplamazian's 2018 Annual Incentive***

Mr. Hoplamazian's IBGs for 2018 included:

Maximize core business. Establish organizations and accountabilities for growth and elevated customer engagement.

Integrate new business lines. Develop capabilities for new business line acquisitions including a wellness strategy.

Optimize capital allocation. Evolve stockholder capital return strategy and execute long-term plan for capital strategy and strategic growth investments.

Strengthen the organization. Cascade company strategy and implement organization structure. Foster strong leadership and inclusion and diversity.

Based on input from our Executive Chairman and the review of our performance during 2018, the talent and compensation committee awarded Mr. Hoplamazian 140% of his IBG and discretion component.

<sup>1</sup> Adjusted Compensation EBITDA means our Adjusted EBITDA as described in Part II, Item 7, Management's Discussion and Analysis of Financial Condition and Results of Operations Key Business Metrics Evaluated by Management Adjusted Earnings Before Interest Expense, Taxes, Depreciation, and Amortization, of our Annual Report on Form 10-K for the fiscal year ended December 31, 2018, as further adjusted to exclude \$35M of expenses relating to the annual incentive.

<sup>2</sup> Americas Adjusted Compensation EBITDA means our Americas Lodging Segment Adjusted EBITDA (Adjusted EBITDA is described in Part II, Item 7, Management's Discussion and Analysis of Financial Condition and Results of Operations Key Business Metrics Evaluated by Management Adjusted Earnings Before Interest Expense, Taxes, Depreciation, and Amortization, of our Annual Report on Form 10-K for the fiscal year ended December 31, 2018), as further adjusted to include the owned and leased hotels segment Adjusted EBITDA for the hotels located in the Americas region and to exclude expenses relating to the annual incentive and other eliminations.



**Table of Contents**

***Bottarini s 2018 Annual Incentive***

Ms. Bottarini s IBGs for 2018 included:

Finance organization. Develop field finance leadership and increase analytical and business communication capabilities.

Operations. Optimize profitability through foundation of reporting and analysis, driving productivity improvements, and identifying and supporting decision making to improve food and beverage operations.

Growth. Support expansion of net rooms growth. Develop alternatives for future contractual food and beverage operating structures.

Based on input from our President and Chief Executive Officer and the review of our performance during 2018, the talent and compensation committee awarded Ms. Bottarini 100% of her IBG and discretion component.

***Floyd s 2018 Annual Incentive***

Mr. Floyd s IBGs for 2018 included:

People. Continue enhancements in succession planning for operations teams and ensure global talent reviews of cross-regional talent.

Brand-led experiences. Facilitate interaction between operations and brand organizations. Promote World of Hyatt enrollments through various colleague touchpoints.

Operations. Improve operating performance, productivity, and margin growth through implementation of best-practices globally. Prototype new designs and product offerings based on brand analytics.

Growth. Expand Franchise support organization. Support growth strategies and new lines of business.

Based on input from our President and Chief Executive Officer and the review of our performance during 2018, the talent and compensation committee awarded Mr. Floyd 140% of his IBG and discretion component.

***Vondrasek s 2018 Annual Incentive***

Mr. Vondrasek s IBGs for 2018 included:

**Brand positioning.** Develop unique commercial points of distinction for brands, introduce wellbeing concepts, and create social strategy.

**Commercial services organization.** Determine leadership, develop digital organization, and assess effectiveness of contact centers. Deliver sales and operation targets.

**Loyalty program.** Drive business through World of Hyatt and increase member satisfaction.

**Communications and integration of new business platforms.** Communicate World of Hyatt and brand stories. Integrate wellbeing and digital experiences for World of Hyatt members.

Based on input from our President and Chief Executive Officer and the review of our performance during 2018, the talent and compensation committee awarded Mr. Vondrasek 140% of his IBG and discretion component.

Accordingly, based on Hyatt's 2018 financial performance and the factors and considerations discussed above, the talent and compensation committee awarded the following amounts for each NEO, expressed as a percentage of base salary as in effect at year-end and the resulting percentage of target incentive:

Name	Actual \$(1)	Actual % of salary and % of target
Mark S. Hoplamazian	\$ 2,591,800	214.6% of year-end salary (122.6% of target)
Joan Bottarini(2)	\$ 252,400	37.4% of year-end salary (115.7% of target)
H. Charles Floyd	\$ 966,100	122.6% of year-end salary (122.6% of target)
Mark R. Vondrasek	\$ 784,600	122.6% of year-end salary (122.6% of target)

(1) For 2018, the annual incentive payments were rounded to the nearest hundred dollar increment.

(2) Ms. Bottarini was promoted to Executive Vice President, Chief Financial Officer on November 2, 2018. Previously, she held the role of Senior Vice President, Finance Americas. Her 2018 annual incentive was pro-rated for the time served in each role.

**Table of Contents**

*Long-Term Incentive*

In 2018, we granted equity incentive awards in the form of SARs, RSUs and PSUs under our LTIP. These grants were designed to:

drive and reward performance over an extended period of time to promote creation of long-term value for our stockholders;

create strong alignment with the long-term interests of our stockholders;

assist in retaining highly qualified executives; and

contribute to competitive total rewards.

In determining the value of long-term incentive grants, we considered market data, the individual's potential contribution to our success and the relationship between each NEO's short-term and long-term compensation. For 2018, the talent and compensation committee determined that the value of long-term incentive awards to NEOs, other than Messrs. Thomas J. Pritzker and Hoplamazian, would be delivered one-third in SARs, one-third in RSUs, and one-third (at target performance) in PSUs. The talent and compensation committee believes that awarding an equal mix of SARs, RSUs and PSUs achieves a balance in linking NEO long-term rewards to company performance. SARs do not provide any value unless the stock price appreciates, the value of RSUs increases or decreases in the same way stockholders' stock value increases or decreases, and PSUs focus NEOs on the attainment of specified long-term company performance objectives. The actual number of SARs, RSUs and PSUs granted was determined based on utilizing the Black-Scholes-Merton value, the closing stock price of our common stock, and a Monte Carlo valuation, respectively in each case as of the date of grant. Mr. Thomas J. Pritzker received his long-term incentive award for 2018 entirely in the form of SARs, taking into consideration his large existing ownership position and to further focus Mr. Pritzker on long-term stockholder value creation. In 2018, Mr. Hoplamazian received an additional PSU award so that his total compensation was more competitive versus market while at the same time a greater portion (50%) of his long-term incentive compensation was tied to longer-term performance objectives. The remaining amount of his long-term incentive award was delivered 25% in SARs and 25% in RSUs.

In 2018, in addition to the annual long-term incentive grants described above, the talent and compensation committee granted performance-based RSU awards to each of Messrs. Hoplamazian and Floyd. The awards were intended to, among other things, reinforce our goals of retaining and incentivizing the NEOs and continuing to align pay with performance. The RSUs vested 100% in March 2019 based on achievement of an Adjusted Compensation EBITDA performance metric, which for 2018 was the same as the threshold for the Adjusted Compensation EBITDA Goal applied in respect of the 2018 annual incentive plan (described in detail in the section above in the CD&A section of this proxy statement titled "Annual Incentive"), and contingent on continued employment through the vesting date (subject to accelerated vesting upon death or disability or involuntary termination following a change in control of the Company). For 2018, we achieved Adjusted Compensation EBITDA of \$812 million so the Adjusted Compensation EBITDA Threshold Goal was met.

The grant date fair value of these RSUs and the number of shares of common stock underlying these RSUs, are set forth in the following table:

<b>Name</b>	<b>RSU Value</b>	<b>Number of RSUs</b>
Mark S. Hoplamazian	\$ 633,598	7,918
H. Charles Floyd	\$ 211,173	2,639

**SARs**

SARs are designed to deliver value to NEOs only if our stock price increases over the grant date value. Each vested SAR gives the holder the right to receive the appreciation in the value of one share of our Class A common stock at the exercise date over the value of one share of our Class A common stock at the date of grant. Generally, SARs vest equally over four years based on continued service and are settled by delivery of shares of our Class A common stock (but may be subject to accelerated vesting upon a recipient's death or disability, or his or her involuntary termination following a change in control of the Company).

**RSUs**

RSUs are designed to align the interests of our NEOs with the interests of our stockholders, to reward performance and to promote retention of our executives by providing equity-based compensation that fluctuates with our stock price. RSUs also help reduce the volatility of our overall long-term incentive package that arises in part due to the cyclical nature of the lodging industry since the volatility of the value of an RSU is lower than the volatility of the value of a SAR.

---

## **Table of Contents**

RSUs, accordingly, are intended to create a sense of ownership and to better align executives' interests with our stockholders' interests. Generally, RSUs vest equally over four years (but may be subject to accelerated vesting upon a recipient's death or disability, or his or her involuntary termination following a change in control of the Company) and are settled by delivery of shares of our Class A common stock. RSUs granted to employees have dividend equivalent rights, which entitle RSU holders to the same dividend value per share as our stockholders. Dividend equivalents are subject to the same vesting and other terms and conditions as the corresponding RSUs. Dividend equivalents are accumulated and paid in cash when the underlying RSUs vest.

### *PSUs*

PSUs are designed to align the interests of our NEOs with the interests of our stockholders, to reward the cumulative attainment of longer-term performance objectives linked to three-year financial goals and to thereby promote greater retention of our executives while providing equity-based compensation that fluctuates with our stock price. PSUs vest based on achievement of a three-year average Adjusted ROGA goal (weighted at 60% of the award) and achievement of annual Managed and Franchise Adjusted EBITDA goals averaged over the three-year performance period (weighted at 40% of the award), both of which may be further modified based on three-year Relative TSR Modifier, and are generally subject to continued employment through the three-year performance period (except in the case of certain qualifying terminations of employment due to death or disability, retirement, or in the case of a change in control of the Company). Adjusted ROGA is generally defined as Adjusted EBITDA divided by Average Gross Assets for each year of the three-year performance period. Gross Assets is generally defined as total assets plus accumulated depreciation of property and equipment. For this purpose Adjusted EBITDA is defined as set forth in Part II, Item 7, Management's Discussion and Analysis of Financial Condition and Results of Operations, and Amortization, of our Annual Report on Form 10-K for the fiscal year ended December 31, 2018. Managed and Franchised Adjusted EBITDA is generally defined as the sum of Adjusted EBITDA for the three management and franchising segments (Americas, ASPAC and EAME/SWA) for each fiscal year of the three-year performance period.

Relative TSR Modifier is generally defined as the rank order (including Hyatt) of total stockholder return over the three-year performance period from each of the following: Hilton Hotels Corporation, Marriott International, Inc., InterContinental Hotels Group PLC, Host Hotels & Resorts, Inc., Sunstone Hotel Investors, Inc., and Park Hotels & Resorts Inc. The performance metrics used in determining PSU vesting were established such that the relative difficulty of achievement would be challenging but reasonable in light of past performance, future expectations and market conditions.

We believe that disclosure of information regarding the specific performance metrics used in determining PSU vesting will cause substantial competitive harm to Hyatt, both directly and indirectly. Therefore, in accordance with applicable SEC rules, the specific performance metrics used in determining PSU vesting have been omitted from this proxy statement; however, we expect to disclose these metrics in accordance with applicable SEC rules, following the conclusion of the applicable performance period.

Dividend equivalents for PSUs are subject to the same vesting and other terms and conditions as the corresponding PSUs. Dividend equivalents are accumulated and paid in cash when the underlying PSUs vest.

### *Determination of Performance for 2016-2018 PSUs*

In 2016, the talent and compensation committee granted PSUs with a three-year performance period that would only be earned if the NEOs achieved a three-year average Adjusted ROGA goal (as defined above), as may be further modified based on achievement of a three-year Relative EBITDA Growth Rank. Relative EBITDA Growth Rank was generally defined as the rank order (including Hyatt) of cumulative growth of EBITDA figures, to the extent publicly reported for the performance period, from each of the following: Accor, Hilton, Host, Intercontinental, and Marriott.

The vesting and payout of these performance shares was conditioned upon meeting the threshold goal and further subject to continued service through the end of the three-year performance period (except in the case of certain qualifying terminations of employment due to death or disability, retirement, or in the case of a change in control of the Company).

The three-year average Adjusted ROGA for the 2016–2018 performance period was 8.1% which would have resulted in a vesting/payout of 81%. However, during the performance period, Hyatt experienced certain transaction-related activity that impacted the Adjusted ROGA calculation, including the recategorization of an unconsolidated hospitality venture from an equity method investment to an investment with a readily determinable fair value due to the venture completing a business combination in 2017, thus excluding the pro rata share of the venture’s Adjusted EBITDA in the Company’s metrics. Absent this activity, we estimate that the three-year average Adjusted ROGA for that period would have been 8.2%, resulting in a payout of 88% of the target award. The Compensation Committee determined to make an equitable adjustment relating to this transaction activity which resulted in an adjustment of Hyatt’s Relative EBITDA Growth Rank from five to four out of six, and a vesting/payout of 88% of the target award.

---

**Table of Contents*****Equity Practices***

The Company makes equity grants pursuant to our Amended and Restated Summary of Non-Employee Director Compensation Policy and the LTIP during regularly scheduled board meetings or during periods when we are not in possession of material non-public information. Pursuant to our Insider Trading Policy, neither the Company, nor executive officers, directors or blackout covered employees (as defined in the Insider Trading Policy) may trade in any securities of the Company during the period beginning seven calendar days before the end of any fiscal quarter of the Company and ending two full trading days after the public release of earnings data for such quarter, whether or not the Company or its executive officers, directors or blackout covered employees are in possession of material, non-public information.

***Employee Benefits***

Our NEOs receive employee benefits similar to other salaried colleagues, such as participation in our 401(k) Plan, Deferred Compensation Plan ( *DCP* ) with employer contributions, health, life and disability plans and severance benefits, as described in more detail below and in the section below in the CD&A section of this proxy statement titled Potential Payments on Termination or Change in Control. In addition, we provide certain additional retirement and deferred compensation benefits to our NEOs, as well as limited perquisites. These additional employee benefits and perquisites make up the benefits/work/lifestyle portion of our total rewards package and allow us to compete in attracting and retaining executives.

***Termination and Severance Benefits***

In the event of certain qualifying terminations of employment, NEOs are entitled to severance payments and benefits under the Hyatt Hotels Corporation Executive Officer Severance and Change in Control Plan (the *Severance and Change in Control Plan* ). All severance payments and benefits under the Severance and Change in Control Plan that are payable in connection with a change in control are double trigger, meaning that an NEO will not receive severance benefits in connection with a change in control unless the NEO also experiences a qualifying termination of service. We do not provide single trigger severance payments, equity acceleration, or benefits to our NEOs in connection with a change in control. For a description of the material terms of the Severance and Change in Control Plan, see the section below in the CD&A section of this proxy statement titled Potential Payments on Termination or Change in Control.

We do not provide for tax reimbursement payments or tax gross-ups related to a change in control.

***Retirement Programs***

In addition to our 401(k) plan that is available to employees generally, our NEOs may participate in the DCP, which is a non-qualified deferred compensation plan.

***401(k) Plan***

Our 401(k) plan is an ongoing, tax-qualified 401(k) plan under which we match 100% on the first 3% of compensation that an employee contributes and 50% on the next 2% of compensation that an employee contributes, up to a total match of 4% of an employee's compensation (subject to the IRS limits for tax qualified plans).

***Deferred Compensation Plan***

The DCP allows executives to defer up to 75% of their base salaries and all or a portion of their annual incentives. We also make an employer contribution to the plan based on a designated contribution schedule. For 2018, Messrs. Thomas J. Pritzker, Hoplamazian, and Floyd received a dollar for dollar match on deferrals up to \$12,000, respectively. Ms. Bottarini received a 3% contribution for her base salary in effect as of September 2018 up to \$15,500. Additionally for 2018, Mr. Vondrasek received a 3% employer contribution for his base salary up to \$15,500. Mr. Grismer did not receive a contribution for 2018 as he was not employed on December 31. Executives who participate in the DCP can select among various market-based investment options and are eligible to receive their account balances when they terminate employment.

### *Perquisites*

We offer limited perquisites to our executives which we believe are reasonable and consistent with our total rewards program and our goal of attracting and retaining key executives. Perquisites that are provided include:

limited use of Hyatt properties per the policy that is applicable to all Hyatt colleagues;

complimentary parking; and

relocation for new executives as necessary.



**Table of Contents**

Messrs. Thomas J. Pritzker and Hoplamazian are permitted to use our leased corporate aircraft for personal travel. Under our aircraft usage policy, Mr. Hoplamazian may use up to 30 hours per year with Mr. Thomas J. Pritzker's prior approval, and the talent and compensation committee's approval for personal travel over 30 hours. Mr. Hoplamazian and Mr. Thomas J. Pritzker did not use the corporate aircraft for personal travel in 2018.

***Regulatory Considerations***

Section 162(m) of the Code generally disallows a federal tax deduction to public companies for compensation greater than \$1 million paid in any tax year to specified executive officers. Pursuant to the Tax Cuts and Jobs Act of 2017, the exception for qualified performance-based compensation under Section 162(m) of the Code was eliminated with respect to all remuneration other than remuneration payable pursuant to a written binding contract in effect on November 2, 2017 which was not modified in any material respect on or after such date (the IRS guidance providing for such transition rule, the *Transition Relief*).

Certain of our compensation and benefit plans in effect in 2018 were designed to permit us to grant awards that were intended to qualify as qualified performance-based compensation; however, it is possible that awards intended to qualify for the tax deduction may not have so qualified if all requirements of the qualified performance-based compensation exemption were not met and may not so qualify if the contract or agreement pursuant to which they were awarded does not meet the requirements of the Transition Relief.

***ASC Topic 718***

Grants of stock-based compensation are accounted for under ASC Topic 718. The talent and compensation committee regularly considers the accounting implications of significant compensation decisions, especially in connection with decisions that relate to equity-based compensation awards. As accounting standards change, we may revise certain programs to appropriately align the cost of our equity-based compensation awards with our overall executive compensation philosophy and objectives.

Our incentive compensation programs have been designed and administered in a manner generally intended to preserve federal income tax deductions. However, the talent and compensation committee considers the tax and accounting consequences of utilizing various forms of compensation and retains the discretion to pay compensation that is not tax deductible or could have adverse accounting consequences.

***Share Ownership Requirement, Compensation Recovery Policy and Anti-Hedging/Anti-Pledging Policies***

Each of our NEOs (other than Mr. Thomas J. Pritzker) is or, in the case of Mr. Grismer, was required to hold vested SARs, vested or unvested RSUs or shares of common stock with a value within the following guidelines:

<b>NEO</b>	<b>Multiple of salary</b>
Mr. Hoplamazian (CEO)	5 times base salary
Ms. Bottarini, Mr. Grismer, Mr. Floyd and Mr. Vondrasek (EVPs)	3 times base salary

Once an NEO reaches age 55, his or her ownership guideline reduces by 10% per year until age 60. Our NEOs have five years to meet these goals from when they become NEOs. We adopted these share ownership guidelines as a means of requiring executives to hold equity and tie their interests to the interests of our stockholders. Currently Mr. Hoplamazian and Mr. Floyd meet the guidelines. Ms. Bottarini has until 2023 and Mr. Vondrasek has until 2022 to meet the guidelines. Given that trusts for the benefit of Mr. Thomas J. Pritzker and his lineal descendants directly

and indirectly own a significant percentage of our outstanding common stock, it was determined that Mr. Thomas J. Pritzker did not need to be subject to the share ownership guidelines, although his ownership of SARs alone would satisfy the guidelines at a five times base salary level.

We also have a compensation recovery policy which, if the board of directors determines that an executive has engaged in fraudulent or willful misconduct that resulted in a restatement of our financial results, allows the board of directors (or a committee thereof) in its discretion to recover from such executive any bonus, equity compensation or profits received on equity compensation by such executive.

Pursuant to our Insider Trading Policy, our NEOs, directors, officers, and colleagues (as defined in the Insider Trading Policy) are prohibited from hedging their ownership in shares of our common stock or other equity-based interests in the Company (including by engaging in short sales relating to our common stock), and are generally prohibited from pledging shares of our common stock as collateral for loans, except in limited, pre-approved circumstances where the individual clearly demonstrates the financial capacity to repay the loan without resorting to the pledged securities.

**Table of Contents****Summary Compensation Table**

Name and Principal Position	Year	Salary	Bonus	Non-Equity				Total
				Stock Awards (1)(2)	Option Awards (1)	Incentive Plan Compensation (3)	All Other Compensation (4)	
<b>Thomas J. Pritzker</b> Executive Chairman of the Board	2018	\$ 561,667	\$ \$		\$ 4,499,993	\$	\$ 18,335	\$ 5,079,995
	2017	\$ 547,917	\$ \$		\$ 3,999,995	\$	\$ 30,478	\$ 4,578,390
	2016	\$ 535,417	\$ \$		\$ 3,999,998	\$	\$ 40,408	\$ 4,575,823
<b>Mark S. Hoplamazian</b> President and Chief Executive Officer	2018	\$ 1,203,167	\$ \$	\$ 6,633,532	\$ 1,999,997	\$ 2,591,800	\$ 31,933	\$ 12,460,429
	2017	\$ 1,174,167	\$ \$	\$ 4,416,809	\$ 1,999,997	\$ 2,250,000	\$ 31,683	\$ 9,872,656
	2016	\$ 1,135,833	\$ \$	\$ 4,374,926	\$ 3,499,982	\$ 1,649,200	\$ 40,412	\$ 10,700,353
(Principal Executive Officer)								
<b>Joan Bottarini</b> Executive Vice President, Chief Financial Officer	2018(5)	\$ 379,762	\$ \$	\$ 399,923	\$	\$ 252,400	\$ 45,714	\$ 1,077,799
(Principal Financial Officer)								
<b>Patrick J. Grismer</b> Former Executive Vice President, Chief Financial Officer	2018(6)	\$ 733,859	\$ \$	\$ 1,433,310	\$ 716,666	\$	\$ 12,238	\$ 2,896,073
	2017	\$ 790,833	\$ \$	\$ 1,433,238	\$ 716,653	\$ 884,900	\$ 37,703	\$ 3,863,327
	2016(7)	\$ 613,542	\$ \$	\$ 1,766,576	\$ 1,283,329	\$ 513,100	\$ 236,389	\$ 4,412,936
(Principal Financial Officer)								
<b>H. Charles Floyd</b>	2018	\$ 784,833	\$ \$	\$ 1,544,472	\$ 666,652	\$ 966,100	\$ 32,133	\$ 3,994,190
	2017	\$ 765,833	\$ \$	\$ 1,472,251	\$ 666,655	\$ 810,900	\$ 45,258	\$ 3,760,897

Executive Vice President, Global President of Operations	2016	\$ 746,667	\$ 1,458,261	\$ 1,166,646	\$ 615,700	\$ 52,412	\$ 4,039,686
<b>Mark R. Vondrasek</b>	2018	\$ 637,500	\$ 799,931	\$ 399,991	\$ 784,600	\$ 181,921	\$ 2,803,943

Executive Vice  
President,

Chief Commercial  
Officer

- (1) Amounts shown in the **Stock Awards** column represent the aggregate grant date fair value of RSUs and PSUs and the amounts shown in the **Option Awards** column represent the aggregate grant date fair value of SARs, in each case, granted in the year indicated, with such grant date fair values prepared in accordance with ASC Topic 718. For a discussion of the assumptions made in the valuation reflected in these columns, see Note 17 to the Consolidated Financial Statements contained in our Annual Report on Form 10-K for the year ended December 31, 2018. With regard to the PSU awards, the values set forth above reflect the vesting of PSUs based on the probable outcome of target levels. For a discussion of threshold, target and maximum levels of vesting on PSU awards, see the section in the CD&A section of this proxy statement titled **Grants of Plan-Based Awards 2018**.
- (2) For 2018 PSU awards, amounts shown reflect the grant date fair value of the awards at target payout. The grant date fair value of the PSU awards assuming the highest level of performance (i.e., 200% of target) are as follows: Mr. Hoplamazian \$7,999,988, Mr. Grismer \$1,433,302, Mr. Floyd \$1,333,304, and Mr. Vondrasek \$799,982 .
- (3) See the section in the CD&A section of this proxy statement titled **Annual Incentive** for a more detailed description of the incentive compensation program.
- (4) All Other Compensation for 2018 includes that shown in the table below:

Name	401(k) Match	Life Insurance	Perquisites and Other Personal Benefits(1)	Total
	and Contributions to DCP	and Long-Term Disability Premiums		
Thomas J. Pritzker	\$ 17,611	\$ 724	\$	\$ 18,335

Edgar Filing: Hyatt Hotels Corp - Form DEF 14A

Mark S. Hoplamazian	\$ 23,000	\$ 1,133	\$ 7,800	\$ 31,933
Joan Bottarini	\$ 20,789	\$ 551	\$ 24,374	\$ 45,714
Patrick J. Grismer	\$ 11,251	\$ 987	\$	\$ 12,238
H. Charles Floyd	\$ 23,200	\$ 1,133	\$ 7,800	\$ 32,133
Mark R. Vondrasek	\$ 15,500	\$ 797	\$ 165,624	\$ 181,921

(1) Amounts shown reflect: parking benefits (\$7,800 for each of Messrs. Hoplamazian and Floyd), relocation benefits, (\$165,624 for Mr. Vondrasek), and tax preparation and tax equalization relating to prior expatriate assignment (\$24,374 for Ms. Bottarini).

(5) Ms. Bottarini commenced her position as Executive Vice President, Chief Financial Officer on November 2, 2018. Accordingly, the amounts paid to her for 2018 and set forth in this Summary Compensation Table reflect partial year compensation in her current role and partial year compensation in her former role.

(6) Mr. Grismer resigned from the position of Executive Vice President, Chief Financial Officer effective November 2, 2018. As such, Mr. Grismer was not eligible to receive a payout under the EIP in 2018. Mr. Grismer's salary includes amounts owed to him under our PTO policy.

**Table of Contents**

(7) Mr. Grismer commenced employment as Executive Vice President, Chief Financial Officer on March 14, 2016.

Accordingly, the amounts set forth reflect partial year compensation.

The actual value, if any, which an executive may realize from a SAR, RSU or PSU is contingent upon the satisfaction of the conditions to vesting applicable to that award, and with respect to SARs, is determined solely by reference to stock price increase from the date of exercise over the base price on the date the award is granted. Thus, there is no assurance that the value, if any, eventually realized by the executive will correspond to the amount shown in the table above. The amounts shown in the table above are prepared in accordance with ASC Topic 718.

**Grants of Plan-Based Awards 2018**

Name	Grant Date	Estimated Future Payouts Under			Estimated Future Payouts Under			All Other Stock Awards: Number of Shares of Stock or Units(#)	All Other Option Awards: Exercise or Base Price of Securities Underlying Option Awards(\$)(3)	Grant Date Fair Value of Stock and Options
		Non-Equity Incentive Plan Awards(1)	Equity Incentive Plan Awards(2)	Equity Incentive Plan Awards(2)	Equity Incentive Plan Awards(2)	Equity Incentive Plan Awards(2)	Equity Incentive Plan Awards(2)			
		Threshold	Target	Maximum	Threshold	Target	Maximum			
<b>Thomas J. Pritzker</b>										
SARs	3/21/2018							212,967	\$ 80.02	\$ 4,499,993
<b>Mark S. Hoplamazian</b>										
		\$1,057,000	\$2,114,000	\$4,228,000						
PSUs	3/21/2018				14,616	48,721	97,442			\$ 3,999,994
SARs	3/21/2018							94,652	\$ 80.02	\$ 1,999,997
RSUs	3/21/2018							24,993		\$ 1,999,940
RSUs(5)	3/21/2018					7,918				\$ 633,598
<b>Joan Bottarini(6)</b>										
		\$ 109,087	\$ 218,174	\$ 436,348						
RSUs	3/21/2018							1,874		\$ 149,957
RSUs(7)	12/13/2018							3,712		\$ 249,966

<b>Patrick J. Grismer(8)</b>									
		\$407,000	\$814,000	\$1,628,000					
PSUs	3/21/2018				2,619	8,729	17,458		\$ 716,651
SARs	3/21/2018							33,917	\$ 80.02 \$ 716,666
RSUs	3/21/2018							8,956	\$ 716,659
<b>H. Charles Floyd</b>									
		\$394,000	\$788,000	\$1,576,000					
PSUs	3/21/2018				2,436	8,120	16,240		\$ 666,652
SARs	3/21/2018							31,550	\$ 80.02 \$ 666,652
RSUs	3/21/2018							8,331	\$ 666,647
RSUs(5)	3/21/2018				2,639				\$ 211,173
<b>Mark R. Vondrasek</b>									
		\$320,000	\$640,000	\$1,280,000					
PSUs	3/21/2018				1,462	4,872	9,744		\$ 399,991
SARs	3/21/2018							18,930	\$ 80.02 \$ 399,991
RSUs	3/21/2018							4,998	\$ 399,940

- (1) The amounts shown represent the threshold, target and maximum potential payments under the EIP based on multiples of the NEO's base salary as of December 31, 2018. See the section in the CD&A section of this proxy statement titled "Annual Incentive" for a more detailed description of the EIP.
- (2) The amounts shown represent the potential PSUs that may be earned under the LTIP at each of the threshold, target and maximum performance levels. Each NEO was granted PSUs at target, but the number of PSUs that will vest and be retained by the NEO will be determined at the conclusion of the 2018 through 2020 performance period. PSUs will vest based on achievement of three-year average Adjusted ROGA goal weighted at 60% and a three-year average Managed and Franchise Adjusted EBITDA goal weighted at 40%, both of which may be further modified based on three-year Relative TSR Modifier, and are generally subject to continued employment through the vesting date. Adjusted ROGA is generally defined as Adjusted EBITDA divided by Average Gross Assets for each year of the three-year performance period. Managed and Franchised Adjusted EBITDA is generally defined as the sum of Adjusted EBITDA for the three management and franchising segments (Americas, ASPAC and EAME/SWA) for each year of the three-year performance period. For this purpose Adjusted EBITDA is defined as set forth in Part II, Item 7, "Management's Discussion and Analysis of Financial Condition and Results of Operations - Key Business Metrics Evaluated by Management - Adjusted Earnings Before Interest Expense, Taxes, Depreciation, and Amortization," of our Annual Report on Form 10-K for the year ended December 31, 2018. If the threshold of neither the Adjusted ROGA goal nor the Average Managed and Franchised EBITDA is achieved at the end of the three-year performance period, then all of the PSUs will be forfeited and none will vest. If the threshold Adjusted ROGA goal is achieved, 18% of the PSUs will vest. If the threshold of the Average Managed and Franchised EBITDA is achieved, an additional 12% of the PSUs will vest. If the target performance goal is achieved for both measures, 100% of the PSUs granted will vest. If the maximum performance goal is achieved for both measures, 166.7% of the PSUs will vest. Achievement between the threshold and maximum performance goals will be interpolated.

---

**Table of Contents**

linearly based on level of achievement. The number of PSUs vesting will further be modified up to plus or minus 20% by Relative TSR Rank so that overall the threshold number of PSUs to vest is 30% of target and the maximum number of PSUs to vest is 200% of target.

- (3) The strike price of SARs is the closing price of the Company's stock on the date of grant.
- (4) Amounts shown represent the grant date fair value of SARs, RSUs and PSUs granted in the year indicated computed in accordance with ASC Topic 718. For a discussion of the assumptions made in the valuation reflected in these columns, see Note 17 to the Consolidated Financial Statements contained in our Annual Report on Form 10-K for the year ended December 31, 2018. With regard to the valuation of PSU awards, the grant date fair values set forth above reflect the vesting of PSUs based upon the probable outcome at target levels.
- (5) Messrs. Hoplamazian and Floyd received an additional RSU grant which vested 100% in March 2019 and was subject to achievement of the Adjusted Compensation EBITDA Threshold Goal and continued service through the vesting date. There is neither a threshold nor a maximum performance measurement for these awards.
- (6) Ms. Bottarini's target annual incentive increased upon her promotion to Executive Vice President, Chief Financial Officer. Her 2018 annual incentive information shown is the total for 2018 based on pro-rated amounts in both roles. See the section in the CD&A section of this proxy statement titled "Annual Incentive" for a more detailed description.
- (7) Upon her promotion to Executive Vice President, Chief Financial Officer, Ms. Bottarini received an additional RSU award.
- (8) Mr. Grismer's 2018 EIP payment and all SAR, PSU and RSUs awarded in 2018 were forfeited upon his resignation.
- The actual value, if any, that an executive may realize from a SAR, RSU or a PSU is contingent upon the satisfaction of the conditions to vesting in that award, and with respect to SARs, is determined solely by reference to stock price increase from the award. Thus, there is no assurance that the value, if any, eventually realized by the executive will correspond to the grant date fair value shown in the table above.

***Narrative to Summary Compensation and Grants of Plan-Based Awards Tables***

***Thomas J. Pritzker and Hoplamazian Employment Letters***

Messrs. Thomas J. Pritzker and Hoplamazian are parties to employment letter agreements with us, each of which became effective as of January 1, 2013. Each letter agreement has a current term that continues through December 31, 2019, subject to automatic one-year renewals unless either party provides 180 days' prior notice to the other not to renew.

Under their respective letter agreements, Messrs. Thomas J. Pritzker and Hoplamazian are entitled, respectively, to (i) current base salaries equal to \$564,000 and \$1,208,000, (ii) annual equity awards under the LTIP with target grant



date fair values equal to \$4,500,000 and \$8,000,000 in each case, subject to adjustment by the talent and compensation committee, and (iii) in the case of Mr. Hoplamazian, an annual incentive payment under our EIP, with a target annual incentive payment in an amount equal to 175% of Mr. Hoplamazian's base salary and a maximum annual incentive payment in an amount equal to 350% of his base salary, in each case, subject to adjustment by the talent and compensation committee.

Each letter agreement provides that, upon the executive's termination of employment, he will be eligible to receive severance payments and benefits in accordance with the terms of the Severance and Change in Control Plan. In addition, pursuant to their respective letter agreements, we will use commercially reasonable efforts to (i) appoint Mr. Thomas J. Pritzker as Executive Chairman for so long as he is a member of our board and as long as he is willing and able to serve in that office and (ii) nominate Mr. Hoplamazian for re-election as a member of our board for so long as he is our President and Chief Executive Officer. If he is not so appointed (Mr. Thomas J. Pritzker) or re-elected (Mr. Hoplamazian), the applicable executive will be entitled to terminate his employment and to the rights and entitlements under the Severance and Change in Control Plan as if his employment were terminated by us without cause. For additional information regarding the Severance and Change in Control Plan, please see the section below in the CD&A section of this proxy statement titled *Potential Payments on Termination or Change in Control*.

#### ***Bottarini Employment Letter***

Ms. Bottarini is party to an employment letter agreement with us, which became effective as of November 2, 2018. This letter agreement does not have a fixed term. Under her letter agreement, Ms. Bottarini is entitled to receive (i) an annual base salary of \$675,000, (ii) target incentive award of 100% of base salary under our EIP, (iii) annual grants under our LTIP (which, for grants made during 2019, are expected to have an aggregate value equal to \$1,400,000), (iv) a one-time grant of RSUs with a value equal to \$250,000, which vest annually over four years, subject to Ms. Bottarini's continued employment through the applicable vesting date, (v) employee benefits and perquisites available to our senior executive officers from time to time and (vi) severance in accordance with our Severance and Change in Control Plan. For additional information regarding Severance and Change in Control Plan, please see the section below in the CD&A section of this proxy statement titled *Potential Payments on Termination or Change in Control*.

**Table of Contents*****Vondrasek Employment Letter***

Mr. Vondrasek is party to a letter agreement with us, which became effective as of August 28, 2017. This letter agreement does not have a fixed term. Under his letter agreement, Mr. Vondrasek is entitled to receive (i) a current base salary equal to \$640,000, (ii) a current target incentive award of 100% of base salary under our EIP, (iii) annual grants under our LTIP (which, for grants made during 2018, were expected to have an aggregate value equal to \$1,200,000) and (iv) employee benefits and perquisites available to our senior executive officers from time to time. In addition, the letter agreement provided for certain one-time equity awards each of which was granted on or about September 25, 2017.

**Outstanding Equity Awards at Fiscal Year-End 2018**

Name	Grant Date	Option Awards				Stock Awards			
		Number of Securities Underlying Unexercised Options (#) Exercisable	Number of Securities Underlying Unexercised Options (#) Unexercisable	Option Price	Option Expiration Date	Number of Shares or Units of Stock That Have Not Vested	Value of Shares or Units of Stock That Have Not Vested	Number of Shares or Units of Stock That Have Not Vested	Market Value of Unearned Equity Incentive Awards
Thomas J. Pritzker	3/21/2018		212,967	\$ 80.02	3/21/2028				
	3/22/2017	61,162	183,486	\$ 52.65	3/22/2027				
	3/23/2016	137,550	137,553	\$ 47.36	3/23/2026				
	3/25/2015	135,264	45,089	\$ 56.27	3/25/2025				
	2/13/2014	140,191		\$ 49.39	2/13/2024				
	3/15/2013	207,381		\$ 43.44	3/15/2023				
	3/16/2012	140,601		\$ 41.29	3/16/2022				
	3/16/2011	127,410		\$ 41.74	3/16/2021				

Edgar Filing: Hyatt Hotels Corp - Form DEF 14A

	5/11/2010	119,707	\$ 40.96	5/11/2020			
Mark S. Hoplamazian	3/21/2018				24,993	\$ 1,689,527	
	3/21/2018(5a)				7,918	\$ 535,257	
	3/21/2018						48,721 \$ 3,293,540
	3/21/2018	94,652	\$ 80.02	3/21/2028			
	3/22/2017				28,490	\$ 1,925,924	
	3/22/2017						37,986 \$ 2,567,854
	3/22/2017	30,581	91,743 \$ 52.65	3/22/2027			
	3/23/2016				21,115	\$ 1,427,374	
	3/23/2016						42,229 \$ 2,854,680
	3/23/2016	51,580	51,583 \$ 47.36	3/23/2026			
	3/23/2016	68,774	68,777 \$ 47.36	3/23/2026			
	3/25/2015				6,665	\$ 450,554	
	3/25/2015	54,504	18,170 \$ 56.27	3/25/2025			
	2/13/2014	56,490	\$ 49.39	2/13/2024			
	3/15/2013	83,565	\$ 43.44	3/15/2023			
	3/16/2012	86,755	\$ 41.29	3/16/2022			
	3/16/2011	69,881	\$ 41.74	3/16/2021			
	5/11/2010	83,795	\$ 40.96	5/11/2020			
Joan Bottarini	12/13/2018(5b)				3,712	\$ 250,931	
	3/21/2018				1,874	\$ 126,682	
	3/22/2017				1,710	\$ 115,596	
	3/23/2016				1,321	\$ 89,300	
	3/25/2015				333	\$ 22,511	

**Table of Contents**

		Option Awards				Stock Awards			
		Number of Securities		Option	Option	Shares or Units of Stock That Have Not Vested	or	Number of Shares or Units of Stock That Have Not Vested	Market Value of Unearned
Name	Grant Date	(#)	(#)	Exercise Price	Expiration Date	(#)	(#)	(#)	(#)
H. Charles Floyd	3/21/2018					8,331			\$ 563,176
	3/21/2018(5a)					2,639			\$ 178,396
	3/21/2018							8,120	\$ 548,912
	3/21/2018		31,550	\$ 80.02	3/21/2028				
	3/22/2017					9,497			\$ 641,997
	3/22/2017							12,662	\$ 855,951
	3/22/2017	10,193	30,581	\$ 52.65	3/22/2027				
	3/23/2016					7,038			\$ 475,769
	3/23/2016							14,076	\$ 951,538
	3/23/2016	22,924	22,926	\$ 47.36	3/23/2026				
	3/23/2016	17,192	17,195	\$ 47.36	3/23/2026				
	3/25/2015					2,816			\$ 190,362
	3/25/2015(5c)					8,886			\$ 600,694
	3/25/2015	23,013	7,671	\$ 56.27	3/25/2025				
	3/25/2015(5c)	20,686	20,687	\$ 56.27	3/25/2025				
	2/13/2014	28,281		\$ 49.39	2/13/2024				
	3/15/2013	35,283		\$ 43.44	3/15/2023				
	3/16/2012	36,630		\$ 41.29	3/16/2022				
3/16/2011	33,193		\$ 41.74	3/16/2021					
5/11/2009(5d)						6,142		\$ 415,199	
Mark R. Vondrasek	3/21/2018					4,998			\$ 337,865

3/21/2018					4,872	\$ 329,347
3/21/2018	18,930	\$ 80.02	3/21/2028			
9/25/2017				4,573	\$ 309,135	
9/25/2017(5e)				8,130	\$ 549,588	
9/25/2017	15,105	\$ 61.50	9/25/2027			

- (1) Represents outstanding SARs held by the NEOs as of December 31, 2018. The SARs vest and become exercisable based on continued service through the applicable vesting date (but may be subject to accelerated vesting upon a recipient's death or disability, or his or her involuntary termination following a change of control of the Company).
- (2) Represents RSUs held by the NEOs as of December 31, 2018. The RSUs vest and settle upon the applicable vesting dates based on continued service unless otherwise noted (but may be subject to accelerated vesting upon a recipient's death or disability, or his or her involuntary termination following a change of control of the Company).
- (3) Represents the target value and number of PSUs granted in 2018, 2017 and 2016; actual performance through December 31, 2018 may be lower. PSUs only vest based on performance and continued service through the last day of the performance period.

In the event of a participant's death or disability prior to the end of the applicable performance period, PSUs will vest based on actual performance through the most recent fiscal quarter end (projected through the remainder of the performance period based on actual performance), pro-rated based on the number of months in the performance period elapsed through the date of death or disability. In the event of a participant's retirement, the participant's PSUs will remain outstanding and eligible to vest based on actual performance through the end of the performance period, pro-rated based on the number of months in the performance period elapsed through the date of retirement. In the event of a change in control, PSUs will vest immediately prior to the change in control based on actual performance through the most recent fiscal quarter end (projected through the remainder of the performance period based on actual performance).

- (4) Based on \$67.60 per share, which was the closing price of our Class A common stock on December 31, 2018.
- (5) Unless otherwise indicated, all RSU and SAR awards vest in four equal, annual installments commencing on March 16th of the year following the applicable Grant Date.
- (5a) Vests 100% on March 16th of the year following the Grant Date.
- (5b) Vests in four equal, annual installments commencing on December 12, 2019.
- (5c) Vests in two equal installments on March 16, 2018 and March 16, 2019, respectively.

Edgar Filing: Hyatt Hotels Corp - Form DEF 14A

(5d) Vests 2% on June 9, 2009, then 2% on each April 1st thereafter through April 1, 2014, 68% on April 1, 2015 and 4% per year thereafter on each April 1st with final vesting on April 1, 2020. Settles on earlier of May 1, 2020, separation from service, or a change in control.

(5e) Vests 50% on September 16, 2018, 30% on September 16, 2019, and 20% on September 16, 2020.

**40 Hyatt Hotels Corporation** *2019 Proxy Statement*

**Table of Contents**

Under our Amended and Restated Policy Regarding Equity Vesting and Exercise ( *Retirement Policy Regarding Equity Vesting and Exercise* ) and unless otherwise specified in the award agreement, all awards under the LTIP will continue to become exercisable (if applicable) and payable following an employee's retirement, as long as the retiree continues to comply with the policy. Retirement for this purpose means a voluntary termination of employment after the sum of the individual's age and continuous service with us equals or exceeds 65, provided that they are at least age 55. Messrs. Thomas J. Pritzker, Hoplamazian and Floyd are currently retirement eligible.

**Option Exercises and Stock Vested**

Name	SAR Awards		Stock Awards	
	Number of Shares	Value	Number of Shares	Value
	Acquired on Exercise(#)(1)	Realized on Exercise(\$)(1)	Acquired on Vesting(#)(1)	Realized on Vesting(1)
Mark S. Hoplamazian		\$	41,090	\$ 3,286,378
Joan Bottarini		\$	1,942	\$ 155,321
Patrick J. Grismer	63,208	\$ 1,443,106	6,745	\$ 539,465
H. Charles Floyd		\$	27,323	\$ 2,171,821

Edgar Filing: Hyatt Hotels Corp - Form DEF 14A

Mark R. Vondrasek	5,034	\$	52,848	9,654	\$	746,158
-------------------	-------	----	--------	-------	----	---------

(1) For each NEO listed above, shares of Class A common stock underlying vested RSUs were delivered upon vesting, except for Mr. Floyd where delivery of shares of Class A common stock underlying 3,069 vested RSUs was deferred under the terms of the award agreement until a future date.

Shares of Class A common stock underlying vested RSUs were delivered or deferred during 2018 as follows:

Name	Delivered Upon Vesting			Delivery Deferred			Deferral Period
	Number of Shares	Closing Price on Vesting Date	Date of Vesting	Number of Shares	Date of Vesting	Closing Price on Vesting Date	
Mark S. Hoplamazian	41,090	\$ 79.98	March 16, 2018				
Joan Bottarini	1,942	\$ 79.98	March 16, 2018				
Patrick J. Grismer	6,745	\$ 79.98	March 16, 2018				
H. Charles Floyd	24,254	\$ 79.98	March 16, 2018	3,069	April 1, 2018	\$ 75.59	Earlier of May 1, 2020, termination of service or a change in control
Mark R. Vondrasek	9,654	\$ 77.29	September 16, 2018				

Shares of Class A common stock underlying vested RSUs with a deferred delivery period are also reflected in the Non-Qualified Deferred Compensation Table.

**Non-Qualified Deferred Compensation Table**



Edgar Filing: Hyatt Hotels Corp - Form DEF 14A

The table below sets forth certain information as of December 31, 2018, with respect to the non-qualified deferred compensation plans in which our NEOs participate.

Name	Plan Name	Executive	Registrant	Aggregate		Aggregate
		Contributions	Contributions	Earnings (Losses) in	Withdrawals/	Balance at
		in Last	in Last	Last Fiscal	Last Fiscal	Last Fiscal
		Fiscal	Fiscal	Year	Distributions	Year
		Year(1)	Year(2)			End
Thomas J. Pritzker	DCP	\$ 420,813	\$ 12,000	\$ (2,320,364)	\$	\$ 58,741,507(3)
Mark S. Hoplamazian	DCP	\$ 225,000	\$ 12,000	\$ (84,048)	\$	\$ 5,453,966(3)
Joan Bottarini	DCP	\$ 508	\$ 9,789	\$ (12,883)	\$	\$ 547,459(3)
Patrick J. Grismer	DCP	\$ 863,180	\$	\$ (64,516)	\$	\$ 814,163(3)
H. Charles Floyd	DCP	\$ 239,241	\$ 12,000	\$ (1,097,480)	\$	\$ 11,099,394(3)
	RSUs		\$ 231,985(4)			\$ 4,771,816(5)
	DCP			\$		
Mark R. Vondrasek		\$	\$ 15,500		\$	\$ (3)

(1) Includes amounts reflected under *Salary* in the Summary Compensation Table for 2018 for Messrs. Thomas J. Pritzker and Floyd and amounts reflected under *Non-Equity Incentive Plan Compensation* in the Summary Compensation Table above for 2017 for Messrs. Hoplamazian and Grismer which were paid in 2018.

**Hyatt Hotels Corporation** *2019 Proxy Statement* **41**

---

**Table of Contents**

- (2) Registrant contributions are paid in February following the plan year. Registrant contributions were paid in February 2019, including Mr. Vondrasek's registrant contribution of \$15,500, and are not reflected in the Aggregate Balance at Last Fiscal Year End.
- (3) Of the total amounts shown in each NEO's Aggregate DCP Balance through fiscal year 2018, the following amounts have been reported, as Salary, Bonus, Non-Equity Incentive Plan Compensation, or All Other Compensation in the Summary Compensation Table (in 2018 and in previous years) for Mr. Thomas J. Pritzker: \$7,045,050; Mr. Hoplamazian: \$4,100,398; Mr. Grismer: \$878,680, and Mr. Floyd: \$1,247,746. For Ms. Bottarini and Mr. Vondrasek, \$9,789 and \$15,500 respectively, has been reported as All Other Compensation for 2018.
- (4) Based on the fair market value (closing stock price) of our Class A common stock on the date of vesting.
- (5) Based on \$67.60, the closing price of our Class A common stock on December 31, 2018.

***Narrative to Non-Qualified Deferred Compensation Table***

See description of the Deferred Compensation Plan in the section above in the CD&A section of this proxy statement titled Employee Benefits Retirement Programs Deferred Compensation Plan.

***Potential Payments on Termination or Change in Control***

***Severance***

The Severance and Change in Control Plan provides the Company's NEOs with payments and benefits upon a termination of employment without cause (other than due to death or disability) or, upon the NEO's resignation from employment for good reason, in either case, within the three months prior to or 24 months following a change in control (each, as defined in the Severance and Change in Control Plan). All severance payments and benefits under the Severance and Change in Control Plan that are payable in connection with a change in control are double trigger, meaning that an NEO will not receive severance benefits in connection with a change in control unless the NEO also experiences a qualifying termination of service. We do not provide single trigger severance payments, equity acceleration, or benefits (i.e., walk-away rights) to our NEOs in connection with a change in control.

In the event of a termination of employment without cause (other than due to death or disability) which occurs outside of the 24-month period following a change in control, the NEO is entitled to the following payments and benefits:

if the NEO is (i) the Chairman or the President and Chief Executive Officer, cash severance equal to two times the sum of annual base salary and average annual cash bonus for the three fiscal years prior to the termination of employment (the *three-year average bonus*), or (ii) not the Chairman or the President and Chief Executive Officer, cash severance equal to one times the sum of annual base salary and three-year average bonus, subject to increase to two times the sum of annual base salary and three-year average bonus if a change in control occurs within three months following the NEO's termination of employment, in each case, payable in equal installments over the applicable severance period; and

a cash amount equal to the difference between the COBRA premiums that would be applicable to the NEO and the amount the NEO would have paid as an active employee of the Company for the same coverage (the *COBRA benefit* ), payable in equal installments over the applicable severance period.

In the event of a termination of employment without cause (other than due to death or disability) or for good reason, in each case, within the 24-month period following a change in control, an NEO is entitled to the following payments and benefits:

cash severance equal to two times the sum of annual base salary and target annual cash bonus, generally payable in equal installments over the severance period (however, if the change in control constitutes a change in control under applicable tax regulations, such cash severance will be paid in a lump sum);

a cash payment equal to the NEO's target annual cash bonus, prorated based on the number of days elapsed during the applicable calendar year prior to the termination of employment; and

the COBRA benefit, payable in equal installments over the severance period.

Receipt of severance payments and benefits under the Severance and Change in Control Plan is contingent on the NEO's timely execution and delivery to the Company of an effective release of claims.

We do not provide for tax reimbursement payments or gross-ups to our NEOs related changes in control.

For purposes of the Severance and Change in Control Plan:

Cause is defined by reference to the applicable NEO's employment agreement or, if not so defined, cause means, whether or not such events are discovered or known by the Company at the time of the NEO's termination:

**Table of Contents**

(I) engaging in illegal or unethical conduct which is or could reasonably be expected to be injurious to the business reputation of the Company; (ii) misconduct in the performance of the NEO's duties, including, without limitation, refusal to carry out any proper direction by the Company or superior officers; neglect of duties; (iii) fraud, theft, embezzlement or comparable dishonest conduct; or (iv) any act that has or threatens to have a substantial adverse effect on the Company's reputation, revenue or profitability. The board of directors (or its applicable designee) has full and final authority to determine conclusively whether cause exists pursuant to this definition.

Good Reason is defined by reference to the applicable NEO's employment agreement or, if not so defined, good reason means, without the NEO's written consent, (i) any material adverse change in the nature or status of the NEO's duties, authority or responsibilities, including lines of reporting responsibility; (ii) a material reduction in the NEO's base salary; (iii) a material relocation of the NEO's principal place of employment; or (iv) any other action or inaction of the Company that would constitute a material breach by the Company of the material terms of the NEO's employment, in each case, subject to customary notice and cure by the Company.

***Equity Awards***

Unless otherwise set forth in an applicable award agreement, outstanding SAR and RSU awards under our LTIP will fully vest if a participant's employment is terminated by us without cause or by the participant with good reason, in either case, within 12 months following a change in control, provided such awards are assumed by a successor in the change in control. If awards are not assumed by a successor, the talent and compensation committee may in its discretion fully vest the awards upon the change in control.

In addition, upon a change in control outstanding PSUs will vest, with the number of PSUs vested and earned determined based on actual performance through the most recent fiscal quarter end (projected through the remainder of the performance period based on actual performance).

Outstanding SAR and RSU awards will fully vest if a participant's employment is terminated by reason of death or disability. If a participant's employment is terminated by reason of death or disability, PSUs will vest based on actual performance through the most recent fiscal quarter end (projected through the remainder of the performance period based on actual performance) pro-rated based on the number of months elapsed through the date of disability or death. If Messrs. Thomas J. Pritzker or Hoplamazian are terminated other than for cause, provided they execute a general release of claims and do not compete with us, following termination they will continue to vest in their SARs and RSUs on the vesting dates set forth in their respective award agreements.

Messrs. Hoplamazian and Floyd are retirement eligible under the Retirement Policy Regarding Equity Vesting and Exercise, and as a result, their RSU and SAR awards under the LTIP will continue to become exercisable and payable following retirement, subject only to forfeiture for violating the retirement policy. A portion of the performance share units awarded to Messrs. Hoplamazian and Floyd during their employment, pro-rated by reference to the portion of the performance period during which they were employed, may be earned based on actual performance through the conclusion of the performance period.

The following table summarizes the severance, the value of SARs, RSUs, PSUs (based on actual performance as of December 31, 2018), that would vest, and the value of other benefits that our NEOs would receive upon (i) retirement/voluntary termination; (ii) termination of employment by the Company without cause not in connection with a change in control; or (iii) termination of employment without cause or for good reason in connection with a change in control. The following assumptions were used in creating the table:

a stock price of \$67.60 per share, which was the closing price of our Class A common stock on December 31, 2018;  
and

termination of employment as of December 31, 2018 (for the scenarios that include a termination of employment).

**Hyatt Hotels Corporation** 2019 Proxy Statement **43**

**Table of Contents**

The amounts shown do not include payments of vested benefits under our tax qualified and non-qualified retirement and deferred compensation plans or the value of vested SARs, RSUs, and PSUs that vested prior to December 31, 2018.

Item	Name	Retirement/ Voluntary Termination	Change in Control	
			Termination of Employment by Company Without Cause	Termination of Employment Without Cause or for Good Reason
Cash Severance	Thomas J. Pritzker	\$	\$ 1,128,000	\$ 1,128,000
	Mark S. Hoplamazian	\$	\$ 6,743,333	\$ 6,644,000
	Joan Bottarini	\$	\$ 828,282	\$ 2,700,000
	H. Charles Floyd	\$	\$ 1,585,567	\$ 3,152,000
	Mark R. Vondrasek	\$	\$ 1,302,050	\$ 2,560,000
		\$		
Annual Incentive (Year of Termination)	Thomas J. Pritzker	\$	\$	
	Mark S. Hoplamazian	\$ 2,591,800	\$	\$ 2,114,000
	Joan Bottarini	\$	\$	\$ 675,000
	H. Charles Floyd	\$ 966,100	\$	\$ 788,000
	Mark R. Vondrasek	\$	\$	\$ 640,000
		\$	\$	
Equity Vesting	Thomas J. Pritzker	\$ 6,038,047	\$ 6,038,047	\$ 6,038,047
	Mark S. Hoplamazian	\$ 13,784,718	\$ 9,506,889	\$ 18,415,659
	Joan Bottarini	\$	\$	\$ 605,020
	H. Charles Floyd	\$ 5,720,659	\$	\$ 6,898,340
	Mark R. Vondrasek	\$	\$	\$ 1,618,076
		\$	\$	
		\$		

Edgar Filing: Hyatt Hotels Corp - Form DEF 14A

Medical Benefits	Thomas J. Pritzker		\$	17,811	\$	17,811
	Mark S. Hoplamazian	\$	\$	26,427	\$	26,427
	Joan Bottarini	\$	\$	13,213	\$	26,427
	H. Charles Floyd	\$	\$	13,213	\$	26,427
	Mark R. Vondrasek	\$	\$	13,168	\$	26,337

Total	Thomas J. Pritzker	\$	6,038,047	\$	7,183,858	\$	7,183,858
	Mark S. Hoplamazian	\$	16,376,518	\$	16,276,649	\$	27,200,086
	Joan Bottarini	\$		\$	841,495	\$	4,006,447
	H. Charles Floyd	\$	6,686,759	\$	1,598,780	\$	10,864,767
	Mark R. Vondrasek	\$		\$	1,315,218	\$	4,844,413

Mr. Grismer resigned from the Company effective November 2, 2018 and did not receive any payments under the Severance and Change in Control Plan and all of his unvested equity awards were forfeited.

As described, the amounts shown in the table above under *Equity Vesting* in the *Change in Control Termination of Employment by Company Without Cause or for Good Reason* column would be reduced in the instance of the participant's death or disability. PSU performance would be determined through the most recent fiscal quarter prior to the participant's death or disability and pro-rated based on the number of months in the performance period elapsed through the date of death or disability.



## **Table of Contents**

### ***CEO Pay Ratio***

As required by Section 953(b) of the Dodd-Frank Wall Street Reform and Consumer Protection Act, and Item 402(u) of Regulation S-K, we are providing the following information regarding the ratio of the annual total compensation of our median employee to the annual total compensation of Mark S. Hoplamazian, our President and Chief Executive Officer (our *CEO*). We consider the pay ratio specified below to be a reasonable estimate, calculated in a manner that is intended to be consistent with the requirements Item 402(u) of Regulation S-K.

For 2018, our last completed fiscal year:

the annual total compensation of the employee who represents our median compensated employee (other than our CEO) was \$34,961; and

the annual total compensation of our CEO, as reported in the Summary Compensation Table included above in the CD&A section of this proxy statement, was \$12,460,429.

Based on this information, for 2018, the annual total compensation of our CEO was approximately 356 times the median of the annual total compensation of all of our employees (other than the CEO).

### ***Determining the Median Employee***

#### ***Employee Population***

In 2018, Hyatt did not experience a significant change in pay practices nor in employee population. As such, per the regulations, the 2018 pay ratio reflects the 2018 earnings of the median employee identified in 2017. We used our employee population data as of October 1, 2017 as the reference date for identifying our median employee. As of such date, our employee population consisted of approximately 45,000 individuals, with approximately 88% of these individuals located in the United States and approximately 4% of these individuals located in each of the Asia Pacific (ASPAC), Europe-Africa-Middle East/Southwest Asia (EAME/SWA), and Latin America, Caribbean and Canada regions. For purposes of the pay ratio calculation, our employee population consists of (i) in the United States, all full- and part-time employees at all owned, managed, leased and joint venture locations, offices and service centers and (ii) outside of the United States, all colleagues who serve at the leadership committee level or above at all locations, and all other full- and part-time employees at all owned and consolidated joint venture locations, offices and service centers. Seasonal and temporary employees employed as of that date were also included in that sample.

#### ***Methodology for Determining Our Median Employee***

In 2017, to identify the median employee from our employee population, we used year-to-date Box 1 Form W-2 earnings (or, outside of the United States, a comparable local equivalent) as reflected in our U.S. and local payroll records. In identifying the median employee, we annualized the compensation of all full-time permanent employees who were new-hires in 2017 and we did not make any cost-of-living adjustments.

Earnings of our employees outside the U.S. were converted to U.S. dollars using the applicable average October 2017 exchange rates.

### ***Compensation Measure and Annual Total Compensation of Median Employee***

With respect to the annual total compensation of the median employee, we calculated such employee's compensation for 2018 in accordance with the requirements of Item 402(c)(2)(x) of Regulation S-K.

*Annual Total Compensation of CEO*

With respect to the annual total compensation of our CEO, we used the amount reported in the Total column of our 2018 Summary Compensation Table included above in the CD&A section of this proxy statement.

**Table of Contents****ARTICLE IV: INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM****Proposal 2 Ratification of Appointment of the Independent Registered Public Accounting Firm**

The audit committee of the board of directors has appointed Deloitte & Touche LLP ( *D&T* ) as our independent registered public accounting firm for the fiscal year ending December 31, 2019. D&T also served as Hyatt's independent registered accounting firm for fiscal year 2018, and the services provided to us by D&T in fiscal year 2018 are described under Independent Registered Public Accounting Firm's Fees below. Representatives of D&T will be present at the Annual Meeting to respond to appropriate questions and to make such statements as they may desire.

Stockholder ratification of the selection of D&T as our independent registered public accounting firm is not required by our bylaws or otherwise. However, the board of directors is submitting the selection of D&T to the stockholders for ratification as a matter of good corporate governance practice. Furthermore, the audit committee will take the results of the stockholder vote regarding D&T's appointment into consideration in future deliberations. Even if the selection is ratified, the audit committee, in its discretion, may direct the appointment of a different independent registered public accounting firm at any time during the year if it determines that such a change would be in the best interests of Hyatt and our stockholders.

**The board of directors unanimously recommends that the stockholders vote FOR Proposal No. 2 to ratify the appointment of Deloitte & Touche LLP as the independent registered public accounting firm of Hyatt Hotels Corporation for the fiscal year ended December 31, 2019.**

**Independent Registered Public Accounting Firm's Fees**

In addition to retaining D&T to audit the Company's consolidated financial statements, the audit committee retained D&T to provide various other services in fiscal years 2018 and 2017. The following table presents fees for professional services rendered by D&T for fiscal years 2018 and 2017. The audit committee approved all of the fees presented in the table below.

<b>Type of Fees</b>	<b>FY 2018</b>	<b>FY 2017</b>
Audit Fees(1)	\$ 6,338,011	\$ 5,804,588
Audit-Related Fees(2)	\$ 799,145	\$ 699,510
Tax Fees(3)	\$ 1,151,870	\$ 1,558,699
All Other Fees(4)	\$ 546,121	\$ 683,000
<b>Total</b>	<b>\$ 8,835,147</b>	<b>\$ 8,745,797</b>

The following are footnotes to the above table, in accordance with SEC definitions:

(1) Audit fees represent D&T fees for professional services for the audit of the Company's consolidated financial statements included in our Annual Reports on Form 10-K for the fiscal years ended December 31, 2018 and

## Edgar Filing: Hyatt Hotels Corp - Form DEF 14A

December 31, 2017 filed with the SEC, review of quarterly financial statements, accounting consultation and other attest services that are typically performed by the independent public accountant, and services that are provided by D&T in connection with statutory and regulatory filings.

(2) Audit-related fees consist principally of fees for audits required under agreements with our hotels owners.

(3) Tax fees are fees for tax compliance, tax advice and tax planning.

(4) All other fees are fees billed by D&T to Hyatt for any services not included in the first three categories. The 2018 and 2017 fees were for permitted advisory services.

**46 Hyatt Hotels Corporation** *2019 Proxy Statement*

**Table of Contents**

**Policy on Audit Committee Preapproval of Audit and Permissible Nonaudit Services of the Independent Registered Public Accounting Firm**

The audit committee has adopted a policy requiring that all audit, audit-related and non-audit services provided by the independent auditor be pre-approved by the audit committee. The policy also requires additional approval of any engagements that were previously approved but are anticipated to exceed pre-approved fee levels. The policy permits the audit committee chair to pre-approve principal independent auditor services where the Company deems it necessary or advisable that such services commence prior to the next regularly scheduled meeting (provided that the audit committee chair must report to the full audit committee on any pre-approval determinations). All services provided to us by D&T for fiscal years 2018 and 2017 were pre-approved by the audit committee. D&T may only perform non-prohibited non-audit services that have been specifically approved in advance by the audit committee. In addition, before the audit committee will consider granting its approval, the Company's management must have determined that such specific non-prohibited non-audit services can be best performed by D&T based on its in-depth knowledge of our business, processes and policies. The audit committee, as part of its approval process, considers the potential impact of any proposed work on the independent auditors' independence.

The audit committee has adopted a policy that prohibits our independent auditors from providing:

bookkeeping or other services related to the accounting records or financial statements of the Company;

financial information systems design and implementation services;

appraisal or valuation services, fairness opinions or contribution-in-kind reports;

actuarial services;

internal audit outsourcing services;

management functions or human resources services;

broker or dealer, investment adviser or investment banking services;

legal services and expert services unrelated to the audit; and

any other service that the Public Company Accounting Oversight Board (the *PCAOB*) or the SEC determines, by regulation, is impermissible.



**Table of Contents**

**ARTICLE V: REPORT OF THE AUDIT COMMITTEE OF THE BOARD OF DIRECTORS<sup>1</sup>**

The audit committee reviews the Company's financial reporting process on behalf of the board of directors. Management has the primary responsibility for the financial statements, the reporting process and maintaining an effective system of internal controls over financial reporting. The Company's independent auditors are engaged to audit and express opinions on the conformity of the Company's financial statements to United States generally accepted accounting principles.

In addition to fulfilling its oversight responsibilities as set forth in its charter and further described above in the section titled "Article II - Committees of the Board of Directors - Audit Committee," the audit committee has done the following things:

Prior to the filing of our Annual Report on Form 10-K for the fiscal year ended December 31, 2018, reviewed and discussed with management and D&T the Company's audited consolidated financial statements.

Discussed with D&T the matters required to be discussed by Auditing Standard No. 1301 (Communications with Audit Committees), as adopted by the PCAOB and any other matters required to be communicated to the committee by D&T under auditing standards established from time to time by the PCAOB or SEC rules and regulations.

Evaluated D&T's qualifications, performance and independence (consistent with SEC requirements), which included the receipt and review of the written disclosures and the letter from D&T required by applicable requirements of the PCAOB regarding D&T's communications with the audit committee concerning independence and discussions with D&T regarding its independence.

Based on the reviews and discussions with management and D&T cited above, including the review of D&T's disclosures and letter to the audit committee and review of the representations of management and the reports of D&T, the audit committee recommended to the board of directors that the Company's audited consolidated financial statements be included in the Company's Annual Report on Form 10-K for the fiscal year ended December 31, 2018 filed with the SEC.

**Audit Committee of the Board of Directors**

Cary D. McMillan, Chairman

Paul D. Ballew

Michael A. Rocca

Richard C. Tuttle

James H. Wooten, Jr.

Edgar Filing: Hyatt Hotels Corp - Form DEF 14A

This report is not soliciting material, is not deemed filed with the SEC, and is not to be incorporated by reference into any Hyatt filing under the Securities Act of 1933, as amended (the *Securities Act*), or the Exchange Act, whether made before or after the date hereof and irrespective of any general incorporation language contained in such filing.

**48 Hyatt Hotels Corporation** *2019 Proxy Statement*



---

**Table of Contents**

**ARTICLE VI: ADVISORY VOTE TO APPROVE EXECUTIVE COMPENSATION**

**Proposal 3 Advisory Vote to Approve Executive Compensation**

As required pursuant to Section 14A of the Exchange Act, the Company requests stockholder approval, on an advisory basis, of the compensation paid to our named executive officers as disclosed pursuant to the SEC's compensation disclosure rules (which disclosure includes the Compensation Discussion and Analysis and the accompanying compensation tables and related narrative in this proxy statement).

As described under Compensation Discussion and Analysis, our executive compensation program is designed to promote long-term brand value for the Company, a goal which we believe, in turn, is central to the creation of long-term economic value for our stockholders. Our compensation program is designed to attract, recruit, develop, engage and retain the talent needed to achieve long-term brand value and to appropriately motivate our executive officers. As such, we believe that our executive compensation program and the corresponding executive compensation detailed in the compensation tables and related narrative set forth above are strongly aligned with the long-term interests of our stockholders.

As an advisory vote, this proposal is not binding upon the Company. However, our talent and compensation committee, which is responsible for designing and administering our executive compensation program, values the opinions expressed by stockholders in their vote on this proposal, and will carefully consider the outcome of the vote when making future compensation decisions for named executive officers.

At the Company's 2017 annual meeting of stockholders, the Company's stockholders determined, on an advisory basis, to hold an advisory vote on executive compensation every year. Subsequently, the board of directors considered this determination and agreed that it will hold a non-binding advisory vote on executive compensation on an annual basis. As such, following the advisory vote to approve executive compensation that will take place at the Annual Meeting, the next advisory vote on executive compensation will occur at the Company's 2020 annual meeting of stockholders.

The board of directors strongly endorses the Company's executive compensation program and recommends that stockholders vote in favor of the following resolution:

RESOLVED, that the compensation paid to the Company's named executive officers as disclosed pursuant to the compensation disclosure rules of the SEC, including the Compensation Discussion and Analysis, the compensation tables and any related discussion as disclosed in this proxy statement, is hereby APPROVED.

**The board of directors unanimously recommends that the stockholders vote FOR Proposal No. 3 to approve, on an advisory basis, the compensation paid to our named executive officers as disclosed pursuant to the SEC's compensation disclosure rules.**

**Table of Contents****ARTICLE VII: STOCK****Security Ownership of Certain Beneficial Owners and Management**

The following table sets forth as of March 22, 2019 information regarding:

each person known to us to be the beneficial owner of more than 5% of our outstanding shares of Class A common stock or Class B common stock;

each of our NEOs;

each of our directors and nominees for the board of directors; and

all of our directors and executive officers as a group.

The information shown in the table with respect to the percentage of shares of Class A common stock beneficially owned is based on 38,396,235 shares of Class A common stock outstanding as of March 22, 2019 (and does not assume the conversion of any outstanding shares of Class B common stock). The information shown in the table with respect to the percentage of shares of Class B common stock beneficially owned is based on 67,115,828 shares of Class B common stock outstanding as of March 22, 2019. Each share of Class B common stock is convertible at any time into one share of Class A common stock. The information shown in the table with respect to the percentage of total common stock beneficially owned is based on 105,512,063 shares of common stock outstanding as of March 22, 2019. The information shown in the table with respect to the percentage of total voting power is based on 105,512,063 shares of common stock outstanding as of March 22, 2019, and assumes that no shares of Class B common stock outstanding as of March 22, 2019 have been converted into shares of Class A common stock.

Information with respect to beneficial ownership is based on our records, information filed with the SEC or information furnished to us by each director, director nominee, executive officer or beneficial owner of more than 5% of our Class A common stock or Class B common stock. Beneficial ownership rules generally attribute beneficial ownership of securities to persons who possess sole or shared voting power and investment power with respect to those securities. Unless otherwise indicated by footnote, and subject to applicable community property laws, we believe, based on the information furnished to us, that the persons and entities named in the table have sole voting and investment power with respect to all shares of common stock shown as beneficially owned by them. Unless otherwise provided, the address of each individual listed below is c/o Hyatt Hotels Corporation, 150 North Riverside Plaza, Chicago, Illinois 60606.

Name of Beneficial Owner	Class A Common Stock		Class B Common Stock		% of Total	% of Total
	Shares	% of	Shares	% of		

	Class A		Class B	Common	Voting
				Stock	Power(1)
<b>5% or greater stockholders:</b>					
Pritzker Family Group(2)					
CIBC Trust Company (Bahamas)					
Limited in its					
capacity as trustee and Other					
Reporting					
Persons(3)		778,153	1.2%	*	1.1%
Trustees of the Thomas J. Pritzker					
Family Trusts					
and Other Reporting Persons(4)	2,589	*	22,520,767	33.6%	21.3%
Trustees of the Nicholas J. Pritzker					
Family					
Trusts and Other Reporting Persons(5)			70,000	*	*
Trustees of the Jennifer N. Pritzker					
Family Trusts					
and Other Reporting Persons(6)			2,420,151	3.6%	2.3%
Trustees of the Karen L. Pritzker					
Family Trusts(7)			6,457,104	9.6%	6.1%
Trustees of the Penny Pritzker Family					
Trusts and					
Other Reporting Persons(8)	14,650	*	7,215,797	10.8%	6.9%
Trustees of the Daniel F. Pritzker					
Family					
Trusts and Other Reporting Persons(9)	39,445	*	5,137,825	7.7%	4.9%
The Anthony N. Pritzker Family					
Foundation(10)			1,408,000	2.1%	1.3%
Trustees of the Gigi Pritzker Pucker					
Family					
Trusts and Other Reporting					
Persons(11)			18,837,636	28.1%	17.9%
				26.5%	

**Table of Contents**

Name of Beneficial Owner	Class A Common Stock		Class B Common Stock		% of Total Common	% of Total Voting
	Shares	% of Class A	Shares	% of Class B	Stock	Power(1)
Baron Capital Group, Inc. and affiliated entities(12)	4,640,524	12.1%			4.4%	*
Principal Global Investors, LLC(13)	2,228,044	5.8%			2.1%	*
Select Equity Group, L.P.(14)	3,661,533	9.5%			3.5%	*
The Vanguard Group, Inc. and affiliated entities(15)	3,619,573	9.4%			3.4%	*
Wellington Management Group LLP and affiliated entities(16)	2,540,736	6.6%			2.4%	*
<b>Named Executive Officers and Directors:</b>						
Thomas J. Pritzker(17)			22,520,767	33.6%	21.3%	31.7%
Mark S. Hoplamazian(18)	315,249	*			*	*
Joan Bottarini	5,592	*			*	*
Patrick J. Grismer(19)		*			*	*
H. Charles Floyd(20)	53,632	*			*	*
Mark R. Vondrasek(21)	883	*			*	*
Paul D. Ballew	3,655	*			*	*
Susan D. Kronick	37,497	*			*	*
Mackey J. McDonald	31,733	*			*	*
Cary D. McMillan	1,790	*			*	*
Pamela M. Nicholson	3,010	*			*	*
Jason Pritzker(22)	2,589	*			*	*
Michael A. Rocca	17,410	*			*	*
Richard C. Tuttle	22,151	*			*	*
James H. Wooten, Jr.	7,649	*			*	*
All directors and executive officers as a group (19 persons)(23)	537,232	1.4%	22,520,767	33.6%	21.9%	31.8%

\* Less than 1%.

(1) Holders of our Class A common stock and our Class B common stock vote together as a single class on all matters submitted to a vote of our stockholders. The holders of Class A common stock are entitled to one vote per share and the holders of Class B common stock are entitled to ten votes per share. However, if on any record date for determining the stockholders entitled to vote at an annual or special meeting of stockholders, the aggregate number of shares of our Class A common stock and Class B common stock owned, directly or indirectly, by the holders of

our Class B common stock is less than 15% of the aggregate number of shares of Class A common stock and Class B common stock then outstanding, then at such time all shares of Class B common stock will automatically convert into shares of Class A common stock and all outstanding common stock will be entitled to one vote per share on all matters submitted to a vote of our stockholders. The information shown in the table with respect to the percentage of total voting power is based on 105,512,063 shares of common stock outstanding as of March 22, 2019, and assumes that no shares of Class B common stock outstanding as of March 22, 2019 have been converted into shares of Class A common stock.

- (2) See footnotes (3) through (11) below. CIBC Trust Company (Bahamas) Limited in its capacity as trustee of Pritzker family non-U.S. situs trusts and the trustees of the Thomas J. Pritzker Family Trusts, the Nicholas J. Pritzker Family Trusts, the Jennifer N. Pritzker Family Trusts, the Karen L. Pritzker Family Trusts, the Penny Pritzker Family Trusts, the Daniel F. Pritzker Family Trusts, the Anthony N. Pritzker Family Foundation, the Gigi Pritzker Pucker Family Trusts and certain other reporting persons described in footnotes (3) through (11) below (collectively, the *Pritzker Family Group* ) are party to those certain agreements described in footnotes (3) through (11) below, which agreements contain, among other things, certain voting agreements and limitations on the sale of their shares of common stock. As a result, the members of the Pritzker Family Group may be deemed to be members of a group within the meaning of Section 13(d)(3) of the Exchange Act.
- (3) Based in part on information contained in a Schedule 13D filed on August 26, 2010, as amended (SEC Accession No 0001193125-10-198223), represents (i) 104,803 shares of Class B common stock held of record by non-U.S. situs trusts for the benefit of certain lineal descendants of Nicholas J. Pritzker, deceased, of which CIBC Trust Company (Bahamas) Limited serves as trustee and has sole voting and investment power over such shares, (ii) 538,681 shares of Class B common stock held of record by Bombay Hotel Corporation ( *Bombay* ), and (iii) 134,669 shares of Class B common stock held of record by CPC, Inc. ( *CPC* ). The voting and investment decisions of Bombay are made by its three directors, all of whom are employees of an affiliate of CIBC Trust Company (Bahamas) Limited. In such capacity, CIBC Trust Company (Bahamas) Limited may be deemed to beneficially own such shares of Class B common stock directly held by Bombay. The voting and investment decisions of CPC are made by its two directors, Corporate Associates Limited and Commerce Services Limited, both of which are wholly-owned

**Table of Contents**

subsidiaries of CIBC Trust Company (Bahamas) Limited. In such capacity, CIBC Trust Company (Bahamas) Limited may be deemed to beneficially own such shares of Class B common stock directly held by CPC. J.P. Morgan Trust Company (Bahamas) Limited, as trustee of 2010 N3 Purpose Trust, Bessemer Trust Company (Cayman) Limited and Lewis M. Linn, as co-trustees of Settlement T-551-5C and CIBC Trust Company (Bahamas) Limited as trustee of Settlement T-551-7 each own approximately 30% of each of Bombay and CPC and disclaim beneficial ownership of the shares directly held by Bombay and CPC. Bombay, CPC and the trustees and adult beneficiaries of all of these non-U.S. situs trusts have agreed to certain voting agreements and to certain limitations with respect to the sale of shares of our common stock, which are contained in the Amended and Restated Foreign Global Hyatt Agreement, and the shares of common stock listed in the table may not be sold other than in accordance with such agreements. See Part I, Item 1, Business Stockholder Agreements and Item 1A, Risk Factors Risks Related to Share Ownership and Other Stockholder Matters of our Annual Report on Form 10-K for the fiscal year ended December 31, 2018 for additional information. The address of the principal business and principal office for CIBC Trust Company (Bahamas) Limited, not individually, but solely in the capacity as trustee of the non-U.S. situs trusts, is Goodman s Bay Corporate Centre, First Floor, P.O. Box N-3933, Nassau, Bahamas. The address of the principal business and principal office for Bombay is c/o CIBC Bank & Trust Company (Cayman) Limited, CIBC Financial Centre, 11 Dr. Roy s Drive, P.O. Box 694, George Town, Grand Cayman KY1-1107. The address of the principal business and principal office for CPC is c/o CIBC Trust Company (Bahamas) Limited, Goodman s Bay Corporate Centre, West Bay Street, Ground Floor, P.O. Box N-3933, Nassau, Bahamas.

- (4) Represents (i) 20,723,351 shares of Class B common stock held of record by THHC, L.L.C., a member-managed limited liability company controlled by a trust for the benefit of Thomas J. Pritzker, of which Maroon Private Trust Company, LLC, a manager-managed limited liability company, serves as trustee and in such capacity may be deemed to beneficially own such shares under Rule 13d-3 of the Exchange Act ( *Rule 13d-3* ); (ii) 1,746,453 shares of Class B common stock held of record by trusts for the benefit of Thomas J. Pritzker and certain of his lineal descendants, of which Maroon Private Trust Company, LLC serves as trustee and in such capacity may be deemed to beneficially own such shares under Rule 13d-3; (iii) 50,963 shares of Class B common stock held of record by TJP Revocable Trust, a trust for the benefit of Thomas J. Pritzker, of which Marshall E. Eisenberg and Thomas J. Pritzker serve as co-trustees and share voting and investment power over such shares and (iv) 2,589 shares of Class A common stock held by Jason Pritzker, who is the son of Mr. Thomas Pritzker and one of our directors. Maroon Trust is the sole member of Maroon Private Trust Company, LLC and in such capacity may be deemed to beneficially own such shares under Rule 13d-3. Mr. Thomas J. Pritzker is the trustee of Maroon Trust and in such capacity may be deemed to beneficially own such shares under Rule 13d-3. The investment decisions of Maroon Private Trust Company, LLC are made by the Trust Committee of its board of managers, consisting of Mr. Thomas J. Pritzker and certain other individuals. The voting decisions of Maroon Private Trust Company, LLC are made by the independent members of the Trust Committee, which does not include Mr. Thomas J. Pritzker. Mr. Thomas J. Pritzker and the other members of the Trust Committee disclaim beneficial ownership as a result of serving on the Trust Committee. Mr. Thomas J. Pritzker is also the grantor and beneficiary of the trust represented by clause (iii) and has the right to revoke such trust at any time without the consent of any other person. As a result, Mr. Thomas J. Pritzker could be deemed to be the sole beneficial owner of the shares owned by such trust. Mr. Thomas J. Pritzker, Mr. Jason Pritzker, THHC, L.L.C., and the trustees and the adult beneficiaries of all of these trusts have agreed to certain voting agreements and to certain limitations with respect to the sale of shares of our common stock, which are contained in the Amended and Restated Global Hyatt Agreement and the Amended and Restated Foreign Global Hyatt Agreement, and the shares of common stock listed in the table may not be sold other than in accordance with such agreements. See Part I, Item 1, Business Stockholder Agreements and Item 1A, Risk Factors Risks Related to Share Ownership and Other Stockholder Matters of our Annual Report on Form 10-K for the fiscal year ended December 31, 2018 for additional

information. The share numbers included in the table do not include the following SARs held by Mr. Thomas J. Pritzker that are currently exercisable or that will become exercisable within sixty days after March 22, 2019: (a) 119,707 SARs at an exercise price of \$40.96; (b) 127,410 SARs at an exercise price of \$41.74; (c) 140,601 SARs at an exercise price of \$41.29; (d) 207,381 SARs at an exercise price of \$43.44; (e) 140,191 SARs at an exercise price of \$49.39; (f) 180,353 SARs at an exercise price of \$56.27; (g) 206,325 SARs at an exercise price of \$47.36; (h) 122,324 SARs at an exercise price of \$52.65; and (i) 53,241 SARs at an exercise price of \$80.02. The number of shares that Mr. Thomas J. Pritzker will receive upon exercise of such SARs is not currently determinable and therefore not included in the table above because each SAR gives the holder the right to receive the excess of the value of one share of our Class A common stock at the exercise date, which is not determinable until the date of exercise, over the exercise price. The address of the principal business and principal office for Maroon Private Trust Company, LLC, solely in the capacity as trustee of the trusts represented by clauses (i) and (ii), is 350 South Main Avenue, Suite 401, Sioux Falls, South Dakota 57104. The address of the principal business and principal office for Marshall E. Eisenberg and Thomas J. Pritzker, not individually, but solely in the capacity as co-trustees of the trust represented by clause (iii) and for Mr. Jason Pritzker, is 150 North Riverside Plaza, Suite 3300, Chicago, Illinois 60606.

- (5) Based in part on information contained in a Schedule 13D filed on August 26, 2010, as amended (SEC Accession No. 0001193125-10-198283), represents 70,000 shares of Class B common stock held of record by Tao Invest LLC, a limited liability company owned by trusts for the benefit of Nicholas J. Pritzker and/or his lineal descendants, of which Paul. A. Bible serves as trustee and has sole voting and investment power over such shares. The trustees and the adult beneficiaries of all of these trusts have agreed to certain voting agreements and to certain limitations with respect to the sale of shares of our common stock which are contained in the Amended and Restated Global Hyatt Agreement and the Amended and Restated Foreign Global Hyatt Agreement, and the shares of common stock listed in the table may not be sold other than in accordance with such agreements. See Part I, Item 1, Business Stockholder Agreements and Item 1A, Risk Factors Risks Related to Share Ownership and Other Stockholder Matters of our Annual Report on Form 10-K for the fiscal year ended December 31, 2018 for additional information. The address of the principal business and principal office for Tao Invest LLC is 1 Letterman Drive, Suite C4-420, San Francisco, California 94129; and for Paul Bible, not individually, but solely in the capacity as trustee, is 165 West Liberty Street, Suite 110, Reno, Nevada 89501.

**Table of Contents**

- (6) Based in part on information contained in a Schedule 13D filed on August 26, 2010, as amended (SEC Accession No. 0001193125-10-198421), represents (i) 2,278,873 shares of Class B common stock held of record by trusts for the benefit of Jennifer N. Pritzker and certain of her lineal descendants, of which Charles E. Dobrusin and Harry B. Rosenberg serve as co-trustees and share voting and investment power over such shares; (ii) 21,128 shares of Class B common stock held of record by trusts for the benefit of Jennifer N. Pritzker and certain of her lineal descendants, of which Mary Parthe serves as trustee and has sole voting and investment power over such shares, (iii) 101,149 shares of Class B common stock held of record by trusts for the benefit of Jennifer N. Pritzker and/or certain of her lineal descendants, of which J.P. Morgan Trust Company (Bahamas) Limited serves as trustee and has sole voting and investment power over such shares, and (iv) 19,001 shares of Class B common stock held of record by trusts for the benefit of Jennifer N. Pritzker and certain of her lineal descendants, of which CIBC Trust Company (Bahamas) Limited serves as trustee and has sole voting and investment power over such shares. The trustees and the adult beneficiaries of all of these trusts have agreed to certain voting agreements and to certain limitations with respect to the sale of shares of our common stock which are contained in the Amended and Restated Global Hyatt Agreement and the Amended and Restated Foreign Global Hyatt Agreement, and the shares of common stock listed in the table may not be sold other than in accordance with such agreements. See Part I, Item 1, Business Stockholder Agreements and Item 1A, Risk Factors Risks Related to Share Ownership and Other Stockholder Matters of our Annual Report on Form 10-K for the fiscal year ended December 31, 2018 for additional information. The address of the principal business and principal office for Charles E. Dobrusin and Harry B. Rosenberg, not individually, but solely in the capacity as co-trustees of the trusts represented by clause (i), is 104 South Michigan Avenue, Suite 1000, Chicago, Illinois 60603; for Mary Parthe, not individually, but solely in her capacity as trustee of the trusts represented by clause (ii), is c/o Tawani Enterprises, Inc., 104 South Michigan Avenue, Suite 500, Chicago, Illinois 60603; for J.P. Morgan Trust Company (Bahamas) Limited, not individually, but solely in its capacity as trustee of the trusts represented by clause (iii) is Bahamas Financial Centre, Shirley & Charlotte Streets, P.O. Box N-4899, Nassau, Bahamas; and for CIBC Trust Company (Bahamas) Limited, not individually, but solely in its capacity as trustee of the trusts represented by clause (iv), is Goodman s Bay Corporate Centre, First Floor, P.O. Box N-3933, Nassau, Bahamas.
- (7) Based in part on information contained in a Schedule 13D filed on August 26, 2010 (SEC Accession No. 0001193125-10-198367), represents (i) 4,896,048 shares of Class B common stock held of record by trusts for the benefit of Karen L. Pritzker and certain of her lineal descendants, of which Andrew D. Wingate and Lucinda Falk serve as co-trustees and share voting and investment power over such shares; (ii) 971,068 shares of Class B common stock held of record by trusts for the benefit of Karen L. Pritzker and certain of her lineal descendants, of which Andrew D. Wingate serves as trustee and has sole voting and investment power over such shares; (iii) 513,983 shares of Class B common stock held of record by trusts for the benefit of Karen L. Pritzker and certain of her lineal descendants, of which CIBC Trust Company (Bahamas) Limited and Andrew D. Wingate serve as co-trustees and share voting and investment power over such shares and (iv) 76,005 shares of Class B common stock held of record by trusts for the benefit of Karen L. Pritzker and certain of her lineal descendants, of which CIBC Trust Company (Bahamas) Limited, Andrew D. Wingate and Lucinda Falk serve as co-trustees and share voting and investment power over such shares. The trustees and the adult beneficiaries of all of these trusts have agreed to certain voting agreements and to certain limitations with respect to the sale of shares of our common stock which are contained in the Amended and Restated Global Hyatt Agreement and the Amended and Restated Foreign Global Hyatt Agreement, and the shares of common stock listed in the table may not be sold other than in accordance with such agreements. See Part I, Item 1, Business Stockholder Agreements and Item 1A, Risk Factors Risks Related to Share Ownership and Other Stockholder Matters of our Annual Report on Form 10-K for the fiscal year ended December 31, 2018 for additional information. The address of the principal business and principal office for Andrew D. Wingate and Lucinda Falk, not individually, but solely in the capacity as co-trustees of the trusts represented by clause (i) and for Andrew D. Wingate, not individually, but solely in the



capacity as trustee of the trusts represented by clause (ii), is 35 Windsor Road, North Haven, Connecticut 06473; and for CIBC Trust Company (Bahamas) Limited and Andrew D. Wingate, not individually, but solely in the capacity as co-trustees of the trusts represented by clause (iii) and for CIBC Trust Company (Bahamas) Limited, Andrew D. Wingate and Lucinda Falk not individually, but solely in the capacity as co-trustees of the trusts represented by clause (iv), is Goodman s Bay Corporate Centre, First Floor, P.O. Box N-3933, Nassau, Bahamas.

- (8) Based in part on information contained in a Schedule 13D filed on August 26, 2010, as amended (SEC Accession No. 0001193125-10-198261), represents (i) 14,650 shares of Class A common stock held by Penny Pritzker, individually; (ii) 20,682 shares of Class B common stock held by Penny Pritzker, individually; (iii) 6,921,339 shares of Class B common stock held of record by trusts for the benefit of Penny Pritzker and certain of her lineal descendants, of which Horton Trust Company, LLC serves as trustee and has sole voting and investment power over such shares and (iv) 273,776 shares of Class B common stock held of record by a limited liability company owned by a trust for the benefit of Penny Pritzker and certain of her lineal descendants, of which Horton Trust Company, LLC serves as trustee and has sole voting and investment power over such shares. Penny Pritzker and the trustees and the adult beneficiaries of all of these trusts have agreed to certain voting agreements and to certain limitations with respect to the sale of shares of our common stock which are contained in the Amended and Restated Global Hyatt Agreement and the Amended and Restated Foreign Global Hyatt Agreement, and the shares of common stock listed in the table may not be sold other than in accordance with such agreements. See Part I, Item 1, Business Stockholder Agreements and Item 1A, Risk Factors Risks Related to Share Ownership and Other Stockholder Matters of our Annual Report on Form 10-K for the fiscal year ended December 31, 2018 for additional information. The address of the principal business and principal office for Penny Pritzker and for Horton Trust Company, LLC, not individually, but solely in the capacity as trustee of the trusts represented by clauses (iii) and (iv) is 444 West Lake Street, Suite 3400, Chicago, Illinois 60606.
- (9) Based in part on information contained in a Schedule 13D filed on August 26, 2010, as amended (SEC Accession No. 0001193125-10-198390), represents (i) 27,431 shares of Class A common stock held of record by a limited partnership whose general partner is a limited liability company owned by a trust for the benefit of Daniel F. Pritzker and/or certain of his lineal descendants, of which 1922 Trust Company LTA serves as trustee and has sole voting and investment power over such shares, (ii) 4,821,650 shares of Class B common stock held of record by limited partnerships whose general partners are limited liability

---

**Table of Contents**

companies owned by trusts for the benefit of Daniel F. Pritzker and certain of his lineal descendants, of which 1922 Trust Company LTA serves as trustee and has sole voting and investment power over such shares, (iii) 316,175 shares of Class B common stock held of record by trusts for the benefit of Daniel F. Pritzker and/or certain of his lineal descendants, of which 1922 Trust Company LTA serves as trustee and has sole voting and investment power over such shares, and (iv) 12,014 shares of Class A common stock held of record by trusts for the benefit of Daniel F. Pritzker and certain of his lineal descendants, of which CIBC Trust Company (Bahamas) Limited serves as trustee and has sole voting and investment power over such shares. Lewis M. Linn serves as trustee of 1922 Trust, which is the sole member of 1922 Trust Company LTA, and has sole voting and investment power over the shares set forth in clauses (i) through (iii). The trustees and the adult beneficiaries of all of these trusts have agreed to certain voting agreements and to certain limitations with respect to the sale of shares of our common stock which are contained in the Amended and Restated Global Hyatt Agreement and the Amended and Restated Foreign Global Hyatt Agreement, and the shares of common stock listed in the table may not be sold other than in accordance with such agreements. See Part I, Item 1, Business Stockholder Agreements and Item 1A, Risk Factors Risks Related to Share Ownership and Other Stockholder Matters of our Annual Report on Form 10-K for the fiscal year ended December 31, 2018 for additional information. The address of the principal business and principal office for 1922 Trust Company LTA, not individually, but solely in the capacity as trustee of the trusts represented by clauses (i) through (iii) and for Lewis M. Linn, not individually but solely as trustee of 1922 Trust, is 3555 Timmons Lane, Suite 800, Houston, Texas 77027; and for CIBC Trust Company (Bahamas) Limited, not individually, but solely in the capacity as trustee of the trusts represented by clause (iv), is Goodman s Bay Corporate Centre, First Floor, P.O. Box N-3933, Nassau, Bahamas.

(10) Based in part on information contained in a Schedule 13D filed on August 26, 2010, as amended (SEC Accession No. 0001193125-10-198366), represents 1,408,000 shares of Class B common stock held of record by the Anthony Pritzker Family Foundation. The Anthony Pritzker Family Foundation has agreed to certain voting agreements and to certain limitations with respect to the sale of shares of our common stock which are contained in the Amended and Restated Global Hyatt Agreement and the Amended and Restated Foreign Global Hyatt Agreement, and the shares of common stock listed in the table may not be sold other than in accordance with such agreements. See Part I, Item 1, Business Stockholder Agreements and Item 1A, Risk Factors Risks Related to Share Ownership and Other Stockholder Matters of our Annual Report on Form 10-K for the fiscal year ended December 31, 2018 for additional information. The address of the principal business and principal office for the Anthony Pritzker Family Foundation is 11150 Santa Monica Boulevard, Suite 1500, Los Angeles, California 90025.

(11) Based in part on information contained in a Schedule 13D filed on August 26, 2010, as amended (SEC Accession No. 0001193125-10-198254), represents (i) 17,090,620 shares of Class B common stock held of record by a member-managed limited liability company controlled by a trust for the benefit of Gigi Pritzker Pucker, of which UDQ Private Trust Company, LLC, a manager-managed limited liability company, serves as trustee and in such capacity may be deemed to beneficially own such shares under Rule 13d-3; and (ii) 1,747,016 shares of Class B common stock held of record by trusts for the benefit of Gigi Pritzker Pucker and certain of her lineal descendants, of which UDQ Private Trust Company, LLC serves as trustee and in such capacity may be deemed to beneficially own such shares under Rule 13d-3. UDQ Trust is the sole member of UDQ Private Trust Company, LLC and in such capacity may be deemed to beneficially own such shares under Rule 13d-3. Ms. Pucker is the trustee of UDQ Trust and in such capacity may be deemed to beneficially own such shares under Rule 13d-3. The investment decisions of UDQ Private Trust Company, LLC are made by the Trust Committee of its board of managers, consisting of Ms. Pucker and certain other individuals. The voting decisions of UDQ Private Trust Company, LLC are made by the independent members of the Trust Committee, which does

not include Ms. Pucker. Ms. Pucker and the other members of the Trust Committee disclaim beneficial ownership as a result of serving on the Trust Committee. The trustees and the adult beneficiaries of all of these trusts have agreed to certain voting agreements and to certain limitations with respect to the sale of shares of our common stock which are contained in the Amended and Restated Global Hyatt Agreement and the Amended and Restated Foreign Global Hyatt Agreement, and the shares of common stock listed in the table may not be sold other than in accordance with such agreements. See Part I, Item 1, *Business* *Stockholder Agreements* and Item 1A, *Risk Factors* *Risks Related to Share Ownership and Other Stockholder Matters* of our Annual Report on Form 10-K for the fiscal year ended December 31, 2018 for additional information. The address of the principal business and principal office for UDQ Private Trust Company, LLC, solely in the capacity as trustee of the trust represented by clauses (i) and (ii), is 350 South Main Avenue, Suite 402, Sioux Falls, South Dakota 57104.

- (12) Based solely on information contained in a Schedule 13G filed on February 14, 2019 (the *BAMCO 13G* ), Baron Capital Group, Inc. and its subsidiaries BAMCO, Inc. and Baron Capital Management, Inc., and BAMCO, Inc. s advisory client Baron Partners Fund, beneficially own an aggregate of 4,640,524 shares of Class A common stock. According to the BAMCO 13G, (i) Baron Capital Group, Inc. and Ronald Baron, who owns a controlling interest in Baron Capital Group, Inc., have shared power to vote 4,303,149 shares of Class A common stock and shared power to dispose of 4,640,524 shares of Class A common stock; (ii) BAMCO Inc. has shared power to vote 3,709,951 shares of Class A common stock and shared power to dispose of 4,047,326 shares of Class A common stock; (iii) Baron Capital Management, Inc. has shared power to vote 593,198 shares of Class A common stock and shared power to dispose of 593,198 shares of Class A common stock and (iv) Baron Partners Fund has shared power to vote 2,600,000 shares of Class A common stock and shared power to dispose of 2,600,000 shares of Class A common stock. The principal business address of BAMCO, Inc., Baron Capital Group, Inc., Baron Capital Management, Inc., Baron Partners Fund, and Ronald Baron is 767 Fifth Avenue, 49th Floor, New York, New York 10153.
- (13) Based solely on information contained in a Schedule 13G filed on February 14, 2019 (the *Principal Global 13G* ), Principal Global Investors, LLC beneficially owns 2,228,044 shares of Class A common stock, with shared power to vote and dispose of all 2,228,044 shares. The principal business address of Principal Global Investors, LLC is 801 Grand Avenue, Des Moines, IA 50392.
- (14) Based solely on information contained in a Schedule 13G filed on February 14, 2019 (the *Select 13G* ), Select Equity Group, L.P. and George S. Loening, who is the majority owner of Select Equity Group, L.P. and managing member of its general partner, beneficially own 3,661,533 shares of Class A common stock, with shared power to vote and dispose of all 3,661,533 shares. The

---

**Table of Contents**

principal business address of Select Equity Group, L.P. and George S. Loening is 380 Lafayette Street, 6<sup>th</sup> Floor, New York, New York 10003.

- (15) Based solely on information contained in a Schedule 13G filed on February 12, 2019 (the *Vanguard 13G*), The Vanguard Group, Inc. beneficially owns 3,619,573 shares of Class A common stock, with sole power to vote 16,290 of such shares, sole power to dispose of 3,603,456 of such shares and shared power to dispose of 16,117 of such shares. According to the Vanguard 13G, Vanguard Fiduciary Trust Company, a wholly-owned subsidiary of The Vanguard Group, Inc., is the beneficial owner of 16,117 shares of Class A common stock as a result of its serving as investment manager of collective trust accounts. According to the Vanguard 13G, Vanguard Investments Australia, Ltd., a wholly-owned subsidiary of The Vanguard Group, Inc., is the beneficial owner of 173 shares of Class A common stock as a result of its serving as investment manager of Australian investment offerings. The principal business address of The Vanguard Group is 100 Vanguard Blvd., Malvern, Pennsylvania 19355.
- (16) Based solely on information contained in a Schedule 13G filed on February 12, 2019 (the *Wellington 13G*), (i) Wellington Management Group LLP beneficially owns 2,540,736 shares of Class A common stock, with shared power to vote 1,637,792 of such shares and shared power to dispose of 2,540,736 of such shares, (ii) Wellington Group Holdings LLP beneficially owns 2,540,736 shares of Class A common stock, with shared power to vote 1,637,792 of such shares and shared power to dispose of 2,540,736 of such shares, (iii) Wellington Investment Advisors Holdings LLP beneficially owns 2,540,736 shares of Class A common stock, with shared power to vote 1,637,792 of such shares and shared power to dispose of 2,540,736 of such shares, and (iv) Wellington Management Company LLP beneficially owns 2,287,598 shares of Class A common stock, with shared power to vote 1,512,286 of such shares and shared power to dispose of 2,287,598 of such shares. According to the Wellington 13G, all such shares are owned of record by clients of one or more investment advisors, including Wellington Management Company LLP, and such investment advisors are controlled, directly or indirectly, by Wellington Investment Advisors Holdings LLP, which is owned by Wellington Group Holdings LLP, which is owned by Wellington Management Group LLP. The principal business address of Wellington Management Group LLP, Wellington Group Holdings LLP, Wellington Investment Advisors Holdings LLP and Wellington Management Company LLP is 280 Congress Street, Boston, Massachusetts 02210.
- (17) Represents 50,963 shares of Class B common stock that are owned by TJP Revocable Trust and may be deemed to be beneficially owned by Thomas J. Pritzker, as described in footnote (4). Also represents 20,723,351 shares of Class B common stock that are owned by THHC, L.L.C. and 1,746,453 shares of Class B common stock that are owned by trusts of which Maroon Private Trust Company, LLC serves as trustee, which, in each case, may be deemed to be beneficially owned by Mr. Thomas J. Pritzker in his capacity as trustee of Maroon Trust, as described in footnote (4). Mr. Thomas J. Pritzker and/or his immediate family members are beneficiaries of the trusts that own membership interests in THHC, L.L.C. and all other trusts described in footnote (4). Does not include the following SARs held by Mr. Thomas J. Pritzker that are currently exercisable or that will become exercisable within sixty days after March 22, 2019: (a) 119,707 SARs at an exercise price of \$40.96; (b) 127,410 SARs at an exercise price of \$41.74; (c) 140,601 SARs at an exercise price of \$41.29; (d) 207,381 SARs at an exercise price of \$43.44; (e) 140,191 SARs at an exercise price of \$49.39; (f) 180,353 SARs at an exercise price of \$56.27; (g) 206,325 SARs at an exercise price of \$47.36; (h) 122,324 SARs at an exercise price of \$52.65; and (i) 53,241 SARs at an exercise price of \$80.02. The number of shares that Mr. Thomas J. Pritzker will receive upon exercise of such SARs is not currently determinable and therefore not included in the table above because each SAR gives the holder the right to receive the excess of the value of one share of our Class A common stock

at the exercise date, which is not determinable until the date of exercise, over the exercise price.

(18) Does not include the following SARs held by Mr. Hoplamazian that are currently exercisable or that will become exercisable within sixty days after March 22, 2019: (a) 83,795 SARs at an exercise price of \$40.96; (b) 69,881 SARs at an exercise price of \$41.74; (c) 86,755 SARs at an exercise price of \$41.29; (d) 83,565 SARs at an exercise price of \$43.44; (e) 56,490 SARs at an exercise price of \$49.39; (f) 72,674 SARs at an exercise price of \$56.27; (g) 180,531 SARs at an exercise price of \$47.36; (h) 61,162 SARs at an exercise price of \$52.65; and (i) 23,663 SARs at an exercise price of \$80.02. The number of shares that Mr. Hoplamazian will receive upon exercise of such SARs is not currently determinable and therefore not included in the table above because each SAR gives the holder the right to receive the excess of the value of one share of our Class A common stock at the exercise date, which is not determinable until the date of exercise, over the exercise price.

(19) Mr. Grismer resigned from the Company effective November 2, 2018.

(20) Does not include the following SARs held by Mr. Floyd that are currently exercisable or that will become exercisable within sixty days after March 22, 2019: (a) 33,193 SARs at an exercise price of \$41.74; (b) 36,630 SARs at an exercise price of \$41.29; (c) 35,283 SARs at an exercise price of \$43.44; (d) 28,281 SARs at an exercise price of \$49.39; (e) 72,057 SARs at an exercise price of \$56.27; (f) 60,174 SARs at an exercise price of \$47.36; (g) 20,386 SARs at an exercise price of \$52.65; and (h) 7,887 SARs at an exercise price of \$80.02. The number of shares that Mr. Floyd will receive upon exercise of such SARs is not currently determinable and therefore not included in the table above because each SAR gives the holder the right to receive the excess of the value of one share of our Class A common stock at the exercise date, which is not determinable until the date of exercise, over the exercise price.

(21) Does not include the following SARs held by Mr. Vondrasek that are currently exercisable or that will become exercisable within sixty days after March 22, 2019: 4,732 SARs at an exercise price of \$80.02. The number of shares that Mr. Vondrasek will receive upon exercise of such SARs is not currently determinable and therefore not included in the table above because each SAR gives the holder the right to receive the excess of the value of one share of our Class A common stock at the exercise date, which is not determinable until the date of exercise, over the exercise price.

(22) Jason Pritzker is a beneficiary of certain trusts that hold non-controlling interests in THHC, L.L.C., which holds 20,723,351 shares of Class B common stock. THHC, L.L.C. is controlled by a trust for the benefit of Thomas J. Pritzker, Jason Pritzker's father, as described in footnote (4). Jason Pritzker does not have voting or investment power over the shares held of record by THHC, L.L.C., and such shares are not included in the total number of shares listed as beneficially owned by Jason Pritzker in the table above.

**Table of Contents**

(23) Does not include the following SARs collectively held by our directors and current executive officers, in the aggregate, that are currently exercisable or that will become exercisable within sixty days of March 22, 2019: (a) 7,846 SARs at an exercise price of \$33.12; (b) 203,502 SARs at an exercise price of \$40.96; (c) 230,484 SARs at an exercise price of \$41.74; (d) 263,986 SARs at an exercise price of \$41.29; (e) 326,229 SARs at an exercise price of \$43.44; (f) 232,494 SARs at an exercise price of \$49.39; (g) 355,786 SARs at an exercise price of \$56.27; (h) 502,986 SARs at an exercise price of \$47.36; (i) 222,524 SARs at an exercise price of \$52.65; and (j) 102,457 SARs at an exercise price of \$80.02. The number of shares that each individual will receive upon exercise of such SARs is not currently determinable and therefore not included in the table above because each SAR gives the holder the right to receive the excess of the value of one share of our Class A common stock at the exercise date, which is not determinable until the date of exercise, over the exercise price.

**Section 16(a) Beneficial Ownership Reporting Compliance**

Section 16(a) of the Exchange Act, and rules of the SEC thereunder, require our directors, officers and persons who own more than 10% of our Class A common stock to file initial reports of their ownership of our Class A common stock and subsequent reports of changes in such ownership with the SEC. Directors, officers and persons owning more than 10% of our Class A common stock are required by SEC rules to furnish us with copies of all Section 16(a) reports they file. Based solely on our review of the copies of such reports and amendments thereto received by us and written representations from these persons that no other reports were required, we believe that during the fiscal year ended December 31, 2018, our directors, officers and owners of more than 10% of our Class A common stock complied with all applicable filing requirements.

**Table of Contents****ARTICLE VIII: CERTAIN RELATIONSHIPS AND RELATED PARTY TRANSACTIONS****Certain Relationships and Related Party Transactions***Current Relationships and Related Party Transactions**Niagara Fallsview Casino Resort/Casino Niagara Master (Permanent) Non-Gaming Services Agreement*

In July 2002, Hyatt Corporation entered into a Master (Permanent) Non-Gaming Services Agreement with Falls Management Company ( *Falls Management* ), which agreement was subsequently contributed to Falls Management Group, L.P. ( *Falls Management Group* ), the operator of Niagara Fallsview Casino Resort and the Casino Niagara. A subsidiary of HGMI Gaming, Inc. is a 2% limited partner of a limited partnership that indirectly owns approximately 28.3% of Falls Management Group. The limited partnership is substantially owned by Pritzker family business interests. We provide certain non-gaming consulting services under this agreement to Falls Management related to Casino Niagara, including with respect to labor policies and wage rates, development and training programs, recruiting, purchasing of support services necessary for the operation of the casinos, charges for commercial space, entertainment and amusement, food and beverages, information services and advertising. In exchange for these services, Falls Management pays us a fee equal to 0.3% per year of the casino's adjusted gross receipts up to CAD 300,000,000 (\$219,989,733 as of December 31, 2018 based on then-applicable exchange rates). In addition to these services related to the casinos, we also provide support services to Falls Management related to its policies, procedures, systems and guidelines. Falls Management pays us a fee equal to our cost of rendering these ancillary support services, which fee is not to exceed a total of CAD 200 (\$147 as of December 31, 2018 based on then-applicable exchange rates) per hour, per Hyatt employee providing such services. In 2018, Falls Management Company made payments of \$686,435 to us for services provided under the agreement.

*Agreements Relating to Aircraft*

In 2010, we adopted an aircraft policy under which Mr. Thomas J. Pritzker, our Executive Chairman, and Mr. Hoplamazian, our President and Chief Executive Officer, may utilize any aircraft that is owned, leased, chartered or otherwise secured for use by us. Under the policy, the Executive Chairman and President and Chief Executive Officer are authorized to utilize the aircrafts for business use and the President and Chief Executive Officer may utilize the aircrafts for non-business use upon approval by the Executive Chairman or his designee for any travel under 30 hours per year or by the Executive Chairman and the talent and compensation committee for any non-business travel that exceeds 30 hours per year. In 2018, a Gulfstream G550 aircraft, which is owned by TPO, was authorized by Mr. Thomas J. Pritzker to be chartered for Hyatt business use pursuant to this aircraft policy. Wingtip Aviation manages the aircraft and charters the aircraft on behalf of TPO. In 2018, we made payments of \$1,505,765 to Wingtip Aviation for flights taken for Hyatt business use on the Gulfstream G550 aircraft, of which \$1,097,414 was passed through to TPO by Wingtip Aviation.

*2007 Stockholders Agreement*

In connection with the issuance and sale of 100,000 shares of our Series A Convertible Preferred Stock to GS Sunray Holdings, L.L.C. and GS Sunray Holdings Parallel, L.L.C. (collectively, the *Goldman Sachs Funds* ), affiliates of Goldman Sachs & Co., and the execution of a Subscription Agreement in August 2007, we entered into the 2007 Stockholders Agreement with Madrone GHC, LLC and affiliated entities ( *Madrone* ), the Goldman Sachs Funds and affiliated entities and an additional investor. Mr. Richard A. Friedman, one of our former directors, is a partner and

managing director of Goldman, Sachs & Co. and Mr. Gregory B. Penner, one of our former directors, is the manager of Madrone and its affiliated entities that are parties to the 2007 Stockholders Agreement. The 2007 Stockholders Agreement provides for certain rights and obligations of these stockholders. For further information regarding the 2007 Stockholders Agreement, please see Part I, Item 1, Business Stockholder Agreements 2007 Stockholders Agreement in our Annual Report on Form 10-K for the year ended December 31, 2018 filed with the SEC.

*Other Transactions with Goldman, Sachs & Co. and its Affiliates*

Mr. Richard A. Friedman, one of our former directors, is a partner and managing director of Goldman, Sachs & Co.

In January 2014, we entered into a \$1.5 billion senior unsecured revolving credit facility with Wells Fargo Bank, National Association, as administrative agent, the lenders party thereto, and certain other parties, and in January 2018, we entered into a first amendment to the credit facility. The credit facility matures on January 10, 2023. Goldman Sachs



---

**Table of Contents**

Lending Partners LLC, an affiliate of Goldman, Sachs & Co., is a lender under our credit facility and has a revolving commitment of \$95 million and a letter of credit commitment of approximately \$12.5 million. In 2018, we attributed \$335,743 of the payments we made under our credit facility, including upfront fees, facility fees, and letter of credit fees to Goldman Sachs Lending Partners, LLC for its share of the borrowing facility.

During 2018, we made the following payments to Goldman, Sachs & Co. or one of its affiliates: \$6,035,005 for advisory services related to our acquisition of Two Roads Hospitality LLC, \$520,000 for fees related to our issuance of senior notes due 2028, and \$5,591 for fees related to share repurchase activity.

***Tax Separation Agreement***

Prior to June 30, 2004, Hyatt Corporation, which primarily consisted of the North American hotel management and franchise companies, was owned by HG, Inc. ( *HG* ). H Group Holding, Inc. ( *H Group* ) owns HG. H Group is owned by Pritzker family business interests. In addition to owning Hyatt Corporation, HG owned various other North American hospitality related businesses (primarily consisting of hotel properties and the vacation ownership business) and on June 30, 2004 contributed these hospitality related businesses to Hyatt Corporation. Following such contribution, the stock of Hyatt Corporation was distributed to the Pritzker family business interests that owned H Group. We refer to this transaction as the June 2004 Transaction. The stock of Hyatt Corporation subsequently was contributed to us on December 31, 2004.

In connection with the June 2004 Transaction, H Group assumed Hyatt Corporation's benefit liabilities, currently estimated to be \$23.0 million, under certain deferred compensation and executive retirement plans with respect to certain former and retired employees of Hyatt Corporation. While H Group retains the liability for such payments, we retain the tax benefits. In 2018, we recorded tax deductions of \$2,263,121.

***Transition Services Agreements***

In connection with the June 2004 Transaction, on June 30, 2004, Hyatt Corporation entered into a transition services agreement with H Group, pursuant to which Hyatt Corporation agreed to provide certain transition services, including human resources, payroll, employee benefits, accounting, financial, legal, tax, software and technology, call center and reservation, purchasing, travel, insurance and treasury banking services, to allow such companies to develop the internal resources and capabilities to arrange for third-party providers for such services. The H Group transition services agreement terminated on June 30, 2007. We continue to provide H Group payroll services for approximately \$200 a month. In 2018, H Group made payments to us of \$2,750 under the H Group transition services agreement.

***Employee Benefits Agreement***

In connection with the June 2004 Transaction, on July 1, 2004, Hyatt Corporation entered into an employee benefits and other employment matters allocation and separation agreement with H Group, certain subsidiaries of H Group and Grand Victoria Casino & Resort, L.P., a company that is 50% owned by Pritzker family business interests, pursuant to which we continue to provide administrative services to the parties. The services include payment processing, coordinating third-party administration for retirement plans, coordinating third-party administration for health and dental plans, providing claims administration for unemployment insurance claims, and for a short period of time, payroll services. The parties agree to reimburse each other for any costs or expenses incurred in connection with any of the plans which are the responsibility of the other party. In 2018, H Group made reimbursement payments of \$2,658,336 to us under the agreement.

***Registration Rights***

We have granted registration rights with respect to shares of Class A common stock issuable upon conversion of shares of Class B common stock as described below to holders of (i) 2,270,395 shares of our common stock pursuant to the terms of a Registration Rights Agreement, dated as of August 28, 2007, as amended, among us and the stockholders party to the 2007 Stockholders Agreement (the *2007 Registration Rights Agreement* ), and (ii) 64,900,938 shares of our common stock pursuant to the terms of a Registration Rights Agreement, dated as of October 12, 2009, among us and the domestic and foreign Pritzker stockholders party thereto (the *2009 Registration Rights Agreement* ). Only shares of Class A common stock may be registered pursuant to the terms of the 2007 Registration Rights Agreement and the 2009 Registration Rights Agreement. On May 22, 2017, we registered on a Form S-3 shelf registration statement 28,270,281 shares of Class A common stock, including 12,654,050 shares of Class A common stock issuable upon conversion of 12,654,050 shares of Class B common stock owned by certain stockholders party to the 2007 Registration Rights Agreement and 8,470 shares of Class A common stock and 15,607,761 shares of Class A common stock issuable upon conversion of 15,607,761 shares of Class B common stock owned by certain stockholders party to the 2009 Registration Rights Agreement.

In November and December 2018, a non-U.S. situs trust for the benefit of Jay Robert Pritzker and/or certain of his lineal descendants, of which CIBC Trust Company (Bahamas) Limited served as a trustee, limited partnerships for the

**Table of Contents**

benefit of Daniel F. Pritzker and/or certain of his lineal descendants, and a trust and a limited liability company for the benefit of Jennifer N. Pritzker and/or certain of her lineal descendants engaged in sales and similar transactions representing an aggregate of 281,412 shares of Class A common stock and/or Class A common stock issuable upon conversion of shares of Class B common stock. After giving effect to these transactions, as well as sales prior to November 2018 by (i) entities affiliated with Goldman Sachs & Co. LLC and the Pritzker Family Foundation that resulted in such entities no longer holding any shares registered for resale on the May 2017 shelf registration statement, and (ii) the Anthony N. Pritzker Family Foundation that resulted in such entity holding fewer shares than are registered for resale on the May 2017 shelf registration statement, as of March 22, 2019, 13,086,285 shares of the 28,270,281 shares originally registered for resale on the May 2017 shelf registration statement continue to be eligible to be sold pursuant to the May 2017 shelf registration statement during the 12 month period commencing November 5, 2018 through November 4, 2019 under the lock-up restrictions contained in the Amended and Restated Global Hyatt Agreement and the Amended and Restated Foreign Global Hyatt Agreement. Subsequent to November 4, 2019, and assuming no further sales, 13,355,573 shares of the 28,270,281 shares originally registered for resale on the May 2017 shelf registration statement will continue to be eligible to be sold pursuant to the May 2017 shelf registration statement. Additional shares may be registered on the shelf registration statement in the future as such shares are eligible to be sold in accordance with the registration rights agreements and lock-up restrictions.

The holders of approximately 67,171,333 shares of our common stock are entitled to certain demand registration rights.

*Long-Form Demand Registration Rights*

Each stockholder party to the 2007 Registration Rights Agreement may, on not more than two occasions, request that we register all or a portion of such stockholder's shares of Class A common stock issuable upon conversion of shares of Class B common stock under the Securities Act on Form S-1 if the anticipated aggregate offering price of such shares of Class A common stock exceeds \$750,000,000, the stockholder making the request is (or will be at the anticipated time of effectiveness of the applicable registration statement) permitted to sell shares of its common stock under the lock-up provisions contained in the 2007 Stockholders' Agreement, and we are not otherwise eligible at the time of the request to file a registration statement on Form S-3 for the re-sale of such stockholder's shares.

The stockholders party to the 2009 Registration Rights Agreement may, on not more than one occasion, request that we register all or a portion of the shares of Class A common stock issuable upon conversion of such stockholders' shares of Class B common stock under the Securities Act on Form S-1 if the anticipated aggregate offering price of such shares of Class A common stock exceeds \$750,000,000 (net of underwriting discounts and commissions), the stockholders making the request are, at the anticipated time of effectiveness of the applicable registration statement, permitted to sell shares of their common stock under the applicable lock-up provisions contained in the Amended and Restated Global Hyatt Agreement and Amended and Restated Foreign Global Hyatt Agreement, and we are not otherwise prohibited from filing such registration statement under the 2007 Registration Rights Agreement, and we are not otherwise eligible at the time of the request to file a registration statement on Form S-3 for the re-sale of such stockholder's shares.

*Short-Form Demand Registration Rights*

The holders of approximately 67,171,333 shares of our common stock are entitled to certain Form S-3 demand registration rights.

Each stockholder party to the 2007 Registration Rights Agreement may, on not more than two occasions during each calendar year, request registration of their shares of Class A common stock issuable upon conversion of shares of

Class B common stock under the Securities Act on Form S-3 if the anticipated aggregate offering amount of such shares of Class A common stock exceeds \$100,000,000 and the stockholder making the request is (or will be at the anticipated time of effectiveness of the applicable registration statement) permitted to sell shares of its common stock under the lock-up provisions contained in the 2007 Stockholders Agreement.

Stockholders party to the 2009 Registration Rights Agreement holding at least 20% of the then issued and outstanding common stock may, on not more than one occasion during each calendar year, request registration of their shares of Class A common stock issuable upon conversion of shares of Class B common stock under the Securities Act on Form S-3 if the anticipated aggregate offering amount of such shares of Class A common stock exceeds \$100,000,000 (net of underwriting discounts and commissions) and the stockholders making the request are, at the anticipated time of effectiveness of the applicable registration statement, permitted to sell shares of their common stock under the applicable lock-up provisions contained in the Amended and Restated Global Hyatt Agreement and Amended and Restated Foreign Global Hyatt Agreement, and we are not otherwise prohibited from filing such registration statement under the 2007 Registration Rights Agreement.

## **Table of Contents**

Under each of the 2007 Registration Rights Agreement and the 2009 Registration Rights Agreement, we will not be required to affect a demand registration or a Form S-3 demand registration within 180 days after the effective date of a registration statement related to a previous demand registration or Form S-3 demand registration. In addition, once every 12 months, we may postpone for up to 120 days the filing or the effectiveness of a registration statement for a demand registration or a Form S-3 demand registration, if our board of directors determines in good faith that such a filing (i) would be materially detrimental to us, (ii) would require a disclosure of a material fact that might reasonably be expected to have a material adverse effect on us or any plan or proposal by us to engage in any acquisition or disposition of assets or equity securities or any merger, consolidation, tender offer, material financing or other significant transactions, or (iii) is inadvisable because we are planning to prepare and file a registration statement for a primary offering of our securities.

### *Shelf Registration Rights*

The holders of approximately 64,900,938 shares of our common stock are entitled under the 2009 Registration Rights Agreement to certain shelf registration rights with respect to shares of Class A common stock issuable upon conversion of such shares of Class B common stock.

Stockholders party to the 2009 Registration Rights Agreement may, in addition to the demand registration rights described above, request that we register all or a portion of shares of Class A common stock issuable upon conversion of such stockholders' shares of Class B common stock on a shelf registration statement on Form S-3 pursuant to Rule 415 of the Securities Act, provided that the stockholders making the request are, at the anticipated time of effectiveness of the applicable registration statement, permitted to sell such shares of their common stock under the applicable lock-up provisions contained in the Amended and Restated Global Hyatt Agreement and Amended and Restated Foreign Global Hyatt Agreement. We have agreed to use our reasonable best efforts to keep any such shelf registration statement effective and updated for a period of three years (or, if earlier, such time as all the shares covered thereby have been sold). We have also agreed that, at the end of such three year period, we will refile a new shelf registration upon the request of stockholders party to the 2009 Registration Rights Agreement holding at least 1% of our outstanding common stock at such time.

### *Piggyback Registration Rights*

The holders of 67,171,333 shares of our common stock are entitled to certain piggyback registration rights with respect to shares of Class A common stock issuable upon conversion of such shares of Class B common stock.

In the event that we propose to register shares of Class A common stock under the Securities Act, either for our own account or for the account of other security holders, we will notify each stockholder party to the 2007 Registration Rights Agreement and the 2009 Registration Rights Agreement that is, or will be at the anticipated time of effectiveness of the applicable registration statement, permitted to sell shares of its common stock under the applicable lock-up provisions contained in the 2007 Stockholders' Agreement, the Amended and Restated Global Hyatt Agreement and the Amended and Restated Foreign Global Hyatt Agreement of our intention to effect such a registration and will use our reasonable best efforts to include in such registration all shares requested to be included in the registration by each such stockholder, subject to certain marketing and other limitations.

Following our decision in May 2017 to file a shelf registration statement on Form S-3 pursuant to Rule 415 of the Securities Act, we notified the stockholders party to the 2009 Registration Rights Agreement and the 2007 Registration Rights Agreement of our intention to file a shelf registration statement and gave such stockholders the right to piggyback and register shares of Class A common stock and shares of Class A common stock issuable upon conversion of shares of Class B common stock owned by them and eligible to be sold under the applicable lock-up

agreements on the shelf registration statement. Certain stockholders party to the 2009 Registration Rights Agreement elected to exercise their piggyback registration rights with respect to 8,470 shares of Class A common stock and 15,607,761 shares of Class A common stock issuable upon conversion of shares of Class B common stock, and certain stockholders party to the 2007 Registration Rights Agreement elected to exercise their piggyback registration rights with respect to 12,654,050 shares of Class A common stock issuable upon conversion of shares of Class B common stock, and those shares were included in the Form S-3 shelf registration statement that we filed on May 22, 2017.

In November and December 2018, a non-U.S. situs trust for the benefit of Jay Robert Pritzker and/or certain of his lineal descendants, of which CIBC Trust Company (Bahamas) Limited served as a trustee, limited partnerships for the benefit of Daniel F. Pritzker and/or certain of his lineal descendants, and a trust and a limited liability company for the benefit of Jennifer N. Pritzker and/or certain of her lineal descendants engaged in sales and similar transactions representing an aggregate of 281,412 shares of Class A common stock and/or Class A common stock issuable upon conversion of shares of Class B common stock. After giving effect to these transactions, as well as sales prior to November 2018 by (i) entities affiliated with Goldman Sachs & Co. LLC and the Pritzker Family Foundation that resulted

---

**Table of Contents**

in such entities no longer holding any shares registered for resale on the May 2017 shelf registration statement, and (ii) the Anthony N. Pritzker Family Foundation that resulted in such entity holding fewer shares than are registered for resale on the May 2017 shelf registration statement, as of March 22, 2019, 13,086,285 shares of the 28,270,281 shares originally registered for resale on the May 2017 shelf registration statement pursuant to piggyback registration rights continue to be eligible to be sold pursuant to the May 2017 shelf registration statement during the 12 month period commencing November 5, 2018 through November 4, 2019 under the lock-up restrictions contained in the Amended and Restated Global Hyatt Agreement and the Amended and Restated Foreign Global Hyatt Agreement. Subsequent to November 4, 2019, and assuming no further sales, 13,355,573 shares of the 28,270,281 shares originally registered for resale on the May 2017 shelf registration statement pursuant to piggyback registration rights will continue to be eligible to be sold pursuant to the May 2017 shelf registration statement. Additional shares may be registered on the shelf registration statement in the future as such shares are eligible to be sold in accordance with the registration rights agreements and lock-up restrictions.

*Expenses of Registration, Restrictions and Indemnification*

We will pay all registration expenses, including the legal fees of one counsel for all holders under the 2007 Registration Rights Agreement and one counsel for all holders under the 2009 Registration Rights Agreement, other than underwriting discounts, commissions and transfer taxes, in connection with the registration of any shares of Class A common stock pursuant to any demand registration, Form S-3 demand or piggyback registration described above. Under the 2007 Registration Rights Agreement and the 2009 Registration Rights Agreement, if a request for a demand registration or Form S-3 demand registration is withdrawn at the request of the majority of the holders of registrable securities requested to be registered, the holders of registrable securities who have withdrawn such request shall forfeit such demand registration or Form S-3 demand registration unless those holders pay or reimburse us for all of the related registration expenses.

The demand, Form S-3 demand and piggyback registration rights are subject to customary restrictions such as blackout periods and any limitations on the number of shares to be included in the underwritten offering imposed by the managing underwriter. The 2007 Registration Rights Agreement and the 2009 Registration Rights Agreement also contain customary indemnification and contribution provisions.

*Other Agreements, Transactions and Arrangements*

On November 30, 2018, we acquired all of the outstanding equity interests of Two Roads Hospitality LLC in a business combination for a purchase price of \$405 million. The transaction also includes potential additional consideration of up to \$96 million if the sellers completed specific actions with respect to certain of the acquired management agreements by March 30, 2019 and up to \$8 million in the event of the execution of certain potential new management agreements related to the development of certain potential new deals previously identified and generated by the sellers or affiliates of the sellers within one year of the closing of the transaction. Our Executive Chairman, Mr. Thomas J. Pritzker, is the brother of John A. Pritzker, the Co-Chairman of Two Roads Hospitality LLC and Founding Partner and Director of Geolo Capital LP, an indirect affiliate of one of the sellers that owned a 40% interest in Two Roads Hospitality LLC.

In 2018, we paid Konverse \$125,000 for an annual license fee in connection with certain web-based communications tools on Hyatt's internal communications network. Pritzker family business interests own a minority interest in Konverse.

Pursuant to our common stock repurchase program, (i) in May 2018, we repurchased a total of 2,127,000 shares of Class B common stock at a price of \$77.6954 per share, for an aggregate purchase price of approximately

\$165 million, (ii) in May 2018, we repurchased a total of 300,000 shares of Class B common stock at a price of \$81.0346 per share, for an aggregate purchase price of approximately \$24 million, and (iii) in November 2018, we repurchased a total of 3,654 shares of Class B common stock at a price of \$70.9678 per share, for an aggregate purchase price of approximately \$259,316, in each case from trusts for the benefit of, or entities affiliated with, certain Pritzker family members in a privately negotiated transaction.

In 2007, we established a Donor-Advised Fund through JP Morgan Private Bank and the National Philanthropic Trust, known as the Hyatt Community Grants Fund. Individuals and organizations are able to donate funds to the Hyatt Community Grants Fund and we recommend grant recipients of these funds through our Hyatt Community Program. The National Philanthropic Trust screens our recommended fund recipients and issues the funds to the approved recipients. In 2007, the Pritzker Foundation made a charitable contribution of \$10 million to the Hyatt Community Grants Fund, payable in annual installments of \$2.5 million over four years, commencing in 2007. Mr. Thomas J. Pritzker is a director and vice president. Mr. Jason Pritzker is the son of Mr. Thomas J. Pritzker. In 2018, the Hyatt Community Grants Fund made grants of \$365,000 to various not-for-profit organizations.

A partner of Latham & Watkins LLP, Michael A. Pucker, is the brother-in-law of Mr. Thomas J. Pritzker. Mr. Jason Pritzker is the son of Mr. Thomas J. Pritzker. In 2018, we made aggregate payments of \$5,948,595 to Latham & Watkins LLP for legal services.



## **Table of Contents**

During 2018, Marshall E. Eisenberg was a trustee of certain trusts for the benefit of Mr. Thomas J. Pritzker, and/or his lineal descendants. Mr. Jason Pritzker is the son of Mr. Thomas J. Pritzker. In 2018, we made aggregate payments of \$247,194 to Neal, Gerber & Eisenberg LLP for legal services. Mr. Eisenberg is a partner in the law firm of Neal, Gerber & Eisenberg LLP.

## **Related Party Transaction Policy and Procedures**

We have adopted a written policy regarding the review, approval and ratification of related party transactions. For purposes of our policy, a related party transaction is a material transaction, arrangement or relationship (or any series of similar transactions, arrangements or relationships) in which (i) we (including any of our subsidiaries) were, are or will be a participant and (ii) any related party had, has or will have a direct or indirect material interest. A transaction involving an amount exceeding \$120,000 is presumed to be a material transaction, although transactions involving lesser amounts may be material based on the facts and circumstances. A direct or indirect material interest of a related party may arise by virtue of control or significant influence of the related party with respect to the transaction or by direct or indirect pecuniary interest in the transaction. A related party is any executive officer, director or a beneficial owner of more than 5% of our common stock, including any of their immediate family members and any other family member who might control or influence or who might be controlled or influenced by the foregoing persons because of his or her family relationship, any firm, corporation or other entity in which any of the foregoing persons is employed as an executive officer or is a general partner, managing member or principal or in a position of having control or significant influence or in which such person has a 5% or greater beneficial ownership interest, or any firm, corporation or other entity in which any director, executive officer, nominee or more than 5% beneficial owner is employed (whether or not as an executive officer). The principal elements of this policy are as follows:

For each related party transaction (other than pre-approved transactions as discussed below), the audit committee reviews the relevant facts and circumstances, such as the extent and materiality of the related party's interest in the transaction, takes into account the conflicts of interest and corporate opportunity provisions of our Code of Ethics and either approves or disapproves the related party transaction.

Any related party transaction shall be consummated and shall continue only if the audit committee has approved or ratified such transaction in accordance with the policy.

If advance audit committee approval of a related party transaction requiring the audit committee's approval is not practicable, then the transaction may be preliminarily entered into by management upon prior approval of the transaction by the chairman of the audit committee, or if prior approval of the transaction by the chairman of the audit committee is not practicable, then the transaction may be preliminarily entered into by management, subject in each case to ratification of the transaction by the audit committee at the audit committee's next regularly scheduled meeting; provided that if ratification shall not be forthcoming, management shall make all reasonable efforts to cancel or annul such transaction.

The Chief Financial Officer, or his or her designee, shall present to the audit committee each proposed related party transaction requiring the audit committee's approval, including all relevant facts and circumstances relating thereto,

shall update the audit committee as to any material changes to any approved or ratified related party transaction and shall provide a status report at least annually at a regularly scheduled meeting of the audit committee of all then active related party transactions.

No director may participate in approval of a related party transaction for which he or she is a related party. Certain types of transactions have been designated pre-approved transactions under the policy, and as such are deemed to be approved or ratified, as applicable, by the audit committee. Such pre-approved transactions include: (i) executive and director compensation; (ii) certain ordinary course of business transactions; (iii) lodging transactions involving less than \$250,000 provided the terms of which are no less favorable to us than those of similar transactions with unrelated third parties occurring during the same fiscal quarter and/or where the transaction is a result of an open auction process involving unrelated third-party bidders; (iv) ordinary course sales of timeshare, fractional or similar ownership interests at prices that are no lower than those available under our company-wide employee discount programs; (v) charitable contributions in amounts that would not require disclosure in our annual proxy statement or annual report under the NYSE corporate governance listing standards; (vi) transactions involving the rendering of legal services to us by the law firm of Latham & Watkins LLP to the extent such firm is associated with one or more related parties; and (vii) transactions where the rates or charges involved are determined by competitive bids. All of the transactions described above under Certain Relationships and Related Party Transactions were entered into prior to the adoption of this policy or were adopted or ratified in accordance with this policy.

**Table of Contents**

**ARTICLE IX: MISCELLANEOUS**

**Availability of Annual Report on Form 10-K**

A copy of our Annual Report on Form 10-K for the year ended December 31, 2018, which includes certain financial information about Hyatt, is enclosed together with this proxy statement. Copies of our Annual Report on Form 10-K for the fiscal year ended December 31, 2018 as filed with the SEC (exclusive of exhibits and documents incorporated by reference), may also be obtained for free by directing written requests to: Hyatt Hotels Corporation, Attention: Treasurer and Senior Vice President, Investor Relations and Corporate Finance, Hyatt Hotels Corporation, 150 North Riverside Plaza, Chicago, Illinois 60606 (telephone: 312-750-1234). Copies of exhibits and basic documents filed with the Annual Report on Form 10-K or referenced therein will be furnished to stockholders upon written request and payment of a nominal fee in connection with the furnishing of such documents. You may also obtain the Annual Report on Form 10-K over the Internet at the SEC's website, [www.sec.gov](http://www.sec.gov), or on our website, [www.hyatt.com](http://www.hyatt.com), under the heading "Investor Relations" SEC Filings.

**List of the Company's Stockholders**

A list of our stockholders as of March 22, 2019, the record date for the Annual Meeting, will be available for inspection at our corporate headquarters during ordinary business hours throughout the 10-day period prior to the Annual Meeting. The list of stockholders will also be available for such examination at the Annual Meeting.

**Delivery of Proxy Materials to Households**

We will send multiple copies of the Annual Report on Form 10-K, proxy statement, proxy card and Notice of Annual Meeting to households at which two or more stockholders reside. If you share an address with another stockholder and the two of you would like to receive only a single set of our annual disclosure documents, follow the instructions below:

1. If your shares are registered in your own name, please contact our transfer agent by writing to them at EQ Shareowner Services, P.O. Box 64854, St. Paul, MN 55164-0854 (Attn: Hyatt Hotels Corporation Representative) or calling 1-800-468-9716.
2. If a bank, broker or other nominee holds your shares, please contact your bank, broker or other nominee directly.

**Other Matters That May Come Before the Annual Meeting**

Our board of directors knows of no matters other than those referred to in the accompanying Notice of Annual Meeting of Stockholders which may properly come before the Annual Meeting. However, if any other matter should

Edgar Filing: Hyatt Hotels Corp - Form DEF 14A

be properly presented for consideration and voting at the Annual Meeting or any adjournments or postponements thereof, it is the intention of the persons named as proxies on the enclosed proxy card to vote the shares represented by all valid proxy cards in accordance with their judgment of what is in the best interest of Hyatt Hotels Corporation.

By Order of the Board of Directors

Mark S. Hoplamazian  
President and Chief Executive Officer

Chicago, Illinois

April 4, 2019

**Hyatt Hotels Corporation** 2019 Proxy Statement **63**

**Table of Contents**

**ADMITTANCE SLIP**

**HYATT HOTELS CORPORATION**

**2019 ANNUAL MEETING OF STOCKHOLDERS**

**Place:** 150 North Riverside Plaza

Chicago, Illinois 60606

**Time:** May 15, 2019, 9:30 a.m., local time

Photographs and videos taken at the Annual Meeting by or at the request of Hyatt may be used by Hyatt, and by attending the Annual Meeting, you waive any claim or rights with respect to those photographs and their use.

**2019 ANNUAL MEETING OF**

**STOCKHOLDERS REMINDERS**

1. Please bring this admittance slip, your account statement, or other written proof of ownership of Hyatt Hotels Corporation stock. All attendees must also bring a picture I.D.
2. Additional security precautions will be taken. Bags, purses, and briefcases may be subject to inspection. To speed the process, please bring only the essentials.
3. Cameras, recording devices and other electronic devices are not allowed.
4. If you have any questions about attending the Annual Meeting, please call (312) 780-6000.

**Table of Contents**

Shareowner Services  
P.O. Box 64945  
St. Paul, MN  
55164-0945

**Vote by Internet, Telephone or Mail**

**24 Hours a Day, 7 Days a Week**

Your phone or Internet vote authorizes the named proxies to vote your shares in the same manner as if you marked, signed and returned your proxy card.

**INTERNET/MOBILE** [www.proxypush.com/h](http://www.proxypush.com/h)

Use the Internet to vote your proxy until 11:59 p.m. (CT) on Tuesday, May 14, 2019. Scan code below for mobile voting.

**PHONE 1-866-883-3382**

Use a touch-tone telephone to vote your proxy until 11:59 p.m. (CT) on Tuesday, May 14, 2019.

**MAIL** Mark, sign and date your proxy card and return it in the postage-paid envelope provided.

**If you vote your proxy by Internet or by Telephone, you do NOT need to mail back your Proxy Card.**

*Please detach here*

**The Board of Directors unanimously recommends a vote FOR each of the nominees in Proposal 1,**

**a vote FOR Proposal 2 and a vote FOR Proposal 3.**

<b>1. Election of directors:</b>	01 Paul D. Ballew	03 Cary D. McMillan	Vote FOR all nominees (except as marked)	Vote WITHHELD from all nominees
	02 Mark S. Hoplamazian	04 Michael A. Rocca		

**(Instructions: To withhold authority to vote for any indicated nominee, write the**

**number(s) of the nominee(s) in the box provided to the right.)**

- |  |     |         |         |
|--|-----|---------|---------|
| 2. Ratification of the Appointment of Deloitte & Touche LLP as Hyatt Hotels Corporation's Independent Registered Public Accounting Firm for Fiscal Year 2019.                                | For | Against | Abstain |
| 3. Approval, on an advisory basis, of the compensation paid to our named executive officers as disclosed pursuant to the Securities and Exchange Commission's compensation disclosure rules. | For | Against | Abstain |

**THIS PROXY WHEN PROPERLY EXECUTED WILL BE VOTED AS DIRECTED OR, IF NO DIRECTION IS GIVEN, WILL BE VOTED FOR EACH DIRECTOR NOMINEE IN PROPOSAL 1, FOR PROPOSAL 2 AND FOR PROPOSAL 3.**

Address Change? Mark box, sign, and indicate changes below:

Date \_\_\_\_\_  
\_\_\_\_\_

Signature(s) in Box  
Please sign exactly as your name(s) appears on the Proxy. If held in joint tenancy, all persons should sign. Trustees, administrators, etc., should include title and authority. Corporations should provide full name of corporation and title of authorized officer signing the Proxy.

Table of Contents

**HYATT HOTELS CORPORATION**  
**ANNUAL MEETING OF STOCKHOLDERS**

**Wednesday, May 15, 2019**

**9:30 a.m., local time**

**150 North Riverside Plaza**

**Chicago, Illinois 60606**

**Hyatt Hotels Corporation**

**150 North Riverside Plaza**

**Chicago IL 60606**

**proxy**

**This proxy is solicited by the Board of Directors for use at the Annual Meeting of Stockholders on May 15, 2019**

The shares of stock you hold in your account will be voted as you specify on the reverse side.

**If no choice is specified, the proxy will be voted FOR each director nominee in Proposal 1, FOR Proposal 2 and FOR Proposal 3.**

By signing the proxy, you revoke all prior proxies and appoint Mark S. Hoplamazian and Margaret C. Egan, and each of them, with full power of substitution, as proxies and attorneys-in-fact to vote your shares as directed with respect to each of the proposals shown on the reverse side and in their discretion (1) with respect to any other matters which may properly come before the Annual Meeting of Stockholders and any adjournment or postponement thereof and (2) for the election of such other candidate or candidates as may be nominated by the board of directors if any nominee named herein becomes unable to serve or for good cause will not serve. The proxy statement for the Annual Meeting of Stockholders includes information regarding admittance requirements for the meeting.

**Important Notice Regarding the Availability of Proxy Materials for the  
Stockholder Meeting to be Held on May 15, 2019.**

**The proxy statement for the Annual Meeting of Stockholders and Annual Report  
for the fiscal year ended December 31, 2018 are available at <http://wfss.mobular.net/wfss/h/>.**

*See reverse for voting instructions.*