ABOUT EXTENDED STAY AMERICA®
ABOUT EXTENDED STAY AMERICA

Our Business Model

Extended Stay America, Inc. ("ESA") is the largest integrated hotel owner/operator in North America. Its subsidiary, ESH Hospitality, Inc. ("ESH"), is the largest lodging REIT in North America by unit and room count. ESA manages all of ESH’s hotel properties and also franchises additional Extended Stay America hotels for a total of 652 hotels.\(^1\) Extended Stay America® is the leading brand in the mid-priced extended stay segment, with over one and a half times as many rooms as its nearest competitor. In early 2021, Extended Stay America announced the launch of Extended Stay America Premier Suites™, which will feature new construction and fully renovated properties with upgraded amenities to target higher-rated extended-stay guest segments, expanding Extended Stay America’s reach. The Company will also rebrand the remaining portfolio to Extended Stay America Suites™.

Our Guests

Extended Stay America’s customers are typically working on projects or are in transition: corporate clients, small business travelers and those on personal stays. Over 70% of our room nights are guests staying for seven nights or more.\(^2\) Our guests choose our hotels for many reasons, including our great locations, perceived value, access to a full kitchen and the amenities we provide.

\(^1\) As of April 16, 2021
\(^2\) For the year ending December 31, 2020
EXTENDED STAY AMERICA EXISTS TO CARE FOR PEOPLE WHO ARE BUILDING A BETTER FUTURE FOR THEMSELVES AND THEIR FAMILIES.

- **Put People First**
- **Do What’s Right**
- **Create Opportunity for Growth**
- **Care for Our Community**
2020 ESA WORKFORCE

7,419 ASSOCIATES

- ASIAN 6.6%
- BLACK / AFRICAN AMERICAN 37.1%
- HISPANIC / LATINO 22.5%
- WHITE 27.6%
- NATIVE AMERICAN / ISLANDER 2.0%
- 2+ RACES OR DECLINED 4.3%

67% FULL TIME
37% PART TIME

30 & Under 33%
31-50 42%
50+ 25%

1 As of December 31, 2020
ESG OVERVIEW
ALIGNMENT WITH UNITED NATIONS’ SUSTAINABLE DEVELOPMENT GOALS

Extended Stay America is committed to helping the international community reach the global Sustainable Development Goals (SDGs), adopted by the United Nations in 2015. We are committed to contributing to the achievement of all 17 of the SDGs, however we found that our current operations have the most significant impact on six goals:

**5. Gender Equality**
- Investing resources in recruitment & engagement initiatives to foster personal and professional growth for women.
- Supporting community organizations committed to the empowerment of women.

**6. Clean Water and Sanitation**
- Executing water efficiency conservation projects, advancing towards our 2025 goals and evaluating new products/technological innovations to continue our progress.

**7. Affordable and Clean Energy**
- Increasing energy efficiency at our owned hotels to continue to make progress towards our 2025 goals and identifying and implementing opportunities to source renewable energy.

**9. Industry, Innovation and Infrastructure**
- Promoting energy efficiency and water saving technologies and implementing responsible sourcing practices by integrating leading environmental and social practices into our supply chain.

**11. Sustainable Cities and Communities**
- Constructing and operating sustainable hotels with the vision of creating career and business opportunities along with safe and affordable lodging.

**12. Responsible Consumption and Production**
- Minimizing the amount of waste from hotel renovations through local donation and recycling programs.
2020 ESG HIGHLIGHTS

$6,808,384 in energy expense savings in 2020 (59,467,027 kwh electricity savings & 110,450 mmbtu natural gas savings)\(^1\)

$5,154,019 water expense savings in 2020 (451,354,928 gallons in water savings)\(^1\)

Disclosed GHG emissions and reported a 30% reduction in Scope 1 & 2 GHG emissions\(^2\)

Donated 3% of company-owned revenue on June 19, 2020 to the Urban League of Central Carolinas in commemoration of Juneteenth and supported other local charities throughout 2020

Procured wind energy in all hotels in Texas that are within the ERCOT electric grid

Added the observation of Juneteenth to the paid company holiday calendar, effective in 2021

Conducted the **Crucial Conversations development series** to build the company’s cultural competence, create awareness and develop the skills necessary to **value differences in backgrounds, circumstances and beliefs**

The Board’s Nominating & Governance Committee increased its focus on its responsibility to **advise the board with respect to environmental and corporate social responsibility matters**

Launched **first Associate Engagement Survey** since 2016, opening the survey to all Extended Stay America associates

Launched **STAYCounted**, an initiative encouraging voter registration and participation in the November 2020 election

Adapted the **Named Executive Officers’ 2021 annual bonus plans** to include accountability for the **development & execution of Environmental, Social and Governance strategies**

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\(^1\) Versus 2011 baseline (551 hotels)

\(^2\) Versus 2013 baseline (551 hotels)
## 2025 ENVIRONMENTAL PERFORMANCE GOALS

Extended Stay America is committed to achieving its 2025 environmental performance goals. The Company will continue to reevaluate and set appropriate targets for future performance.

<table>
<thead>
<tr>
<th>2025 ENVIRONMENTAL PERFORMANCE GOALS</th>
<th>STATUS</th>
<th>PROGRESS</th>
</tr>
</thead>
</table>
| Reduce water usage by 22% by 2025¹ | ACHIEVED | • Water usage savings of 451,354,928 gallons, which equates to a 22% reduction¹  
• Water expense savings of $5,154,019 in 2020¹ |
| Implement high efficiency laundry equipment and processes | ON TRACK | • Converted approximately 85% of hotels that already had programmable equipment; will complete project as replace older equipment |
| Complete installation of low flow guest room water fixtures | ON TRACK | • Approximately 85% complete |
| Reduce non-renewable energy usage by 22% by 2025¹ | ON TRACK | • Electricity usage savings of 59,467,027 kwh, which equates to a 17% reduction¹  
• Natural gas usage savings of 110,450 mmBtu, which equates to a 16% reduction¹  
• Energy expense savings of $6,808,384 in 2020¹ |
| 5-10% of energy obtained from renewable resources | ON TRACK | • Procured wind energy in all hotels in Texas that are within the ERCOT electric grid, which will drive an approximate 6% reduction in Scope 2 emissions annually |
| Disclosure of GHG emissions data and progress | ACHIEVED | • Initiated reporting on GHG emissions data and began tracking performance vs. 2013 baseline |

¹ Versus 2011 baseline (551 hotels)
CONSERVATION PROJECTS

To achieve our 2025 Performance Targets, Extended Stay America has invested nearly $33M on conservation projects since 2011 ($10.5M for water efficiency & $22.2M for energy efficiency).

CURRENT FIXTURES

- Low flow showerheads
- Low flow toilets
- Interior lighting upgrades to LED bulbs & fixtures
- Exterior parking area LED light fixtures
- High efficiency condensing and tankless hot water heaters
- Guest room PTAC occupancy controls
- Battery energy storage
- High efficiency HVAC equipment
- High efficiency laundry equipment
- Exterior corridor hotel LED light fixtures

WATER & ENERGY CONSERVATION PROJECTS

- Smart irrigation controls
- Water meter monitoring for improved leak detection cost avoidance
- Exterior signage conversion to LED\(^1\)
- Cold water laundry
- Renewable Energy Purchasing
- Hot water system controls
- Solar onsite\(^1\)
- Combined heat and power\(^1\)

\(^1\text{Projects have yet to be started}\)
2020 ENVIRONMENTAL ACHIEVEMENTS

Wind Energy

In 2020, Extended Stay America procured wind energy in all hotels in Texas that are within the ERCOT electric grid.

The implementation of renewable energy resulted in an approximate 4% reduction in Scope 2 emissions in 2020. The Company projects this will result in an approximate 6% reduction in Scope 2 emissions moving forward.

GHG Emissions Tracking

Extended Stay America initiated reporting on GHG emissions data in 2020 and began tracking its performance versus a 2013 baseline.

In 2020, Extended Stay America reduced total Scope 1 and Scope 2 emissions by approximately 30% vs. 2013 baseline.

Recycling

Extended Stay America partners with local resources to find opportunities to recycle and/or donate material from hotel renovations in order to minimize the amount going to landfills.

We recycled/donated approximately 376 tons and 8,166 cubic yards of waste as a result of our recycling efforts in 2020.
SOCIAL RESPONSIBILITY
OUR ASSOCIATES

Benefit Programs

Extended Stay America offers a comprehensive array of benefits designed to meet the needs of our associates and their families. ESA is committed to offering competitively designed and affordably priced benefit programs by engaging with high quality healthcare providers. Benefits include health and welfare plans, 401k matching, 365/24/7 Employee Assistance Program, paid time off and hotel discounts.

ESA BENEFITS AT A GLANCE

FULL TIME ASSOCIATE BENEFITS

- Medical/RX
- Dental
- Vision
- Life Insurance/Accidental - Death & Dismemberment
- Disability – Short Term & Long Term
- Flexible Spending Accounts
- Health Savings Account
- 401(k) with a match
- Employee Assistance Program (EAP)
- Seven (7) Free ESA MyNights

PART TIME ASSOCIATE BENEFITS

- Aetna Vital Savings Discount Program
- Employee Assistance Program (EAP)
- 401(k) with a match
- Vision
- Seven (7) Free ESA MyNights
WE CARE Fund & MyNights

The Extended Stay America WE CARE Fund provides financial assistance to eligible full and part-time regular ESA associates when a natural disaster or personal tragedy arises that is beyond their control. The program is administered by the WE CARE Approval Committee, which disburses grants to eligible associates. Ongoing funding of WE CARE is provided through voluntary contributions from Extended Stay America associates and the Company.

In 2020, Extended Stay America expanded the program to allow associates to donate a portion of their unused MyNights to the WE CARE fund for associates requesting additional MyNights for personal usage as they deal with a situation of need. Due to the overwhelming positive feedback, the Company continued this program in 2021.

“We lost everything and ESA came to the rescue. I am so proud to be a part of a company that cares.”
- Extended Stay America Associate

- Extended Stay America Associates donated over $125,000 to associates in need in 2020
- The WE CARE fund has helped over 100 associates since 2013

WE CARE SUPPORT AREAS

- NATURAL DISASTERS
  - FIRES
  - HURRICANES
  - FLOODS
  - EARTHQUAKES
- FAMILY CRISSES
  - LOSS OF LIFE
  - SERIOUS ACCIDENTS
- PERSONAL HARDSHIP
  - DOMESTIC VIOLENCE
  - FORECLOSURES
COVID-19 Pandemic Support

During the COVID-19 pandemic, Extended Stay America is accommodating flexible work arrangements to help associates navigate the unique challenges in response to daycare closures, home schooling responsibilities and caregiving.

Extended Stay America initiated additional paid leave for hourly field associates who needed time to quarantine due to potential COVID-19 exposure.

Extended Stay America worked to ensure all employees were equipped to perform their job duties whether based at a hotel or the Hotel Support Center. The Company provided home office assistance to all Hotel Support Center associates in order to ensure all associates had a productive and comfortable place to work while remote.

STAYconfident®

At the hotel, Extended Stay America launched our STAYconfident program in 2020 to ensure the safety of employees and guests remained a top priority. STAYconfident established new measures designed to set an even higher standard of hygiene for the hotels including the installation of transparent shields at the front desks of its properties; protective masks and other equipment for all staff; the temporary closure of social and communal areas; increasing no-touch interaction with staff; and the promotion of social distancing on-property with training for all staff.
EMPLOYEE ENGAGEMENT

All Hotel Support Center associates and field leadership associates participate in quarterly performance and development conversations with their managers through ESA’s Touchpoint Performance Management process. The intent of the Touchpoint process is to provide associates with more frequent and meaningful performance development feedback and conversations. During Touchpoints, managers provide associates real-time start/stop/continue feedback, enabling them to deliver on their performance promises. Associates are encouraged to utilize these sessions to take the lead on their career development and discuss their personal and professional goals with their managers. Field associates that do not participate in the Touchpoint process receive annual performance reviews.

In 2020, Extended Stay America launched its first Associate Engagement Survey since 2016. For the first time ever, the survey was opened to all Extended Stay America associates. Based on employee feedback, the company identified six key themes to focus its efforts on in the near future:

- Extended Stay America associates gave the Company an overall favorable score of 75% on the Employee Engagement Survey.
- Associates’ overall rating of Extended Stay America on Glassdoor was 3.9 out of 5 stars.¹

¹As of April 28th, 2021
Training & Development

Both Extended Stay America corporate and field associates complete their annual compliance training through Extended Stay University, an online training platform. Required annual trainings include topics such as Promoting Respect in the Workplace, required safety and OSHA compliance, Human Trafficking (for field associates) and IT security awareness topics such as email security, data security and awareness, and data classification. Extended Stay University is also utilized for new hire onboarding.

Extended Stay America conducts quarterly townhalls for all corporate and field associates, during which we celebrate our achievements and provide company-wide business updates and information regarding upcoming initiatives. Townhalls provide an excellent means for associates to hear directly from our Senior Leadership team as well as ask any questions that they may be curious about.

Extended Stay America offers several levels of leadership development programs focused on building leadership abilities and attitudes for future management roles. These programs offer mentor relationships, assignments, development sessions and networking and collaboration across the organization. The Emerging Leaders program enables individual contributors to learn basic leadership skills and access to the tools to identify their leadership styles in preparation for future leadership roles. Current mid-level management associates can build on their leadership skills in preparation for senior leadership through the Successful Leadership program, which offers an introspective look at their current management style and how to influence others. Participants for these programs are top talent from corporate and field employees nominated by their functional Vice Presidents.

Extended Stay America also provides development at the Executive level through our Executive Academy. Executives participate in development sessions in partnership with leading executive development institutions, such as Queens University’s Executive Leadership Institute, to further their leadership skills and strategic acumen.

Extended Stay America recently launched the Operations Management Certification (OMC), a new development program designed to equip Team Leaders and Assistant General Managers with advanced property knowledge and the leadership skills to prepare them for open General Manager positions.
DIVERSITY, EQUITY & INCLUSION

At ESA, we value a diverse workforce at all levels, as we understand that different experiences and perspectives drive better results and connect us to the communities we serve. However, diversity alone is not enough. We are committed to taking actions to ensure all Associates are treated equitably, know they are valued team members, know that their voices will be heard and respected and feel a true sense of belonging.

Achieving these goals requires empathy. We seek out opportunities to listen and ask questions. We believe that understanding the circumstances and emotions of others will enhance understanding and collaboration among our Associates, drive retention and improve guest service.

All our Associates play a role in creating and maintaining an inclusive culture in the workplace. Together, we are intentional in removing the barriers of separation to foster a diverse, equitable and inclusive environment. We encourage Associate engagement and have invested in resources designed to increase opportunities for our Associates to learn about the Company, voice concerns, give feedback, connect with each other and share personal experiences.

• We held Crucial Conversations, a six part development series hosted by our Chief Executive Officer and other members of our senior leadership team aimed at building the company’s cultural competence and sharing information to create awareness and develop the skills necessary to value differences in backgrounds, circumstances and beliefs.

• Added Juneteenth to the paid company holiday calendar, effective in 2021.
Women

At Extended Stay America, we believe in the power of women and are committed to investing resources to foster personal and professional growth along with opportunities in support of career advancement.

Being intentional about providing more inclusive opportunities for women improves the way in which we operate as an organization holistically. Extended Stay America appreciates, respects and values the level of intellect, thoughtfulness and perspectives that women provide in support of our Company.

**Women Account For:**

- Nearly 70% of our Associates
- Over 40% of ESA’s Board of Directors
- Nearly 30% of ESH’s Board of Directors
- 30% of Senior Management

Veterans

We take great pride in supporting the military and we respect the unique skill set that veterans can bring to our workplace. Military families are a natural fit at ESA with shared values like service, integrity and supporting the community. Extended Stay America offers job opportunities at locations near many military bases and a clear path for career growth and advancement. In addition to offering competitive benefits, a rewarding work environment, and a clear path for career growth, ESA also offers housing options for military families in transition, discounted room opportunities, military leave policy and Employee Assistance Program coverage.

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1Senior Management is Senior Executive or above
Ethnic Diversity

Over 70% of Extended Stay America's total workforce identifies as a ethnically diverse. We are proud to represent such a vast array of ethnic backgrounds at our company. Extended Stay America believes we make better decisions when the perspectives of individuals from various backgrounds are involved in the process.

Extended Stay America is committed to supporting our diverse talent and providing more inclusive opportunities for ethnically diverse employees throughout the organization. In 2021, we will be investing in strategies to foster personal and professional growth and opportunities in support of the career advancement of ethnically diverse employees within our organization.

TOTAL ASSOCIATES

Board of Directors

The Board monitors the mix of specific experience, qualifications and skills of its directors in order to assure that the Board, as a whole, has the necessary tools to perform its oversight function effectively in light of the Corporation’s business and structure.

The Nominating and ESG Committee seeks to achieve a mix of diverse Board members with respect to background and experiences, including age, gender, race, ethnicity and occupation. See the ESA board leadership here and the ESH board leadership here.

1See ethnicity data on pages 6 and 33
COMMUNITY ENGAGEMENT

At ESA our purpose is to take care of people who are building a better future for themselves and their families. As part of this effort we also work very hard to support the community and provide for assistance where we can. That is why supporting the community is one of our corporate values.

Whether it’s volunteering our time to support a local organization or community event, our associates work together as a team to support the community.

In 2020, ESA supported several local charities, donating over $134,000.

Commemoration of Juneteenth

As a sign of support for the Black community and in keeping with our commitment to take actions that both support our associates and the communities where we all live and work, Extended Stay America donated 3% of company-owned hotel revenue on Friday, June 19, 2020 to the Urban League of Central Carolina.

The Urban League of Central Carolinas operates with the mission to advocate for and equip African Americans and all underserved communities with the tools to achieve social and economic equality. As a company we’ve chosen to partner with the Urban League of Central Carolinas to use our resources of time, talent, treasure and touch in a meaningful way to enact material and sustainable change in the name of equality and social justice.
STAYcounted

In August of 2020, ESA launched STAYcounted, an initiative encouraging voter registration and participation in the November 2020 election. With STAYcounted, Extended Stay America strived to make it as easy as possible for the 70,000 guests and associates it reaches each day to register to vote in the following ways:

Virtual Voter Registration Centers were established in all ESA owned hotels and select franchise locations. In states that did not offer online registration, ESA provided stamped envelopes for those registering.

Voter Registration Ambassadors at virtual voter registration center properties were prepared to answer questions and help guests with the voter registration process.

A Communications Campaign, including email campaigns, lobby cards, information shared on hotel TV monitors, and stickers encouraged voting in the 2020 election.

Paid Time Off to Vote in the November election for each of ESA’s associates (if needed).

“Extended Stay America is committed to empowering our communities.

As people across the country are standing up for justice, we believe it is our obligation do more than issue hollow corporate messages. We are taking action with STAYcounted, which helps to ensure all voices are heard,” said Bruce Haase, President and Chief Executive Officer of Extended Stay America. “We each have the power to help decide the quality of life we want for ourselves, our families and generations to come, and Extended Stay America is dedicated to removing barriers so that our associates and guests can exercise their right to vote and take an active role in determining the future.”
ONGOING COMMUNITY ENGAGEMENT

Hotel Keys of Hope

With a passion to support a charitable cause so close to the hearts of its employees, Extended Stay America has partnered with the American Cancer Society since 2013 to help patients and their families overcome the financial stress of being away from home during treatment. In 2021, we will be enhancing the Hotel Keys of Hope® program to better assist patients and their families overcome the financial stress of traveling for cancer treatments so that patients can focus on getting better in a comfortable and safe place to stay.

To date, Extended Stay America has donated over 170,000 hotel room nights throughout the US, helping over 20,000 patients and their families save over $10 million in lodging costs.
GOVERNANCE
BOARD OF DIRECTOR OVERSIGHT

In 2021 the former Board of Directors’ “Nominating and Corporate Governance” Committee increased its focus on its responsibilities to advise the board with respect to environmental and corporate social responsibility matters. Accordingly, the committee was renamed the “Nominating and ESG Committee”. The committee’s responsibilities include:

- Reviewing and receiving updates on the Company’s environmental, social, and corporate governance strategy, initiatives, and policies
- Reviewing the Company’s strategies, tactics, goals and progress made towards goals related to diversity, equity and inclusion

See the Nominating & ESG Committees’ charters for further information (ESA / ESH)
ENVIRONMENTAL, SOCIAL & GOVERNANCE STEERING COMMITTEE

Extended Stay America's Environmental, Social and Governance Steering Committee's (“ESG Committee”) purpose is to support the Company's on-going commitment to environmental, health and safety, corporate social responsibility, corporate governance, sustainability and other public policy matters relevant to the Company (collectively “ESG Matters”). The ESG Committee is a cross-functional management committee of the Company. The ESG Committee includes officers and associates that the chair deems appropriate, taking into account such employee's expertise in relevant and varied disciplines. Initial committee members are from disciplines in the organization in the chart below.

The ESG Committee assists the Senior Leadership Team of the Company in:

- Setting general strategy relating to ESG Matters
- Developing, implementing, and monitoring initiatives and policies based on that strategy
- Overseeing communications with employees, investors and stakeholders with respect to ESG Matters
- Monitoring and assessing developments relating to, and improving the Company's understanding of ESG Matters

See the Environmental, Social and Governance Steering Committee's charter for further information.
CODE OF BUSINESS CONDUCT & ETHICS

Extended Stay America’s Code of Business Conduct and Ethics serves as a set of guiding principles for conducting business at the Company and its subsidiaries. All Extended Stay America’s directors, officers and employees are expected to comply with the code. All associates are required to review and acknowledge the Code of Conduct during annual compliance training.

Extended Stay America’s Code of Business Conduct and Ethics can be found at the following link.

Speaking Up

Extended Stay America encourages associates to “speak up” and report misconduct they see in the workplace. The Company provides various avenues of communication for associates to report unlawful conduct or conduct in violation of our values and procedures, including the Concerned Associate Program Line (the “CAP Line”), which enables associates to openly or anonymously report concerns to an independent third-party representative. The “CAP Line” is available to associates 24/7. Extended Stay America will not tolerate any harassment, retaliation, or reprisals of any associate who has, in good faith, raised a complaint or participated in an investigation.

Political Advocacy

Contributions made in ESA’s name are restricted according to the following guidelines. Corporate contributions to federal candidates and campaigns are strictly prohibited. Corporate contributions to state and local candidates are permitted in some states and prohibited in others. Contributions to all candidates are subject to limits, disclosures and reporting. To ensure compliance with applicable laws, any such political contributions must be approved by Senior Leadership Team. It is illegal in every state and under the federal law for the Company to reimburse any Associate for making a political contribution. In 2020, Extended Stay America did not contribute any funds for the purposes of political advocacy.
Anti-Corruption & Bribery

Our Code of Conduct explicitly prohibits bribery and kickbacks. Associates should not offer, promise, make, authorize or provide (directly, or indirectly through third parties) any payments, gifts, or the transfer of anything of value to any governmental official (including family members of the official) in any jurisdiction to influence or reward any official action or decision by such person for our benefit. ESA is committed to conducting its business in compliance with all laws prohibiting bribery and other corrupt practices, including the U.S. Foreign Corrupt Practices Act.

Data Privacy & Security

ESA handles its data responsibly. Personally identifiable information and payment card information are collected and/or processed in compliance with policies and applicable data privacy laws. All Associates must safeguard the private and confidential nature of information acquired as part of their job duties and retain such data in a manner that prevents non-authorized parties from accessing it. Our Associates are required to complete annual IT security awareness training including topics such as email security, data security and awareness, and data classification.

More information on Extended Stay America’s privacy policy can be found at the following link.
APPENDIX
# ESG PERFORMANCE DATA

## ENVIRONMENTAL

<table>
<thead>
<tr>
<th>Energy Usage Savings – Electricity</th>
<th>2018</th>
<th>2019</th>
<th>2020</th>
</tr>
</thead>
<tbody>
<tr>
<td>Electricity Usage Savings (kwh)$^1$</td>
<td>46,873,516</td>
<td>52,134,152</td>
<td>59,467,027</td>
</tr>
<tr>
<td>Electricity Usage Savings (%)$^1$</td>
<td>13%</td>
<td>15%</td>
<td>17%</td>
</tr>
<tr>
<td>Electricity Usage Savings ($)$^1$</td>
<td>$4,305,750</td>
<td>$5,035,676</td>
<td>$5,968,015</td>
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</table>

<table>
<thead>
<tr>
<th>Energy Usage Savings – Natural Gas</th>
<th>2018</th>
<th>2019</th>
<th>2020</th>
</tr>
</thead>
<tbody>
<tr>
<td>Natural Gas Usage Savings (mmbtu)$^1$</td>
<td>88,104</td>
<td>103,318</td>
<td>110,450</td>
</tr>
<tr>
<td>Natural Gas Usage Savings (%)$^1$</td>
<td>13%</td>
<td>15%</td>
<td>16%</td>
</tr>
<tr>
<td>Natural Gas Usage Savings ($)$^1$</td>
<td>$900,021</td>
<td>$944,509</td>
<td>$840,369</td>
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<table>
<thead>
<tr>
<th>Water Usage Savings</th>
<th>2018</th>
<th>2019</th>
<th>2020</th>
</tr>
</thead>
<tbody>
<tr>
<td>Water Usage Savings (gal)$^1$</td>
<td>349,957,355</td>
<td>489,873,006</td>
<td>451,354,928</td>
</tr>
<tr>
<td>Water Usage Savings (%)$^1$</td>
<td>17%</td>
<td>23%</td>
<td>22%</td>
</tr>
<tr>
<td>Water Usage Savings ($)$^1$</td>
<td>$3,650,251</td>
<td>$4,105,216</td>
<td>$5,154,019</td>
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</table>

<table>
<thead>
<tr>
<th>GHG Emissions</th>
<th>2018</th>
<th>2019</th>
<th>2020</th>
</tr>
</thead>
<tbody>
<tr>
<td>Total Scope 1 &amp; 2 GHG Emissions (MT CO2e)</td>
<td>154,213</td>
<td>148,509</td>
<td>143,465</td>
</tr>
<tr>
<td>Scope 1 GHG Emissions (MT CO2e)</td>
<td>30,412</td>
<td>29,890</td>
<td>29,622</td>
</tr>
<tr>
<td>Scope 2 GHG Emissions (MT CO2e)</td>
<td>123,800</td>
<td>118,619</td>
<td>113,843</td>
</tr>
<tr>
<td>Scope 1 &amp; 2 Emissions Savings (MT CO2e)$^2$</td>
<td>52,146</td>
<td>57,849</td>
<td>62,893</td>
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<tr>
<td>Scope 1 &amp; 2 Emissions Savings (%)$^2$</td>
<td>25%</td>
<td>28%</td>
<td>30%</td>
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<tr>
<td>Scope 2 Emissions Reduction (due to renewable energy usage in TX)</td>
<td>3.4%</td>
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<table>
<thead>
<tr>
<th>Waste</th>
<th>2019</th>
<th>2020</th>
</tr>
</thead>
<tbody>
<tr>
<td>Hotel Renovation Waste Recycled/Donated (tons)</td>
<td>381</td>
<td>376</td>
</tr>
<tr>
<td>Hotel Renovation Waste Recycled/Donated (cubic yards)</td>
<td>6,881</td>
<td>8,166</td>
</tr>
</tbody>
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1 Versus 2011 baseline (551 hotels); 2020 savings reporting includes slight methodology change (previous years did not have full year data available at time of calculation)

2 Versus 2013 baseline (551 hotels)
## ESG PERFORMANCE DATA

### SOCIAL

#### Employees/Contractors
- **Total Number of Employees**: 7,419
- **Total Number of Contracted Workers**: 2

#### Employees by Employment Contract
<table>
<thead>
<tr>
<th></th>
<th>Total Workforce</th>
<th>Male (%)</th>
<th>Female (%)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Permanent</td>
<td>99.7%</td>
<td>33%</td>
<td>67%</td>
</tr>
<tr>
<td>Temporary</td>
<td>0.3%</td>
<td>53%</td>
<td>47%</td>
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#### Employee Gender Metrics
<table>
<thead>
<tr>
<th></th>
<th>Total Workforce</th>
<th>Management (VP+)</th>
<th>Executive Level</th>
</tr>
</thead>
<tbody>
<tr>
<td>Male (%)</td>
<td>33%</td>
<td>76%</td>
<td>70%</td>
</tr>
<tr>
<td>Female (%)</td>
<td>67%</td>
<td>24%</td>
<td>30%</td>
</tr>
</tbody>
</table>

#### Employee Age Metrics
<table>
<thead>
<tr>
<th></th>
<th>Total Workforce</th>
<th>Management (VP+)</th>
<th>Executive Level</th>
</tr>
</thead>
<tbody>
<tr>
<td>Under 30 Years (%)</td>
<td>33%</td>
<td>0%</td>
<td>0%</td>
</tr>
<tr>
<td>Between 30-50 Years (%)</td>
<td>42%</td>
<td>48%</td>
<td>40%</td>
</tr>
<tr>
<td>Greater than 50 Years (%)</td>
<td>25%</td>
<td>52%</td>
<td>60%</td>
</tr>
</tbody>
</table>

#### Employee Race Metrics
<table>
<thead>
<tr>
<th></th>
<th>Total Workforce</th>
<th>Management (VP+)</th>
<th>Executive Level</th>
</tr>
</thead>
<tbody>
<tr>
<td>Asian (%)</td>
<td>7%</td>
<td>2%</td>
<td>0%</td>
</tr>
<tr>
<td>Black/African American (%)</td>
<td>37%</td>
<td>14%</td>
<td>10%</td>
</tr>
<tr>
<td>Hispanic/Latino (%)</td>
<td>22%</td>
<td>2%</td>
<td>0%</td>
</tr>
<tr>
<td>White (%)</td>
<td>28%</td>
<td>81%</td>
<td>90%</td>
</tr>
<tr>
<td>Native American/Islander (%)</td>
<td>2%</td>
<td>0%</td>
<td>0%</td>
</tr>
<tr>
<td>2+ Races/Declined to Respond (%)</td>
<td>4%</td>
<td>0%</td>
<td>0%</td>
</tr>
</tbody>
</table>

#### Community Engagement
- **Number of charities supported in 2020**: 14
- **Amount donated in 2020**: $134,500

---

1 As of 12/31/2020
## ESG PERFORMANCE DATA

### SOCIAL[^1]

<table>
<thead>
<tr>
<th>Board of Directors</th>
<th>2020</th>
</tr>
</thead>
<tbody>
<tr>
<td>Total Number of Board Members - ESA</td>
<td>7</td>
</tr>
<tr>
<td>Total Number of Board Members – ESH</td>
<td>7</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Board Gender Metrics</th>
<th>2020 - ESA</th>
<th>2020 - ESH</th>
</tr>
</thead>
<tbody>
<tr>
<td>Male (%)</td>
<td>57%</td>
<td>71%</td>
</tr>
<tr>
<td>Female (%)</td>
<td>43%</td>
<td>29%</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Board Age Metrics</th>
<th>2020 - ESA</th>
<th>2020 - ESH</th>
</tr>
</thead>
<tbody>
<tr>
<td>Under 30 Years (%)</td>
<td>0%</td>
<td>0%</td>
</tr>
<tr>
<td>Between 30-50 Years (%)</td>
<td>0%</td>
<td>0%</td>
</tr>
<tr>
<td>Greater than 50 Years (%)</td>
<td>100%</td>
<td>100%</td>
</tr>
</tbody>
</table>

### Policies

<table>
<thead>
<tr>
<th>Policy</th>
<th>ESA</th>
<th>ESH</th>
</tr>
</thead>
<tbody>
<tr>
<td>Equal Employment Opportunity (Y/N)</td>
<td>Yes. Please refer to our Equal Employment Opportunity Policy <a href="#">here</a>.</td>
<td></td>
</tr>
<tr>
<td>Gender Pay Gap Controversy (Y/N)</td>
<td>No.</td>
<td></td>
</tr>
<tr>
<td>Human Rights Policy (Y/N)</td>
<td>Yes. Please refer to our Code of Business Conduct and Ethics <a href="#">here</a>.</td>
<td></td>
</tr>
<tr>
<td>Human Trafficking Policy (Y/N)</td>
<td>Yes. Please refer to our Code of Business Conduct and Ethics <a href="#">here</a>.</td>
<td></td>
</tr>
</tbody>
</table>

[^1]: As of 12/31/2020
# ESG PERFORMANCE DATA

## GOVERNANCE

<table>
<thead>
<tr>
<th>Board of Directors</th>
<th>2020 - ESA</th>
<th>2020 - ESH</th>
</tr>
</thead>
<tbody>
<tr>
<td>Lead Independent Director (Y/N)</td>
<td>Y</td>
<td>Y</td>
</tr>
<tr>
<td>Board Independence (%)</td>
<td>86%</td>
<td>86%</td>
</tr>
<tr>
<td>Board Average Tenure (years)</td>
<td>5</td>
<td>5</td>
</tr>
<tr>
<td>Board Average Age (years)</td>
<td>62</td>
<td>61</td>
</tr>
</tbody>
</table>

### Accountability

- **Corporate Governance Guidelines (Y/N)**
  - Yes. Please refer to our Corporate Governance guidelines [here](#).
- **Ethics Policy (Y/N)**
  - Yes. Please refer to our Code of Business Conduct and Ethics [here](#).
- **Anti-Bribery & Corruption Policy (Y/N)**
  - Yes. Please refer to our Code of Business Conduct and Ethics [here](#).
- **Whistleblower Protection Policy (Y/N)**
  - Yes. Please refer to our Code of Business Conduct and Ethics [here](#).
- **Conflict of Interest Policy (Y/N)**
  - Yes. Please refer to our Code of Business Conduct and Ethics [here](#).
- **Political Activities & Contributions (Y/N)**
  - Yes. Please refer to our Code of Business Conduct and Ethics [here](#).

### Stakeholder Engagement

- In 2020, our senior management and investor relations team participated in over 300 investor meetings or calls, with more than 400 investor touchpoints. We participated in 12 virtual equity conferences, 2 virtual leverage conferences, and 7 non-deal virtual roadshows in 2020.

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1Independence determined under the rules of the SEC and NASDAQ
# SUSTAINABILITY ACCOUNTING STANDARDS BOARD (SASB)

## SV-HL: 01 – Energy & Water Management

<table>
<thead>
<tr>
<th>Metric</th>
<th>2018</th>
<th>2019</th>
<th>2020</th>
</tr>
</thead>
<tbody>
<tr>
<td>Total Electricity Consumed (kwh)</td>
<td>304,226,366</td>
<td>299,697,262</td>
<td>296,372,184</td>
</tr>
<tr>
<td>Total Natural Gas Consumed (mmbtu)</td>
<td>587,397</td>
<td>599,907</td>
<td>573,015</td>
</tr>
<tr>
<td>Percentage Grid Electricity</td>
<td>100%</td>
<td>100%</td>
<td>97%</td>
</tr>
<tr>
<td>Percentage Renewable Energy</td>
<td>0%</td>
<td>0%</td>
<td>3%</td>
</tr>
</tbody>
</table>

## SV-HL: 04 – Labor Practices

<table>
<thead>
<tr>
<th>Metric</th>
<th>2018</th>
<th>2019</th>
<th>2020</th>
</tr>
</thead>
<tbody>
<tr>
<td>Voluntary Turnover Rate for hotel situated employees</td>
<td>79%</td>
<td>84%</td>
<td>80%</td>
</tr>
<tr>
<td>Involuntary Turnover Rate for hotel situated employees</td>
<td>21%</td>
<td>16%</td>
<td>20%</td>
</tr>
</tbody>
</table>

## SV-HL: 05 – Climate Change Adaptation

<table>
<thead>
<tr>
<th>Metric</th>
<th>2018</th>
<th>2019</th>
<th>2020</th>
</tr>
</thead>
<tbody>
<tr>
<td>Number of lodging facilities located in 100-year flood zones</td>
<td>35</td>
<td>35</td>
<td>41</td>
</tr>
</tbody>
</table>

---

Policy to promote non-discrimination and prevent associate harassment. Please refer to our training programs, policies and anonymous hotline here.