



ENVIRONMENTAL SUSTAINABILITY POLICY

Pebblebrook Hotel Trust sees environmental sustainability as an integral part of our business strategy, one which bolsters our ability to deliver long-term, industry-leading total returns to our shareholders. We are deeply committed to pursuing continuous improvement in our portfolio's environmental performance and take active steps to promote the engagement of stakeholders, from hotel operators to vendors, in our sustainability efforts. Our environmental sustainability performance is reported on an annual basis.

Our commitment also arises from our understanding of the significant risks associated with inaction towards environmental sustainability issues. We have identified five key risks pertinent to our business model, which may be further clarified or updated in our annual sustainability reports:

1. Climate change, which brings about rising sea levels, greater fluctuation and extremes in weather patterns, and increased frequency and severity of weather events such as hurricanes, floods and droughts, could affect our hotels and their surroundings, as well as the production of goods and services which our hotels depend on.
2. Environmental degradation and the loss of ecosystem goods and services would compromise our clean air, water and food. This may result in increased cost to building, renovating, and operating hotels.
3. Rising public concern towards environmental issues gives sustainable businesses a competitive edge and businesses which are found to be both non-compliant with environmental laws and regulations, as well as lagging in resource conservation efforts could suffer from a bad reputation.
4. Business competitors pursuing sustainability could also become more competitive through innovative approaches to capital allocation and monetary savings gained alongside energy and operational efficiency improvements.
5. Toughening of environmental laws and regulations penalize businesses that are unable to keep up with the changes.

To address these risks, we developed our commitment – across our entire portfolio and company operations – to the actions stipulated below in relation to Climate Change, Energy Usage, Water Consumption, Waste Production, and Responsible Consumption and Production. We expect our operators and our suppliers to put forth their best efforts to adhere to the same level of commitment in their own respective business models.

This policy is governed by the Company's Environmental, Social, and Governance (ESG) Committee, which oversees its implementation and routinely monitors performance on at least a quarterly basis, submitting updates to the Nominating and Corporate Governance Committee and the Board of Directors at least annually.

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CLIMATE CHANGE

Climate change affects everyone and disproportionately hurts the most vulnerable of us all. In line with the Paris Agreement, we will play our part and contribute to the world's concerted efforts to limit the increase to 1.5°C above pre-industrial levels.

We are committed to:

- Conducting environmental due diligence prior to acquisition and for major renovations;
- Conducting climate-related risk assessments;
- Protecting local biodiversity where potential impacts may arise from our portfolio's operations;
- Participating in partnerships to address carbon emissions and climate change where opportunities are suitable;
- When achievable, phasing out the use of hydrofluorocarbon (HFC) refrigerants which have high global warming potential in accordance with the Kigali Amendment across our operations;
- Continuously evaluating renewable energy and other low-carbon investments and investing in the installation and procurement of renewable energy where opportunities are viable;
- Tracking and reporting our scope 1, 2, and 3 greenhouse gas emissions annually alongside investments to reduce our carbon intensity; and
- Progressing towards the support of electric vehicles in parking areas for guests and hotel employees.

ENERGY USAGE

We strive to be as energy efficient as we can and will progress towards greater use of renewable energy sources.

We are committed to:

- Conducting technical energy assessments prior to acquisition;
- Evaluating energy usage by running detailed benchmarking throughout our portfolio on a continual basis;
- Promoting energy efficient practices and encouraging hotel participation in energy conservation;
- Investing in retro-commissioning programs to ensure all mechanical and electrical equipment is at peak efficiency;
- Engaging with hotel operators to communicate environmental objectives;
- Conducting comprehensive energy audits of our properties and engaging third party consultants to assess energy performance;
- Investing in energy efficient equipment;
- Monitoring regulatory compliance of our portfolio regarding energy efficiency;
- Raising environmental awareness of internal and external stakeholders and
- Tracking and reporting our direct and indirect energy usage annually alongside investments to reduce our energy usage intensity.

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WATER CONSUMPTION

We recognize access to quality water as a fundamental human right. Fresh water is an increasingly scarce resource, and is vital to a hotel's operations. We are committed to:

- Conducting water risk due diligence in our standing investments and in due diligence processes for acquisition;
- Ensuring our hotels do not infringe upon local communities' access to quality water;
- Conducting comprehensive water audits of our operations;
- Evaluating water consumption by running detailed benchmarking throughout our portfolio on a continual basis;
- Evaluating opportunities in alternative water sourcing technologies such as capture of rainwater and reclamation of gray water;
- Supporting operator programs incentivizing guests to take part in water conservation programs;
- Investing in water efficient equipment, systems, and other FF&E that reduce water consumption;
- Planting native or drought-resistant plants for a water efficient landscaping; and
- Tracking and reporting our water consumption annually alongside investments to reduce our water usage intensity.

WASTE GENERATION AND DISPOSAL

We support the minimization and diversion of forms of waste at our hotels, including waste from construction and renovation activities. While the majority of waste is generated in the operation of our assets which we do not participate in, we commit to investing in areas that support waste reduction and diversion, as well as monitoring ongoing waste generation and disposal in our portfolio, including:

- Investing in adequate waste separation and diversion structures to enable composting and recycling where available;
- Encouraging operators to partner with charities to redistribute leftover food and durable goods that are in good condition;
- Promoting waste segregation and diversion; and
- Tracking and reporting waste figures annually alongside investments to reduce waste generation and increase waste diversion.

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RESPONSIBLE CONSUMPTION AND PRODUCTION

We are conscious of the environmental footprint incurred across the value chain of goods and services used and strive to ensure we are supporting the conservation of natural resources, minimization of waste and not polluting the environment through our purchasing decisions in construction, renovation and the operations of the hotels in our portfolio. We seek to implement related best practices, including:

- Encouraging vendors to reduce or eliminate packaging where possible;
- Purchasing products and services from local suppliers where possible;
- Purchasing products made from recycled material where possible;
- Purchasing products made from rapidly renewable material where possible;
- Purchasing products with low or no toxic material and which have low or no VOC content;
- Purchasing sustainable certified wood, leather, and electronic products where possible;
- Avoiding disposable products and purchasing reusable alternatives where possible; and
- Encouraging our operators to purchase sustainable certified wood, leather, electronics, and food & beverage products where possible.