

ENVIRONMENTAL SUSTAINABILITY AND SOCIAL RESPONSIBILITY REPORT 2021



CONTENTS

1	From Our CEO	3
2	Key Highlights 2020	5
3	About Pebblebrook	9
4	ESG Approach	12
5	Risk and Resilience	17
6	Environmental Sustainability	19
7	Social Responsibility	26
8	Pebby Awards 2021	31
9	Pebblebrook and the Sustainable Development Goals	35
10	2021 and Beyond	38
11	Case Studies	40
12	Supplementary Information	43

PREVIOUS PAGE: HOTEL ZENA, WASHINGTON, DC



1 // FROM OUR CEO

FROM OUR CEO

I am delighted to share with you Pebblebrook's latest Environmental Sustainability and Social Responsibility Report. 2020 was certainly the most challenging year our industry has ever faced, forcing us to respond to unprecedented financial, social and health pressures. At Pebblebrook, we weathered the storm, thanks to our strong balance sheet and liquidity and our team's experience with prior crises. As we emerge from the COVID-19 pandemic and start to rebuild our industry, it has become clearer than ever that striking the balance between people, planet and profit is fundamental to success, particularly given the impending and present challenges of climate change.

Despite the setbacks experienced in 2020, hotel demand continues to strengthen as we recover through 2021. Through our Environmental, Social and Governance (ESG) program, we strive to ensure that sustainability and resilience are at the heart of the recovery. During 2020, even as operations at most of our properties were temporarily suspended for significant periods of time, we were able to make progress on our ESG priorities, and we are well prepared to expand them as we venture forward. Our creation of the Curator Hotel & Resort Collection also provides us with a new opportunity to help hotels accomplish their sustainability mission. For example, while a small item, Curator recently partnered with Evian to exclusively carry their 100 percent recycled bottles in all Curator partner hotels, a nod to the collection's dedication to preserving the environment.

The safety and wellbeing of our team members has always been a top priority, and it was never more relevant than in 2020. As we start to return to normal, or whatever the new normal may be, I am pleased to say that we are building on the lessons learned and instituting ongoing mental health initiatives in the workplace.

2020 highlighted the significant issues that our society faces regarding diversity, equity and inclusion. At Pebblebrook, we are proud of our gender diversity at all levels. The establishment of our Racial Equity & Inclusion Team (REIT) will ensure that we continue to take proactive steps to create a more inclusive environment for all. This past year, Pebblebrook designated Juneteenth as a company holiday and asked each employee and their families to use the day to celebrate black culture and educate themselves on race relations during the holiday.

One of our core business strategies is to reflect aspects of the local communities and environments in which our hotels reside, resulting in authentic guest experiences. For many years, we have invested in art in and around our properties, and I am delighted to share some of these examples with you throughout this report. I am particularly proud of Hotel Zena Washington DC, which opened last spring with a unique and creative artistic approach to telling the story of the fight for women's rights, and honoring those involved in this fight over the centuries.

Unfortunately, due to government restrictions placed on gathering together as a result of the COVID-19 pandemic, we suspended all our community and volunteer activities last year. However, our property team members were able to make a difference by providing food and donations to neighborhood organizations.

We continue to prioritize energy and water efficiency throughout our portfolio. The prolonged operational suspension of our hotels allowed us to review our processes and identify how further efficiencies can be gained. For example, we may expand the successful solar project at Chaminade Resort & Spa to other properties, and we intend to expand the use of purchased renewable energy across our portfolio. Our focus on eliminating single-use plastics remains a pressing matter, and we continue to work with our operators to further this goal.

In 2020, we focused on understanding and addressing sustainability and climate-related risk factors. We undertook a full portfolio risk assessment and ensured that sustainability risk is embedded within our wider enterprise risk management. We are pleased to disclose this against the Task Force on Climate-Related Financial Disclosures (TCFD) framework in this report.

It is essential that we track, report and improve our ESG performance. This year, we benchmarked against GRESB for the first time to supplement our ongoing SASB and GRI disclosures. ESG remains a top priority for Pebblebrook, and I hope that you enjoy learning about our performance and initiatives. I would like to thank all those individuals who contribute to the ongoing development of our ESG work, and I look forward to sharing our future progress with you.

Jon E. Bortz

Chairman, President, and Chief Executive Officer

2 //
KEY
HIGHLIGHTS
2020



KEY HIGHLIGHTS 2020

ENVIRONMENTAL PERFORMANCE¹

ENVIRONMENTAL INTENSITY	BASELINE	2019 ²	2020	% CHANGE FROM BASELINE
Energy intensity (kWh per sq. ft)	31.45	28.58	19.28	-38.70%
Greenhouse gas emission intensity (kgCO ₂ e per sq. ft)	9.13	7.10	4.56	-50.05%
Water intensity (gallons per occupied room)	143.53	135.09	284.99 ³	+98.56%
Water intensity (gallons per square foot)	48.92	48.29	29.86	-38.96%
Waste generated (lbs per occupied room)	28.35	22.14 ⁴	21.10 ⁵	-25.57%

SUSTAINABILITY BEST PRACTICES	% OF PORTFOLIO ⁶
The property has a sustainability coordinator or a green champion.	43%
The property has a water efficiency program.	74%
Over 90% of faucets have low-flow aerators to conserve water.	85%
At least 90% of meeting rooms have digital thermostats.	76%⁷
At least one food waste prevention strategy has been implemented over the last year.	33%⁸
Plastic straws have been eliminated from the property.	74%
Single-use plastics have been eliminated or reduced to an absolute minimum.	42%

EFFICIENCY INVESTMENTS ⁹	2016	2017	2018	2019	2020
Energy Conservation and Carbon Emission Reduction	\$2,685,958	\$912,319	\$2,788,318	\$5,913,798	\$412,265
Water Conservation	\$2,343,780	\$2,437,671	\$1,385,963	\$689,105	\$6,043
Waste Reduction	\$138,191	\$97,500	\$147,078	\$159,276	-----
Total Investments	\$5,167,928	\$3,447,490	\$4,321,359	\$6,762,179	\$418,308

¹ Environmental performance progress may reflect capital investments from previous years and does not exclusively reflect the investments made during the same reporting period.

² 2019 figures updated based on changes in usage reported as of March 2021.

³ Water intensity skewed much higher in 2020 due to portfolio-wide suspensions of operations, driving occupied rooms much lower in 2020.

⁴ 65% of waste data was estimated using volume-to-weight conversion factors.

⁵ 62% of waste data was estimated using volume-to-weight conversion factors.

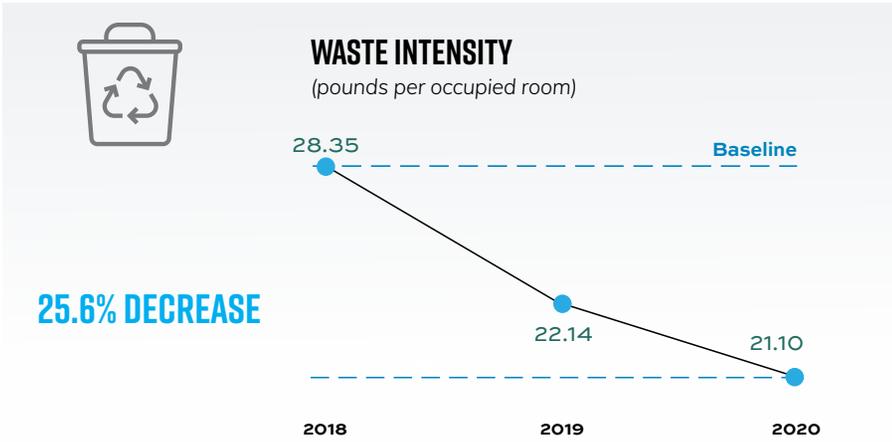
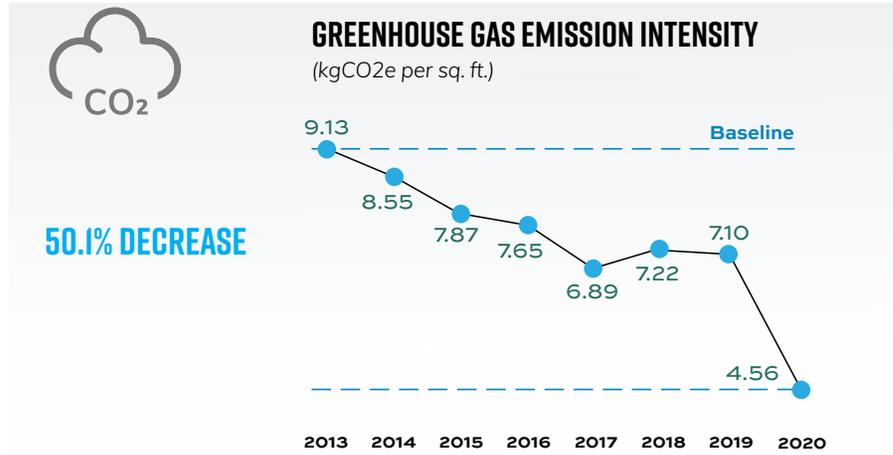
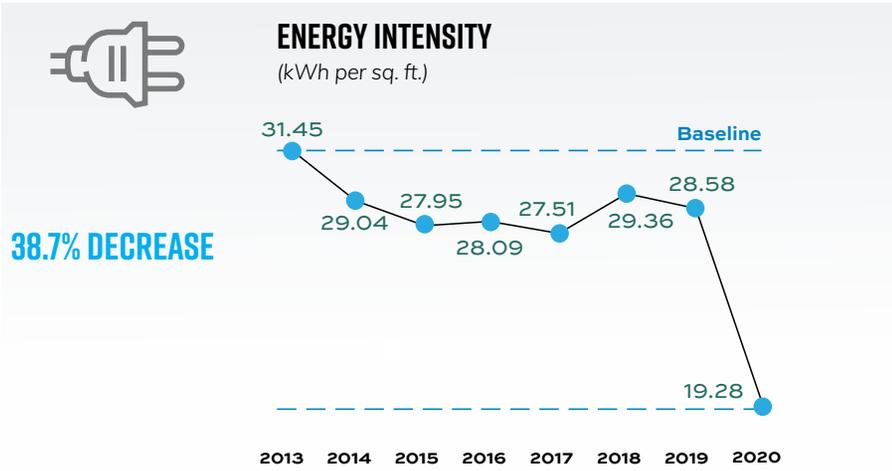
⁶ Based on survey responses from 53 properties.

⁷ Only applicable to hotels with meeting space.

⁸ Only applicable to hotels with F&B provision during 2020.

⁹ Due to our major corporate acquisition in 2018, the 2016 through 2018 figures do not capture all efficiency projects from our acquired properties.

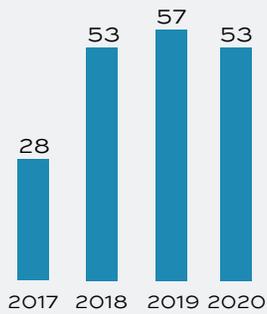
ENVIRONMENTAL PERFORMANCE



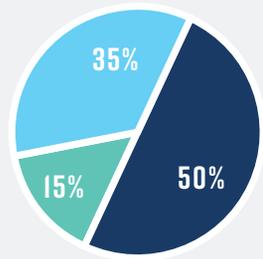
SOCIAL IMPACT



TOTAL EMPLOYEES



EMPLOYEE AGE DIVERSITY



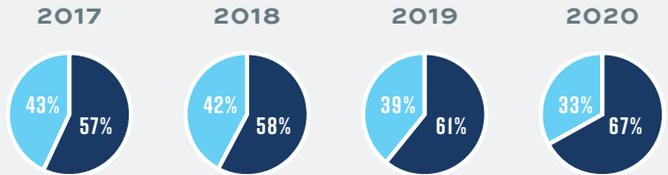
- Under 30 years old: 35%
- 30 to 50 years old: 50%
- Over 50 years old: 15%



EMPLOYEE GENDER AND RACE DIVERSITY

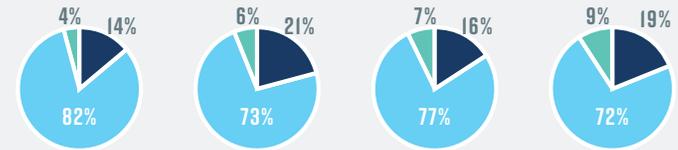
Gender

- Men
- Women



Race¹⁰

- White
- Asian
- Black or African American



DIVERSITY, EQUITY AND INCLUSION

- 2 out of 6 independent board members are women
- 1 out of 6 independent board members is Black or African American
- 52% of management-level employees are women
- 67% of employees are women



COMMUNITY & GIVING

2020

Total Donations	\$49,338
Total Cash Donations	\$32,327 ¹¹
Total Value of In-Kind Donations	\$17,011

¹⁰ In 2021, we have employed multiple Hispanic and Latino employees.

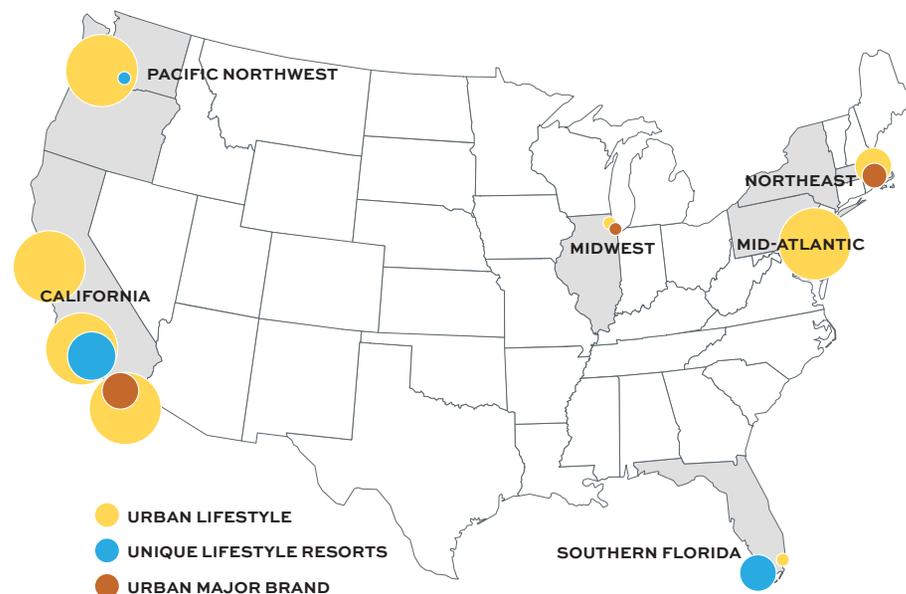
¹¹ We suspended our Charitable Matching Gift Program in March 2020 due to Covid-19, with the exception of contributions to support racial equity focused charities.

3 // ABOUT PEBBLEBROOK

ABOUT PEBBLEBROOK

Pebblebrook Hotel Trust is an internally managed hotel investment company, organized in October 2009 to opportunistically acquire and invest in hotel properties located primarily in major U.S. cities, with an emphasis on the major gateway coastal markets. As of December 31, 2020, the Company owned 53 hotels with a total of 13,234 guest rooms and employed 53 staff members.

We own a powerful mix of Urban Lifestyle Hotels, Unique Lifestyle Resorts, and Urban Major Brands.



	EBITDA Contribution	Properties	Rooms	Details
 Urban Lifestyle	 64%	 39	 8,431	Bespoke and experiential travel destinations; local, authentic, personalized and well located in major urban markets; comprised of independent, soft-branded and iconic properties including the 7 hotels in 'The Unofficial Z Collection'.
 Unique Lifestyle Resorts	 18%	 8	 1,901	Unique lifestyle resort experiences in many of the top drive-to resort settings in the U.S., including Key West, Naples (Florida), San Diego, Santa Cruz and the Pacific Northwest.
 Urban Major Brand	 18%	 6	 2,902	More traditional branded hotel experiences in desirable urban locations including Boston, San Diego and Chicago; focused on the U.S. gateway markets with major brands including Westin and Hyatt.

ABOUT PEBBLEBROOK

CURATOR HOTEL & RESORT COLLECTION

In 2020, along with multiple industry-leading hotel operators, we announced the launch of Curator Hotel & Resort Collection, a collection



of small brands and independent lifestyle hotels and resorts world-wide. Curator's distinct owner-centric platform offers an alternative for independent lifestyle hotels seeking to strengthen their performance,

providing its members with best in-class agreements, services and technology, while allowing members to retain their unique identities. Across the Curator Collection, we are able to provide hotels access to ESG related products and services such as energy audits.



CHAMBERLAIN WEST HOLLYWOOD HOTEL, WEST HOLLYWOOD, CALIFORNIA



L'AUBERGE DEL MAR, DEL MAR, CALIFORNIA



THE MARKER KEY WEST HARBOR RESORT, KEY WEST, FLORIDA



JEKYLL ISLAND CLUB RESORT, JEKYLL ISLAND, GEORGIA



VICEROYS SANTA MONICA, SANTA MONICA, CALIFORNIA

4 // ESG APPROACH



ESG APPROACH

Pebblebrook believes in an integrated approach to sustainability. It is embedded within our business strategy, which itself is predicated on unique, lifestyle hotels with close connections to their communities. Our ESG Committee, which includes three members of the Board of Trustees as well as the company CFO, sets our ESG strategy and oversees delivery and reporting up to the Board on a regular basis.

PEBBLEBROOK ESG VISION

A resilient portfolio of lifestyle hotels and resorts are operated in an environmentally sustainable manner and managed with the health and well-being of employees, guests, operators, and suppliers as a priority. The sociocultural fabric of the communities in which our properties operate is celebrated as we strive to contribute to local economic development and social equity within those communities.

ESG CORE AIMS

Our core aims underpin the Pebblebrook ESG vision and provide the framework for embedding ESG throughout our business model. They are:

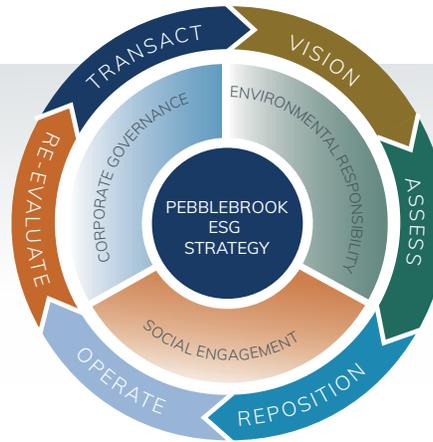
1. Exhibit complete transparency
2. Create sustainable livelihoods for employees and partners
3. Reduce the carbon footprint at both the property and portfolio level
4. Invest responsibly into projects that support the surrounding community
5. Hold ourselves and relevant stakeholders to the highest standard of ethical corporate governance
6. Sustain an inclusive and equitable work environment, enabling collaboration among our diverse network of employees, suppliers and partners



PEBBLEBROOK ESG TEAM

ESG INTEGRATION

ESG is integrated throughout our business model which means that ESG priorities are identified and maximized throughout the investment cycle.



“We find the ‘soul’ and narrative for each property that makes it relevant and active, and delivers a truly unique and genuine local experience to our customers”

Quote from Pebblebrook Investor Presentation

1 TRANSMIT

Acquire an underperforming, underinvested or incorrectly positioned hotel.

ESG Opportunity: Underperforming assets may be able to improve utility usage and enhance design for sustainability and guest experience.

Example: Conducting environmental due diligence and technical assessments as well as sustainability risks and opportunities assessment (environmental, biodiversity and socioeconomic) prior to acquisition or major renovation.

4 REPOSITION

Renovate and re-launch the hotel with a unique experiential proposition.

ESG Opportunity: Thread sustainability throughout the entire renovation and re-launch process to ensure the hotel is positioned for maximizing the health and wellness of guests and associates.

Example: Positioning properties to exemplify healthy lifestyle aspects for hotel guests and employees. Hotel Spero uses ozone-infused tap water, a highly effective cleaner and sanitizer for cleaning, without the harmful effects of traditional chemical cleaning products.

2 VISION

Find the soul and the personality of the hotel and create the narrative.

ESG Opportunity: Create an authentic personality for the hotel through community engagement, local design, sourcing and other efforts that support the narrative.

Example: Hotel Vintage Portland was outfitted with graffiti art accents, a private wine cellar, and a shuffleboard station, highlighting the pioneering spirit of the Pacific Northwest’s forefathers. Guests can partake in nightly social hour, featuring wine tasting and live music from local artists, immersing visitors into the local culture.

5 OPERATE

Relentlessly pursue increased efficiency and opportunities to enhance the hotel’s profitability and utilization.

ESG Opportunity: Help our operators find innovative ways to leverage ESG efforts to enhance the guest experience holistically and improve operational efficiencies that reduce utility consumption.

Example: We have invested over \$20 million in efficiency projects to support our hotels reduce energy and water consumption, and we are actively engaging with them to eliminate plastics and reduce waste.

3 ASSESS

Examine all aspects of the hotel’s offering to create a unique, inviting guest experience while also improving the hotel’s profitability.

ESG Opportunity: Assess the hotel through an ESG lens to ensure the guest experience is not infringing on the environment or human rights.

Example: Conducting climate-related risk assessments, and continuously engaging with General Managers through satisfaction surveys and implementing best practices from American Hotel & Lodging Association (AHLA) and our other operating partners.

6 RE-EVALUATE

Determine if hotel has optimized market position and if not, determine additional operating changes or capital reinvestment to further improve hotel’s value.

ESG Opportunity: Constantly track and update ESG targets to improve hotel value through environmental and social initiatives.

Example: We monitor our environmental and social impact on a regular basis and disclose annually against SASB, GRI and, for the first time this year, GRESB.

ESG GOVERNANCE

The ESG Committee, established in 2019, oversees Pebblebrook’s ESG strategy and its delivery. The Committee consists of a mixture of board members and senior executives and meets three to four times a year, reporting regularly to the board. The responsibilities of the committee can be found in the ESG Committee Charter. In 2020, the ESG Committee met three times with all members in attendance.

Board Oversight of ESG Risks



In 2020, we launched the Racial Equity & Inclusion Team (REIT) to enhance our company-wide approach to diversity, equity and inclusion. Participation was open to the whole company and 37% of colleagues participated in the first meeting, which was run by the VP of Administration and Human Resources and overseen by a Board Mentor. The team meets quarterly and will focus on four areas initially – Education, Recruiting, Development and Reporting, with all team members allocated to a sub-team.

TRUSTEES ON ESG COMMITTEE



BONNY W. SIMI

Ms. Simi brings more than 25 years of operations, human resources and technology experience to the Board, with executive leadership experience in the travel industry and experience as a director of a NYSE-listed hospitality and leisure company. Additionally, Bonny is a United States Olympian having competed three times in the luge.



CYDNEY C. DONNELL

Ms. Donnell brings to the committee experience in the public real estate industry and investment experience in publicly traded real estate securities, along with experience from teaching courses in real estate investment and real estate capital markets and portfolio management, including modules on corporate governance, at the business school level.



PHILLIP M. MILLER

Mr. Miller brings to the ESG committee his extensive experience as a senior executive in the financial services industry, along with his significant marketing and consulting expertise. Additionally, Phillip belongs to the Executive Leadership Council (ELC) – a black executive leadership and mentoring organization for Fortune 500 companies.

COMMITTEE MEMBERS	COMMITTEE ROLE	DEPARTMENT	TITLE
Phillip M. Miller	Chairperson	Board of Trustees	Lead Independent Trustee
Cydney C. Donnell	Member	Board of Trustees	Board Trustee
Bonny W. Simi	Member	Board of Trustees	Board Trustee
Raymond Martz	Member	Finance and Investor Relations	Chief Financial Officer
Susan Patterson	Member	Administration and Human Resources	Vice President
Gabrielle (Gordon) Buck	Member	Finance and Investor Relations	Vice President
Austin Segal	Member	Asset Management	Vice President
Zoe LaClair	Member	Asset Management	Director

STAKEHOLDER ENGAGEMENT

We are continuously engaging with our various stakeholder groups in order to ensure that our ESG activities reflect and respond to their priorities. This includes employees, third-party operators, local communities and shareholders, as well as the wider hospitality industry. We run an annual employee survey to monitor the priorities of our associates. In 2020, the response rate was 88% and revealed a high satisfaction rate amongst our associates. We run regular Town Hall meetings with General Managers (GMs) in order to understand their priorities and gather feedback. We also ran, for the first time this year, a survey of GMs across the whole portfolio, and the response (with a response rate of 66%) was also overwhelmingly positive. Specifically, 83% stated that Pebblebrook's efforts were helping to improve environmental efficiency at their property.

In the wider industry, Pebblebrook is an active member of both National Association of Real Estate Investment Trusts (NAREIT) and the American Hotel & Lodging Association (AHLA). Our Chief Executive Officer, Jon Bortz, was Chair of AHLA last year and took an active role

in some of the educational campaigns for social issues. Our Chief Financial Officer, Raymond D. Martz, co-chairs the Global Finance Committee (GFC), a committee of financial leaders from the U.S. and international hotel brands, operators and owners, for financial reporting and analysis. This committee is also responsible for creating and establishing sustainability metrics and reporting on energy, water and waste into financial reporting.

PEBBLEBROOK ESG POLICIES AND GUIDELINES

- ENVIRONMENTAL SUSTAINABILITY POLICY
- HUMAN RIGHTS POLICY
- CODE OF BUSINESS CONDUCT AND ETHICS
- SUPPLIER CODE OF CONDUCT
- CORPORATE GOVERNANCE GUIDELINES



PEBBLEBROOK EMPLOYEE GATHERING



**5 //
RISK AND
RESILIENCE**

RISK AND RESILIENCE

As the challenges of the past year have shown, understanding and planning for sustainability risks is a critical part of good business practice. Our Environmental Sustainability Policy identifies six key risks pertinent to our business model and these are reviewed annually as we undertake our wider risk management processes.

PORTFOLIO RISK ASSESSMENT

To better understand the extent of certain risks, in 2020 we completed a portfolio-wide sustainability risk assessment which examined our exposure across the portfolio to climate, water, biodiversity and socio-economic risks. Going forward this assessment will guide our initiatives in water stressed areas, such as California, and how we respond to predicted temperature and precipitation changes, which the majority of our properties across the US will experience. It also enabled us to better understand some of the socio-economic risks and opportunities across the portfolio, which in turn will inform our community engagement work in the future.

The Risk Assessment highlighted that all our properties are within 13 miles of a protected area and over half are within 3 miles. This provides an opportunity for us to promote responsible visitation to these areas and educate our guests about the natural surroundings of the hotel, such as the Encitas Tide Pools, full of marine life, nearby L'Auberge Del Mar or the Columbia River Gorge, just steps away from Skamania Lodge.

TASK FORCE ON CLIMATE RELATED FINANCIAL DISCLOSURE (TCFD)

This year we are pleased to present our first TCFD report which can be found on pages 50-55 of this document. In it we set out our Board and Management Team's roles in assessing and planning for climate-related risk. We also share our assessment of the short, medium and long term physical and transition risks we face and their impact on our strategy and planning, and how we manage these risks.

TCFD OVERVIEW			
GOVERNANCE	STRATEGY	RISK MANAGEMENT	METRICS AND TARGETS
<ul style="list-style-type: none"> ESG committee includes Board Members and Executive Team Reports to Board twice a year 	<ul style="list-style-type: none"> Short, medium and long term physical and transition risks identified in line with company Enterprise Risk Management process Property level sustainability risk assessments undertaken Strategy and planning reflects risks identified 	<ul style="list-style-type: none"> Climate risks identified as part of our business strategy Annual staff training Property level collaborations on climate risk Ongoing review of risks by ESG committee 	<ul style="list-style-type: none"> Climate-related metrics including energy intensity and Scope 1 and 2 carbon emissions disclosed Company-wide targets to be set in coming year

RISKS IDENTIFIED IN PEBBLEBROOK ENVIRONMENTAL SUSTAINABILITY POLICY

- 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 that could affect our hotels and their surroundings, as well as the production of goods and services upon which our hotels depend.
- Environmental degradation** and the loss of ecosystem goods and services would compromise our clean air, water, and food. This may result in an increased cost to build, renovate, and operate hotels.
- Rising public concern** towards environmental issues gives sustainable businesses a competitive edge. Therefore, businesses that 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.
- Business competitors** pursuing sustainability could also become more competitive through innovative approaches to capital allocation. Through innovation, monetary savings can be gained alongside energy and operational efficiency improvements.
- Toughening of environmental laws and regulations** penalizes businesses that are unable to keep up with the changes.
- Reliance on operating partners**, and not operating or managing any of our hotel properties is a result of U.S. federal income tax laws restricting REITs and their subsidiaries from operating or managing a hotel. Instead, we retain third-party managers to operate the hotels pursuant to management contracts. Our ESG philosophy and practices may be impacted by the business decisions made by our third-party managers.

An underwater photograph of a school of fish swimming near a coral reef. The water is clear and greenish. The fish are silvery with dark stripes. The coral is yellowish and brown. A large, dark green, semi-transparent geometric shape is overlaid on the left side of the image, containing the text.

6 // ENVIRONMENTAL SUSTAINABILITY

ENVIRONMENTAL SUSTAINABILITY

Protecting our environment and operating as efficiently as possible is core to our ESG commitment and program. Our energy usage intensity and carbon emissions intensity were significantly reduced in 2020, largely due to reduced occupancy and temporary suspensions of properties due to the COVID-19 pandemic. Our water use intensity, measured in terms of gallons per occupied room, doubled also due to low occupancies and the need to maintain active water systems, even when

operations are suspended to preserve the safety of our drinking water and the lifespan of our water systems. We recognize that a comparison of 2020 performance with previous years may be out of the ordinary, but we remain committed to continuing our journey to reduce energy and water usage intensities and carbon emissions as the travel sector revives and properties return to normal operating levels.



GHG Emissions intensity reduced by
50%
in 2020 (from baseline)



Over **40%**
of properties have eliminated
single use plastics



\$20 million
invested in efficiency
projects since 2016



SKAMANIA LODGE, COLUMBIA RIVER GORGE, WASHINGTON

ENVIRONMENTAL SUSTAINABILITY

Communicating sustainability initiatives across the Pebblebrook Portfolio

In 2020 we undertook a review of all the sustainability content provided on the web pages of our hotels and worked closely with the hotel teams to make the information more consistent, highlighting best practices and performance improvements.

ENVIRONMENTAL INTENSITY	BASELINE	2019	2020	% CHANGE
Energy intensity (kWh per sq. ft)	31.45	28.58	19.28	-38.70%
Greenhouse gas emission intensity (kgCO ₂ e per sq. ft)	9.13	7.10	4.56	-50.05%
Water intensity (gallons per occupied room)	143.53	135.09	284.99 ¹²	+98.56%
Water intensity (gallons per square foot)	48.92	48.29	29.86	-38.96%
Waste generated (lbs per occupied room)	28.35	22.14 ¹³	21.10 ¹⁴	-25.57%

EFFICIENCY INVESTMENTS ¹⁵	2016	2017	2018	2019	2020
Energy Conservation and Greenhouse Gas Emission Reduction	\$2,685,958	\$912,319	\$2,788,318	\$5,913,798	\$412,265
Water Conservation	\$2,343,780	\$2,437,671	\$1,385,963	\$689,105	\$6,043
Waste Reduction	\$138,191	\$97,500	\$147,078	\$159,276	-----
Investments	\$5,167,928	\$3,447,490	\$4,321,359	\$6,762,179	\$418,308

BECOMING A CERTIFIED GREEN BUSINESS

The Argonaut Hotel, San Francisco has prioritized sustainability and worked throughout 2020 to become, by August 2021, a San Francisco Certified Green Business. The hotel's environmental policy incorporates sustainability into its core business, and ten priority action areas have been set. These include commitments to reduce waste, conserve water, improve air quality and promote sustainable transportation.



ARGONAUT HOTEL, SAN FRANCISCO, CALIFORNIA

¹² Water intensity skewed much higher in 2020 due to portfolio-wide suspensions of operations, driving occupied rooms much lower in 2020.

¹³ 65% of waste data was estimated using volume-to-weight conversion factors.

¹⁴ 62% of waste data was estimated using volume-to-weight conversion factors.

¹⁵ Due to our major corporate acquisition in 2018, the 2016 through 2018 figures do not capture all efficiency projects from our acquired properties.

ENERGY & GREENHOUSE GAS EMISSIONS



Minimizing our hotels' impact on climate change is a key pillar of our environmental policy. Since 2016 we have invested **nearly \$13 million** on energy efficiency projects including the installation of a solar field at Chaminade Resort & Spa. The 1,092 panels which span three-quarters of an acre are estimated to provide nearly a third of the property's annual energy consumption. Our most recent investments have focused on upgrades to energy efficient lighting at our Washington, DC properties. As normal levels of business resume, we will look to develop more projects for solar energy and continue to grow our investment in efficiency projects from pre-Covid levels.



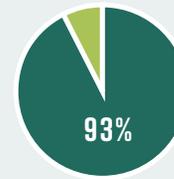
WESTIN SAN DIEGO GASLAMP QUARTER

Significant developments in 2020 include evaluating a new rooftop solar installation at Hotel Monaco, Washington, DC, installing additional Electric Vehicle car chargers at our San Diego properties, and signing a majority green power supply agreement at the Hilton Gaslamp Quarter, Solamar Hotel and San Diego Mission Bay Resort, all located in San Diego, California.

By 2019, our energy intensity had reduced by 9.1% from our 2013 baseline, and while the further 39% reduction in 2020 was due to widespread operational suspensions and low occupancy, as we move forward we will strive to continue the downward trajectory we had already established.

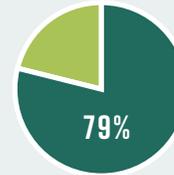
In order to support hotels in the Curator Hotel & Resort Collection, we have agreed to a Master Service Agreement with a company to provide on-site energy audits to help hotels to identify sustainability and efficiency projects they can complete.

ENERGY BEST PRACTICES ACROSS THE PEBBLEBROOK PORTFOLIO



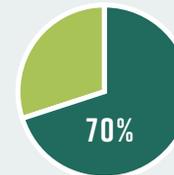
93% of hotels

At least 90% of guestrooms in the property have digital thermostats



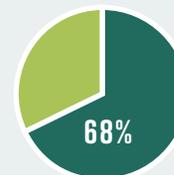
79% of hotels

Have implemented measures to improve energy conservation over last 4 years



70% of hotels

Have high efficiency boilers



68% of hotels

At least 90% of light bulbs in the property are LED

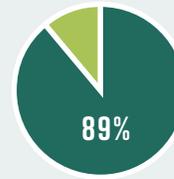
WATER



The Risk Assessment undertaken in 2020 identified significant opportunities to address water conservation across the portfolio, particularly for properties located in extremely water stressed areas such as California. Water intensity, or gallons per occupied room, reduced consistently from our 2013 baseline until 2019. As a result of low occupancies and the necessity to continue to run water systems even in closed properties, water intensity nearly doubled in 2020. However, through monitoring water use at suspended and near-empty properties, we were able to identify a number of opportunities to improve efficiency in the future.

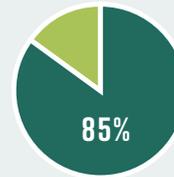
Since 2016 we have invested **nearly \$7 million** in water efficiency projects. In 2020, following successful installations in other hotels, we installed shower and faucet flow limiters at Union Station Hotel Nashville.

WATER BEST PRACTICES ACROSS THE PEBBLEBROOK PORTFOLIO



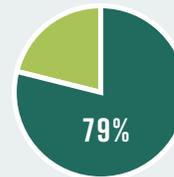
89% of hotels

Over 90% of toilets in the hotel are low-flow or dual flush



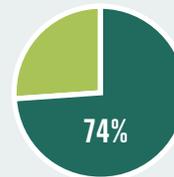
85% of hotels

Over 90% of showerheads in the hotel are low-flow and faucets have low-flow aerators



79% of hotels

Have implemented measures to improve water efficiency over the past four years



74% of hotels

Have a water efficiency program

WASTE

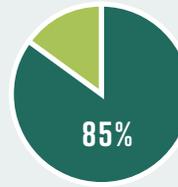


Reducing waste continues to be a priority for Pebblebrook. Over 40% of hotels have eliminated or reduced to a minimum single-use plastics and we continue to work to achieve our goal of 60%. Eighty-five percent of our properties have instituted measures to improve waste management over the past four years.

At our corporate offices we have saved 16,481 bottles to date thanks to our Bevi machine. Our Curator Collection hotels exclusively carry Evian’s 100% recycled PET water bottles, meaning there is no new plastic in the bottle.

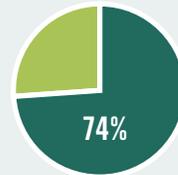
Going forward, we will work with our hotel operators to enact further strategies to reduce all waste, including food waste. At our corporate office we have introduced 100% compostable silverware cutlery, made of corn and talc, as we embark on our journey towards a more circular approach to waste.

WASTE BEST PRACTICES ACROSS THE PEBBLEBROOK PORTFOLIO



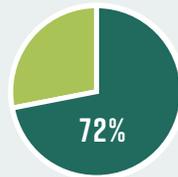
85% of hotels

Have implemented measures to improve waste management over the last four years



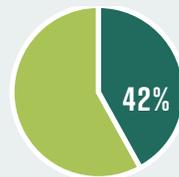
74% of hotels

Have eliminated plastic straws from the property



72% of hotels

Have recycling bins in guestrooms



42% of hotels

Have eliminated or reduced to a minimum single-use plastics

ENVIRONMENTAL SUSTAINABILITY

RESPONSIBLE PROCUREMENT

Responsible purchasing is a pillar of Pebblebrook's ESG strategy. Environmental specifications are highlighted in supplier contracts to ensure the goods and materials consumed by Pebblebrook properties are environmentally friendly. Examples include the use of low-to-zero VOC paints and adhesives, protocols for controlling and eliminating airborne particulates and, where possible, FSC-certified lumber and wood are utilized in the materials for both the construction phase of hotel repositioning and the property's FF&E reinvestment.

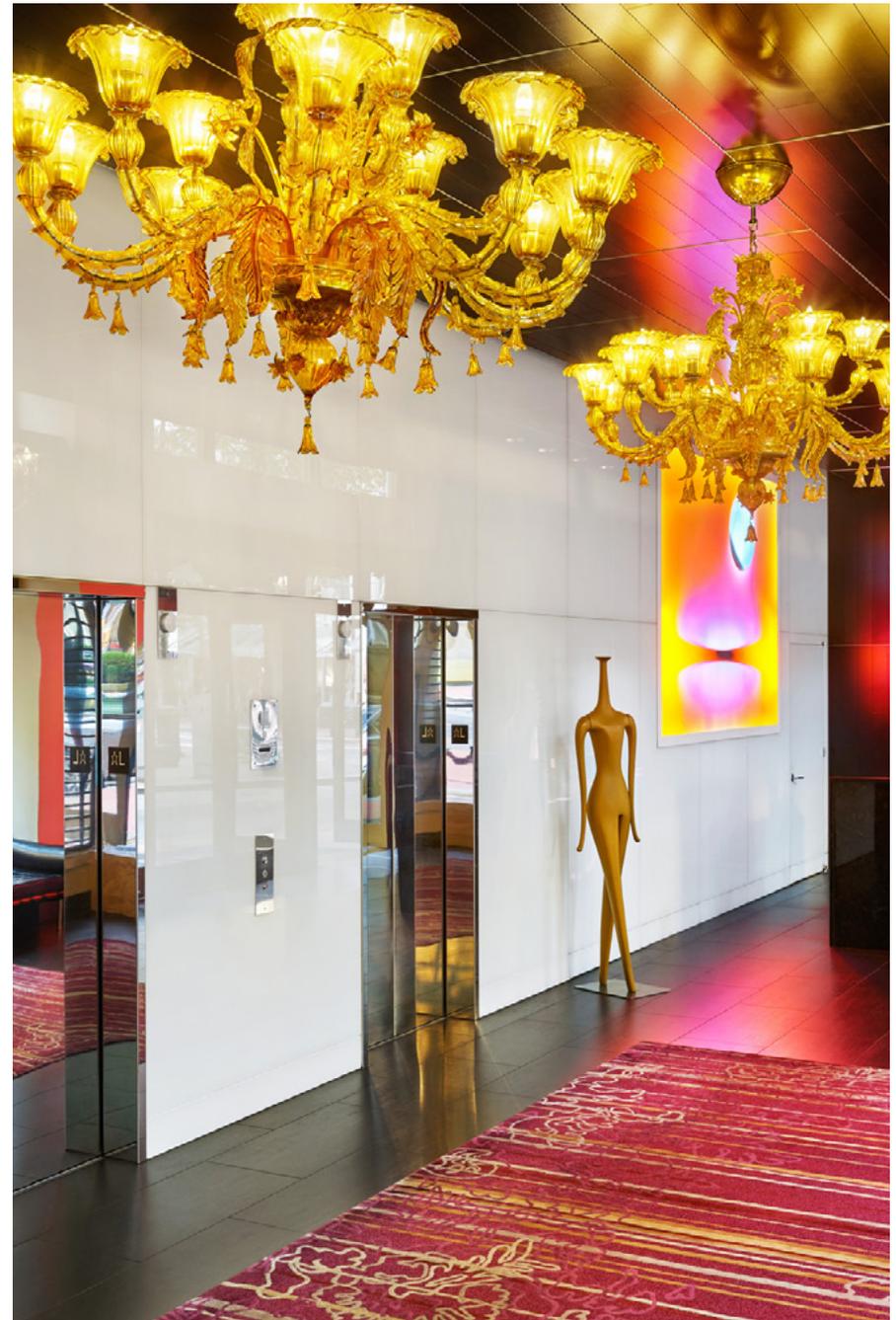
Pebblebrook is committed to incorporating ESG requirements into the vetting process and contracts with our suppliers and partners. In 2019, we created an ESG questionnaire that was used to screen general contractors for the development of our new headquarters, and we continue to use this as a filter for our suppliers and vendors. Asset managers review and approve all energy-related capital projects, which includes vetting the vendor, reviewing contract language, and addressing market feedback prior to their inclusion in the capital budget.

In the future we will work closely with our purchasing and procurement partners to further embed sustainability considerations into procurement across the board and ensure that our priorities are reflected by our vendors.

GREEN BUILDING CERTIFICATION	# OF PROPERTIES	SCOPE OF PORTFOLIO ¹⁶
Benchmarked against Energy Star	17	29.0%
Energy Star Top Performer ¹⁷	13	2,533,020 sq.ft
LEED Certified	2	4.1%
TripAdvisor Green Leader (Platinum)	4	6.8%
TripAdvisor Green Leader (Gold)	13	18.2%
TripAdvisor Green Leader (Silver)	13	26.4%
TripAdvisor Green Leader (Bronze)	11	26.8%

¹⁶ Calculated as a percentage of Total Gross Floor Area.

¹⁷ Defined as properties with an Energy Star score of at least 75.



THE NINES, A LUXURY COLLECTION HOTEL, PORTLAND, PORTLAND, OREGON

A photograph of three people practicing yoga outdoors. They are standing on green mats on a paved patio area, surrounded by lush greenery and trees. The person on the left is a man in a white t-shirt and light-colored pants, the person in the middle is a man in a blue t-shirt and shorts, and the person on the right is a woman in a purple crop top and black leggings. All three have their arms raised in a yoga pose. A large, semi-transparent blue graphic element is overlaid on the left side of the image.

7 // SOCIAL RESPONSIBILITY

SOCIAL RESPONSIBILITY

The success of our company is driven by our people and those who operate the hotels that we own. We take our responsibility to them, our guests and local communities extremely seriously. Throughout the Covid-19 pandemic, our priority has been the physical and mental health of our people and supporting where we can the communities in which our properties are located. In addition, we are driving towards a more racially aware and equitable workplace, with a key highlight of 2020 being our work on diversity and inclusion. Our community giving and volunteer programs were cut dramatically in 2020, due to social distancing limitations and governmental restrictions, but our commitment continues, and we will be reinstating them as we are able to.



PEBBLEBROOK EMPLOYEES	2017	2018	2019	2020
Total Employees (#)	28	53	57	53

GENDER

Employees Men (%)	43%	42%	39%	33%
Employees Women (%)	57%	58%	61%	67%

RACE

Employees Black or African American (%)	4%	6%	7%	9%
Employees Asian (%)	14%	21%	16%	19%
Employees Hispanic or Latino (%) ¹⁸	0%	0%	0%	0%
Employees White (%)	82%	73%	77%	72%
Employees Other (%)	0%	0%	0%	0%

¹⁸ In 2021, we have employed multiple Hispanic and Latino employees.

HEALTH AND WELLNESS

Ensuring the physical and mental health and wellness of our associates is always a top priority at Pebblebrook. We provide employees with standing desks, ergonomic desk chairs, a desk wellness series and complimentary fitness center memberships.

During the pandemic, we were able to maintain all health benefits for associates, and we instituted a program of mental wellness in order to support them during the various challenges which emerged. This included our Virtual Ventures series of regular emails including health tips, information on exercise, mental health support services, motivational activities and links to resources. Every six weeks, we sent reminders to associates about tele-health options including counselling. We recognize the importance of social interaction, so we instituted a coffee hour once a week as well as remote celebrations of key moments including birthdays.



While the majority of staff worked from home throughout 2020, we maintained a core staff in the office and have instituted robust health protocols to ensure everyone's health and safety in the office. Specific measures include air filtration devices throughout the office, a touchless water dispenser, sink and photocopier, a UV cleaner for laptops and an increased number of plants at workstations, which serve as a natural filter as well as a natural barrier between individuals.

In March 2021, our corporate office at 4747 Bethesda Avenue became Fitwel Viral Response approved, based on the implementation of Fitwel Viral Response Certification Strategies, including procedures related to indoor air and water quality management; enhanced cleaning, disinfecting, and maintenance protocols; and clear and consistent communication with tenants. These activities are vital in providing an indoor environment that supports employee health, lessens the spread of illness, and helps employees be more productive in their work environments.

SOCIAL RESPONSIBILITY



DIVERSITY AND INCLUSION

At Pebblebrook, we are proud of our progress towards diversity and inclusion, but we know we still have work to do. In 2020, we launched our Racial Equity and Inclusivity Team (REIT) in which over a third of the company participates. We are focusing on four areas initially including education, recruiting, development and reporting, and in 2021 we plan to host a professionally facilitated event for the entire company around educating ourselves about diversity and inclusion, and how to talk about these topics.

Despite having to put a hold on all charitable donations from March 2020, due to Covid, Pebblebrook did match fund all employees who fundraised for causes related to racial equity and diversity. Overall, nearly \$50,000 in both cash and in kind donations was raised for charities including American Civil Liberties Union, Black Alliance for Just Immigration, Black Lives Matter, Campaign Zero, Color of Change, Communities United Against Police Brutality, Community Bail Funds and Equal Justice Initiative.

TACKLING UNCONSCIOUS BIAS

Staff from Hotel Spero and The Marker in San Francisco participated in the San Francisco Hotel Council's Unconscious Bias program. The program featured speakers from across San Francisco based industries and was focused on understanding implicit bias and how it affects decisions, behaviors and interactions.

JUNETEENTH

Pebblebrook designated Juneteenth as a company holiday and asked each employee and their families to use the day to do at least one thing to celebrate Black culture and/or spend the time educating themselves on race relations and discrimination. Team members were encouraged to share their experience and learnings with the whole company. The team rose to the occasion and activities reported included a range from quiet reflection and talking with friends and family, to a cyber-dive through history (reading the Emancipation Proclamation, exploring the Civil Rights Movement and the history of Juneteenth), listening to lectures and musical expression, virtual tours of the African American Museum, and attending BLM marches and rallies. Juneteenth will continue to be observed as a company holiday at Pebblebrook.



THE ANALYST TEAM AT OUR CORPORATE OFFICE

SOCIAL RESPONSIBILITY

LABOR PRACTICES

Our people are at the core of our company. We are committed to ensuring a work environment free of discrimination and one where everyone is supported for continued success and growth. Pebblebrook complies with all relevant labor standards and policies and commits to maintaining a living wage for all employees. We affirm the standards and recommendations set forth by the United Nations (UN) Guiding Principles on Business and Human Rights and the Universal Declaration of Human Rights to ensure we cultivate a sustainable work environment for all our employees, leaving no one behind.

PROFESSIONAL DEVELOPMENT

We administer both a three-year rotational analyst program and a junior year summer internship program for young professionals with leadership potential. The analyst program is an individualized development and training program that allows recent college graduates an opportunity to grow their early career under the direct leadership of a vice president at the company. Analysts may contribute to any of our three major functional areas: Asset Management, Investments, or Strategic Planning/Corporate Finance. As the third year commences, the company will assist each participant in taking their next career step, whether it be at our company where prior analysts have advanced to Vice Presidents, at another company such as Starwood Capital Group, Brookfield Asset Management, Geolo, KHP, HotelAVE, etc, or through a graduate school program like the Wharton School of Business. The internship program gives junior undergraduate students the opportunity to shadow current analysts in the analyst program. Each intern is given a handful of projects in any of the three major functional areas listed above. The intern works with an analyst and a VP to complete the projects and

present the findings. At the end of the program, a VP works with the intern to update their resume and discuss their final year and future career path.

HUMAN TRAFFICKING AND MODERN SLAVERY

Pebblebrook is fully committed to the Sustainable Hospitality Alliance's Principles on Forced Labor, and we share these values with our employees, third party operators, suppliers, vendors and partners. While the risk of issues related to human trafficking and modern slavery is low within our own office-based work environment, we are committed to helping our third-party operators train hotel frontline staff to identify potential warning signs and respond appropriately to suspicious activity.

SUSTAINABLE HOSPITALITY ALLIANCE PRINCIPLES OF FORCED LABOR

1. Every worker should have freedom of movement

The ability of workers to move freely should not be restricted by their employer through abuse, threats and practices such as unlawful retention of passport and valuable possessions.

2. No worker should pay for a job

Fees and costs associated with recruitment and obtaining employment should not be paid by workers.

3. No worker should be indebted or coerced to work

Workers should work voluntarily, be informed of their employment terms and conditions in advance without misrepresentation, and be paid regularly as agreed and in accordance with any applicable laws and regulations.



Pebblebrook is a participant in the AHLA 5-star promise, a voluntary commitment to enhance policies, trainings and resources, including employee safety devices, in order to strengthen safety and security for hotel employees and guests. We have provided resources to support our hotel operators deliver human trafficking and sexual harassment awareness training and avoidance programs, at both corporate and property level. In addition, for our Curator Collection hotels, we have negotiated an MSA for employee safety devices so that they can comply with the 5-star promise.

SOCIAL RESPONSIBILITY

COMMUNITY ENGAGEMENT

Our hotels are active participants in their local communities. Although our usual level of charitable activity and donations was not possible in 2020, we donated the equivalent of almost \$50,000 to causes related to Black Lives Matter, match funding any money raised by our associates. Fifty nine percent of our properties have established ongoing relationships with local charities and across the portfolio, and 40% of GMs serve on local boards. As business returns to a more normal level, we will reinstate our program of charitable giving and volunteering. During the pandemic, 21% of our hotels regularly donated excess food to local community groups, an increase of 40% on the previous year, which is something we will work to maintain in the future.



COMMUNITY & GIVING METRICS	2018	2019	2020
Total Donations	\$70,000	\$129,598	\$49,338
Total Cash Donations	\$30,000	\$89,598	\$32,327 ¹⁹
Total Employee Donations	N/A ²⁰	\$16,655	\$12,000
Total Donations per employee	N/A	\$327	\$257
Total Value of In-Kind Donations	\$40,000	\$40,000	\$17,011
Total Donated Room Nights	N/A	86	31
Total Volunteer Hours (hours)	125 ²¹	280	—
Total Volunteer Hours per employee (hours)	4.5	5	— ²²

¹⁹ Except to support racial equity-focused charities, we suspended our Charitable Matching Gift Program in March 2020.

²⁰ N/A indicates insufficient data was available.

²¹ Excludes the employees who joined from LaSalle Hotel Properties in November 2018.

²² All volunteering activities were suspended due to governmental restrictions on social gatherings as a result of COVID-19.

SUPPORTING LOCAL COMMUNITIES

Hotel Spero and The Marker in San Francisco donated furniture to the Make it a Home campaign, during the pandemic. This resulted in 10 households being furnished, serving 3 foster kids and supporting 8 children, overall helping 17 people.



CREATING A SENSE OF PLACE IN COMMUNITIES THROUGH ART

Pebblebrook has invested more than \$700,000 in installations of art across our portfolio. These sculptures and murals provide a focal point for the surroundings, making a positive contribution to the 'sense of place' of the local area.



MAKING DREAMS COME TRUE FOR A FRONTLINE WORKER

Kimpton Hotel Washington DC honored frontline workers by offering an emergency room technician, who had postponed her wedding due to Covid-19, a wedding free of charge. Eight vendors came together to provide rings, wedding outfits, flowers, photos and AV and the hotel donated meals and the venue.

8 // PEBBY AWARDS

PEBBY AWARDS

Our annual Pebby Awards recognize the best performing hotels in the Pebblebrook portfolio across a range of business and sustainability categories. Over the years we have increased the number of awards to reflect the ESG priorities of our organization. Timed each year to coincide with the Oscars, the Pebbys have a cinematic theme and are an extremely effective way to engage and recognize our hotels for their hard work. In 2021, there were three ESG focused awards for work impact in 2020.

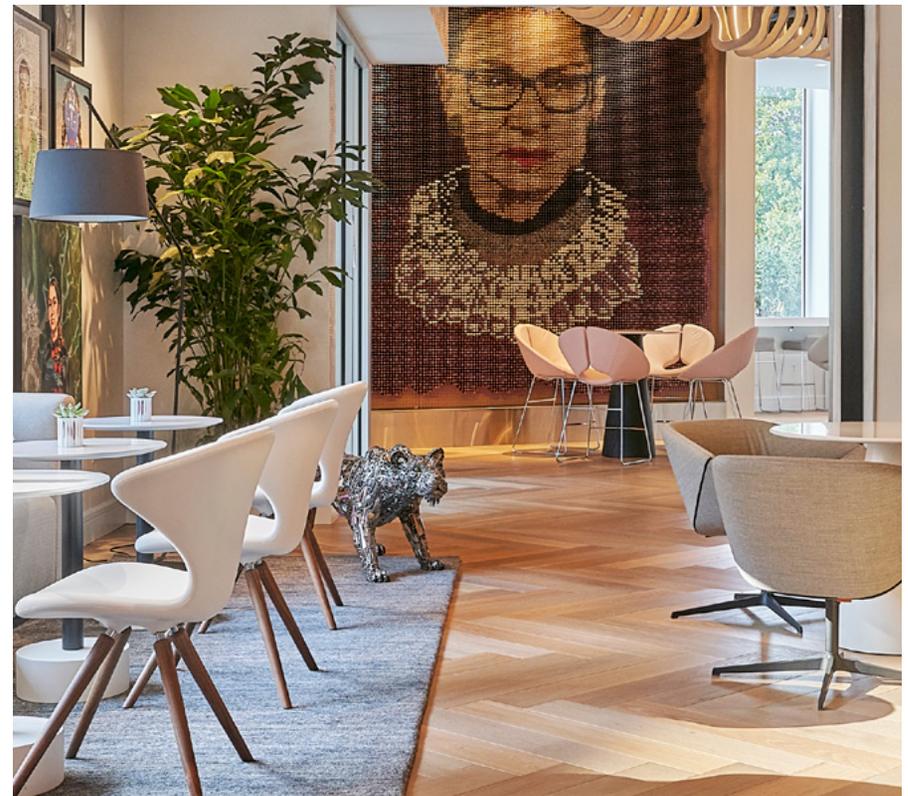


BEST ACTOR

For best overall effort made by a hotel team to positively impact their community and/or neighborhood and help raise awareness for social justice and equity.

WINNER: Hotel Zena, Washington, DC

Hotel Zena is designed around women's equality. It houses a mural portrait of Ruth Bader Ginsberg made out of 20,000 repurposed tampons donated by CORA, as well as a "Button Wall," made out of 8,000 protest buttons representing generations of marches and events promoting the feminist movement, paying tribute to America's 100th anniversary of the Women's Right to Vote. The "Wall of Honor" contains over 200 portraits of female powerhouses who have fought for gender equality and civil rights. During the pandemic, Hotel Zena hosted paint and sip classes on the rooftop which helped to bring the community together safely.



HOTEL ZENA, WASHINGTON, DC



BEST MUSIC

For outstanding implementation of new health protocols and creative operating practices in a COVID-19 world.

WINNER: Paradise Point Resort and Spa, San Diego

After two months of suspension, Paradise Point reopened its doors in June 2020 to a world of guests who were tired of staying indoors and wanted to enjoy a safe and distanced staycation with their families. The team at Paradise Point did not miss a beat after reopening. They marketed their location on a 44-acre island with private bungalows and exterior entrances to the leisure customer, transforming this previously group-heavy hotel into the ideal COVID getaway.

In addition to new sanitation protocols that every hotel implemented, the Paradise team created a unique video posted on their website to highlight and demonstrate the safety protocols and emphasize the safe guest experience. They also did an exceptional job depicting the activities available to guests and constantly updated the information available. This was identified as a best practice and rolled out at other hotels in the portfolio. The F&B team also quickly converted their fine dining restaurant, Tidal, into a family style dining experience with rotating concept nights. Creativity and concepts combined with flawless execution made this innovative reinvention of the restaurant a success.



PARADISE POINT RESORT AND SPA, SAN DIEGO

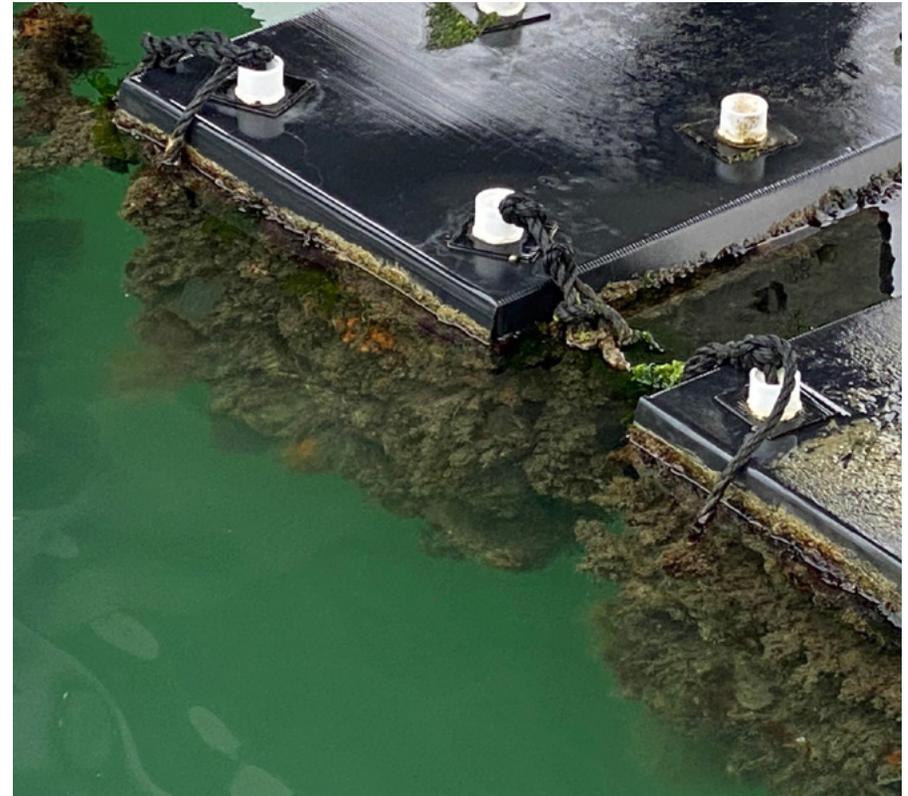


BEST CINEMATOGRAPHY

For best implementation of energy conservation programs and green initiatives to reduce energy, water and waste to limit a hotel’s carbon footprint.

WINNER: LaPlaya Beach Resort and Club, Naples, Florida

LaPlaya installed two artificial reefs to boost biodiversity, clean water, and fight red tide at Vanderbilt Beach. The artificial reefs act as an alternative habitat that can filter over 30,000 gallons of water per day and house over 300 fish and 200 crabs per year. In turn these ‘reefs’ improve water quality, create homes for fish, shrimp and crabs, providing a greater chance of survival and establishing a small local food chain in dead zones. While artificial reefs take 6 to 12 months to establish, depending on the location, LaPlaya is committed to the long-term rejuvenation of local biodiversity by investing in 23 mini reefs.



LAPLAYA BEACH RESORT AND CLUB, NAPLES, FLORIDA

A photograph of two chefs in white uniforms standing at a market stall. The chef on the left, wearing glasses, is holding a red tomato and gesturing with his other hand. The chef on the right is looking down at something in his hands. The background is filled with various fresh vegetables like artichokes and leafy greens. A large teal graphic element is overlaid on the left side of the image.

9 // PEBBLEBROOK AND THE SUSTAINABLE DEVELOPMENT GOALS

PEBBLEBROOK AND THE SUSTAINABLE DEVELOPMENT GOALS

Launched in 2015, the UN Sustainable Development Goals (SDGs) are a set of 17 actionable goals, established through consultation with business, that seek to address global challenges and achieve a better and more sustainable future for all. The SDGs help inspire and frame our programs so that we can make a collective impact and positive contribution to the global development agenda. Below we outline how our work is contributing to 11 of the SDGs.

GOALS	DESCRIPTION	APPROACH
3 GOOD HEALTH AND WELL-BEING 	Ensure healthy lives and promote wellbeing for all at all ages	The physical and mental wellness of our associates is a priority, as evidenced by the initiatives taken to support them during the pandemic. Guest health is also of paramount importance and reflected in the multiple actions taken to ensure safety and hygiene at our properties.
4 QUALITY EDUCATION 	Ensure inclusive and equitable quality education and promote lifelong learning opportunities for all	Our professional development initiatives, including three-year analyst and undergraduate internship programs, are well established and have seen numerous participants develop their careers at Pebblebrook.
5 GENDER EQUALITY 	Achieve gender equality and empower all women and girls	Representation of women amongst our staff is already significantly over 50%. Hotel Zena in Washington DC has recently been refurbished with a focus on women's empowerment.
6 CLEAN WATER AND SANITATION 	Ensure availability and sustainable management of water and sanitation for all	Following our portfolio-wide risk assessment, we understand the full extent to which our properties are in water stressed areas and will take appropriate action. We invest annually in water efficiency projects across the portfolio.
7 AFFORDABLE AND CLEAN ENERGY 	Ensure access to affordable, reliable, sustainable and modern energy for all	We invest heavily in energy efficiency projects and have started to look at solar solutions in several of our properties. A major installation took place at Chaminade Resort and Spa, Santa Cruz, and we are working to implement a project in Washington, DC.

PEBBLEBROOK AND THE SUSTAINABLE DEVELOPMENT GOALS

GOALS	DESCRIPTION	APPROACH
 <p>8 DECENT WORK AND ECONOMIC GROWTH</p>	<p>Promote sustained, inclusive and sustainable economic growth, full and productive employment and decent work for all</p>	<p>Ensuring that our properties reflect the authenticity of their surroundings is core to our business strategy. This promotes the integration of cultural heritage into our properties.</p>
 <p>10 REDUCED INEQUALITIES</p>	<p>Reduce inequality within and among countries</p>	<p>Our initiatives to promote racial diversity include the introduction of our Racial Equity and Inclusivity Team as well as the observance of Juneteenth throughout the company and continued giving to causes which support racial equality and diversity.</p>
 <p>12 RESPONSIBLE CONSUMPTION AND PRODUCTION</p>	<p>Ensure sustainable consumption and production patterns</p>	<p>Annually, we report our energy and water intensity, carbon emissions and waste via frameworks such as SASB and GRI. We take active steps to reduce waste and have a target of eliminating single use plastics in 60% of properties, as well as expanding our responsible procurement program.</p>
 <p>13 CLIMATE ACTION</p>	<p>Take urgent action to combat climate change and its impacts</p>	<p>This year, we embedded climate risk, as well as steps to reduce our energy usage and move toward renewables, into our enterprise risk management as shown in our TCFD response.</p>
 <p>14 LIFE BELOW WATER</p>	<p>Conserve and sustainably use the oceans, seas and marine resources for sustainable development</p>	<p>A major project at LaPlaya Beach Resort & Club in Naples, Florida included the installation of two artificial reefs to boost biodiversity and ocean health.</p>
 <p>17 PARTNERSHIPS FOR THE GOALS</p>	<p>Strengthen the means of implementation and revitalize the global partnership for sustainable development</p>	<p>We continue to contribute actively to partnerships at both local and industry level. 40% of our GMs are members of local boards, and we are active members of NAREIT and AHLA.</p>

10 // 2021 AND BEYOND



2021 AND BEYOND

2020 was undoubtedly an extremely challenging year for our company and our industry as a whole. However, we continue to take our environmental and social commitments seriously.

➤ This year we have benchmarked against GRESB for the first time, undertaken a full portfolio sustainability risk assessment, disclosed our first TCFD report and established a new structure and approach to Diversity and Inclusion.

While we rely on our third-party hotel operators to drive sustainability in their hotels which we own, we are increasingly taking a more proactive approach to supporting our independent and third-party operators to deliver more robust sustainability initiatives. The development of Curator Hotels and Resorts provides a significant platform to do this.

OBJECTIVES

SHORT-TERM

- Reboot initiatives to reduce single use plastics and drive towards our goal of elimination of single use plastics in 60% of properties
- Provide resources and training for properties to establish green committees
- Use environmentally efficient and responsibly sourced materials in the renovation process
- Set and progress towards environmental targets on energy, greenhouse gas emissions, water and waste
- Consider green forms of finance
- Work closely with procurement partners to maximize the ESG impact on our supply chain

MEDIUM-TERM

- Conduct ESG surveys with vendors and SMEs to discover sustainable practices and hold stakeholders accountable for responsible practices. Vendors include architects, interior designers, general contractors, purchasing agents, landscape architects, engineers, operators and restaurateurs, among others.

LONG-TERM

- Become a sustainability leader among our peers through leadership in ESG ratings and assessments



PROGRESS

- Benchmarking against GRESB
- Full portfolio sustainability risk assessment undertaken
- Integration of Task Force for Climate Related Financial Disclosure (TCFD) into our disclosures
- Establishment of new Racial Equality and Inclusivity Team
- Undertook survey of General Managers to gather feedback on how we work with them and our ESG activities



GOAL SETTING

A priority for the coming year will be to set overarching environmental and social goals based on industry best practice. Goals may cover:

- Energy reduction
- Water reduction
- Best practices roll-out across portfolio
- Environmental efficiency project evaluation
- Company employee participation in volunteering
- Contributions to social initiatives

11 // CASE STUDIES



CELEBRATING WOMEN'S EMPOWERMENT HOTEL ZENA

“We created a safe gathering space that celebrates diversity, respects different points of view, and opens the floor to topics worthy of meaningful conversation. We know we’re pushing boundaries and might even make some people uncomfortable – and we’re okay with that.”

JON BORTZ, PEBBLEBROOK CEO

Following an extensive redevelopment, Hotel Zena in Washington DC opened its doors to the public in October 2020. In the wake of the #MeToo movement, Pebblebrook conceptualized and designed the hotel to be a celebration of women’s rights and diversity, and those who work together to achieve fundamental civil rights. The ambition was to make a statement of empowerment, harnessing the hotel’s strategic location in the nation’s capital and the power of art to bring people together. Hotel Zena brings Sustainable Development Goal 5 “Achieve gender equality and empower all women and girls” to life through design, art and creative collaboration.

Provocative art and design are at the core of Hotel Zena where guests are immersed in over 60 pieces of gallery-quality art created specifically for the hotel by a distinguished group of artists from around the world, working globally for the cause of human rights. The art revolves around the courage of some of the world’s most notable people and their fight for inclusivity and change. All the pieces are original and painted, photographed, sculpted and stitched by feminists of both genders with powerful stories to share.



HOTEL ZENA, WASHINGTON, DC



HOTEL ZENA, WASHINGTON, DC

The Portrait Gallery in Hotel Zena’s lobby features the stories of female warriors. It displays artwork celebrating ten powerful women, in addition to Ruth Bader Ginsburg, who have made significant contributions in the struggle for Women’s Rights and Gender Equality. Additional portraits include Shirley Anita Chisholm, the first African American woman elected to the United States Congress and the first woman Democrat to run for President of the United States.

ENHANCING OUR COMMUNITIES THROUGH ART

Since our inception as a company in 2009, Pebblebrook has strived to make a positive contribution to the locations of our properties and their communities. One way we have achieved this is through significant investment in art installations at many hotels. Over the years we have invested more than \$700,000 in installations. Artists are chosen based on their connection to the local community or landscape and the sculptures, murals and artworks are designed to be impactful and attractive, giving a sense of place to the locations of our properties, a sense of pride to local communities, and providing an economic benefit through driving visitation and new markets to these areas.



The Nines, a Luxury Collection Hotel, Portland – Bird Song Chandelier by Melody Owen

This artwork is a visual representation of various song waves made by endangered birds in Oregon. Melody's interests have coalesced around concerns about the rapid destruction of the environment and she is especially interested in animals as subjective beings with their own embodied forms of language and culture - as well as how recent developments in technology, especially virtual worlds, may provide an opportunity to rethink normalized assumptions about ourselves in relation to the rest of the natural world. This piece of art was featured in multiple articles as well as a book, which helped attract tourists to Portland and also raised awareness of the endangered birds in Pacific Northwest.



Viceroy Washington, DC - Paint Tube by Shawn Man Roland

The paint tube at Viceroy Washington, DC pairs with our colorful mural on the façade of the hotel to reflect the diversity and playfulness of the Logan Circle neighborhood. The tube, in conjunction with the mural, crafts an identity for the hotel within the local community so that locals and tourists alike can enjoy spending time at our property as they "paint" their own experience within the 14th street corridor.



The Westin San Diego Gaslamp Quarter – Flame Flower by Micahel Stutz

Travelers and passers-by approaching the Westin Horton Plaza encounter the Flame Flower, a dynamic 35 foot tall stainless steel sculpture which reflects the changing light and colors of its environment. Throughout the day, as light plays through the sculptural space, dappled shadows move across the plaza. The Flame Flower reflects the updating of the Westin to a modern contemporary hotel as well as the active, evolving locality and tourist economy. It is a central feature of the local area, driving awareness and visitors.



12 //
SUPPLEMENTARY
INFORMATION

ESG Performance Tables

Company Profile		2017	2018	2019	2020
Total Number of Properties		63	63	56	53
Total Number of Rooms		15,253	15,253	14,013	13,236
Economic Performance		2017	2018	2019	2020
Revenue (USD) (In thousands)		\$769,317	\$828,678	\$1,612,213	\$442,888
Adjusted EBITDA (USD)		\$233.1M	\$254.9M	\$478.7M	\$(69.7M)
Revenue Per Available Room (RevPAR) (USD)		\$207.33	\$202.10	\$210.65	\$58.13
Occupied Rooms		4,422,486	4,409,532	4,233,905	1,196,537
Occupancy Rate		83.2%	82.9%	82.8%	27.3%
Social and Governance Performance ¹		2017	2018	2019	2020
EMPLOYEES					
Total Number of Employees		28	53	57	53
EMPLOYEE DEMOGRAPHICS					
Gender	Percent Male Employees	43%	42%	39%	33%
	Percent Female Employees	57%	58%	61%	67%
Race	Percent Asian	14%	21%	16%	19%
	Percent Black or African American	4%	6%	7%	9%
	Percent Hispanic or Latino	0%	0%	0%	0%
	Percent White	82%	73%	77%	72%
	Percent Other	0%	0%	0%	0%
Age	Percent under 30 years old	43%	34%	42%	35%
	Percent 30 – 50 years old	43%	47%	44%	50%
	Percent over 50 years old	14%	19%	14%	15%
Percent of Permanent Employees				100%	100%
BOARD OF TRUSTEES					
Total Number of Board Members		(6) 7	(6) 7	(6) 7	(6) 7
Percent Male		(67%) 71%	(67%) 71%	(67%) 71%	(67%) 71%
Percent Female		(33%) 29%	(33%) 29%	(33%) 29%	(33%) 29%
Percent Diverse ²		43%	43%	43%	43%
DONATIONS AND COMMUNITY SERVICE					
Total Amount of Charitable Donations			\$70,000	\$129,598	\$49,338
Total Cash Donations			\$30,000	\$89,598	\$32,327
Total Value of In-Kind Donations			\$40,000	\$40,000	\$17,011
Total Volunteer Hours			125 ³	280	0
Average Volunteer Hours Per Employee			4.5	5	0
Total Donated Room Nights				86	31

¹ Pebblebrook company employees at year-end respective calendar year

² Percent diverse is calculated using gender and racial diversity as variables

³ Excludes the employees who joined from LaSalle Hotel Properties in November 2018

ESG Performance Tables

Environmental Performance ⁴		2017	2018	2019	2020
Floor Area Coverage for Intensity Metrics (ft ²)		12,264,448.00	12,264,448.00	11,843,508.00	11,420,857.00
Occupied Rooms for Intensity Metrics		4,422,486	4,409,532	4,233,905	1,196,537
Investment in Energy Conservation and GHG Reduction Projects		\$912,319	\$2,788,318	\$5,913,798	\$412,265
Investment in Water Conservation projects		\$2,437,671	\$1,385,963	\$689,105	\$6,044
Investment in Waste Reduction projects		\$97,500	\$147,078 ⁵	\$159,276	\$0
ENERGY	BASELINE	2017	2018	2019⁶	2020
Total Energy Consumption (megawatt hours)		337,343.48	360,088.57	338,481.57	220,181.07
Total Direct Energy Consumption (megawatt hours)		158,965.21	178,996.52	163,992.05	97,535.81
Total Indirect Energy Consumption (megawatt hours)		178,378.27	181,092.04	174,489.53	122,645.26
Total Energy Consumption of Electric Power (kilowatt hours)		155,681,862.10	156,357,741.01	151,631,917.19	98,632,672.28
Energy Consumption per square foot (kilowatt hours)	31.45	27.51	29.36	28.58	19.28
% Energy from Renewables ^{7,8}		8.54%	10.01%	10.53%	12.2%
GREENHOUSE GAS EMISSIONS	BASELINE	2017	2018	2019	2020
Total Greenhouse Gas Emissions (metric tons CO ₂ e)		84,477.07	88,498.13	84,140.20	52,042.62
Total Scope 1 Emissions (metric tons CO ₂ e)		28,885.89	32,375.99	29,725.68	17,678.52
Total Scope 2 Emissions (metric tons CO ₂ e)		55,591.19	56,122.13	54,414.53	34,364.10
Greenhouse Gas Emissions per square foot (kgCO ₂ e)	9.13	6.89	7.22	7.10	4.56
WATER	BASELINE	2017	2018	2019	2020
Total Water Consumption (kilo-gallons) ⁹		608,176.35	599,996.36	571,938.64	341,006.22
Water Consumption per square foot (gallons)	48.92	49.59	48.92	48.29	29.86
Water Consumption per occupied room (gallons)	143.53	137.52	136.07	135.09	284.99
WASTE¹⁰	BASELINE	2017	2018	2019	2020
Waste Generated per occupied room (pounds)	28.35		28.35	22.14	21.10
Non-diverted waste per occupied room (pounds)	19.78		19.78	18.95	15.98
Waste Diversion Rate (%)	30.22%		30.22%	14.41%	24.25%

⁴ 2016 through 2018 are based on 61 properties; 2019 reflects 56 properties and 2020 is based on the current portfolio of 53 properties

⁵ Based on year of project completion

⁶ Updated 2019 figures based on changes reported as of March 2021

⁷ Based on percentage of energy from renewables from EPA eGRID, including hydro

⁸ Updated based on percentage from renewables from EPA eGRID reported for each year

⁹ 100% of water consumption purchased through municipal utilities

¹⁰ Based on 81.8% (2018), 87.6% (2019) and 87.2 (2020) of the portfolio by floor area

Sustainability Accounting Standards: Real Estate

Energy Management			
Code	Topic	Unit	Value/Description
IF-RE-130a.1	Energy consumption data coverage as a percentage of total floor area, by property subsector	Percentage (%) by floor area	100%
IF-RE-130a.2	Total energy consumed by portfolio area with data coverage, by property subsector	Gigajoules (GL)	792,651.84
	Percentage grid electricity, by property subsector	Percentage (%)	44.8%
	Percentage renewable, by property subsector	Percentage (%)	12.2%
IF-RE-130a.3	Like-for-like percentage change in energy consumption for the portfolio area with data coverage, by property subsector	Percentage (%)	-29.9%
IF-RE-130a.4	Percentage of eligible portfolio that has an energy rating, by property subsector	Percentage (%) by floor area	29.0%
	Percentage of eligible portfolio that is certified to ENERGY STAR, by property subsector	Percentage (%) by floor area	9.78%
IF-RE-130a.5	Description of how building energy management considerations are integrated into property investment analysis and operational strategy	N/A	During the vetting phase of a potential acquisition, the condition of HVAC systems is reviewed. Furthermore, financial statements are reviewed for any inconsistencies to understand energy performance opportunities or risks prior to acquisition. Also, properties with existing building management systems (BMSs) are prioritized since BMSs are installed in all Pebblebrook properties.

Sustainability Accounting Standards: Real Estate

Water Management			
Code	Topic	Unit	Value
IF-RE-140a.1	Water withdrawal data coverage as a percentage of total floor area, by property subsector	Percentage (%) by floor area	100%
	Water withdrawal data coverage as a percentage of floor area in regions with High or Extremely High Baseline Water Stress, by property subsector	Percentage (%) by floor area	100%
IF-RE-140a.2	Total water withdrawn by portfolio area with data coverage, by property subsector	Thousand cubic meters (m ³)	1,290,848.98
	Percentage in regions with High or Extremely High Baseline Water Stress, by property subsector	Percentage (%)	30.2%
IF-RE-140a.3	Like-for-like percentage change in water withdrawn for portfolio area with data coverage, by property subsector	Percentage (%)	-36.3%
IF-RE-140a.4	Description of water management risks and discussion of strategies and practices to mitigate those risks	N/A	Water management strategies are prioritized among Pebblebrook’s portfolio-wide initiatives. Some of the top water efficiency measures implemented across our properties include low-flow toilets, faucets and showerheads, the use of native or drought-tolerant landscaping, and the installation of smart irrigation systems to conserve water.

Sustainability Accounting Standards: Real Estate

Management of Tenant Sustainability Impacts			
Code	Topic	Unit	Value/Description
IF-RE-410a.1	Percentage of new leases that contain a cost recovery clause for resource efficiency-related capital improvements, by property subsector	Percentage (%) by floor area	0%
	Associated leased floor area, by property subsector	Square feet (ft ²)	0.00
IF-RE-410a.2	Percentage of tenants that are separately metered or submetered for grid electricity consumption, by property subsector	Percentage (%) by floor area	25.3%
	Percentage of tenants that are separately metered or submetered for water withdrawals, by property subsector	Percentage (%) by floor area	42.5%
IF-RE-410a.3	Discussion of approach to measuring, incentivizing, and improving sustainability impacts of tenants	N/A	<p>Pebblebrook’s annual “Pebby Awards” mirror the timeline of the Oscars announcements and highlight outstanding accomplishments achieved by our hotels. There are currently three award categories for environmental impact, social impact, and health and safety respectively.</p> <p>Our internal capex system tracks costs related to sustainability initiatives. We also use our annual sustainability report to track our portfolio-wide progress and review opportunities to further advance sustainability.</p>

Sustainability Accounting Standards: Real Estate

Climate Change Adaptation			
Code	Topic	Unit	Value/Description
IF-RE-450a.1	Area of properties located in 100-year flood zones, by property subsector	Square feet (ft ²)	783,092.00
IF-RE-450a.2	Description of climate change risk exposure analysis, degree of systematic portfolio exposure, and strategies for mitigating risks	N/A	Our Chief Financial Officer, Raymond Martz, is a member of our ESG Committee that was formed in 2019. The purpose of our committee is to add a sustainability lens to decision-making at all levels of our company. Accordingly, the ESG committee acts as a cross-departmental link for all ESG risks and opportunities.
Activity Metrics			
Code	Metrics	Unit	Value
IF-RE-000.A	Number of assets, by property subsector	Number	53
IF-RE-000.B	Leasable floor area, by property subsector	Square feet (ft ²)	11,420,857.00
IF-RE-000.C	Percentage of indirectly managed assets, by property subsector	Percentage (%) by floor area	100%
IF-RE-000.D	Average occupancy rate, by property subsector	Percentage (%)	27.3%

Task Force on Climate related Financial Disclosure

Pebblebrook Hotels Trust (PEB) is committed to addressing climate change and making sure that we are aware of and prepared to mitigate the risks associated with a changing climate so that we can communicate them effectively to our stakeholders.

This, our first report to the Task Force on Climate related Financial Disclosure (TCFD), sets out our approach to climate risk management against the four sections identified in the framework: governance, strategy, risk management, and metrics and targets.

GOVERNANCE

Disclose the organization’s governance around climate related risks and opportunities

Board oversight of climate related risks and opportunities

The Pebblebrook ESG Committee was established in 2019 and oversees its ESG strategy and delivery, including climate risk. Three of our seven Board Members are on our ESG Committee, including our Lead Independent Trustee. The ESG Committee reports to the entire Board of Trustees semi-annually.

Management’s role in assessing and managing climate-related risks and opportunities

The ESG Committee oversees the assessment and management of climate related risks and opportunities. The Committee consists of senior executives from across the business, including the Chief Financial Officer and three board members. The committee’s purpose is to add a sustainability lens to decision-making at all levels of our company. Accordingly, the ESG committee acts as a cross-departmental link for all climate-related risks and opportunities. The committee acts as a liaison between upper management and asset managers during semi-annual planning sessions and monthly operations meetings.



Task Force on Climate related Financial Disclosure

STRATEGY

Disclose the actual and potential impacts of climate related risks and opportunities on the organization’s businesses, strategy, and financial planning where such information is material

Climate related risks and opportunities identified over the short, medium, and long term

Climate related risks are identified similarly to other business risks as part of our annual enterprise risk management process, using a combination of probability and magnitude of each risk. **Short-term** is identified as 1-2 years; **medium-term** is identified as 3-6 years, and **long-term** is identified as 7-10 years. It should be noted that some risks may span all 10 years, others come into play after some time. As such, some short- and medium-term risks are treated as being present continually.

Category	Timeframe	Risk	Level
Physical	Short, Medium, and Long-Term	Extreme weather events (hurricanes, fires, mudslides, droughts)	High
Physical	Short and Medium-Term	Increased cost or lack of supply of raw materials	Medium
Physical	Long-Term	Rising sea levels	High
Physical	Long-Term	Increase in global temperatures	High
Transition	Short and Medium-Term	Increased Stakeholder (investors, business partners) concerns	Medium
Transition	Short and Medium-Term	Increased guest preferences for ESG-friendly hotel products (sustainability certified hotels, green programs, plastic-free hotels, etc.)	High
Transition	Short and Medium-Term	Regulatory change (carbon taxes, construction limitations, ESG disclosure requirements, etc.) leading to increased costs	High
Transition	Short and Medium-Term	Increased insurance costs	Medium
Transition	Short, Medium, and Long-Term	Uncertainty in market signals (uncertainty around travel)	Medium
Transition	Long-Term	Maintaining an equitable and safe work environment (increasing the risk of hiring talented and qualified hotel-level and corporate employees)	Medium

Task Force on Climate related Financial Disclosure

We undertake climate risk assessments at the portfolio and property level to inform the climate risk analysis with an ongoing process to review and update risks and actions. In 2020, a complete portfolio sustainability risk assessment was undertaken. The assessment highlighted the portfolio's exposure to climate, water and biodiversity risk. Going forward, this assessment will guide our initiatives in water-stressed areas, such as California, and how we respond to predicted temperature and precipitation changes, which the majority of our properties across the US will experience.

Impact of climate-related risks and opportunities on businesses, strategy, and financial planning

As well as the portfolio risk assessment mentioned above, we undertake property level sustainability risk assessments as part of the due diligence process for acquisitions. These assessments highlight exposure to climate risks such as drought, flooding, cyclones, precipitation, and temperature changes. Issues are flagged when identified, and necessary actions are taken to remediate.

Impact on business

Physical risks

In the short term, extreme weather events such as hurricanes, fires, mudslides, and droughts pose the most severe risks to our business as they may result in significant damage to properties, business interruption and risks to the wellbeing of our guests and employees.

In the long term, the most severe risks include rising sea levels which risk causing physical erosion and lack of available freshwater supply for operation and consumption. Additionally, an increase in global temperatures may cause certain investment markets to be less desirable and thus lead to overall increased operating costs.

Transition risks:

In the short term the most important transitional risks are regulatory change such as carbon taxes, construction limitations and increased ESG disclosure requirements, all of which would result in the requirement for increased resources, both financial and human, and may impact our ability to do business.

In addition, we are seeing an increased guest preference for ESG-friendly hotel products, such as sustainability certified hotels, green programs and plastic-free hotels, as well as a preference for hotels that are low-carbon and powered by renewable electricity from the business travel community as part of their scope 3 business travel. A lack of response to this demand poses a direct risk to our profitability as consumers choose products that align with their values. Pebblebrook continues to address these preferences through capital investments, shifts in operation, and overall management of its assets.

Task Force on Climate related Financial Disclosure

Impact on strategy and planning

Our understanding of climate risks has a direct impact on our strategy and planning. Below are some examples of how climate risk influences our strategy and some tangible examples of it in action.

- The majority of our capital investment projects are purchased through the lens of investing in resiliency and long-term sustainability.
- Since 2016 we have invested nearly \$13 million in energy efficiency projects and nearly \$7 million in water efficiency projects and we will grow this in the future.
- To mitigate risks from extreme weather events we invest heavily in adequate property and business interruption insurance programs.
- Many of our on-site hotel operators, asset managers, or executive team members are actively involved in the local communities and work with local governments to ensure we remain up to speed on evolving regulations and legislation related to climate change.
- We continue to purchase hotels in drive-to locations, close to nearby metropolitan areas, to mitigate impacts on-demand due to climate-related hesitancy towards producing flight emissions.
- In 2020, we evaluated a new rooftop solar installation at Hotel Monaco, Washington, DC; and installed additional Electric Vehicle car chargers at our San Diego properties.

- In 2020, we signed a majority green power supply agreement at the Hilton Gaslamp Quarter, Solamar Hotel and San Diego Mission Bay Resort, all located in San Diego, California.
- In 2020, we installed shower and faucet flow limiters at Union Station Hotel Nashville following successful installations in other hotels.
- During annual budget meetings, our entire executive team meets all 50+ property teams to review the upcoming annual plan. The CEO and CFO review all capital investments and sustainability/climate strategies in place and planned for the future.

Resilience of strategy, taking into account different scenarios, including a 2°C or lower scenario

As the impacts of climate change on our world continue to become more apparent and the global movement towards zero carbon picks up pace, we recognize that we will see significant shifts in how business is done and how society exists. This may include introducing new environmental and carbon reduction policies, the phasing out of fossil fuels and decarbonization of electricity grids, carbon being priced and embedded into assets, and physical impacts such as sea-level rise making some places uninhabitable. We will continue to review our risk assessments and plans to ensure the future resilience of our strategy and our business.

Task Force on Climate related Financial Disclosure

RISK MANAGEMENT

Disclose how the organization identifies, assesses and manages climate-related risks

Processes for identifying and assessing climate-related risks

Our ESG Approach ensures that climate-related risks are addressed throughout the different phases of the investment cycle as set out in our business strategy.

We ensure that our whole company is aware of climate-related risks through annual training which is compulsory for all staff.

At the individual property level, Pebblebrook’s experienced asset management team collaborates regularly with its management companies, on-site professionals and environmental consultants to review energy costs and identify investment projects, operational changes and other routes to better manage the efficiency of each asset.

	Business strategy	Climate risk identification
Transact	Acquire an underperforming, underinvested or incorrectly positioned hotel	Undertake climate risk assessment as part of the due diligence process
Vision	Find the soul and the personality of the hotel and create the narrative	Assess how climate risks identified will impact the vision and narrative for the hotel
Assess	Examine all aspects of the hotel’s offering to create a unique, inviting guest experience while also improving the hotel’s profitability	Assess how climate risks might impact market forces, the guest experience and profitability
Reposition	Renovate and re-launch the hotel with a unique experiential proposition	Ensure that climate risks are addressed throughout the renovation and re-launch process with appropriate investments made to ensure mitigation and adaptation where necessary
Operate	Relentlessly pursue increased efficiency and opportunities to enhance the hotel’s profitability and utilization	Work with operators to ensure efficiency in operations, including energy and water efficiency, waste reduction and emissions reduction
Re-evaluate	Determine if hotel has optimized market position and if not, determine additional operating changes or capital reinvestment to further improve the hotel’s value	Track climate risks and identify where further action needs to be taken

Task Force on Climate related Financial Disclosure

How processes for identifying, assessing and managing climate related risks are integrated into overall risk management

Managing climate-related risks is embedded within our enterprise risk management process, ultimately overseen by the Board. This includes assessing risks based on their potential likelihood of materializing combined with the magnitude of their impact on our business.

Our ESG Committee reviews the portfolio climate risk assessments and the individual property climate risk assessments and reports them to the Board, which reviews and opines on the annual capital investment budget and must approve all acquisitions and dispositions.

PROCESSES FOR MANAGING CLIMATE-RELATED RISKS

Category	Risk	Processes
Physical	<ul style="list-style-type: none"> Extreme weather events Increased cost or lack of supply of raw materials Rising sea levels Increase in global temperatures 	<ul style="list-style-type: none"> ➤ Efficiency investments ➤ Investments in infrastructure ➤ Onsite energy generation (solar) ➤ Preventative maintenance ➤ Establishment of goals and targets
Transitional	<ul style="list-style-type: none"> Increased Stakeholder (investors, business partners) concerns and activism Increased guest preferences for ESG-friendly hotel products Regulatory change leading to increased costs Increased insurance costs Uncertainty in market signals Maintaining an equitable and safe work environment 	<ul style="list-style-type: none"> ➤ Portfolio wide communication of climate actions ➤ Elimination of single-use plastics from the majority of hotels ➤ Participation in local community and government initiatives ➤ Participation in ESG disclosure frameworks and benchmarking ➤ Responsible purchasing program ➤ Skills development and training

Task Force on Climate related Financial Disclosure

METRICS AND TARGETS

Disclose the metrics and targets used to assess and manage relevant climate-related risks and opportunities where such information is material

Metrics used to assess climate-related risks and opportunities in line with strategy and risk management process

The following metrics are used in relation to climate-related risks and opportunities:

Energy:

- Total Energy Consumption (megawatt hours)
- Total Direct Energy Consumption (megawatt hours)
- Total Indirect Energy Consumption (megawatt hours)
- Total Energy Consumption of Electric Power (kilowatt-hours)
- Energy Consumption per square foot (kilowatt hours)
- % Energy from Renewables

Greenhouse Gas Emissions

- Total Greenhouse Gas Emissions (metric tons CO2e)
- Total Scope 1 Emissions (metric tons CO2e)
- Total Scope 2 Emissions (metric tons CO2e)
- Greenhouse Gas Emissions per square foot (kgCO2e)

Water

- Total Water Consumption (kilo-gallons)
- Water Consumption per occupied room (gallons)

Waste

- Waste Generated per occupied room (pounds)
- Non-diverted waste per occupied room (pounds)
- Waste Diversion Rate (%)

In addition, we monitor the proportion of our properties located in 100-year flood zones, the percentage of the eligible portfolio that has an energy rating, and the percentage of the eligible portfolio that is certified to ENERGY STAR.

Greenhouse Gas Emissions	2017	2018	2019	2020
Total Greenhouse Gas Emissions (metric tons CO2e)	84,477.07	88,498.13	84,140.20	52,042.62
Total Scope 1 Emissions (metric tons CO2e)	28,885.89	32,375.99	29,725.68	17,678.52
Total Scope 2 Emissions (metric tons CO2e)	55,591.19	56,122.13	54,414.53	34,364.10
Greenhouse Gas Emissions per square foot (kgCO2e)	6.89	7.22	7.10	4.56

Targets used by the organization to manage climate-related risks and opportunities and performance against targets

Over the coming year we will work to establish specific goals and targets related to climate risks, including energy, water and greenhouse gas intensity.

We are making progress towards our target of eliminating single-use plastics from 60% of our portfolio. By the end of 2020, this had been achieved by 41.5% of properties.

Global Reporting Initiative Standards

INDICATOR	DESCRIPTION	DISCLOSURES	SOURCES
ORGANIZATIONAL PROFILE			
102-1	Name of the organization	Pebblebrook Hotel Trust (“Pebblebrook”)	2020 Annual Report (p. 5)
102-2	Activities, brands, products, and services	<p>Pebblebrook Hotel Trust is an internally managed hotel investment company, organized in October 2009 to opportunistically acquire and invest in hotel properties located primarily in major U.S. cities, with an emphasis on the major gateway coastal markets.</p> <p>As of December 31, 2020, our company is a party to hotel management agreements with Access Hotels and Resorts, AccorHotels, Benchmark Hotels and Resorts, CoralTree Hospitality Group, Davidson Hotels and Resorts, HEI Hotels and Resorts, Highgate, Hyatt, JRK Property Holdings, Kimpton Hotels and Restaurants, Marriott International, Noble House Hotels & Resorts, Provenance Hotels, Sage Hospitality, sbe Hotel Group, Schulte Hospitality Group and Viceroy Hotel Group.</p>	2020 Annual Report (p. 5 and 33)
102-3	Location of headquarters	Our company leases our headquarters located at 4747 Bethesda Avenue, Suite 1100, Bethesda, Maryland 20814.	2020 Annual Report (p. 31)
102-4	Location of operations	Our operations acquire and invest in upper upscale, full service hotel and resort properties located in or near 14 urban markets in major United States gateway cities including Boston, Massachusetts; Chicago, Illinois; Key West, Florida; Miami (Coral Gables), Florida; Los Angeles, California (Beverly Hills, Santa Monica, and West Hollywood); Naples, Florida; New York, New York; Philadelphia, Pennsylvania; Portland, Oregon; San Diego, California; San Francisco, California; Seattle, Washington; Stevenson, Washington; and Washington, D.C.	2020 Annual Report (p. 31-32 and F-12)
102-5	Ownership and legal form	Pebblebrook Hotel Trust is an internally managed hotel investment company, and our common shares began trading on the NYSE on December 9, 2009, under the symbol “PEB.”	2020 Annual Report (p. 5 and 35)

Global Reporting Initiative Standards

INDICATOR	DESCRIPTION	DISCLOSURES	SOURCES
102-6	Markets served	<p>Our company invests in hotel properties located primarily in major U.S. cities in markets with high barriers-to-entry that also provide diverse sources of meeting and room night demand generators. Furthermore, our company targets investments in resort properties located near our primary urban target markets, as well as in selected destination resort markets.</p> <p>Our investments focus on both branded and independent full-service hotels in the “upper upscale” segment of the lodging industry in cities including Boston, Chicago, Key West, Los Angeles, Miami, Naples, New York, Philadelphia, Portland, Santa Monica, San Diego, San Francisco, Seattle and Washington, D.C.</p>	<p>2020 Annual Report (p. 5)</p>
102-7	Scale of the organization	<p>As of December 31, 2020, the Company owned 53 hotels with a total of 13,236 guest rooms and employed 53 full-time employees.</p> <p>Total revenues for the fiscal year were \$443 million.</p>	<p>2020 Annual Report (pp. 5, 8 and F-6)</p> <p>Environmental Sustainability & Social Responsibility Report 2021 (“Performance Tables”, p. 44-45)</p>
102-8	Information on employees and other workers	<p>Our company currently employs 53 full-time employees. None of our employees are members of a labor union; however, some employees of our third-party operators at several of our hotels are currently represented by labor unions and are subject to collective bargaining agreements.</p> <p>Our contractors performed all construction and renovation projects ongoing in 2020. Major hotel franchisors hire employees in hotels under management agreements.</p>	<p>2020 Annual Report (p. 8)</p> <p>Environmental Sustainability & Social Responsibility Report 2021 (“Performance Tables”, p. 44-45)</p>

Global Reporting Initiative Standards

INDICATOR	DESCRIPTION	DISCLOSURES	SOURCES
102-9	Supply chain	<p>Our management agreements with major hotel franchisors require the managers to furnish chain services that are generally made available to other hotels managed by such operators. Such services may, for example, include: the development and operation of computer systems and reservation services; management and administrative services; marketing and sales services; human resources training services; and additional services as may from time to time be more efficiently performed on a national, regional or group level.</p> <p>For major renovation and development projects, our supply chain extends to include building materials, construction machinery and equipment, and FF&E.</p>	<p>2020 Annual Report (p. 33-34)</p> <p>Environmental Sustainability & Social Responsibility Report 2021 (“Responsible Procurement” p. 25)</p>
102-10	Significant changes to the organization and its supply chain	Please refer to the Chairman’s Message in our 2020 Annual Report.	2020 Annual Report (“To Our Fellow Shareholders”, pp.3-4 of PDF)
102-11	Precautionary principle or approach	See the “Risk and Resilience” section of this report for details on how we address ESG risks facing our Company.	Environmental Sustainability & Social Responsibility Report 2021 (“Risk and Resilience,” p. 18)
102-12	External initiatives	<p>See the “ESG Approach” section of this report for details on our industry leadership, which includes our President & CEO, Jon E. Bortz.</p> <p>Furthermore, our contribution to the UN Sustainable Development Goals is outlined in the “Pebblebrook and the Sustainable Development Goals” section of this report.</p>	<p>Environmental Sustainability & Social Responsibility Report 2021 (“ESG Approach” and “Pebblebrook and the Sustainable Development Goals,” p. 16 and 36)</p>
102-13	Membership of associations	Pebblebrook is a member of NAREIT and AHLA.	Environmental Sustainability & Social Responsibility Report 2021 (“ESG Approach,” p. 16)

Global Reporting Initiative Standards

INDICATOR	DESCRIPTION	DISCLOSURES	SOURCES
STRATEGY			
102-14	Statement from the most senior decision-maker about the relevance of sustainability and the organization’s strategy	See the “From Our CEO” section of this report for a statement from Jon E. Bortz, our Chairman, President, and CEO.	Environmental Sustainability & Social Responsibility Report 2021 (“From Our CEO,” p. 4)
102-15	Key impacts, risks, and opportunities	See the “Risk and Resilience” section of this report for details on environmental, social, and governance risks face our Company. Disclosures on risk factors can also be found in our 2020 Annual Report.	2020 Annual Report (“Item1A. Risk Factors,” p. 8-31) Environmental Sustainability & Social Responsibility Report 2021 (“Risk and Resilience,” p. 18)
ETHICS AND INTEGRITY			
102-16	Values, principles, standards, and norms of behavior	Pebblebrook adheres to a code of conduct that promotes honest and ethical conduct; full, fair, accurate, timely and understandable disclosure; compliance with applicable laws and governmental rules and regulations; and ensure the protection of the company’s legitimate business interests. As the premier lifestyle lodging REIT, we focus on unique, experiential, lifestyle urban hotels and resorts by differentiating ourselves through asset repositioning into the lifestyle theme.	Code of Business Conduct and Ethics Human Rights Policy Environmental Sustainability & Social Responsibility Report 2021 (“About Pebblebrook,” p. 10)

Global Reporting Initiative Standards

INDICATOR	DESCRIPTION	DISCLOSURES	SOURCES
102-17	Mechanisms for advice and concerns about ethics	Assistance for seeking advice and concerns over ethics are outlined in both the Code of Business Conduct and Ethics and Whistleblower Policy, which may be found on the corporate website.	Code of Business Conduct and Ethics Corporate Governance Guidelines (p.3 of PDF) Human Rights Policy
GOVERNANCE			
102-18	Governance structure of the organization, including committees of the highest governance body and those responsible for decision-making on economic, environmental, and social impacts	Pebblebrook’s corporate governance and board structure can be found on the corporate website. These guidelines highlight the size of the board, board, communication with the Board of Trustees, the Lead Trustee, and the Audit Committee, among others.	Corporate Governance
102-22	Composition of the highest governance body and its committees	The Board of Trustees is comprised of 7 members who oversee the functioning of the following committees: the Audit Committee, the Compensation Committee and the Nominating and Corporate Governance Committee.	Board of Trustees Corporate Governance Guidelines (p.2 of PDF)
102-23	Chair of the highest governance body	The Chairperson of the Board of Trustees is Jon E. Bortz, the current President and Chief Executive Officer of Pebblebrook Hotel Trust since its inception in October 2009.	Executive Team
102-24	Nominating and selecting the highest governance body	<p>The Nominating and Corporate Governance Committee are appointed to assist the Board by identifying individuals qualified to become Board members and to recommend to the Board, the trustee nominees for the next annual meeting of shareholders.</p> <p>The qualifications and biographical information will be reviewed during the screening, assessment, and selection of candidates of the Board.</p>	Nominating and Corporate Governance Committee Charter Corporate Governance Guidelines (p.1-2 of PDF)

Global Reporting Initiative Standards

INDICATOR	DESCRIPTION	DISCLOSURES	SOURCES
102-25	Conflicts of interest	<p>Trustees will disclose any potential conflicts of interest to the Board and, if appropriate, refrain from voting on a matter in which they may have a conflict.</p> <p>The process of reporting conflicts of interest by any stakeholder (employee, manager, trustee) can follow the compliance procedures outlined in Section 14 of the Code of Business Conduct and Ethics to ensure prompt and consistent action against violations of the Code.</p> <p>None of our named executive officers have any indebtedness to the Company, or any relationship with the Company, other than as an employee and shareholder.</p>	<p>Corporate Governance Guidelines (p.4 of PDF)</p> <p>Code of Business Conduct and Ethics</p> <p>2021 Proxy Statement (p.16 of PDF)</p>
102-28	Evaluating the highest governance body’s performance	<p>Robust Annual Board Self-Assessment: The Nominating and Corporate Governance Committee conduct an annual evaluation of the Board and each trustee to elicit and deliver feedback.</p> <p>The Compensation Committee shall annually review and approve corporate goals and objectives relevant to CEO compensation, evaluate the CEO’s performance in light of those goals and objectives, and recommend to the Board the CEO’s compensation level based on this evaluation.</p>	<p>2021 Proxy Statement (p.12 of PDF)</p> <p>Corporate Governance Guidelines (p.4 of PDF)</p>
102-35	Remuneration policies	<p>All Pebblebrook trustees are compensated through a fixed annual retainer fee. A Committee Chair Fee is also provided to those who lead a committee. Additionally, we adopted a Clawback Policy.</p> <p>For 2020, we did not initially change from 2019 the amounts we pay as an annual retainer fee to our independent Trustees for their service to us and the amounts of additional annual compensation we pay to the chairpersons of the Board’s standing committees. However, in March 2020, in an effort to conserve cash in response to the lodging industry crisis caused by the COVID-19 pandemic, our Board voluntarily reduced its annual compensation by 30% for all of 2020.</p>	<p>2021 Proxy Statement (pp.12 and 21-22 of PDF)</p>

Global Reporting Initiative Standards

INDICATOR	DESCRIPTION	DISCLOSURES	SOURCES
102-36	Process for determining remuneration	In 2019, the Compensation Committee engaged FPL Associates L.P. (“FPL”) to assist with its responsibilities related to the Company’s independent trustee compensation and executive compensation programs. For the 2020 compensation program, the Compensation Committee chose to maintain the same structure of the 2019 compensation program, with adjustments to the respective components as part of expense-reduction measures to mitigate financial impacts of the COVID-19 pandemic.	2021 Proxy Statement (pp.27-28 of PDF)
STAKEHOLDER ENGAGEMENT			
102-40	List of stakeholder groups	Our primary stakeholder groups are our corporate employees, hotel guests, industry associations, local communities, management companies, and suppliers, and vendors.	Environmental Sustainability & Social Responsibility Report 2021 (“ ESG Approach ,” p. 16)
102-41	Collective bargaining agreements	As of Year-End 2020, our company employed 53 full-time employees. None of our employees is a member of a union; however, some employees of the hotel managers at several of our hotels are currently represented by labor unions and are subject to collective bargaining agreements.	2020 Annual Report (p. 8) Environmental Sustainability & Social Responsibility Report 2021 (“ Performance Tables ,” p. 44-45)
102-42	Identifying and selecting stakeholders	Our identified stakeholders are selected by determining the groups or individuals that are directly impacted by our business or directly impact our company. For more information on our approach to stakeholder engagement, please see the “ ESG Approach ” section of this report.	Environmental Sustainability & Social Responsibility Report 2021 (“ ESG Approach ,” p. 16)

Global Reporting Initiative Standards

INDICATOR	DESCRIPTION	DISCLOSURES	SOURCES
102-43	Approach to stakeholder engagement (including customer satisfaction)	<p>The approach to stakeholder engagement by our company requires collaboration with key identified stakeholders and sustainable relationships with management companies to identify opportunities and challenges that impact our internal and external stakeholders. This collaboration is integral to achieving both strategic and sustainability objectives.</p> <p>It should be noted that Pebblebrook relies heavily on its management contracts to uphold the highest levels of guest and employee satisfaction at its properties.</p>	Environmental Sustainability & Social Responsibility Report 2021 (“ESG Approach” and “Social Responsibility,” p. 16 and 27-30)
REPORTING PRACTICE			
102-45	Entities included in the consolidated financial statements	All 53 hotels are included in both the Annual Report and 10-K filing.	2020 Annual Report (pp.31-32)
102-46	Defining report content and topic boundaries	Reporting content that has been defined considers topics of greatest importance to our company and interest to our stakeholders.	GRI Content Index
102-47	List of material topics	Material aspects are reported using the GRI Reporting Standards in the Specific Disclosures section of the Content Index.	GRI Content Index
102-48	Restatements of information	While our 2018 and 2019 environmental data has been updated due to improved data management, the restatement does not have a significant effect on Pebblebrook.	GRI Content Index
102-49	Changes in reporting	We report on 53 hotel properties. This excludes three properties which were sold in 2020.	GRI Content Index
102-50	Reporting period	Our reporting covers the calendar year of 2020.	GRI Content Index
102-51	Date of most recent report	November, 2021	GRI Content Index
102-52	Reporting cycle	Our ESG disclosures are updated on an annual basis.	GRI Content Index

Global Reporting Initiative Standards

INDICATOR	DESCRIPTION	DISCLOSURES	SOURCES
102-53	Contact point for questions regarding the report	Pebblebrook Hotel Trust 4747 Bethesda Avenue, Suite 1100, Bethesda, MD 20814 USA Phone number: (240) 507-1300 info@pebblebrookhotels.com	Contact Us
102-56	External assurance	We did not seek any assurance during the reporting period.	GRI Content Index

SPECIFIC DISCLOSURES: Economic Category

CATEGORY OVERVIEW			
103-1 to 103-3	Management Approach Disclosures	The business objectives and strategies regarding acquisitions and investments, asset management, financing strategies, competition, and others are disclosed in our Annual Report, 10-K filing, and most recent investor presentation.	2020 Annual Report (pp.5-7) Investor Presentation (June 2021)
ECONOMIC PERFORMANCE			
201-1	Direct economic value generated and distributed	Total revenues for the fiscal year were approximately \$443 million.	2020 Annual Report (p.40)

Global Reporting Initiative Standards

INDICATOR	DESCRIPTION	DISCLOSURES	SOURCES
201-2	Financial implications and other risks and opportunities due to climate change	<p>To further understand our portfolio-wide exposure to water, climate, biodiversity, and socioeconomic risks, Pebblebrook undertook a risk assessment in 2020. The climate risk indicators evaluated include drought severity, FEMA flood zone risk, cyclone risk, precipitation change, temperature change, sea level rise and relative market carbon intensity.</p> <p>The most significant climate-related risk identified was long-term temperature and precipitation change. The impacts of these changes on sites, buildings, operations and working conditions, as well as guest experience will be further researched, and adaptive plans put in place where necessary.</p> <p>For properties which are at high risk of flooding or sea level rise, adaptive actions will be taken where necessary.</p> <p>Adoption of low-carbon technologies and interventions will be prioritized at properties that operate in cities or states with higher market carbon intensity levels. This helps to reduce our carbon footprint and manage any regulatory or policy related climate risks such as carbon tax and emission trading schemes.</p>	<p>Environmental Sustainability & Social Responsibility Report 2021 (“Risk and Resilience” and “TCFD Report,” pp. 18 and 50-55)</p>
INDIRECT ECONOMIC IMPACTS			
203-1	Infrastructure investments and services supported	<p>See the “Social Responsibility” section of this report for details on community engagement programs carried out by our Company.</p>	<p>Environmental Sustainability & Social Responsibility Report 2021 (“Social Responsibility,” pp. 27-30)</p>

Global Reporting Initiative Standards

INDICATOR	DESCRIPTION	DISCLOSURES	SOURCES
ANTI-CORRUPTION			
205-2	Communication and training on anti-corruption policies and procedures	Our employees are required to provide written confirmation that they have read and understood our Code of Business Conduct and Ethics as part of their employment contract, and then on an ongoing annual basis.	Code of Business Conduct and Ethics Environmental Sustainability & Social Responsibility Report 2021 (“Social Responsibility,” p. 27-30)
205-3	Confirmed incidents of corruption and actions taken	There was no incident of corruption in 2020.	GRI Content Index

SPECIFIC DISCLOSURES: Environmental Category

CATEGORY OVERVIEW			
103-1 to 103-3	Management Approach Disclosures	88.7% of our properties have an environmental management system. We continuously evaluate energy usage, water consumption, and waste production by running detailed benchmarking throughout our portfolio internally and through participation in the Cornell Hotel Sustainability Benchmarking Index. Our disaster recovery plan has also been developed to manage the potential risks of climate-related hazards.	Environmental Sustainability & Social Responsibility Report 2021 (“ESG Approach” and “Environmental Sustainability,” pp. 13-16 and 20-25) Environmental Sustainability Policy
ENERGY			
302-1	Energy consumption within the organization	In 2020, direct and indirect energy consumption was 97,535.81 and 122,645.26 megawatt-hours, respectively.	Environmental Sustainability & Social Responsibility Report 2021 (“Performance Tables”, p. 45)

Global Reporting Initiative Standards

INDICATOR	DESCRIPTION	DISCLOSURES	SOURCES
302-3	Energy intensity	In 2020, energy intensity was 19.28 per square foot.	Environmental Sustainability & Social Responsibility Report 2021 (“Performance Tables”, p. 45)
WATER			
303-1	Water withdrawal by source	In 2020, total water consumption was 341,006.22 kilo-gallons.	Environmental Sustainability & Social Responsibility Report 2021 (“Performance Tables”, p. 45)
EMISSIONS			
305-1	Scope 1 emissions	In 2020, scope 1 emissions were 17,678.52 metric tons CO ₂ e	Environmental Sustainability & Social Responsibility Report 2021 (“Performance Tables”, p. 45)
305-2	Scope 2 emissions	In 2020, scope 2 emissions were 34,364.10 metric tons CO ₂ e	Environmental Sustainability & Social Responsibility Report 2021 (“Performance Tables”, p. 45)
305-4	Greenhouse gas (GHG) intensity	In 2020, greenhouse gas intensity was 4.56 per square foot.	Environmental Sustainability & Social Responsibility Report 2021 (“Performance Tables”, p. 45)

Global Reporting Initiative Standards

INDICATOR	DESCRIPTION	DISCLOSURES	SOURCES
WASTE			
306-1	Waste generation and significant waste-related impacts	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.	Environmental Sustainability & Social Responsibility Report 2021 (“ Environmental Sustainability ,” p. 24) Environmental Sustainability Policy
306-2	Management of significant waste-related impacts	Our management agreements with major hotel franchisors require the property managers to undertake industry accepted management practices, which includes proper waste management. Property managers are highly encouraged to undertake recycling and composting and reducing waste where possible. While our third-party operators manage our properties, our company has committed to eliminating single-use plastics in 60% of our portfolio.	Environmental Sustainability & Social Responsibility Report 2021 (“ Environmental Sustainability ,” p. 24) Environmental Sustainability Policy
306-3	Waste generated	In 2020, the total waste generated was 9,863.55 metric tons.	Environmental Sustainability & Social Responsibility Report 2021 (“ Performance Tables ”, p. 45)
306-4	Waste diverted from disposal	In 2020, total diverted waste was 2,391.88 metric tons.	Environmental Sustainability & Social Responsibility Report 2021 (“ Performance Tables ”, p. 45)
306-5	Waste directed to disposal	In 2020, total landfilled waste generated was 7,471.02 metric tons.	Environmental Sustainability & Social Responsibility Report 2021 (“ Performance Tables ”, p. 45)

Global Reporting Initiative Standards

SPECIFIC DISCLOSURES: Social Category

INDICATOR	DESCRIPTION	DISCLOSURES	SOURCES
CATEGORY OVERVIEW			
103-1 to 103-3	Management Approach Disclosures	Pebblebrook is committed to creating and maintaining a healthy and safe environment for guests, and the people who work at our company. We respect the diversity of our company’s employees and their human rights. As employees are our tremendous asset we have a comprehensive career plan to nurture these talents.	Environmental Sustainability & Social Responsibility Report 2021 (“Social Responsibility,” p. 27-30)
TRAINING AND EDUCATION			
404-2	Programs for upgrading employee skills and transition assistance programs	Pebblebrook has a three-year rotational analyst program that acts as a leadership development program for young emerging leaders.	Environmental Sustainability & Social Responsibility Report 2021 (“Social Responsibility,” p. 29)
DIVERSITY AND EQUAL OPPORTUNITY			
405-1	Diversity of governance bodies and employees	<p>Pebblebrook’s board of directors is comprised of seven members: 5 members are male, and 2 members are female. 43% of our board is diverse, based on gender and race.</p> <p>Among our employees, 67% of employees are female, and 33% are male. Also, 35% of employees are under 30 years old, 50% are between 30 and 50 years old, and 15% are over 50 years old. One hundred percent of our employees are employed on a full-time basis.</p>	Environmental Sustainability & Social Responsibility Report 2021 (“Performance Tables”, p. 44)