

Choice Hotels International 2022 Environmental, Social and Governance Report: Building a Better Tomorrow, Today

Company highlights significant new steps on journey to cut costs and save time for franchisees while building legacy of sustainability, prosperity, and wellbeing

ROCKVILLE, Md., April 3, 2023 /PRNewswire/ -- From innovative technology to conserve energy and water to even more ambitious diversity goals for hotel ownership, the [2022 Environmental, Social and Governance \(ESG\) Report](#) released by Choice Hotels International, Inc. (NYSE: CHH) highlights significant new steps that should cut utility costs, save time for franchisees, and increase the company's ESG commitments.

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"Choice Hotels International shares a uniting belief that tomorrow will be even better than today, and we are committed to building that better tomorrow," Choice Hotels International CEO Patrick Pacious says in the report. "As one of the largest lodging franchisors in the world, we are building on more than 80 years of success in developing a portfolio of diversified brands and creating a lasting, sustainable legacy for the future — one hotel, one family, one community at a time."

The report — entitled *Building a Better Tomorrow, Today* — details key measures being undertaken by Choice to further integrate ESG standards and principles into its long-term decision making and everyday operations, including:

- Launching *Commitment to Green*, an initiative to provide sustainability training and resources to Choice hotel owners, including an automated systemwide utility tracking dashboard to enable hotels to identify electricity, fuel, and water reduction opportunities
- Reporting Scope 1 and Scope 2 greenhouse gas (GHG) emissions for the first time and aligning ESG disclosures with the Sustainability Accounting Standards Board (SASB) standards and the United Nations Sustainable Development Goals (UN SDGs)
- Appointing an executive with deep knowledge of the business as vice president, sustainability and creating two new ESG governance forums to strengthen Choice's ESG strategy and execution
- Joining the Sustainable Hospitality Alliance, a global network that champions responsible hospitality, and becoming one of its largest members
- Relaunching HERTels by Choice, driving a 53% year-over-year increase in the company's hotel franchise deals with woman owners
- Committing \$25 million in incentives for contracts with underrepresented minority and woman owners by 2025
- Setting a goal to increase the representation of women in senior leadership roles to 50%

"The sustainability practices we are implementing aren't just good for our people, our communities and our planet, they're good for business," said Megan Brumagim, vice president, sustainability for Choice Hotels. "That's why we're strengthening our commitments and continuing to engage our franchisees on the journey. Whether through *Commitment to Green* or the recent installation of CarbinX carbon-capture technology at the Radisson Blu Mall of America, we're focused on practical ways to make a positive impact and deliver financial returns for our owners. Innovative efforts to drive energy efficiency and save water also save our hardworking hotel owners time and money, without sacrificing guest experience."

Choice achieved an important sustainability milestone last week when the Radisson Blu Mall of America in Bloomington, Minnesota, became [the first hotel in the world to use CarbinX](#), a groundbreaking small-scale carbon-capture device. Developed by CleanO2, CarbinX connects

to the natural gas hot water heaters in the hotel, captures the CO₂ they produce, and converts it into an ingredient that can be used in locally produced soap and detergent.

"While we are proud of our work to date, we recognize we are still at the beginning in some aspects of our ESG journey," said Pacious. "Because our belief in an even better tomorrow extends to all those we serve, one thing that won't change as we continue to grow and evolve as a company is our people-centered culture. We are committed to our franchisees and their success, to our associates and their wellbeing and career development, and to providing our guests with a welcoming stay wherever their travels take them."

About Choice Hotels®

Choice Hotels International, Inc. (NYSE: CHH) is one of the largest lodging franchisors in the world. A challenger in the upscale segment and a leader in midscale and extended stay, Choice® has nearly 7,500 hotels, representing almost 630,000 rooms, in 47 countries and territories. A diverse portfolio of 22 brands that run the gamut from full-service, upper upscale properties to midscale, extended stay and economy enables Choice® to meet travelers' needs in more places and for more occasions while driving more value for franchise owners and shareholders. The award-winning Choice Privileges® loyalty program and co-brand credit card options provide members with a fast and easy way to earn reward nights and personalized perks. For more information, visit www.choicehotels.com.

Forward Looking Statement

This press release includes "forward-looking statements" within the meaning of the Private Securities Litigation Reform Act of 1995, including statements regarding our environmental, social and governance ambitions, goals, targets, initiatives, commitments and activities, as well as our future operations and long-term strategy. These forward-looking statements are based on management's current beliefs, assumptions and expectations regarding future events, which, in turn, are based on information currently available to management. We caution you not to place undue reliance on any such forward-looking statements. Forward-looking statements do not guarantee future performance and involve known and unknown risks, uncertainties and other factors. These and other risk factors are discussed in detail in the company's filings with the Securities and Exchange Commission (the SEC), including, but not limited to, our Annual Reports on Form 10-K, Quarterly Reports on Form 10-Q and Current Reports on Form 8-K. We undertake no obligation to publicly update or revise any forward-looking statement, whether as a result of new information, future events or otherwise, except as required by law.

SOURCE Choice Hotels International, Inc.

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