



Environmental Policy

Apple Hospitality REIT, Inc. (“Apple Hospitality” or the “Company”) is committed to incorporating sustainability opportunities into our investment and asset management strategies to minimize our environmental impact. We proactively manage environmental risks at our hotels to enhance resiliency and minimize potential disruptions associated with climate change, water scarcity, threats to ecosystems, natural disasters and other results of environmental changes that may impact our portfolio.

Our Focus Areas

We strive to balance environmental stewardship with our other business goals, and we are committed to creating shared value across the following areas of environmental focus:

- **Greenhouse Gas Emissions:** We aim to reduce our greenhouse gas emissions in support of the recommendations made by the Intergovernmental Panel on Climate Change (IPCC) to avert catastrophic climate impacts and to do our part to help reduce air pollution in communities.
- **Energy:** To reduce our greenhouse gas emissions, we will continue to actively invest in energy efficiency measures including equipment upgrades and replacements, guest room energy management systems and efficient lighting systems. We will continue to evaluate renewable energy opportunities, including wind and solar.
- **Water:** We believe that access to clean, potable water for health and hygiene is a basic human right for all. We will continue to support and invest in water efficiency best practices across our hotels, prioritizing water efficient fixtures, landscaping and irrigation.
- **Waste:** We will continue to support our hotel managers in their efforts to recycle and reduce the amount of waste that is sent to landfills. We will prioritize critical waste streams including food waste, electronic waste, paper waste and waste from single-use plastics. We will continue to ensure that any hazardous waste created by our construction projects, renovations or operational activities at our hotel locations is responsibly treated.

Stakeholder Engagement

We actively engage with key stakeholders across our value chain to support our Environmental Policy:

- **Developers:** When working with developers to construct new hotels, we strive to implement environmentally friendly construction practices and building functionality. Throughout the construction process, we will continue to work with developers to identify and implement sustainable practices in the building of each hotel.
- **Brands:** We are committed to implementing the sustainability initiatives proposed by Marriott®, Hilton® and Hyatt® at our respective hotels.
- **Operators:** The third-party management companies that operate our hotels are expected to adhere to the Company’s conservation guidelines, which provide operating guidelines to consistently and responsibly use energy and water across the entire portfolio, reduce operational waste, protect biodiversity and increase the resilience of hotels against climate risks.



- **Suppliers and Contractors:** All suppliers and contractors are expected to adhere to our Vendor Code of Conduct, which outlines our expectations for environmental stewardship and our preference for suppliers that engage in best practices in eco-design, green building, sustainable consumption, and environmentally efficient transport and logistics.
- **Hotel Guests:** Within our sphere of influence, we will continue to support brand and third-party management initiatives to increase guest awareness of available conservation measures, including foregoing daily housekeeping services and the reuse of towels and linens.
- **Employees:** We aim to empower, educate and train our employees to take meaningful steps in environmental stewardship through conservation and sustainable practices at our corporate offices and in the surrounding community.

Continuous Improvement, Transparency and Governance

We believe that a commitment to continuous improvement, transparency and effective governance is critical to the successful implementation of our Environmental Policy:

- **Environmental Management Systems:** In an effort to continuously improve, we strive to enhance our environmental management systems to track and improve the emissions, energy usage, water usage and waste footprints at our hotels.
- **Due Diligence Procedures:** As part of our acquisition due diligence procedures, we continue to evaluate sustainability assessments and audits to identify areas of opportunity that will improve the property's environmental performance. We will also assess potential climate, water and biodiversity risks as part of our due diligence for potential acquisitions and dispositions.
- **Standards for New Developments and Major Construction Projects:** We continue to prioritize new development and major construction projects that align with green building best practices as identified by LEED® and related certification standards. Examples of best practices that we seek to standardize across projects include (i) the use of LED lighting throughout the hotel, (ii) guest room energy management systems, (iii) products with recycled content, (iv) ENERGY STAR® appliances, (v) low-emissivity glass for windows, (vi) low VOC paint, (vii) ultra-high-efficiency water heaters, and (viii) high-efficiency toilets and plumbing fixtures.
- **Public Reporting on Progress:** We report publicly on our management approach, the progress we have made to reduce our environmental footprint and stakeholder engagement efforts to support our Environmental Policy.
- **Incorporation of Stakeholder Feedback:** We aim to incorporate stakeholder feedback, including feedback from shareholders, industry associations and communities, to inform the evolution of our Environmental Policy and associated strategies, programs and investments in support of this policy.
- **Governance:** Our Environmental Policy is supported by the Company's Board of Directors. Our senior management is responsible for providing oversight over this policy's enforcement and providing the Company's Board of Directors with regular reports on its implementation. The Company's Environmental, Social and Governance ("ESG") Advisory Committee is comprised of key Company leaders and is responsible for overseeing our Environmental Policy. Our Chief Financial Officer serves as the executive sponsor for the ESG Advisory Committee.