

APPENDIX D TASK FORCE ON CLIMATE-RELATED FINANCIAL DISCLOSURES REPORT

Governance

DISCLOSURE	RESPONSE
Board's oversight of climate related risks and opportunities	<p>Park has an established ESG decision-making framework that drives our oversight of ESG-related matters. In early 2022, Park established a formal, decision-making ESG Committee at the Executive Committee level that consists of department heads of groups that are directly involved in ESG matters. The ESG Committee, which is subject to the oversight of the Nominating, Governance & Corporate Responsibility ("NGCR") Committee and reports to the NGCR Committee at least on an annual basis, assists the NGCR Committee in setting the Company's general strategy with respect to ESG matters. While ESG matters are routinely discussed among Park's Executive Committee leaders, the establishment of a dedicated ESG Committee helps to streamline the ESG decision-making framework and foster collaboration across the Company. The ESG Committee now oversees our three working ESG subcommittees: Green Park, Park Cares and the Diversity and Inclusion Steering Committee.</p> <p>These working ESG subcommittees are comprised of employees and senior management across various departments of our organization, and each committee has at least one Executive Committee leader as part of its team. Each committee specializes on specific ESG matters and provides either written or verbal updates to both the ESG Committee and our Chairman of the Board and CEO, Thomas J. Baltimore, Jr., at least on a quarterly basis. Both the ESG Committee and our Chairman and CEO are ultimately responsible for our ESG decision making. The NGCR Committee's oversight of ESG matters specifically identifies climate risk and diversity as two areas of focus. Furthermore, Executive Committee leaders report at least annually to the Audit Committee of the Board of Directors on Park's enterprise risk management. This includes discussions regarding climate-related risks, cybersecurity risks and other elements of risk management strategy.</p>

Governance (continued)

DISCLOSURE	RESPONSE
<p>Management's role in assessing and managing climate related risks and opportunities</p>	<p>Park's management ensures that responsibilities are assigned and communicated within the organization to assess and manage climate related risks and opportunities. In early 2022, Park established a formal, decision-making ESG Committee at the Executive Committee level that consists of department heads of groups that are directly involved in ESG matters. The ESG Committee, which is subject to the oversight of the NGCR Committee and reports to the NGCR Committee at least on an annual basis, assists the NGCR Committee in setting the Company's general strategy with respect to ESG matters. While ESG matters are routinely discussed among Park's Executive Committee leaders, the establishment of a dedicated ESG Committee helps to streamline the ESG decision-making framework and foster collaboration across the Company. This committee now oversees our three working ESG subcommittees: Green Park, Park Cares and the Diversity and Inclusion Steering Committee.</p> <p>While there are three dedicated ESG subcommittees, assessing and managing climate related risks and opportunities is primarily managed by the Green Park Committee, Park's internal Environmental Management System ("EMS") and the identified individual roles (described below).</p> <p>The Green Park Committee is focused on identifying, assessing and implementing energy and sustainability projects as well as reporting standardization, benchmarking and sustainability communications throughout the portfolio. The Committee consists of members from several disciplines, including Design & Construction, Asset Management, Finance, and external energy consultants. The broader Committee meets quarterly, and representatives meet at least monthly. The Green Park Committee produces a monthly newsletter, which is sent to all Park properties, that includes portfolio data and benchmarking as well as trends in sustainability. The Committee also conducts quarterly webinars.</p> <p>Park's internal EMS provides guidance in upholding the Company's Corporate Responsibility Framework and Strategy by acting responsibly across three areas: risk mitigation, environmental management and social commitment.</p> <p>Identified individual roles with oversight of the company's climate related risks include:</p> <ul style="list-style-type: none"> ■ Executive Vice President, Design & Construction – EMS Lead with responsibility for overseeing Park's efforts to assess and manage climate related risks and opportunities; reports directly to the CEO ■ Vice President, Design & Construction Engineering – Responsible for implementation and oversight of climate related risks and opportunities ■ Sr. Director of Engineering – Responsible for implementation of the Green Park Sustainability Playbook across Park's properties; corporate sustainability initiatives; and energy procurement, also responsible for risk management across Park's portfolio ■ Directors of Engineering at the properties – Responsible for implementing and documenting all energy, water, and sustainability projects at their respective properties

Strategy

At the asset level, the time period for investment currently varies between 1-10+ years based on the investment horizon and opportunities for each property. At the corporate level, sustainability objectives are established annually. For the purposes of assessing climate risk and opportunities, Park uses the following time horizons: short-term (<3 years), medium-term (3-6 years), and long-term (>6-10 years or longer).

DISCLOSURE	RESPONSE		
Climate-related risks and opportunities identified over the short, medium and long-term	Time Frame	Risks	Opportunities
	Short and Medium term	<ul style="list-style-type: none"> ■ Hurricanes ■ Water stressed areas ■ Droughts ■ Flooding ■ Other extreme weather events ■ Carbon tax legislation and other regulation ■ Raw material and process cost increases ■ Loss of market share due to immediate shifts in consumer preferences 	<ul style="list-style-type: none"> ■ Decreased utility costs from efficiency investments ■ Enabling properties to increase market share resulting from shift in consumer preferences ■ Low carbon goods and services ■ Optimization and capitalization of energy generation and distribution
	Long term	<ul style="list-style-type: none"> ■ Higher temperatures ■ Sea level rise ■ Increase costs and shifts to adapt to net-zero legislation and expectations ■ Increased capital costs from systemic change in energy infrastructure and building equipment 	

Strategy (continued)

DISCLOSURE	RESPONSE
Impact on Business, Strategy and Financial Planning	<p>As the second largest publicly traded lodging REIT in the United States and the owner of 54 properties across the United States as of February 17, 2022, Park faces many different challenges and risks that can manifest in different forms. Some risks that Park monitors include the impact of our large environmental footprint, health and safety concerns for our associates and property guests, changes to our assets' valuations and our brand reputation. These risks involve and affect a variety of stakeholder groups, including Park associates, guests, investors, properties and the communities where our properties are located. As Park appreciates the impact of both the various risks related to our business and the effect of such risks on our various stakeholders, Park continually strives to manage and mitigate such risks and any negative impact from our operations.</p> <p>As environmental factors impact our Company's business operations, the scope of our internal EMS is widespread. Our EMS is utilized at both the corporate and property level to address climate risks and opportunities that meet the interests and expectations of our stakeholders. Our portfolio includes assets located in hurricane prone states, coastal regions and water stressed areas. Furthermore, extreme weather effects such as droughts, flooding, hurricanes and sea level rise are forecast to become more frequent and more severe as the effects of climate change accelerate. Park understands that minimizing our environmental footprint and mitigating the potential negative impact of climate related events on our portfolio is critical to helping ensure the long-lasting success of our Company and to satisfying the needs of our stakeholders. We have internally set environmental footprint reduction targets for energy, GHG, water, waste and renewable energy. These targets are integrated into our internal ESG objectives and assessed through a performance dashboard. Results are updated at regular intervals in the year as data becomes available.</p> <p>Energy efficiency is a key component to our strategy as a property owner, not only for the capital expenditure and operating cost it represents, but also as the Company's primary source of GHG emissions. As such, energy assessments are routinely conducted as part of our operating practices, and all of our properties have received Energy Star Portfolio Manager benchmark ratings. The assessments cover indoor air quality, evaluating the operation of energy consuming equipment and analyzing energy consumption data in pursuit of maintaining and improving performance. During our property site visits, professional engineers evaluate energy efficiency in spaces such as guestrooms, guest bathrooms, kitchens, food and beverage outlets, back of house / mechanical areas, banquet and meeting rooms, fitness centers, spas and swimming pools, garages and building exteriors. As part of the Green Park program, 18 ASHRAE Level II audits have been conducted in 2021 and 2022, and the entire portfolio is expected to be audited within the next 5 years.</p>
Organizational Resilience and Impact of Different Scenarios, Including 2 degrees or lower	<p>Our strategy incorporates two assumptions of a long-term below 2 degree (B2DS) scenario.</p> <p>First, even in keeping in pace with the Paris Agreement and other policy decisions, the impacts of climate change will increase over time and may alter key markets and travel destinations. This may result in Park needing to rethink current and future investments in key markets, incorporating higher costs of owning buildings into its operating budget, and adapting to shifts in travel patterns affected by extreme weather.</p> <p>Second, as much of the world collectively works to decarbonize by 2050, we understand that there could be significant implications from such decarbonization efforts for society and our business. In particular, our planning for pursuing net zero requires both systemic changes in a building's energy sources and distribution and acceptance of altered expectations from both business and leisure guests regarding the practices and performance of a hotel. Park is currently evaluating pathways toward transitioning our business operations to net zero, while maintaining the best interests of our stakeholders.</p>
Investments in low carbon opportunities	<p>Park maintains a strong investment strategy in environmental efficiency projects across our portfolio. These investments include technology such as renewable energy, fuel switching and other market-based opportunities for lowering carbon footprints.</p>

Risk Management

DISCLOSURE	RESPONSE
<p>Process for identifying and assessing climate related risks</p>	<p>Park's EMS provides guidance throughout our organization on how to uphold our corporate responsibility framework and strategy by acting responsibly across three areas: risk mitigation, environmental management and social commitment. Success in managing these areas directly supports the key pillars of our corporate strategy: achieving operational excellence, prudently allocating capital and maintaining a strong and flexible balance sheet. Ultimately, we believe our corporate pillars will allow us to deliver superior, risk-adjusted returns to stockholders. Our EMS guides how we address the identified environmental risks and opportunities, namely, through utilizing a Plan, Do, Check, Act system in alignment with ISO 14001.</p>
<p>Processes for managing climate related risks</p>	<p>Park aims to identify and mitigate ESG risks throughout all aspects of our business. Park assesses ESG risks and opportunities by (i) engaging with key stakeholders to understand their priorities and (ii) performing thorough assessments on existing hotel properties. On an annual basis, our Design & Construction Department reviews existing hotel properties for sustainability, energy efficiency and climate impact opportunities. These assessments are completed with internal and external resources and become actionable on a best value basis. Risk assessments are also performed during the due diligence process for new acquisitions, and property condition assessments are commissioned during the due diligence process for dispositions.</p> <p>As is typical with lodging REITs, all of Park's properties are managed by third-party operators who handle the day-to-day operations and implementation of controls for each hotel. As such, Park has limited control over the day-to-day operations within a hotel. Park can, however, influence and control building related investments and best practices that aim to mitigate both environmental impacts and climate related risks and also improve efficiency. As part of our Green Park program, we have developed tools and communications to engage and collaborate with our third-party operators. Such tools include the development of a Green Park Sustainability Playbook, which covers relevant topics to advance sustainability and address environmental risk. Park also relies on its proprietary Property Risk Management Binder, which is designed to guide the incident response process for property damage scenarios. This binder addresses risks related to flooding, fire, storm damage, exterior structural damage, earthquake, tornado, civil disturbance, terrorism and biohazards.</p> <p>The Green Park Committee also conducts quarterly webinars to focus on sustainability-related operational improvement. Additionally, on a monthly basis, the Green Park Committee sends a "Green Park Newsletter" with the latest utility and emissions reporting to our third-party operators. This newsletter allows the Committee to prioritize sites for evaluation, check progress, recognize achievements and discuss relevant trends in sustainability. The Green Park Committee meets regularly with our third-party operators to review sustainability performance. Finally, as a result of the COVID-19 pandemic, there has been increased attention on modifying hotels and building operations to ensure a healthy and safe environment, which we believe will serve us well in the event of future health-related crises.</p>
<p>Integration into overall risk management</p>	<p>As part of its enterprise risk management, Park senior management at least annually presents an update to the Audit Committee on identified top risks of the Company, the likelihood of such risk and the impact of such perceived risk. The Audit Committee reviews and discusses enterprise risk each year.</p> <p>In order to ensure appropriate data collection and facilitate well-informed decision making, Park monitors potential risks and impacts of climate change to our properties located in hurricane prone states, coastal regions and water stressed areas. Risk management incorporates assessing the extreme weather effects such as droughts, floods and hurricanes, along with sea level rise that are forecasted to increase in frequency and severity over time. To consistently meet the standards outlined in our Environmental Policy, we conduct regular risk assessments across our portfolio, with more detailed assessment based on asset location, condition and history for a variety of factors including:</p> <ul style="list-style-type: none"> ■ Biodiversity and Habitat ■ Building Safety and Materials ■ Energy Efficiency ■ Energy Supply ■ Flooding ■ GHG Emissions ■ Indoor Environmental Quality ■ Natural Hazards ■ Regulations ■ Transportation ■ Waste Management ■ Water Efficiency ■ Water Supply

Metrics and Targets

Metrics used by the organization to assess climate related risks and opportunities

Park's Environmental Objectives

Park has been committed to achieving environmental sustainability since our founding in 2017. Our current objectives reflect our commitment to minimizing our environmental footprint. Moving forward, Park plans to further quantify these environmental objectives through the disclosure of environmental reduction targets across energy, carbon, water and waste to guide our sustainability efforts. *Overall, we are committed to:*

- Reducing our environmental footprint through environmental data benchmarking, efficiency project investments and implementing sustainability best practices at the asset level.
- Reducing our portfolio's energy usage and carbon emissions, as measured against our 2017 baseline.
- Investing in low carbon efficiency projects and evaluating opportunities for on-site renewable energy or other options including purchasing RECs.
- Reducing our portfolio's water consumption, as measured against our 2017 baseline throughout our hotel portfolio and aiming to focus on properties with higher water usage and prioritize properties located in areas of high or extremely high water-stress.
- Reducing our portfolio's waste generation across all operations, including our corporate headquarters, from our 2017 baseline.
- Minimizing waste generated and increasing waste diversion by utilizing recycling and other waste management methods.
- "Greening" our supply chain through prioritizing suppliers that reflect our values of environmental footprint minimization.
- Monitoring and minimizing our impact on local environments when conducting development, redevelopment or renovation projects across our portfolio.

Park collects and discloses annual performance data for the following key metrics, which can be found in our annual Corporate Responsibility Report.

CATEGORY	METRIC
GHG Emissions	Scope 1 GHG Emissions
GHG Emissions	Scope 2 GHG Emissions
GHG Emissions	Combined Scope 1 & 2 GHG Emissions
GHG Emissions	GHG Emissions Intensity
Energy	Direct and Indirect Energy Consumption
Energy	Total Energy
Energy	Energy Intensity

CATEGORY	METRIC
Water	Total Water
Water	Water Intensity
Waste	Total Waste Generated
Waste	Waste Landfilled
Waste	Waste Diverted
Waste	Waste Intensity
Waste	Waste Diversion

Scope 1, 2 and 3 Greenhouse Gas Emissions (for 2021)

GREENHOUSE GAS EMISSIONS	TOTAL GREENHOUSE GAS EMISSIONS (metric tons of CO ₂ e)	GREENHOUSE GAS EMISSIONS INTENSITY (kgCO ₂ e/sq.ft)
Scope 1	52,089	1.74
Scope 2	149,624	5.00
Total Scope 1 + Scope 2	201,712	6.74
Scope 3	N/A	N/A