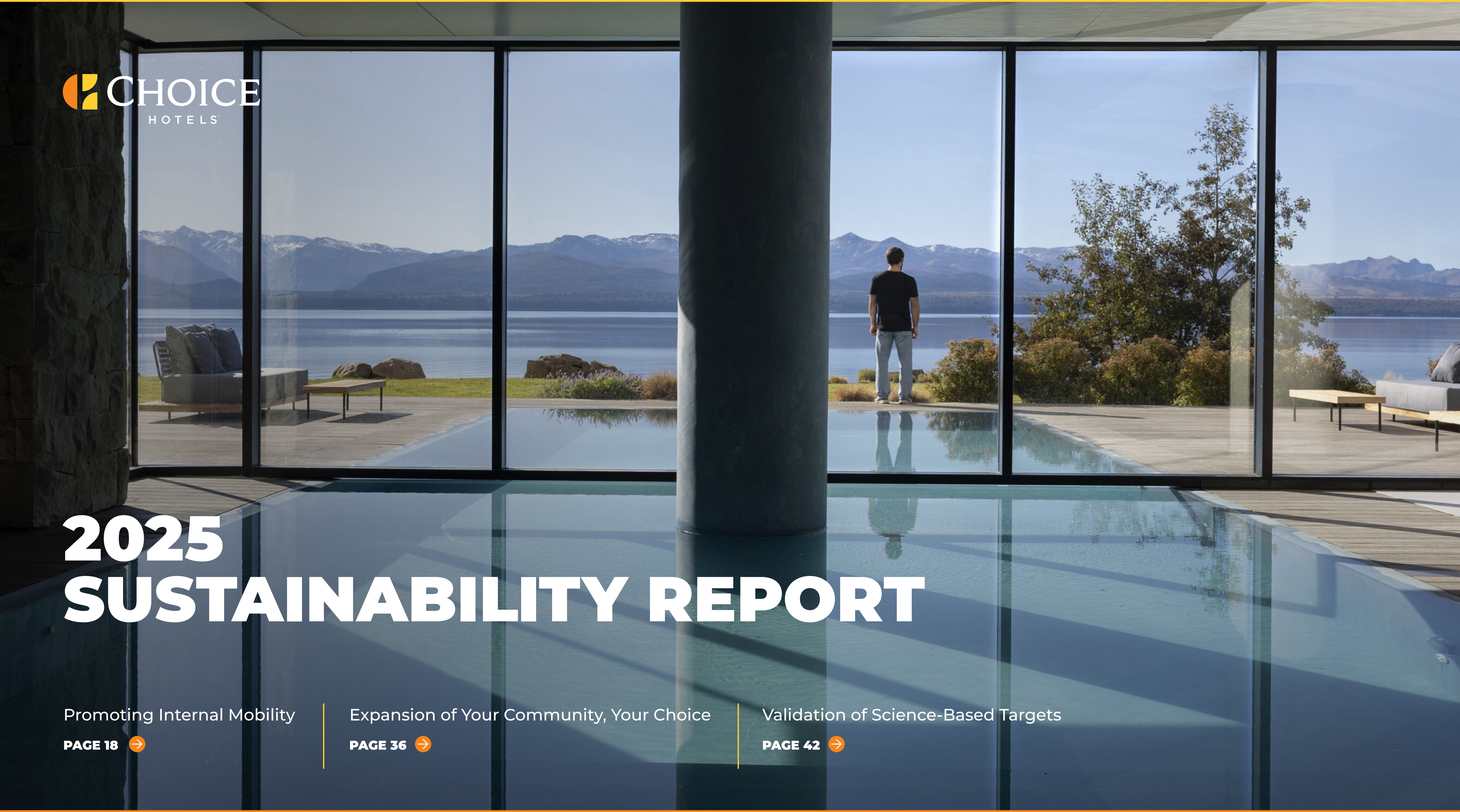

CHOICE HOTELS

2025 SUSTAINABILITY REPORT

Promoting Internal Mobility

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ABOUT THIS REPORT

The Choice Hotels International, Inc. (Choice) 2025 Sustainability Report details our journey and progress to build a lasting legacy of sustainability and wellbeing for our franchisees, associates, guests, communities and world.

All references are to the 2025 fiscal year (January 1, 2025 to December 31, 2025) unless otherwise stated. References to “our associates” include all corporate employees; any references pertaining to managed hotel employees are clearly identified.

SUSTAINABILITY FRAMEWORKS AND DISCLOSURES

This report was prepared in alignment with Sustainability Accounting Standards Board (SASB) Hotel & Lodging standards and the recommendations of the former Task Force on Climate-related Financial Disclosures (TCFD), both of which are part of the International Financial Reporting Standards (IFRS) Sustainability Disclosure Standards. We also align certain practices with principles, standards and frameworks contained in the United Nations Sustainable Development Goals (SDGs), the United Nations Universal Declaration of Human Rights and the Carbon Disclosure Project.

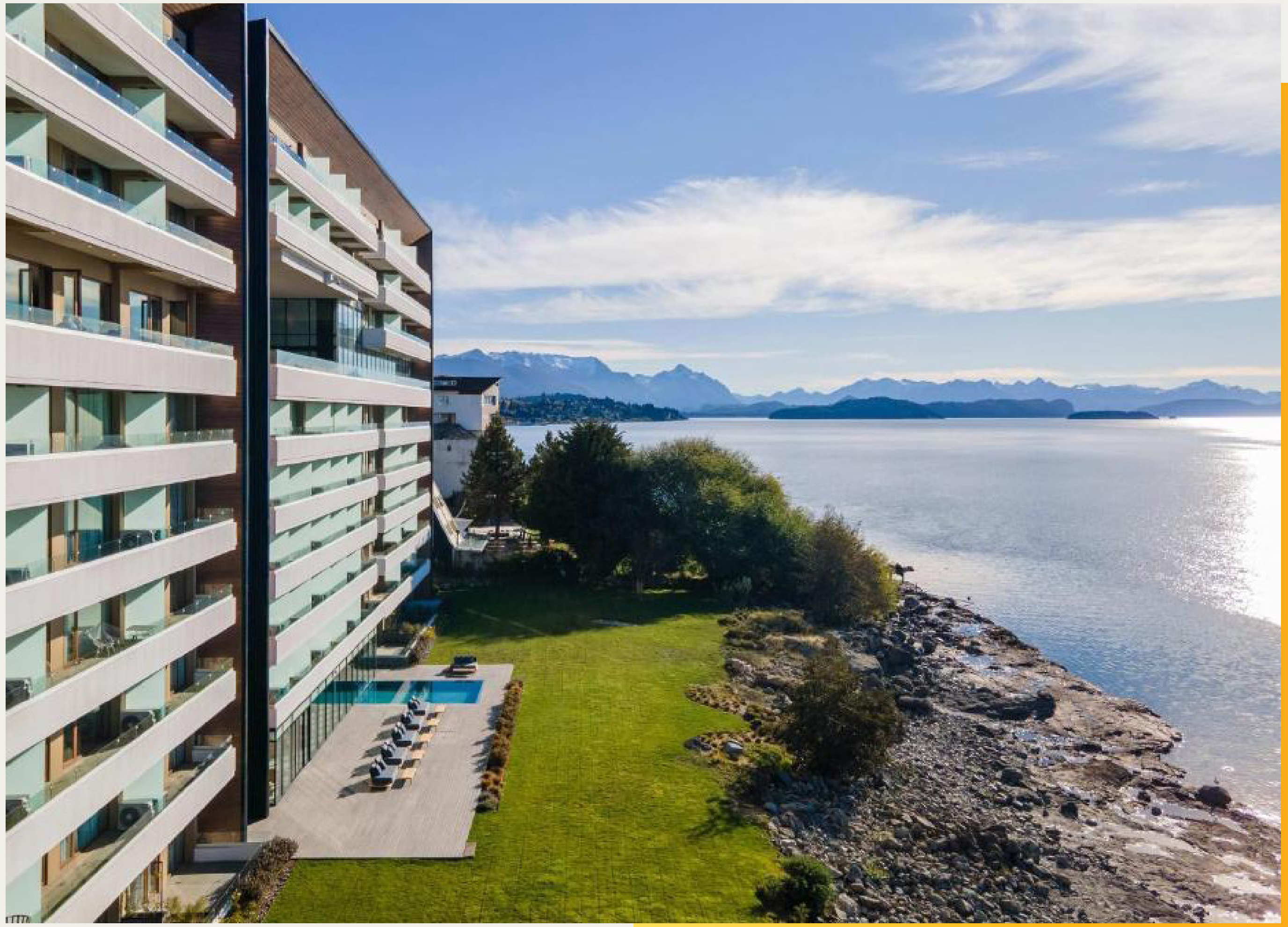
MATERIALITY

This report may use certain terms, including “material,” “materiality,” “significant” and other similar terms, to refer to environmental, social and governance issues that are important to Choice and our stakeholders. Used in this context, these terms are not intended to be construed in accordance with the U.S. federal securities laws or any other laws of the United States or any other jurisdiction, or as these terms are used in the context of financial statements and financial reporting. Matters considered material for purposes of this report may not be considered material in the context of our financial statements, reports with the SEC, or our other public statements, and the inclusion of information in this report is not an indication that such information is necessarily material to us in those contexts.

As the basis of this report, we’ve conducted a materiality assessment to understand the most significant environmental, social and governance issues for us and our stakeholders. Sustainability and corporate responsibility topics are considered material for us if they influence the judgment and decisions of our internal and external stakeholders, as well as have an impact on them and our business. This report and its content are not substitutes for financially material information provided in Choice’s SEC filings 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.

FORWARD-LOOKING STATEMENTS

Information set forth herein includes “forward-looking statements.” Certain, but not necessarily all, of such forward-looking statements can be identified by the use of forward-looking terminology, such as “expect,” “estimate,” “believe,” “anticipate,” “should,” “will,” “forecast,” “plan,” “project,” “assume,” or similar words of futurity. All statements other than historical facts are forward-looking statements, and include 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.



ON THE COVER AND ABOVE

Radisson Blu Bariloche, Argentina, facing the Nahuel Huapi, a crystal blue glacial lake and the Andes Mountains.

LEARN MORE

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LETTER FROM INTERIM CEO DOMINIC DRAGISICH

Choice Hotels International's commitment to sustainability is helping to create a healthier world while driving long-term value for our franchisees, team members and the communities we all serve. By embedding sustainability into our business strategy, we are strengthening our company and equipping our hotel owners with the practical tools and support they need to operate more efficiently, meet evolving guest expectations, and grow their businesses.

Choice was ranked by Newsweek as one of "America's Most Responsible Companies" and one of "America's Most Charitable Companies".

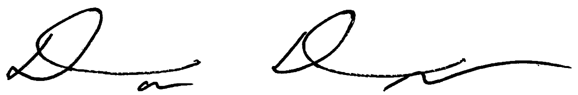
This approach has driven meaningful progress, including helping hotels improve their energy efficiency, reducing single-use plastic products, and strengthening data collection and reporting to better inform operational decisions.

We have strengthened our culture and performance by advancing leadership principles rooted in accountability and results. Increased engagement, professional development, internal mobility and expanded benefits have enhanced the associate experience — ensuring hotel owners are supported by motivated, high-performing teams.

In March 2026, we received validation from the Science Based Targets initiative for our nearterm, science-based targets to reduce our greenhouse gas (GHG) emissions, reinforcing our commitment to disciplined, forward-looking environmental management. We also obtained third-party assurance of our Scope 1 & 2 GHG emissions data, enhancing transparency and credibility for our stakeholders, including hotel owners and investors.

Importantly, we remain focused on helping our franchisees translate sustainability into business success. We are actively supporting our owners as they seek third-party certifications for their efforts in sustainable design and operations, and we are introducing new tools — including the use of geospatial technology — to help associates and franchisees operate more efficiently, reduce operating costs and strengthen property performance. Through new and expanded programs, philanthropy and volunteerism, we are helping our owners deepen connections within their local communities and further enhance brand reputation and guest loyalty. Choice Hotels' leadership in sustainability within the hospitality industry continues to be recognized, including being named one of the "World's Best Companies" by TIME and one of "America's Most Responsible Companies" by Newsweek.

Our achievements are made possible by our people — associates, franchisees, guests, partners and community members — who implement and support sustainable practices across our business and properties. Together, we are building a stronger, more resilient system that supports our hotel owners' long-term success while helping to create a better tomorrow for everyone.



DOMINIC DRAGISICH
Interim Chief Executive Officer

ABOUT CHOICE

Choice is one of the largest lodging franchisors in the world, with a global reach of over 7,500 hotels representing more than 650,000 rooms in 50 countries and territories

A wide-ranging portfolio of 22 brands that includes full-service upper upscale, midscale, extended stay and economy properties 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.

Comfort Inn & Suites Augusta West Near Fort Gordon, GA

~$12.3 billion global gross room revenue

~18,000 franchisee owners

>1,700 corporate associates globally plus nearly 1,000 hotel employees in the managed hotel division

>74 million Choice Privileges loyalty members

>7,500 open hotels globally

- More than **650,000** rooms in approximately 50 countries and territories
- **36** owned or partially-owned hotels through joint ventures
- **13** managed hotels (inclusive of 4 owned hotels)

HISTORY OF INNOVATION

1941
Choice becomes nation's first hotel chain

1970
First to offer guests 24-hour, toll-free reservations

1983
First global marketing and reservations system

1984
First to offer non-smoking rooms in every hotel

1995
First hotel website with real-time rate and availability information

2003
First hotel company with a team promoting equal opportunity in hotel ownership

2005
First cloud-based property management system

2008
First hotel company to launch a soft brand

2009
Choice develops first hotel app for iOS

2014
Econo Lodge becomes the first economy brand to implement a sustainability program across the full system

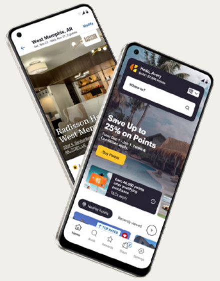
First hotel company to offer instant book on TripAdvisor

Forbes top 100 most innovative growth companies

2015
New Corporate logo and identity

Launched pricing optimization solution to drive RevPAR

2016
First hotel company to offer immediate in-app gift card downloads



2017
First hotel company to develop a new cloud-based central reservation system in the last 30+ years

2019
First hotel company to partner with Google to book a hotel on Google Assistant

2023
First hotel company to pilot CarbinX™ carbon capture technology

2024
First hotel company to complete total data center migration to Amazon Web Services

2025
Developed geoPREDICT dashboard to identify climate-related risks and opportunities

MORE INFORMATION ABOUT CHOICE CAN BE FOUND IN OUR 2025 PROXY STATEMENT

Cambria Hotel Templeton - Paso Robles, CA

APPROACH TO SUSTAINABILITY

Our sustainability initiatives help drive greater efficiencies and cost savings for our business and our franchisees, while reducing our environmental footprint and enhancing support for our people. As we continue to strengthen our practices and disclosures, our approach will evolve to meet current and future needs.

PRIORITY TOPICS

Choice conducted a double materiality assessment (DMA) in December 2024 to identify sustainability topics that are material on an impact and/or financial basis. The assessment analyzed how our actions impact people and the planet and how sustainability and climate impact our business. The results are helping inform and evolve our sustainability strategy and align our reporting with Corporate Sustainability Reporting Directive (CSRD) framework.

The assessment considered Choice's own operations as well as our upstream and downstream value chain, and used desktop research, including a review of Choice's existing sustainability materials, and discussions with stakeholders to inform materiality decisions. Stakeholder engagement remains a critical element of our sustainability strategy.

Many of the material sub-topics identified through the DMA align with our previous materiality assessment priority topics. These include:

PEOPLE	PLANET	PERFORMANCE
Human Capital Management	Climate Strategy	Data Privacy and Security
Belonging	GHG Emissions	Business Ethics
	Biodiversity	
	Waste & Plastic Waste	
	Supply Chain Responsibility	

Bee hives at Choice Hotels International corporate headquarters in North Bethesda, MD - LEED Gold certified

OUR SUSTAINABILITY FRAMEWORK

Our **People**, **Planet** and **Performance** framework is the foundation that guides our sustainability initiatives. We focus on connecting and empowering people, building resilient communities, ensuring accountability and continuous improvement, and contributing to a more sustainable future. Our practical, franchisee-focused approach empowers our franchise owners to join us in creating a lasting positive impact on our communities and planet, and reinforces our commitment: that you can be in business for *yourself* without being by *yourself*.

OUR FRAMEWORK

Planet

- Decrease greenhouse gas (GHG) emissions
- Lower energy and water intensity
- Further manage and reduce waste
- Support and protect biodiversity
- Ensure responsible sourcing

Support of UN SDG

13 CLIMATE ACTION

LEARN MORE

People

- Recruit and retain top talent
- Enhance associate development and wellbeing
- Expand hotel ownership opportunities
- Support human rights and human trafficking prevention
- Amplify our positive impact on local and global communities

Support of UN SDGs

3 GOOD HEALTH AND WELL-BEING | 5 GENDER EQUALITY | 8 DECENT WORK AND ECONOMIC GROWTH | 10 REDUCED INEQUALITIES

LEARN MORE

Performance

- Ensure continuous improvement, governance, oversight, risk management and tracking
- Measure progress towards sustainability goals

Support of UN SDG

12 RESPONSIBLE CONSUMPTION AND PRODUCTION

LEARN MORE

STAKEHOLDER ENGAGEMENT

Our key stakeholders help inform our business planning processes and sustainability priorities. We regularly engage them and have a vested interest in listening to and anticipating the needs of our hotel owners, as more than 99% of Choice hotels are franchisee-owned.

ASSOCIATES

- Communication channels include All Associate Meetings, CEO Connect sessions, quarterly roundtable discussions to engage with associates and monthly leader connection opportunities
- Annual engagement and pulse surveys
- Voice of Choice, our internal and interactive communication site for corporate associates
- Thirteen Choice Resource Groups to promote associate belonging and wellbeing

GUESTS

- Guest satisfaction surveys
- On-property pilot programs and focus groups to test new concepts and receive feedback
- Information about Choice Privileges points donation opportunities

SHAREHOLDERS

- Ongoing investor communications for focused conversations and feedback
- Annual investor outreach campaign to reach shareholders, representing more than 90% of total shares in 2025

INDUSTRY ASSOCIATIONS

- Active engagement in industry associations, including sustainability memberships

SUPPLIERS

- Regional brand and owner association events and annual Choice Hotels Convention
- Annual surveys assessing vendors' sustainability commitments, policies and goals

COMMUNITIES

- Associate "volunteering and giving" opportunities through our internal Choice Gives platform
- Your Community, Your Choice local community grant program
- Partnerships including the National Park Foundation, the American Red Cross and Operation Homefront

FRANCHISEES

- ChoiceCONNECT owners portal
- Regular owner association meetings and annual Choice Hotels Convention
- Ongoing interaction between area directors and franchise owners
- A new personalized HERO support team to help properties operate more efficiently

LEARN MORE


MainStay Suites Williamstown, Australia

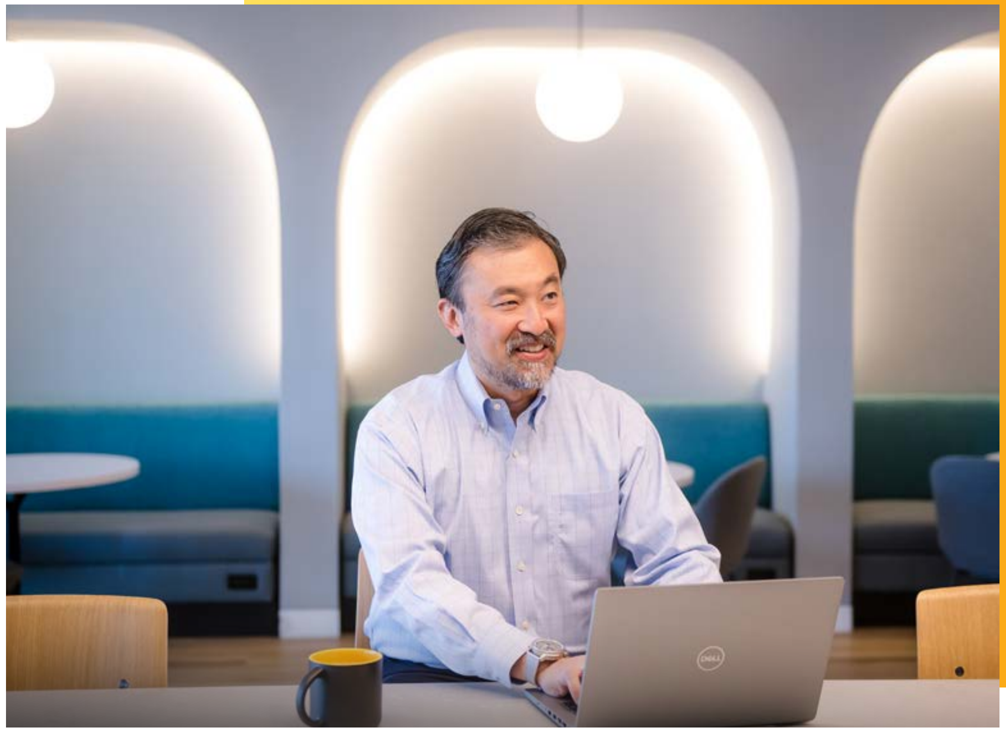
SUSTAINABILITY MEMBERSHIPS AND ASSOCIATIONS

ORGANIZATION	ACTION	CHOICE'S IMPACT
American Hotel & Lodging Association (AHLA)	Supports and advocates for the hospitality industry as the largest hotel association in the U.S. representing all segments of the industry.	• **NEW** Choice continues to strengthen our partnership and engagement with AHLA through leadership roles. • Choice is an active member of AHLA's Sustainability Committee, a forum for knowledge sharing on sustainability topics that impact the hotel industry. • Choice is an inaugural member of AHLA's Responsible Stay initiative focused on energy efficiency, waste reduction, water conservation and responsible sourcing practices. • Choice is an inaugural member of the AHLA Foundation's No Room for Trafficking Advisory Council, which unites top leaders in the hotel industry in the fight against human trafficking.
World Sustainable Hospitality Alliance	Promotes responsible hospitality for a better world and drives collaboration for a more sustainable future.	• Choice joined this association in 2022, becoming one of the largest members of the Alliance. • Since 2024, Choice also has representation on the Alliance's Youth Leaders Advisory Council.
U.S. Chamber of Commerce	Promotes job creation and economic growth.	• Choice is part of the ESG Working Group, which helps educate and inform businesses on emerging ESG issues.

OVERSIGHT AND COMPLIANCE

Our Board of Directors reviews and discusses our sustainability strategy, initiatives, policies and performance.

We focus on compliance with sustainability standards, aligning with key frameworks, and operationalizing and further embedding sustainability into our business. Our efforts have led to our alignment with SASB standards for Hotels & Lodging, which are now part of the IFRS Sustainability Disclosure Standards, our TCFD Report and our publicly disclosed CDP Climate and Water surveys.



UNITED NATIONS SUSTAINABLE DEVELOPMENT GOALS

Our commitment to being a responsible steward for our people and our planet aligns with several United Nations Sustainable Development Goals (UN SDGs).

GOOD HEALTH AND WELL-BEING

We promote the wellbeing, health and safety of our associates, guests, franchisees and their staff, and give back to the communities where we live and work. Our Total Rewards program continuously evolves to meet the needs of our associates.

LEARN MORE

21 Health and Wellbeing ↗

23 Associate and Guest Safety ↗

34 Community Impact and Service ↗

GENDER EQUALITY

We are committed to promoting equal opportunity for employees and entrepreneurs striving for hotel ownership, and we aspire to have a high-caliber workforce of associates with a broad spectrum of experiences, perspectives and backgrounds.

LEARN MORE

21 Health and Wellbeing ↗

17 Fair and Competitive Pay ↗

25 Choice Resource Groups ↗

28 Franchise Opportunities ↗

DECENT WORK AND ECONOMIC GROWTH

Through our franchisee-focused business model, we strengthen job creation by supporting small business owners and entrepreneurs, creating pathways to hotel ownership. We condemn human trafficking in all forms and provide support for survivors and their dependents through numerous alliances.

LEARN MORE

23 Associate and Guest Safety ↗

17 Fair and Competitive Pay ↗

32 Human Trafficking Prevention ↗

REDUCED INEQUALITIES

We have a long history of striving to expand access to hotel ownership opportunities regardless of background. We are also committed to fair and competitive pay for everyone.

LEARN MORE

15 Workplace ↗

17 Fair and Competitive Pay ↗

25 Choice Resource Groups ↗

28 Franchise Opportunities ↗

RESPONSIBLE CONSUMPTION AND PRODUCTION

Choice's Commitment to Green initiative provides hotels with training and resources to reduce their environmental impact. Choice hotels are required to meet Level 1 standards in our Room to be Green environmental program. Guests are encouraged to support water reduction through initiatives such as our linen and towel reuse program.

LEARN MORE

39 Commitment to Green ↗

42 Climate and Energy ↗

48 Water ↗

49 Waste ↗

53 Responsible Sourcing ↗

CLIMATE ACTION

The analysis of Choice's climate-related risks and opportunities are summarized in our Task Force on Climate-related Financial Disclosures (TCFD) Index. SBTi has validated Choice's near-term, science-based emissions reduction targets.

LEARN MORE

39 Commitment to Green ↗

42 Climate and Energy ↗

2025 SUSTAINABILITY HIGHLIGHTS

Integrated **leadership principles** into the associate experience

Launched new **GenAI and AI literacy trainings** for all associates

Boosted internal mobility with **47%** of Choice hiring opportunities filled with internal candidates

Implemented **geoPREDICT dashboard** as risk management tool

Expanded *Your Community, Your Choice* **Community grant program** internationally

Validated company's **greenhouse gas emissions** by third-party assurer

Near-term science-based emissions reduction targets **validated by SBTi**

Rolled out initiatives to reduce **single-use plastics**

Over **170 hotels certified** by a third-party certification

NOTABLE RANKINGS AND AWARDS

TIME: World's Best Companies

TIME: America's Best Mid-size Companies

Newsweek: Most Charitable Companies

Newsweek: America's Most Responsible Companies

Forbes: Best Employers for Tech Workers

Forbes: Best-in-State Employers, Maryland

Newsweek: World's Most Trustworthy Companies

Human Rights Campaign: Leader in LGBTQ+ Workplace Inclusion

Comparably: Best Company in several categories: Happiness, Leadership, Compensation, Culture and Best CEO

DISCOVER ALL CHOICE'S ACCOLADES HERE

PEOPLE

Building a better tomorrow for our associates, franchisees, guests and community members.

PEOPLE-RELATED POLICIES:

- Anti-Corruption Policy ↗
- Anti-Harassment Policy ↗
- Code of Ethics and Conduct ↗
- Equal Employment Opportunity Policy ↗
- Human Rights Policy ↗
- Privacy Policy ↗
- Supplier Code of Conduct ↗

LEARN ABOUT THE INTEGRATION OF OUR LEADERSHIP PRINCIPLES →

SPOTLIGHT: CONTINUED FOCUS ON MENTAL HEALTH AND WELLBEING →

MUST READ: OUR MULTI-PRONGED APPROACH TO COMBAT HUMAN TRAFFICKING →

ASSOCIATE EXPERIENCE

Choice continues to evolve and enhance our associate experience strategy, focusing on the many factors that lead to associate engagement, retention and long-term business success. These include associate health and wellbeing, belonging and connectedness, recognition, and growth and development opportunities.

Human Capital Management Investments

- **SUPPORTING MENTAL, FINANCIAL AND PHYSICAL WELLBEING**
- **RECOGNIZING EMPLOYEES AND FOSTERING ENGAGEMENT**
- **CREATING GROWTH AND DEVELOPMENT OPPORTUNITIES**
- **PROMOTING BELONGING IN THE WORKPLACE**

LEADERSHIP PRINCIPLES

Our leadership principles are designed to strengthen our culture, performance and productivity. In 2025, we further embedded the principles into every aspect of our associate experience — from onboarding, to monthly people leader sessions, to our day-to-day work. The principles are a culmination of efforts driven by our Diversity Advisory Council and Executive Leadership Team to enhance our leadership quotient through EQ (emotional), AQ (adversity) and IQ (intelligence).

ACT WITH INTENTION

Ensure alignment with strategic goals, vision and purpose. Prioritize for impact, make tough decisions and see them through. Deliver the most important and impactful outcomes.

LEAD WITH AUTHENTICITY

Demonstrate self-awareness. Work to create and maintain an environment where all are welcome and able to contribute, innovate and perform. Ensure all associates can thrive both personally and professionally.

GROW AND DELIVER

Inspire and develop others to achieve enterprise results. Thrive in the face of challenge. Build learning agility. Tailor recognition and development to each team member.

> As leaders, we are accountable for making Choice a place where all associates can thrive. When we do, everyone wins.

DOMINIC DRAGISICH | Interim Chief Executive Officer

GROWTH AND DEVELOPMENT

We are committed to providing our associates with the resources and opportunities they need to thrive. In 2025, we created onboarding journeys for new associates to provide relevant information when they need it and to continue timely resources throughout the associate lifecycle. We promote a feedback culture that incorporates numerous touchpoints throughout the year to support associates' career growth.

Our Coaching for Performance and Growth model is the foundation for performance management, coaching and development conversations between associates and their managers. Objectives are developed annually to align with corporate goals and associates are encouraged to create personal development plans. Through ongoing coaching and check-ins, managers are expected to help remove potential obstacles and barriers, and gauge associate satisfaction and progress. Formal check-ins occur several times a year to provide ongoing feedback and performance calibrations, and a formal performance review is conducted once a year.

PROFESSIONAL DEVELOPMENT

We continue to add new professional development opportunities and launched several new trainings in 2025, including Gen AI and AI literacy. The courses are intended to help associates utilize AI to automate tedious tasks, improve efficiency and enhance creativity. We also have AI champions across the organization to help with AI adoption.

Additional professional development courses are available to associates through myLearning, Choice's online education portal, and LinkedIn Learning. Associates are also required to complete annual compliance courses covering anti-harassment, ethics, security and privacy awareness, phishing and human trafficking prevention. Other courses are required based on management level and role, such as anti-corruption and insider trading.

Choice offers voluntary training through LinkedIn Learning. Achievements of associates in 2025 include:

~32,000
training videos viewed

~1,000
courses completed


New Sleep Inn Scenic Dreams Room at the Sleep Inn & Suites Ashland City, TN

Connecting Associates and Franchisees

Our Connect with an Owner program provides opportunities for corporate associates to gain additional perspective on operating a hotel and building one-on-one relationships with franchise owners. Through the program, associates visit Choice hotel properties with an area director, meet with the hotels' owners and participate in a walk-through of the properties. Associates learn about the day-to-day opportunities and challenges of running a hotel and receive an insider's perspective that is as unique as our owners.

"Hearing directly from the owners during my Connect trip has helped me better consider their needs as I've worked on operational excellence projects and strategic planning."

NINA RAVI | Director, Corporate Strategy and Strategic Planning

"This was a great opportunity to learn more about hotel operations, the challenges our owners face and how we can contribute to helping them be successful. Our new owner communications strategy, which aims to enhance the owner experience and drive engagement, was finalized based on the feedback received from these owners."

STACEY GIANDONATO | Senior Manager, Franchise Communications

LEADERSHIP TRAINING

Choice offers three marquee leadership programs, designed for different stages of our associates' careers, to meet the needs of our people leaders and business:

- **Emerging Leaders Program:** prepares high-performing individual contributors for advanced roles as people leaders.
- **Leadership Foundation Program:** provides a foundation of leadership for managers and directors.

Leaders also may participate in 360-degree assessments, leader assimilation and team workshops to build better self-awareness and team effectiveness and may receive executive coaching.

The Choice Leadership Connections program connects leaders across the organization to share opportunities and challenges and provide peer-to-peer coaching. This monthly event covers a range of leadership topics, from delivering feedback to setting priorities, through peer-led discussions.

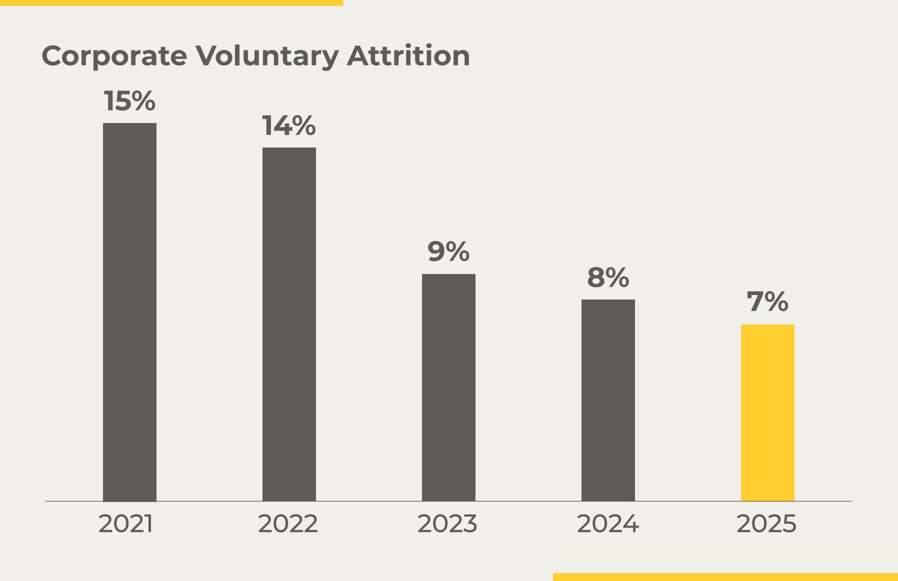
ASSOCIATE RECRUITMENT AND RETENTION

We seek to attract talent with varied experiences, backgrounds and identities and reach untapped talent. Our talent acquisition team participates in outreach events and career fairs with our partner organizations and community members. We also prioritize internal movement and growth through professional development, mentorship, career planning, resource groups and the work of our Internal Mobility Council.

For each open role, a recruiter partners with the hiring manager to identify essential skills and experiences needed to fill the job, aiming to remove subjectivity and personal preference from the process. Additionally, we use skills and behaviorally based interviewing techniques and include a mix of interviewers from key stakeholder groups in the assessment process. We offer training for leaders who are new to talent acquisition or would like a refresher course.

Our commitment to providing equal employment and advancement opportunities to all associates and applicants is highlighted on our career website.

Our corporate voluntary attrition rates[1] have steadily declined over the past four years, reaching an all-time low in 2025 — a trend we believe reflects stronger associate engagement, clearer career pathways and sustained enhancements to the overall associate experience.



FAIR AND COMPETITIVE PAY

Choice is committed to ensuring fair and competitive compensation across our workforce. We regularly conduct compensation reviews to validate that our pay practices remain market-aligned and equitable, and we share these findings with our Board of Directors. These reviews evaluate both base salary and short-term variable pay across our associate population.

1. Voluntary retirement not included in calculation of corporate voluntary attrition rates.

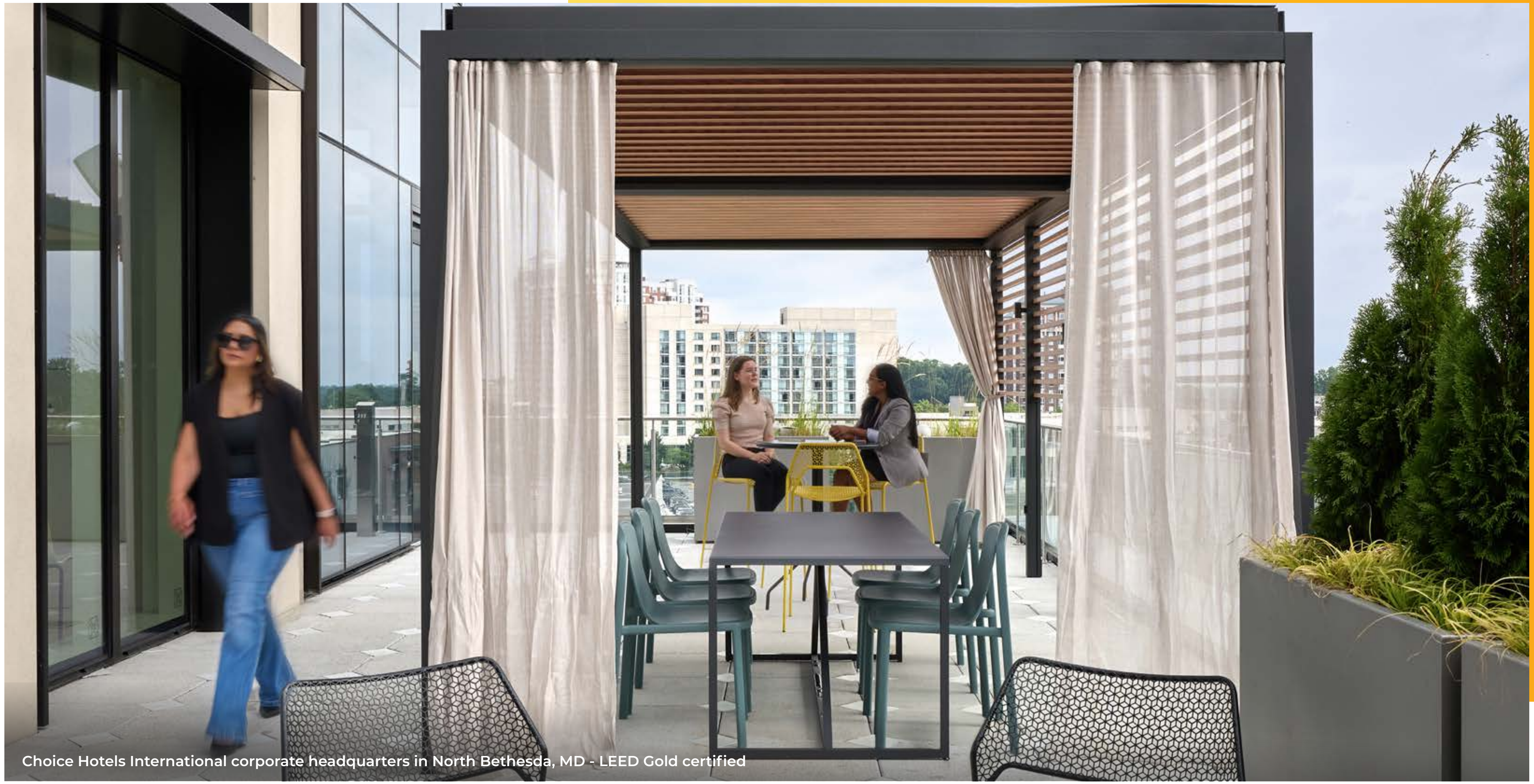
SPOTLIGHT PROMOTING INTERNAL MOBILITY

Choice's Internal Mobility Council has helped improve the internal interview process and associate experience at all levels of the organization, further enhancing associate engagement, satisfaction, retention and organizational success. In 2025, 47% of all hiring opportunities were filled by internal candidates.

In addition, our Coaching for Performance and Growth model and leadership training programs are designed to support opportunities for internal mobility. We also offer Flex Roles, previously called Project Mobility, which allow associates to request a work project in another part of the organization to follow their interests, develop new skills and pivot professionally.

47%

of Choice hiring opportunities were filled by internal candidates in 2025



Choice Hotels International corporate headquarters in North Bethesda, MD - LEED Gold certified

ENGAGEMENT AND RECOGNITION

ASSOCIATE ENGAGEMENT

Our associates are integral to the ongoing health and continuous improvement of our organization, and we are committed to propelling their success. We strive for our associates to feel valued, respected and heard, and regularly seek and incorporate associate feedback into our policies, practices and operations.

We promote frequent communication between leaders and associates through our Coaching for Performance and Growth process, as well as All Associates Meetings and department town hall meetings where executives and leaders share company-wide updates. Our CEO also hosts regular CEO Connects, live webinars focused on discussions of business priorities and questions from associates. Our Chief Talent and Culture Officer hosts Talent Talks, quarterly roundtable discussions to engage with associates. Our CFO leads After the Q, a company-wide quarterly employee forum to promote transparency and insight into business performance and strategy. In addition, our employee engagement program Table for 10 unites small groups of associates with senior leaders for informal conversations and networking.

Associates have the opportunity to provide feedback through a variety of confidential surveys that also give us a better understanding of the associate experience. These touchpoints begin with our 30-60-90-180-day onboarding surveys, continue with various surveys throughout the year and come full-circle with our exit surveys. Our annual Choice engagement survey is a critical tool for assessing associate satisfaction and our belonging survey helps us understand associate sentiment on phycological safety. We continue to achieve engagement scores above our peer benchmark, meaning associates have a positive commitment to our organization and goals.

People leaders review survey results with their teams and create an action plan, regardless of scores. Key themes and feedback are presented to the Executive Leadership Team.

2025 Engagement survey results

88% response rate

75 engagement score[1]

1. Engagement score consists of the questions: I would recommend Choice Hotels as a great place to work and How happy are you working at Choice Hotels?

Integrating AI to Improve the Associate Experience and Operational Efficiency

Our Human Resources team rolled out an AI-powered HR agent called VARA (Virtual Assistant Resource Admin) that can answer questions related to benefits, career and growth, policies and more. VARA was created in partnership with our Talent Technology team and Arizona State University students completing their capstone project for their Masters of Science – Artificial Intelligence in Business. The HR chatbot is designed to provide associates with quick, accurate answers to common questions, reducing response times from one to two days to immediate responses. If VARA cannot answer a question, it forwards the message to an HR associate for resolution. Within its first month, VARA has delivered results:

>1,500 questions answered – and counting

95% accuracy

ASSOCIATE RECOGNITION

Through our Champions of Choice Awards and the Values in Action Awards, we recognize the contributions and positive impact of our associates on our business and our communities. We also offer internal channels for associates to provide shout-outs for team members who have excelled in their job performance.

Champions of Choice Awards:

- **Stewart Bainum Sr. Trailblazer Award:** recognizes the embodiment of Choice's values and service contributions of our founder.
- **Coach of the Year Award:** recognizes model people managers.
- **MVP Award:** recognizes game-changing exceptional performance.
- **Innovation Award:** recognizes exceptional contributions to improve the business and work environment.

HEALTH, WELLBEING AND BELONGING

In 2025, Choice strengthened our commitment to a healthy, connected and high-performing workforce by advancing a more holistic approach to associate wellbeing. We enhanced mental, physical and financial health resources, expanded manager capabilities to support mental health conversations, and deepened community-building through high-engagement Choice Resource Groups (CRG) programming and storytelling events. These investments contributed to continued improvement in key human capital outcomes, including a multi-year decline in corporate voluntary attrition; sustained CRG participation with 547 members, equivalent to 37% of the Choice workforce; and increased utilization of wellbeing resources.

Looking ahead, Choice is evolving our wellbeing strategy to create a more seamless and culturally aligned associate experience. A central component of this roadmap is the integration of belonging and psychological safety with our benefits and wellbeing programs — reflecting our belief that these areas are inseparable drivers of a healthy workplace. This unified approach will emphasize clearer resource navigation, stronger leadership capability and data-driven insights to personalize support and guide future investments.

FOCUS ON MENTAL, FINANCIAL AND PHYSICAL HEALTH

CHOICE EVOLVES OUR PROGRAMS AND BENEFITS TO MEET THE CHANGING NEEDS OF OUR ASSOCIATES.

Mental Health

In 2025, Choice advanced our multi-year commitment to building a mentally healthy workplace by expanding leader and manager training, strengthening stigma-reduction efforts and increasing access to integrated mental health resources. Storytelling initiatives and CRG-led programs — supported by the Diversity Advisory Council — deepened trust and awareness, contributing to higher utilization of mental health and wellbeing offerings and improved survey scores related to belonging and psychological safety. The Belonging and Engagement Pulse Survey results showed 75% of associates feel a strong sense of belonging, surpassing global and U.S. benchmarks. Psychological safety and work-life harmony scored 81, while authenticity (79), feeling like a valued teammate (83), and confidence in manager support (84) all strengthened year over year. Our time-off and leave programs, including ongoing use of unlimited Wellbeing Days, support work-life balance. We continue to see improved access and higher utilization from our enhanced mental health vendor partnership.

Choice's ongoing initiative to strengthen our ecosystem of associate health, wellbeing and belonging includes:

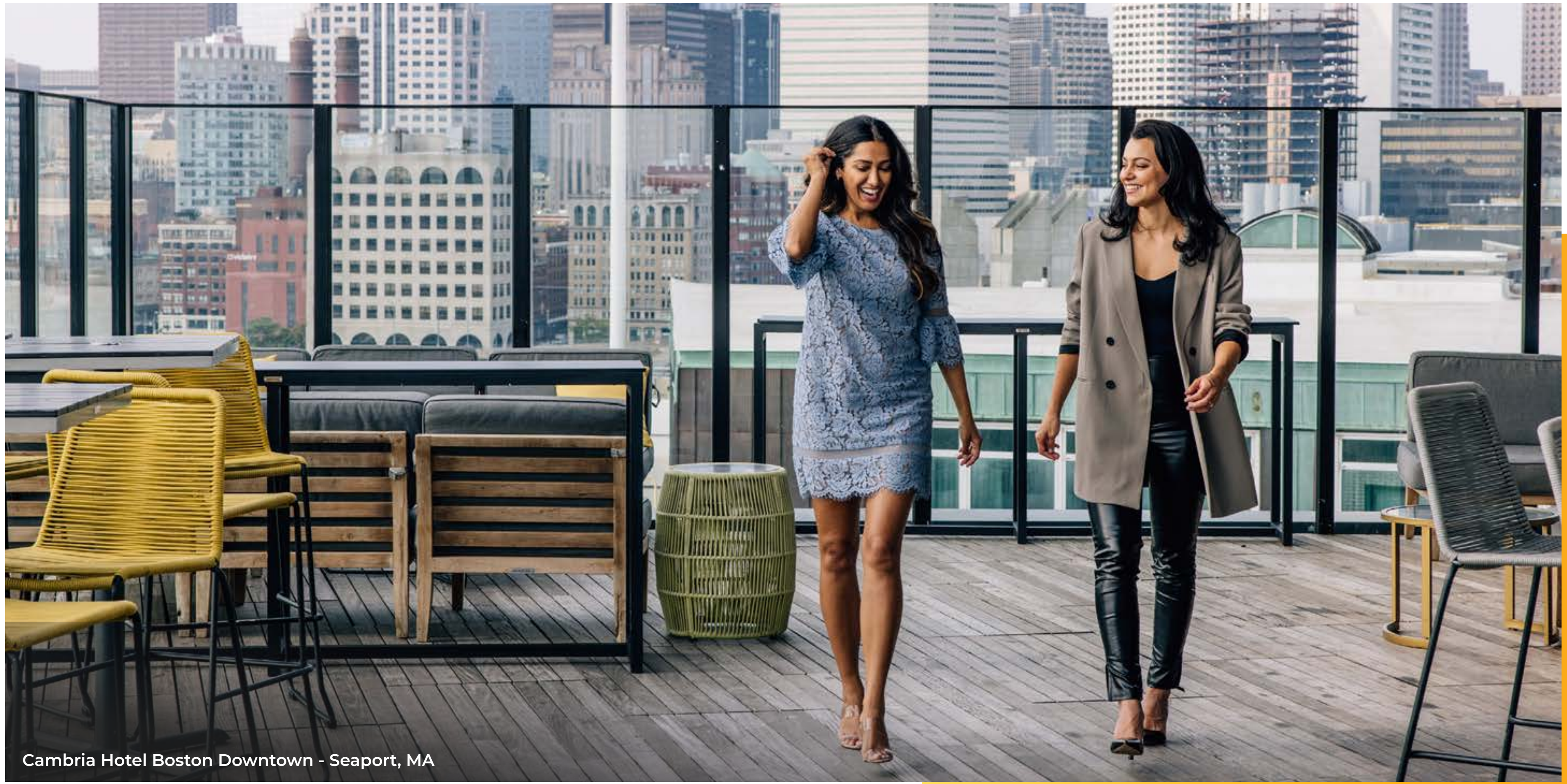
- Expanding required mental health training and increasing leader confidence in recognizing and supporting associates in need.
- Hosting fireside chats, associate panels, yoga and meditation sessions to strengthen stress management and resilience.
- Deepening associate listening through surveys, interviews and focus groups, with year-over-year gains in belonging and psychological safety.
- Continuing storytelling events that reduce stigma and strengthen trust across teams.
- Further integrating mental health and psychological safety concepts into leadership development programs.
- Engaging CRGs as grassroots support networks, sustaining participation at 37% of associates.

Financial Health

Choice continues to advance a comprehensive, long-term financial wellbeing strategy designed to help associates build confidence, stability and resilience at every life stage. Our approach combines personalized financial education, one-on-one coaching and practical tools that support day-to-day decision making as well as long-term planning, including budgeting, debt management, saving for major milestones and preparing for retirement. We reinforce this strategy through an integrated ecosystem of vendor partners who work together to provide clear guidance and coordinated support, making financial resources easier to navigate and more relevant to associates' real-life needs.

Physical Health

We continue to use associate engagement and feedback to understand the biggest health concerns for our associates and their families and to incorporate programs that directly support health improvement in these areas. Through care advocates, associates find the support they need to navigate these resources, such as muscular skeletal, diabetes and weight management, joint replacement and cardiovascular centers of excellence. We benchmark our programs against the 90th percentile of the market and strive to beat the benchmark. In 2025, we added a cancer screening benefit for associates 50 years and older. Our Total Rewards program also includes services and support such as birth parent and caregiver leave, back-up child and elder care, and fertility benefits.



Cambria Hotel Boston Downtown - Seaport, MA

Choice also offers an additional unique perk. Associates receive exclusive discounts at Choice Hotels worldwide, in addition to $500 a year to spend at a Choice hotel. The perk is a win-win for our business as associates can enjoy a Choice hotel stay and also experience our business from the guest perspective and interact with our franchisees.

These efforts, combined with more cohesive wellbeing resources, contributed to another year of declining corporate voluntary attrition and a more engaged, connected workforce.

LEARN MORE ABOUT THE BENEFITS OFFERED THROUGH OUR TOTAL REWARDS PROGRAM

ASSOCIATE AND GUEST SAFETY

The health and safety of our associates and guests is a top priority throughout our managed operations and franchised locations.

Our owned and managed hotels have an established safety and security program that is designed to meet regulatory requirements and industry standards, such as Occupational Safety and Health Administration (OSHA) requirements specific to our hotels. Within our managed hotel portfolio, our associates receive the necessary training and tools they need to perform their jobs, including safety training on topics such as biohazard awareness, OSHA compliance, workplace violence and human trafficking prevention. All of our managed hotels have received Safehotels certification, an independent safety and security certification that evaluates a range of standards, from procedures and training, to security and fire equipment.

In 2025, we began the implementation of a new risk intelligence platform to monitor, when required, the threat landscape of hotel locations and employee travel. We've created standard operating procedures for each of our managed hotels, tailoring them to meet the footprint and needs of each property. In addition, in-house security staff at our managed hotels must complete AHLA's safety and security certification.

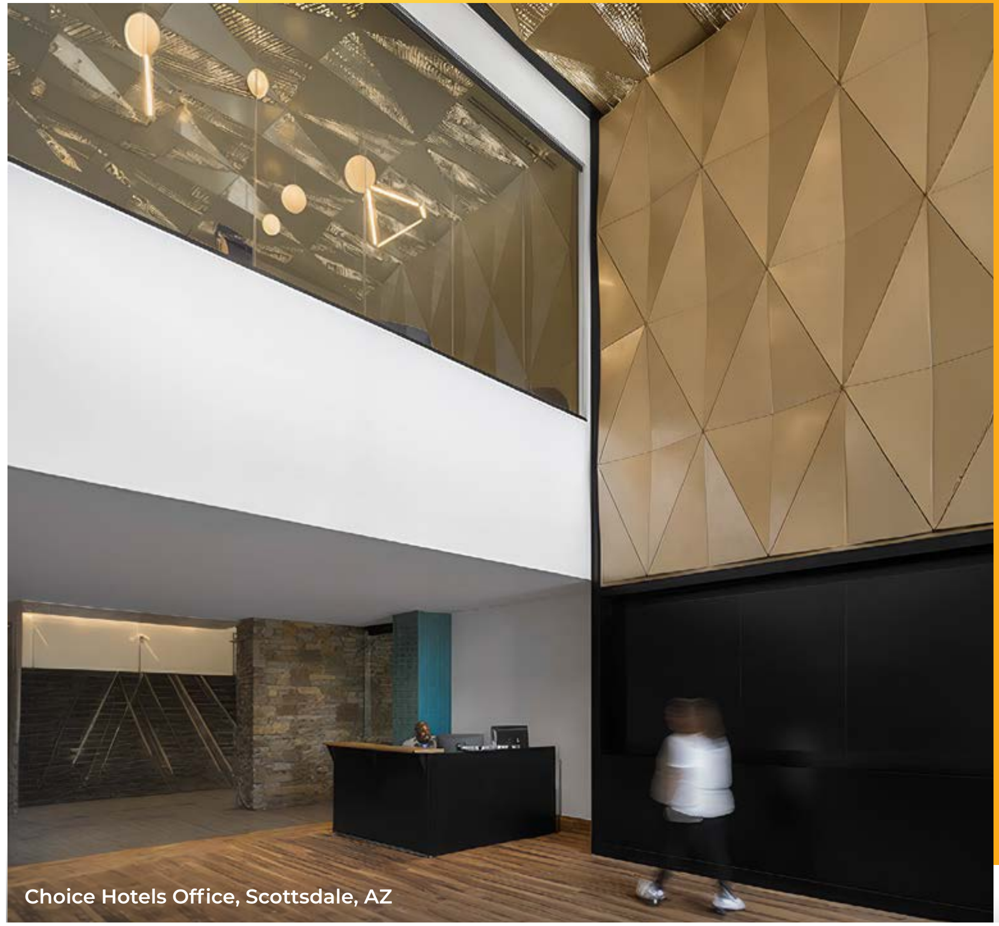
We've also continued our Commitment to Clean program, launched during the height of the COVID-19 pandemic, that engages franchisees to achieve high levels of cleanliness. The program encourages them, as independent companies operating hotels under our brands, to continually develop and maintain health and safety good practices and effective communications that reflect our shared safety values.

CULTURE OF BELONGING

At Choice, we believe our corporate culture enables all associates to feel a sense of belonging and reflect the guests and franchisees we serve. We recognize that a wide variety of ideas, styles, perspectives and experiences fuel innovative strategies, lead to better decisions and help us better serve our customers.

Choice's commitment to belonging starts at the top, with leadership from our Board of Directors and senior management, who provide sponsorship and support for our Choice Resource Groups, the Diversity Advisory Council (DAC) and all of our associates who contribute to our sense of connectedness.

In 2025, we launched the Leveraging Excellence for Achievement and Development (LEAD) program, designed to cultivate leaders who champion a culture of inclusion. Through educational sessions, peer mentorship and resources, the program helps leaders and associates grow, collaborate and drive meaningful change within our workplace. The program covers a range of topics, from psychological safety and influence to belonging.



Choice Hotels Office, Scottsdale, AZ

100%

of our managed hotels have received Safehotels certification

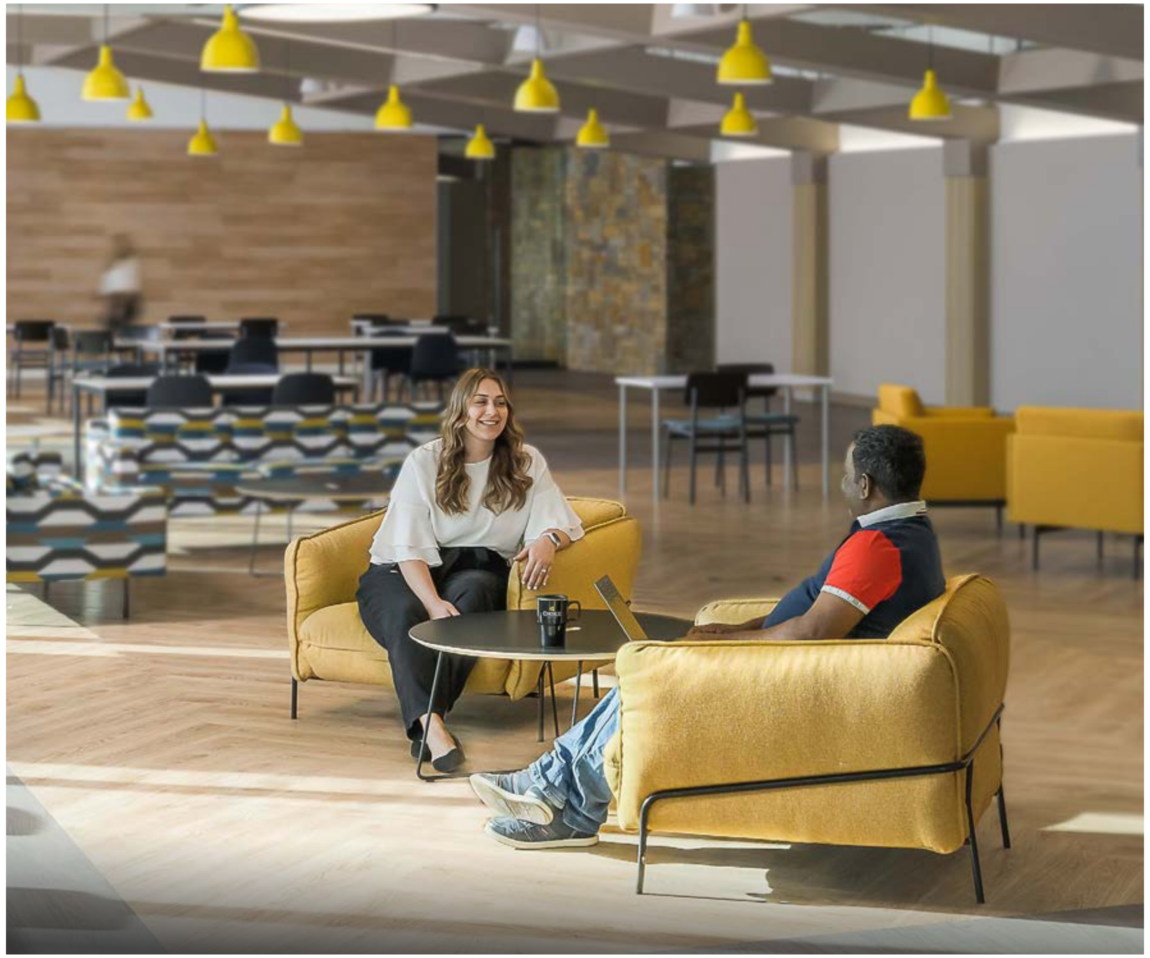
SEE THE LATEST CHOICE EEO-1 REPORT FOR MORE INFORMATION

SPOTLIGHT CHOICE MENTORSHIP PROGRAM

Originating with our Women's Business Alliance Choice Resource Group and evolving into an enterprise-wide initiative, our mentorship program has become a cornerstone of our associate experience strategy. Participation continues to grow, with increased engagement from both mentors and mentees seeking development opportunities and cross-functional collaboration.

★★★★★

A program survey conducted in 2025 showed mentees rating their mentor relationships with 4.9 out of 5 stars and participants said they appreciated the open-minded and supportive nature of their partners.



THE MENTOR-MENTEE EXPERIENCE

"I have really enjoyed participating in the mentorship program this year. Getting to know Michael and having meaningful conversations about his career development and juggling new responsibilities has been really enjoyable and hopefully helpful to him. I am glad I participated in the mentoring program, and I am happy to report that my mentee and I continue to connect each month even though the formal program has ended."

STUART KREINDLER | VP, Assistant General Counsel & Chief Compliance Officer

"One of the things I appreciate most about Stuart as a mentor is how transparent he is. Our conversations are always open and honest, and I feel comfortable being candid with him. There's a strong level of trust in our relationship, and I know that what we talk about stays between us. That confidentiality has made it easier for me to ask questions, talk through challenges and really learn from his perspective. His approach has made the mentor program genuinely valuable for me."

MICHAEL VALKOS | Area Director, Upscale Franchise Performance

Choice Resource Groups

Our associate-led Choice Resource Groups are open to all team members, and each group is supported by an executive sponsor. The CRGs foster Choice's culture of belonging by providing a platform for networking, career development opportunities, leadership skill growth and cross-cultural awareness.

Our CRGs contribute insights and ideas to business issues, and we remain committed to collaborating with associates to ensure our resource groups reflect the diverse cultures, perspectives and experiences of our workforce.

In 2025, the positive impacts of our CRGs on associate wellbeing and business outcomes – such as stronger social connection, higher associate engagement and improved wellbeing awareness – were showcased at our Health Fair at our corporate headquarters, leading to increased CRG membership. Many CRG members also participated in a summer mixer in our Scottsdale office in Arizona, enabling colleagues to connect in person and attend interactive workshops. The Choice Working Parents and Caregivers CRG organized Bring Your Child to Work Day filled with activities and educational sessions, giving parents the opportunity to share resources and experiences. In addition, the Green Team hosted an America Recycles Day department challenge, leading to more than 3,000 items recycled.

LEARN MORE ABOUT OUR CRGS AND THEIR MISSIONS

PRIDE
Choice People, Resources and Insights Dedicated to Equality (PRIDE)

UNITY
UNITY: Uplifting & Nurturing Inclusivity Through You

CHAAMP
Choice Hotels Asian American Professionals (CHAAMP)

VALOR
Veterans Are Loyal Organizational Resources (VALOR)

WBA
Women's Business Alliance (WBA)

NOODLEGROUP
NoodleGroup

HOLA
HOLA: Hispanic Organization for Leadership & Advancement

CHOICE WORDS
Choice Words

ENABLE
Awareness, Access & Advocacy for all Abilities

CWP&C
Choice Working Parents & Caregivers (CWP&C)

YPA
Young Professionals Alliance (YPA)

GREEN TEAM
Green Team

C3
Choice Connection Community


Choice to Impact - Mastery Service Project


CRG Summer Mixer


2025 Diwali

37%
of Choice associates participate in a CRG

Connections

Choice works with and supports a wide array of organizations that actively promote belonging. These collaborations benefit our associates and business through professional growth opportunities and development of our talent pipelines across all of the various demographics of our workforce.

- American Hotel & Lodging Association (AHLA) ForWard
- Asian Corporate Entrepreneur Leaders (ACEL)
- Association of Latino Professionals For America
- Disability:IN
- Hospitality Hued
- Executive Leadership Council
- Human Rights Campaign
- International Franchise Association Foundation's Black Franchise Leadership Council
- International Franchise Association Foundation's Open for Opportunity Campaign
- Latino Hotel Association
- National Association of Black Hotel Owners, Operators and Developers
- National Center for Transgender Equality
- National Hispanic Corporate Council (NHCC)
- She Has a Deal
- Spectrum Knowledge/ ELEVATE NNA

Complimentary cruiser bikes at the UpValley Inn & Hot Springs
Napa Valley, Ascend Hotel Collection, CA

FRANCHISE ENGAGEMENT

As a franchise-focused company, Choice works to build one-on-one relationships with our owners and provide educational outreach on hotel ownership and entrepreneurship.

Our franchisees are central to our business and multiply the positive impact of our sustainability initiatives. These initiatives must be strongly anchored in delivering opportunities for more business value and profitability to our franchise owners. Therefore, our franchisee engagement on sustainability has a strong focus on demonstrating how practices that are good for people and the planet are also good for their business. Our ChoiceCONNECT owners portal enables franchisees to access their property metrics, Choice apps, reports and news in a single platform. We continuously engage with our franchise owners and incorporate their feedback into our strategies and decision making.

Choice recently began offering a new, personalized service for our franchisees – the HERO Support Team – that helps properties operate more efficiently. The team partners with area directors to provide targeted guidance on system resources and program activations, thus improving productivity and effectiveness.

Engaging and Supporting our Franchisees

- Ongoing interaction between area directors and franchise owners
- HERO Team
- Choice University
- Owner association meetings and advisory council meetings
- ChoiceCONNECT owners portal
- Annual Choice Hotels Convention
- SOAR program
- Commitment to Green Hub
- Human Trafficking Prevention microsite
- Surveys
- *Your Community, Your Choice* program

EXPANDING ACCESS TO FRANCHISE OPPORTUNITIES[1]

Our SOAR program seeks to broaden access to hotel ownership opportunities to a wider audience, including potential hotel owners and entrepreneurs from underrepresented backgrounds who have not historically been involved in the hotel industry. The program is part of Choice's longstanding commitment to help all entrepreneurs reach their goals of making small business ownership a reality.

Our team members participated in a record number of engagement opportunities in 2025, from hosting development seminars to serving on panels, and Choice sponsored numerous events through our partnership connections. Our Opening Services team onboards new franchise owners by introducing them to the business and resources at Choice University and helping them through the property improvement plan. We also offer a variety of financial incentives and educational opportunities for new franchisees.

Hotel Aquarius Venice, an Ascend Collection Hotel, Italy

LEARN MORE ABOUT HOW WE ENGAGE FRANCHISEES ON SUSTAINABILITY TOPICS THROUGH OUR COMMITMENT TO GREEN INITIATIVE

1. Choice has a long-standing commitment to equal opportunity and makes all franchise decisions on the basis of merit and in compliance with applicable law.

Despite challenges in the hotel industry market, such as high interest rates and cost of hotel construction, SOAR signed 45 new franchise agreements and opened 19 hotels in 2025 — both records.

Two Choice hotel owners in Obetz, Ohio, prove the sky is the limit when it comes to hotel ownership. The married couple, Norma Urcuyo-Siani and Ken Watson, who is also a pilot, are building a Cambria hotel, a first-time experience for both of them and an adventure Norma is undertaking at 91 years young. They both credit the Choice and SOAR program partnership with making the dream of hotel ownership a reality.

Left to right: Marcus Thomas, Director, Franchise Development- Strategic Programs, Choice Hotels, Norma Urcuyo-Siani, Member, Ascend Ohio Development Group, LLC, and Ken Watson, Member, Ascend Ohio Development Group, LLC

> "Like many aspiring entrepreneurs, we had little knowledge of the process and limited hotel experience. Choice and the SOAR program provided flexibility, creativity suggestions, much-needed financial support, design and construction expertise, contract negotiating support, and letters of support to the seller and lenders. Choice representatives even traveled to the hotel development site. The benefits of the SOAR program is like a gift that keeps on giving."

NORMA URCUYO-SIANI | Member, Ascend Ohio Development Group, LLC

> "We are grateful for the extraordinary resources Choice and the SOAR program offered including support financially, personalized mentorship, networking and brand encouragement to help guide our development team through the franchise ownership process. Choice is and continues to be an industry leader in its commitment to create a diverse franchise base across all of its brands."

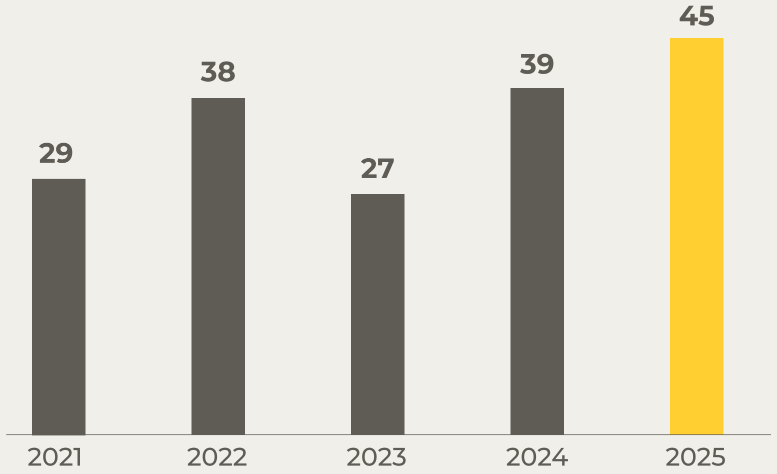
KEN WATSON | Member, Ascend Ohio Development Group, LLC

SOAR

Franchise agreements

456

franchise agreements over 21 years



- Among Choice's support of entrepreneurs, SOAR has awarded and supported more than 450 franchise agreements to underrepresented entrepreneurs since 2004.
- During the first 15 years of the SOAR program, Choice averaged 1.4 agreements per month and has increased that to an average of 3.0 per month in the last five years.
- Choice was the first hotel company to have a team dedicated to promoting equal opportunity in hotel ownership opportunities, as well as a franchisee advisory group dedicated to Black and African American hoteliers, the Choice Hotels Owners African American Alliance (CHOAAA).

HERtels by Choice continues to strengthen the pipeline of female franchisees and is associated with the Women's Business Alliance CRG. The program is designed by women for women to empower female entrepreneurs throughout their hotel ownership journeys. In 2025, we signed 31 agreements with female owners. To date, approximately 115 women have participated in the HERTels by Choice program, leading to 65 new female-owned hotels.

Choice is engaged with several collaborators that demonstrate our commitment to small business ownership and broadening access to franchising.

Choice's Vice President of Franchise Development and Strategic Programs John Lancaster continues to strengthen ties between Choice and the greater community and received recognition in 2025 for his work broadening access in the hotel industry:

- Top 50 Most Inspirational People in Global Hospitality and Travel by International Hospitality Institute and Global Hospitality Magazine
- Serves on the Board of the International Franchise Association and as Chairman of the IFA Diversity Institute


Team of the Clarion Pointe Marshall, TX, Best of Choice 2025 Winner

FRANCHISEE RECOGNITION

Choice recognizes franchisees who demonstrate excellence in guest satisfaction and strong operational discipline through the Best of Choice awards program. Awards are based on guest feedback and performance metrics and reflect consistent execution at the property level.

- **Best of Choice —** recognizes one hotel from each brand that exemplifies outstanding guest satisfaction and brand representation.
- **Ring of Honor —** recognizes the top-performing hotels across the system, including the top 1% of hotels or the top three hotels for brands with a small number of properties.
- **Platinum Awards —** recognizes hotels ranking among the top performers within their brand.
- **Gold Awards —** recognizes hotels that consistently deliver strong guest satisfaction results.

Choice continues to reinforce the connection between learning, recognition and performance. Many awarded hotels demonstrated strong engagement with Choice University and other franchise support resources, reflecting a commitment to training, team development and continuous improvement.

Upscale Awards - The Upscale Awards include the Commitment to Green Award and the Community Champion Award, honoring hotels that go above and beyond in environmental efforts and community support.

FRANCHISE EDUCATION AND TRAINING

Choice views education and training as essential to supporting responsible, sustainable and global hospitality across our largely franchise-owned system. Choice University provides accessible learning that helps hotel owners and teams operate effectively, deliver consistent service and build skills for long-term success. The blended catalog of training includes digital e-learning, virtual workshops and interactive, in-person learning experiences to support learners at all levels, from owners and general managers to frontline staff. Topics focus on practical application across hotel operations, such as leadership development, guest satisfaction, financial principles and brand standards. Training is designed to be easy and flexible, allowing hotels to engage in learning that fits their operational realities.

Choice University also supports our Commitment to Green initiative by providing sustainability-focused resources that help franchisees better understand energy conservation, water stewardship, waste reduction and responsible operations. Sustainability topics are embedded within Choice University content and reinforced through franchise communications, regional meetings and the annual Choice Hotels Convention.

Our award-winning Choice University continues to garner recognition including:

The Telly Awards

3 Telly Awards for our learning videos (1 silver and 2 bronze)

A Global Council for Corporate Universities Silver Award for "Best Corporate University – Branding and Durability"

atd BEST

A BEST Award from the Association for Talent Development

Cambria Hotel Nashville Midtown, TN

Choice University Online

~40,000 online students

~1.4 million trainings completed

~35,000 total video hours watched

HUMAN TRAFFICKING PREVENTION

At Choice, we condemn human trafficking in all forms. Our multi-pronged approach to combat human trafficking is strategic, ongoing and widely communicated. In addition to required training and signage, Choice provides additional tools and resources for our hotels. The materials and education are designed to raise awareness and protect all children and adults from human trafficking.

Our Multi-Pronged Approach to Combat Human Trafficking

- Required training for associates and franchisees
- Required signage in hotels
- Online resource hub for hotels
- Human Rights Policy
- Signatory of Tourism Child Protection Code of Conduct
- Numerous partnerships including:
  - AHLA Foundation's No Room for Trafficking Advisory Council (NFRT)
  - PACT (Protect All Children from Trafficking)
  - Polaris
  - Safe Stays by ReloShare
- Choice Privileges points donated to our partners
- Prevention Awareness Month
- Managed hotels:
  - Training and standard operating procedures reviewed through Safehotels certification
  - Ongoing relationship between Choice managed hotels and local law enforcement agencies

TRAINING AND RESOURCES

All franchise owners or their management-level designees, all on-property managed hotel associates and all Choice corporate associates worldwide are required to complete human trafficking prevention training, which is available in multiple languages. A brand standard requires domestic hotels to display back-of-house posters that outline the potential signs of human trafficking. Signage is also required in all public restrooms of our Extended Stay hotels in the U.S.

Choice created a human trafficking prevention microsite to ensure hotels can access relevant resources in one place, such as training materials, signage and compliance information, as well as short videos that can be used as conversation starters for staff members. Choice University provides additional, impactful educational tools.

OUR HUMAN RIGHTS POLICY DETAILS OUR COMMITMENT TO PROMOTING AND PROTECTING HUMAN RIGHTS AND EXPLICITLY CONDEMNS FORCED LABOR, SLAVERY AND HUMAN TRAFFICKING IN ALL FORMS.

COLLABORATIONS

Our strategic partnerships help Choice and our industry combat human trafficking and support victims. Choice Hotels International is an active member of the American Hotel & Lodging Association Foundation's No Room for Trafficking Advisory Council, which aims to unite the industry around collective anti-trafficking efforts. Choice also committed to contributing $250,000 to the NRFT Survivor Fund over a five-year period.

> "As an active member of our industry-wide No Room for Trafficking Advisory Council, Choice consistently demonstrates its ongoing commitment to align its work with best practices in the anti-trafficking field. Choice is dedicated to truly having an impact in the fight against human trafficking, collaboratively across the industry and across its company – from owners and team members, to the communities where Choice operates."
>
> **ELIZA MCCOY | Vice President, Programs and Impact, AHLA Foundation**

We joined PACT, formerly ECPAT-USA, in 2015 to support measures to prevent and protect children from human trafficking. PACT is a member of ECPAT International, a network of organizations in over 100 countries working together toward the elimination of the sexual exploitation of children. We are also a signatory of the Tourism Child Protection Code of Conduct (The Code), an industry-driven tourism initiative in preventing child trafficking. The Code is a voluntary set of criteria that members commit to in an effort to keep children safe.

Choice also supports Polaris, formerly The Polaris Project, a non-profit organization that fights human trafficking through a comprehensive approach and maintains the largest known dataset on human trafficking in North America. Founded as a grassroots initiative to create long-term solutions to address the underlying systems that allow human trafficking to occur, Polaris advocates for stronger federal and state laws, conducts trainings and provides support to trafficking victims.

Choice is also committed to providing emergency lodging for victims of abuse and violence. We were one of the first hotel brands to work with Safe Stays by ReloShare Alliance, a booking platform and program to secure safe lodging. More than 90% of Choice-branded hotels in the U.S. are available for booking through the ReloShare platform.

NO ROOM FOR TRAFFICKING AN AHLA CAMPAIGN

Safe Stays by ReloShare

THE CODE .ORG We protect children in travel and tourism

PACT

Polaris Freedom happens now.

In 2025, Choice Hotels donated

$25,000 to PACT as a Catalyst for Protection sponsor

>2 million Choice Privileges points to PACT and Polaris

$50,000 to AHLA Foundation's NRFT Survivor Fund

COMMUNITY IMPACT AND SERVICE

At Choice, we believe thriving, resilient communities create a strong foundation for successful businesses and people. We strive to support our communities through the actions and service of our associates, franchisees and guests, as well as our strategic partnerships.

SIGNATURE IMPACT PARTNERSHIPS

American Red Cross

Through timely, comprehensive disaster relief campaigns, Choice supports the American Red Cross as the organization helps people impacted by disasters big and small. We hosted numerous points-matching campaigns in 2025 to benefit people around the world, including those impacted by the California wildfires, the Myanmar earthquake, and floods in New Mexico, Texas and North Carolina.

The American Red Cross is committed to delivering vital services to those in need, including food, shelter and emotional support. Each year, the organization responds to an average of more than 65,000 disasters around the country, including storms, fires and countless other crises.

American Red Cross

>$240,000

donated and raised for the American Red Cross in 2025[1]

National Park Foundation

Choice's partnership with the National Park Foundation is a meaningful collaboration as 95% of our domestic hotels are within driving distance of a national park and our environmental and social initiatives align as we seek to engage associates and guests in sustainability efforts.

The National Park Foundation protects and preserves America's 430+ national parks — helping them thrive and remain welcoming and accessible to everyone, today and for generations to come.

National Park Foundation

>$170,000

donated and raised for the National Park Foundation in 2025[1]

1. Including Choice Gives, Choice Privileges, cash, in kind and matching donations

Operation Homefront

Choice supports the military community in numerous ways — from discounted rates to our partnership with Operation Homefront, which includes philanthropic and volunteer support. In 2025, Choice offered a $50,000 match in support of the Operation Homefront year-end campaign. In addition, our VALOR Choice Resource Group leads an annual bike drive in support of Operation Homefront. Over 120 kids bikes were donated to military families this year.

Operation Homefront is a national non-profit whose mission is to build strong, stable, and secure military families so that they can thrive in the communities they have worked so hard to protect. Operation Homefront provides critical financial assistance, housing and family support services to prevent short-term needs from turning into long-term struggles.

Serving America's **Military Families**

>$390,000

donated and raised for Operation Homefront in 2025[1]

Choice recognizes the service and sacrifice of military service members and their families through our Choice Privileges Military Membership program, which offers active-duty military members, veterans and military spouses limited-time Gold Elite status and exclusive rates at participating hotels.

LEARN MORE ABOUT THE AMERICAN RED CROSS, OPERATION HOMEFRONT AND THE NATIONAL PARK FOUNDATION

1. Including Choice Gives, Choice Privileges, cash, in kind and matching donations

ASSOCIATE IMPACT

Our Choice Gives donation and volunteering online platform enables corporate associates in the U.S. to learn more about organizations and causes they care about. The platform also makes it easier to volunteer, track volunteering hours, donate and receive a company match, and create donation and volunteering opportunities to invite other associates to give back to local communities.

Choice Gives offers a generous matching gift program, up to $1,500 per associate each year. In addition, associates who log their volunteer hours receive a $15 credit for every hour volunteered at a registered non-profit, which can then be donated to a non-profit of their choice. Corporate associates receive up to eight hours of paid leave per year for personal volunteerism.

GUEST IMPACT

Our Choice Privileges program enables members to give their points to the causes they care about, turning their rewards into cash donations for our affiliated charitable organizations, including the National Park Foundation, American Red Cross, Operation Homefront, PACT, Polaris, Fisher House Foundation and Boys & Girls Clubs of America.

LEARN MORE ABOUT CHOICE PRIVILEGES

FRANCHISEE IMPACT

Through the *Your Community, Your Choice* program, Choice supports our franchisees as they support local organizations and create stronger community ties and vibrant neighborhoods. In 2025, we expanded the program beyond the U.S., welcoming hotels from Australia and New Zealand as participants.

The program, currently in its sixth year, invites franchise owners to apply for a Choice-sponsored grant for a local non-profit that is important to them, amplifying our positive impact in the communities where our franchisees live and work.

In 2025, our associates helped select 19 winning hotels. On behalf of each hotel, Choice donated up to $5,000 directly to the non-profit of their choice, for a total of more than $85,000 awarded in grants. The donations supported causes including life and vocational skills training for young adults with developmental differences; early education for children from low-income families; disaster relief; help for those experiencing homelessness; military and veteran support; environmental efforts to maintain hiking trails and safeguard native plants; and support for single parents who are economically disadvantaged.

Since its launch, Your Community, Your Choice has donated a total of more than $350,000 to local non-profit organizations through more than 80 winning hotels.

LEARN MORE ABOUT YOUR COMMUNITY YOUR CHOICE

Country Inn & Suites, Bloomington Mall of America, MN

The Country Inn & Suites, Bloomington Mall of America in Minnesota was one of the 19 recipients of a Your Community, Your Choice award in 2025. A $5,000 award was donated to Feed My Starving Children which develops and distributes nutritional meals to children in need.

>$160,000 was donated to non-profits through Choice Gives in 2025

~1,500 associate volunteer hours logged through Choice Gives in 2025

>50 million points donated to our non-profit partners by Choice Privileges members in 2025

>$350,000 has been donated to local non-profits through Your Community Your Choice

SPOTLIGHT THE CHOICE HOTELS CANADA (CHC) FOUNDATION

The Choice Hotels Canada (CHC) Foundation supports three non-profits and their fundraising efforts. CHC raised more than $65,000 in one week by donating one dollar per occupied room in December 2025.

KINVIA

Reduces food inequality in Indigenous communities across Canada through sustainable food programs, education and access to nutritious meals.

Kinvia
Previously known as Canadian Feed The Children

TRUE PATRIOT LOVE

Supports Canadian military members, veterans and their families through programs that promote mental health, rehabilitation and reintegration.

TRUE PATRIOT LOVE | CANADA'S FOUNDATION FOR THE MILITARY COMMUNITY

SLEEPING CHILDREN AROUND THE WORLD

Provides bedkits to children in developing countries to ensure they have a safe and comfortable place to sleep.

SLEEPING CHILDREN AROUND THE WORLD

PLANET

Creating a more sustainable future for our franchises, our communities and the world.

PLANET-RELATED POLICIES:

Sustainability Policy ↗
Supplier Code of Conduct ↗

LEARN MORE ABOUT OUR SBTI-VALIDATED TARGETS →

MUST READ: EARNING SUSTAINABILITY RECOGNITION →

SPOTLIGHT: SAVING ENERGY AROUND THE WORLD →

COMMITMENT TO GREEN

COMMITMENT TO green

We strive to create organizational resilience for our business and our franchise owners. Recognizing the ever-evolving impacts of climate change on the travel and tourism industry, we created Commitment to Green, our environmental approach for all Choice hotels.

Through the initiative and corresponding information hub, we provide a comprehensive approach that helps guide our owned, managed and franchised hotels with resources they can easily integrate to advance sustainability best practices and help mitigate climate-related risks.

Our Commitment to Green initiative is composed of five main components.

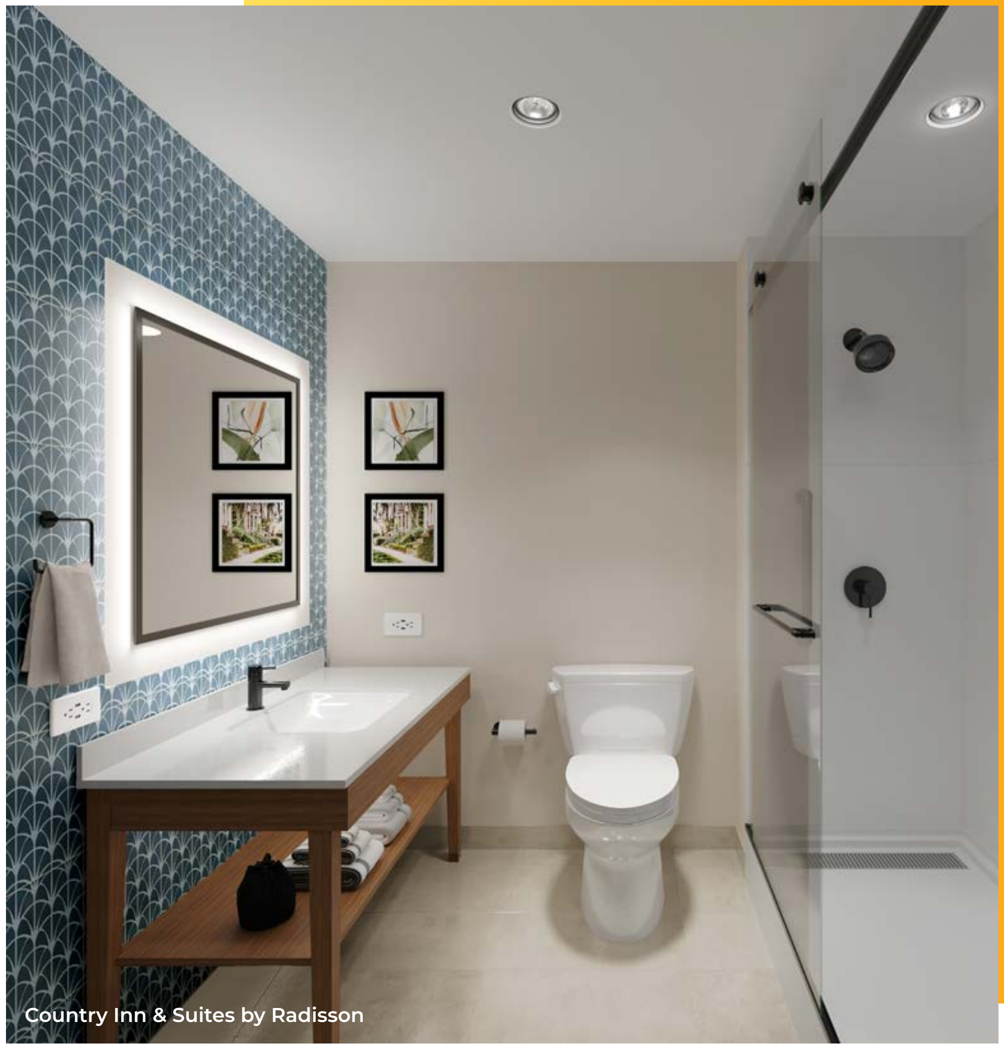
- UTILITIES TRACKING DASHBOARD
- ROOM TO BE GREEN PROGRAM
- QUALIFIED VENDOR SOLUTIONS
- FRANCHISE SUSTAINABILITY ENGAGEMENT
- THIRD-PARTY ENVIRONMENTAL CERTIFICATIONS

UTILITY TRACKING DASHBOARD

As more domestic hotels continue to adopt our utilities tracking dashboard, powered by Schneider Electric, hotel owners are able to better track their energy and water consumption and meet current and emerging regulatory utility and energy efficiency reporting requirements. These requirements can vary by country and jurisdiction and often include steep non-compliance penalties.

The tool takes into account hotel occupancy and helps hotel owners identify savings opportunities and anomalies, such as major leaks. Additionally, the dashboard automatically calculates a hotel's greenhouse gas emissions, enabling hotels to respond promptly to corporate requests for proposals, helping them secure revenue more easily. It has also helped us to calculate our full Scope 1, 2 and 3 inventory, enabling data-driven near-term, science-based targets for our SBTi application.

The ongoing aggregation of reliable and robust data also informs Choice's larger sustainability strategy and goals as we continue to analyze our GHG emissions.



Country Inn & Suites by Radisson

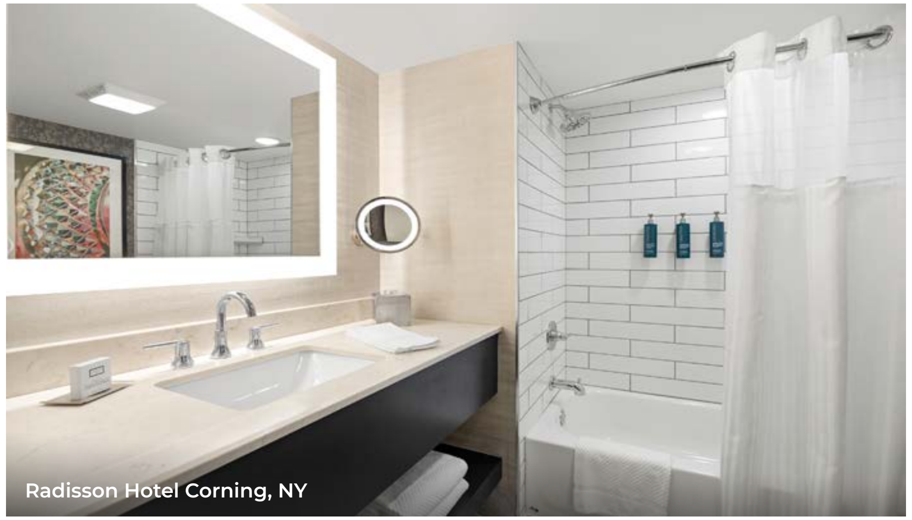
ROOM TO BE GREEN®

Our Room to be Green environmental program provides hotels with requirements and criteria to improve their environmental practices and drive operational change.

Room to be Green is structured into four levels, ranging from zero-cost, easy-to-implement solutions to best-in-class, innovative initiatives that can require capital investment. Each level is designed to encourage hotels to enhance their environmental impact and advance in their sustainability journey.

The program helps hotels meet growing demand from clients and guests for sustainable practices, potentially achieve greater savings and align with the requirements of third-party environmental certifications, such as Green Key Global.

Room to be Green Level 1 requirements are brand standards across all our hotels, making it Choice's first global brand standard related to sustainability. Each hotel is required to have a trained Green Ambassador to coordinate sustainability initiatives within the hotel.


Radisson Hotel Corning, NY

Room to be Green®

LEVEL 1 (REQUIRED)

An entry-level approach for hotels embarking on their sustainability journey

Example requirements: *utility data reporting, basic water and energy saving measures, Green Ambassador*

LEVEL 2

A broader approach for hotels with advanced building solutions

Example requirements: *all of the above, plus occupancy sensors and a food waste reduction program*

LEVEL 3

A comprehensive approach for hotel sustainability experts

Example requirements: *all of the above, plus use of renewable energy and availability of electric vehicle chargers*

LEVEL 4

A best-in-class approach for hotel sustainability trailblazers

Example requirements: *all of the above, plus green vehicle fleet and gray water management*

QUALIFIED VENDOR SOLUTIONS

As part of Choice's Commitment to Green, our Procurement team continues to identify qualified vendors to help hotel owners implement sustainable practices on property, maximize their cost savings opportunities and meet Choice's environmental brand standard requirements. An annual vendor survey is sent to new and existing vendors to further engage our suppliers around sustainability topics, better understand their environmental practices and commitments, and start identifying vulnerabilities in the supply chain related to emissions, labor practices or governance.

LEARN MORE IN THE RESPONSIBLE SOURCING SECTION.

FRANCHISEE SUSTAINABILITY ENGAGEMENT

Choice regularly communicates with franchise owners on sustainability topics as they help drive progress toward our shared goals. Key meetings occur throughout the year, including regional and owners associations meetings and the annual Choice Hotels Convention. These sessions provide opportunities for direct dialogue and sustainability-focused education, which is also promoted through training resources at Choice University. In addition, we seek franchisee input and promote greater awareness about our sustainability initiatives through surveys, sweepstakes, webinars and digital communications.

LEARN MORE ABOUT HOW WE ENGAGE FRANCHISEES ON A BROAD RANGE OF TOPICS IN THE FRANCHISE ENGAGEMENT SECTION.

THIRD-PARTY ENVIRONMENTAL CERTIFICATIONS

Choice partners with notable third-party certification organizations to help hotels in our system receive recognition for their sustainability initiatives and progress. Our partner organizations are recognized by Travalyst, a non-profit coalition that promotes sustainable tourism by providing clear, consistent sustainability information to travelers and the industry. This ensures the certified properties gain visibility on major distribution platforms such as Google, Booking.com, Amex GBT, Cvent and many more.

GREEN KEY GLOBAL

Green Key Global is North America's leading sustainability certification program for hotels and the hospitality industry, co-owned by the Hotel Association of Canada and the American Hotel & Lodging Association.

LEARN MORE

GREEN KEY INTERNATIONAL

Managed by the Foundation for Environmental Education, Green Key International is a premier certification organization that provides eco-certificates for accommodations and other hospitality facilities that commit to sustainable practices around the world (except North America).

LEARN MORE

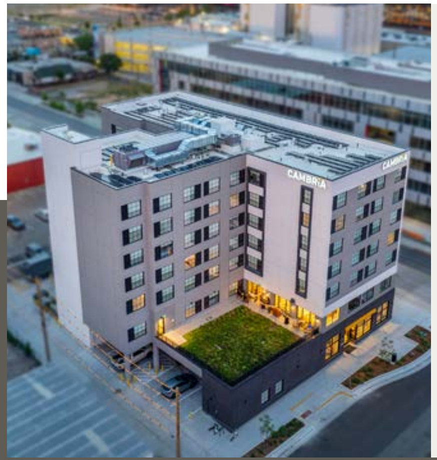
WORLD TRAVEL & TOURISM COUNCIL HOTEL SUSTAINABILITY BASICS

As the global authority on the economic and social contributions of the travel and tourism industry, the World Travel & Tourism Council has developed Hotel Sustainability Basics, which outline 12 essential actions to help hotel start their sustainability journey. It is based on three pillars: efficiency, planet and people.

LEARN MORE

>170

As of end of 2025, over 170 Choice hotels have received a third-party environmental certification

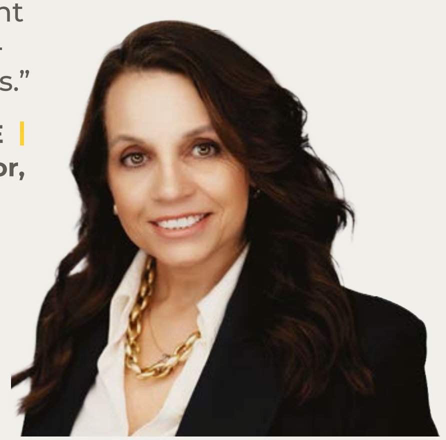


The sustainable design and operations at the Cambria Hotel Denver, Downtown Rino in Colorado led to its 4-key Green Key Global certification.

DISCOVER THE HOTEL

> Green Key Global is proud to partner with Choice Hotels International as their sustainability certification partner. With one of the largest and most diverse footprints in the hospitality industry, Choice is uniquely positioned to influence meaningful change across thousands of properties. Choice's clear commitment to sustainability and proactive efforts to support franchisees in adopting more environmentally responsible operational practices made Choice a logical partner for Green Key Global. As traveler demand for sustainable accommodations continues to rise, our collaboration will provide Choice franchisees with opportunities to differentiate themselves in competitive markets and attract a growing segment of sustainability-conscious guests."

ANICK LEVESQUE | Managing Director, Green Key Global



CLIMATE AND ENERGY

With more than 7,500 hotels around the world, Choice recognizes our efforts can have a positive impact on our environment at scale.

Our engagement with our franchisees is integral to the success of our sustainability initiatives. We encourage widespread adoption of sustainable practices while demonstrating how the changes can drive improved profitability, guest loyalty and long-term asset value to our franchise owners, benefiting people, the planet and the business.

Our ongoing efforts to increase our awareness of the impacts of climate change on our business and industry have helped us to establish baseline data, a critical first step to setting targets, and advance climate-related initiatives. More than 99% of our emissions are Scope 3 and approximately 95% of those emissions come from our franchised hotels. This information is helping to inform our goals, including our recently SBTi-validated targets and our greater journey toward decarbonization.

We are proud to have achieved our ESG reporting goal to align our disclosures with SASB and TCFD (now part of IFRS Sustainability Disclosure Standards), as well as CDP, ahead of our 2025 commitment. In 2024, we also became the first major hotel company to migrate our entire IT system infrastructure to the cloud using Amazon Web Services, helping further reduce our environmental footprint.

SCIENCE BASED TARGETS
DRIVING AMBITIOUS CORPORATE CLIMATE ACTION

Choice has received validation from the Science Based Targets initiative for the near-term decarbonization goals we submitted, demonstrating our strategic and measurable commitment to reduce our greenhouse gas emissions by 2035. In 2024, we calculated our full Scope 1, 2 and 3 inventory, creating a baseline for our decarbonization journey and metrics.

Sleep Inn & Suites Norman near University, OK

OUR COMMITMENTS

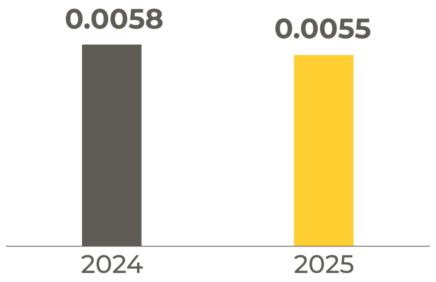
- Reduce absolute Scope 1 and 2 GHG emissions by **63%** by 2035 from a 2024 baseline year
- Reduce absolute Scope 3 GHG emissions from franchises by **37.5%** by 2035 from a 2024 baseline year

We plan to achieve our Scope 1 and 2 emissions reduction target through energy efficiency upgrades across our operations and the transition to renewable electricity, where feasible and relevant. In the longer term, we may consider pursuing power purchase agreements and high-quality certificates to further decarbonize our electricity supply. These measures will be reinforced by strong governance, integration into capital planning, and active supplier and landlord engagement, with progress reviewed annually to ensure alignment with SBTi guidance.

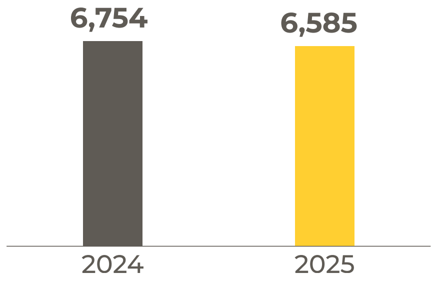
We plan to achieve our Scope 3 target on franchise emissions by actively engaging with franchise partners to reduce their operational footprints through energy efficiency, electrification and renewable energy adoption. We will provide guidance, technical support and preferred supplier programs to facilitate cost-effective upgrades, while embedding sustainability requirements into franchise agreements and performance reviews. Progress will be tracked through standardized reporting, with results consolidated into our corporate inventory to ensure alignment with SBTi guidance and long-term decarbonization goals.

GREENHOUSE GAS EMISSIONS[1]

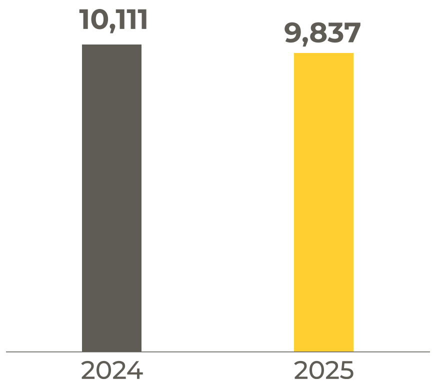
Emissions Intensity[2] – Market-based
metric tons CO_2e/SqFt



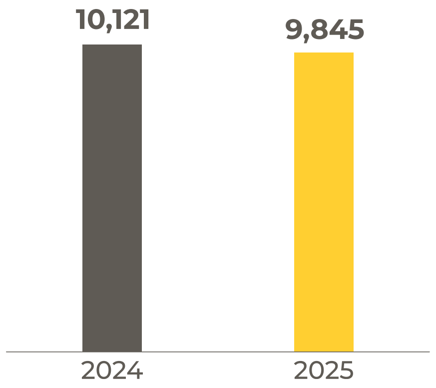
Scope 1 Direct Emissions
metric tons CO_2e



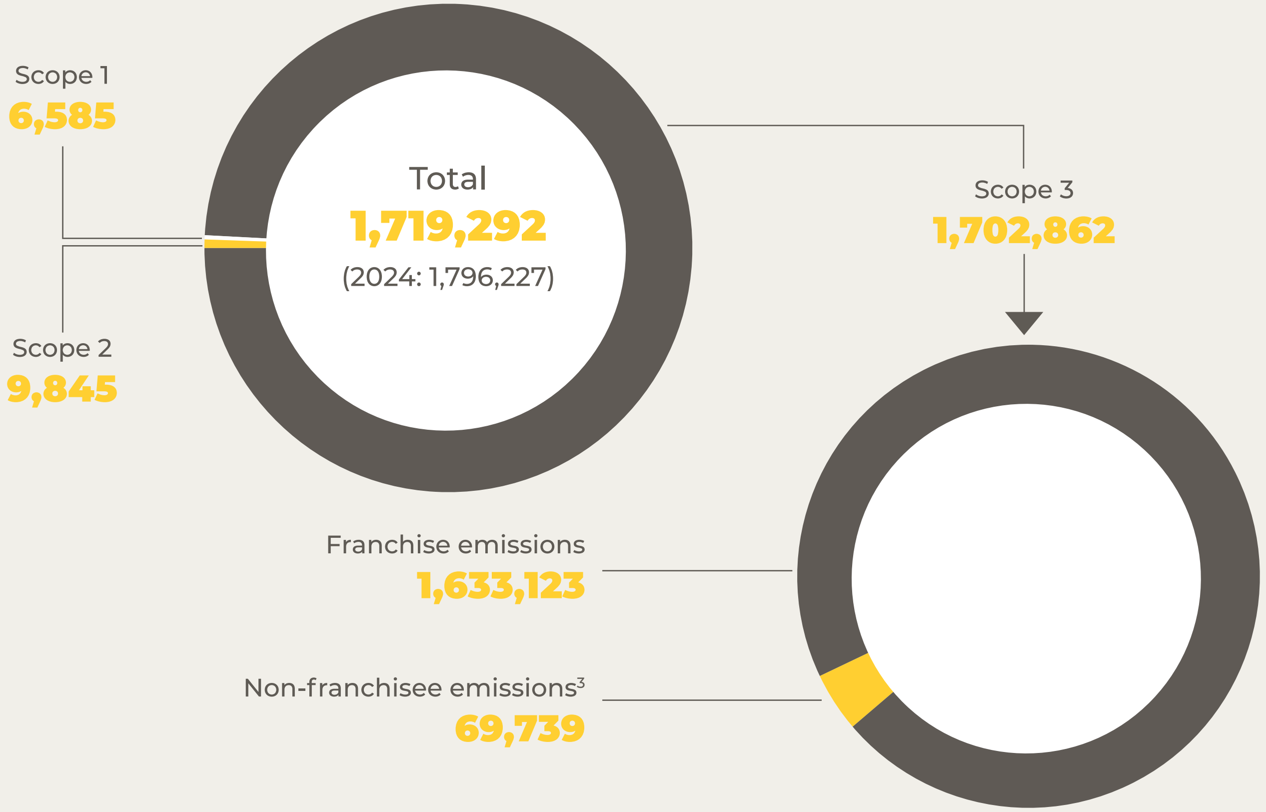
Scope 2 Indirect Emissions – Location-based
metric tons CO_2e



Scope 2 Indirect Emissions – Market-based
metric tons CO_2e



Our 2025 Carbon Footprint by Scope – Market-based
metric tons CO_2e



1. 2025 GHG emissions include managed hotels, corporate facilities and fleet (vehicles and aviation).
2. GHG emission intensity excludes aviation emissions.
3. Scope 3 non-franchise includes Category 1, 2, 3, 4, 5 (wastewater), 6 and 7. Waste emissions are not included due to data limitation.

LEARN MORE IN OUR 2025 PERFORMANCE TABLES

ASSESSING CLIMATE-RELATED RISKS AND OPPORTUNITIES

Choice updated our Task Force on Climate-related Financial Disclosures Report (TCFD) in 2025, adding key performance indicators to ensure compliance with emerging environmental regulations. The report summarizes the results of cross-functional workshops based on two scenarios that helped us to better understand the impacts of climate-related risks and opportunities on our business.

TCFD | TASK FORCE ON CLIMATE-RELATED FINANCIAL DISCLOSURES

TOP CLIMATE-RELATED RISKS AND OPPORTUNITIES:

Risks

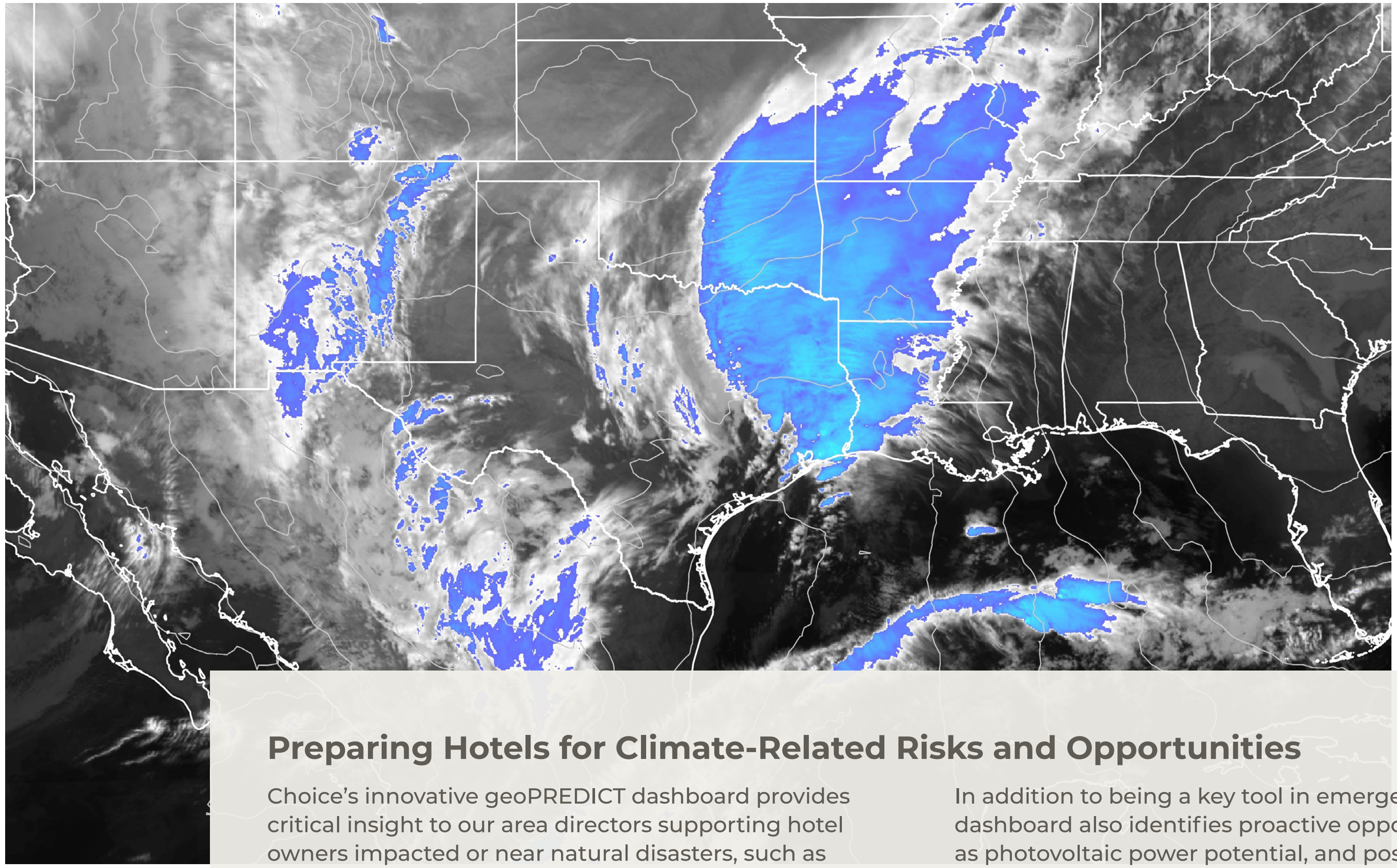
1. Extreme weather events
2. Operational costs and complexity
3. Changing stakeholder expectations

Opportunities

1. Cost savings
2. New markets and/or consumers
3. New products or services that support a low carbon economy

LEARN MORE IN OUR TASK FORCE ON CLIMATE-RELATED FINANCIAL DISCLOSURES (TCFD) REPORT

ALSO READ OUR CDP CLIMATE AND WATER SURVEY



Preparing Hotels for Climate-Related Risks and Opportunities

Choice's innovative geoPREDICT dashboard provides critical insight to our area directors supporting hotel owners impacted or near natural disasters, such as hurricanes and wildfires. The tool collects and analyzes data from an array of public sources, such as the Federal Emergency Management Agency, through an intuitive, map-based interface. The dashboard enables Choice and our franchisees to make quicker, data-based decisions, such as coordinating faster accommodations needed for emergency crews.

geo PREDICT

In addition to being a key tool in emergencies, the dashboard also identifies proactive opportunities, such as photovoltaic power potential, and possible future climate-related threats, such as flooding or heat risk. It provides instant recommendations to help hotels manage these climate-related risks and opportunities.

Choice developed geoPREDICT following our TCFD assessment to further understand how climate-related risks and opportunities could impact individual hotels and corporate offices, as well as regions of the U.S. The version 1 of this tool is currently available to our corporate associates and area directors.

ENERGY EFFICIENCY

Many of our energy efficiency efforts — such as addressing lighting, heating, appliances and equipment, building automation systems and use of renewable energy sources — are incorporated into the four levels of our Room to be Green program.

Level 1 is a brand standard across all of our domestic hotels. It includes a mandate for 100% LED indoor lighting. Higher levels require hotels to have smart thermostats, double or triple-glazed windows, a building management system to centrally and automatically control HVAC and lighting, and a smart kitchen ventilation system where applicable. More than 2,300 guest rooms in our managed hotels switched to smart thermostats, reducing guest room HVAC usage by up to 52% and providing a payback of less than two years. Room to be Green's highest levels also require hotels to purchase at least 50% renewable energy and/or produce at least 25% of renewable energy.

DRIVING SUSTAINABILITY FORWARD

We continue to add more electric vehicle (EV) charging stations at our hotels to encourage low-emission travels as well as meet an increasing demand. New construction projects across several of our upscale brands[1] must now include at least two EV charging stations for guest use.

Guests interested in staying at hotels equipped with EV charging stations can use the EV charging filter on choicehotels.com and our app to easily look for equipped hotels. This feature is particularly important as guests who drive to our hotels accounted for 82% of all Choice room nights in 2022, significantly above the industry average.[2] Approximately 90% of Choice-branded properties in the U.S. are in suburban, interstate and small town locations, with 76% located within one mile of a highway entrance.

EV charging stations, as well as hybrid or fully electric guest shuttles, are a requirement of the higher levels of our Room to be Green program.

Our corporate offices, designed with sustainability in mind, also encourage associates to choose greener commuting options. Depending on the location, these include shuttle services, metro subsidies, EV charging, and secure bike storage with locker rooms and showers.

1. Applicable to Radisson Blu, Radisson, Radisson RED, and Cambria in the U.S.
2. According to data from DK Shifflet.

~2,000

hotel properties in the U.S. have now installed LED exterior signage, reducing their signage electricity usage by 50% to 70%.

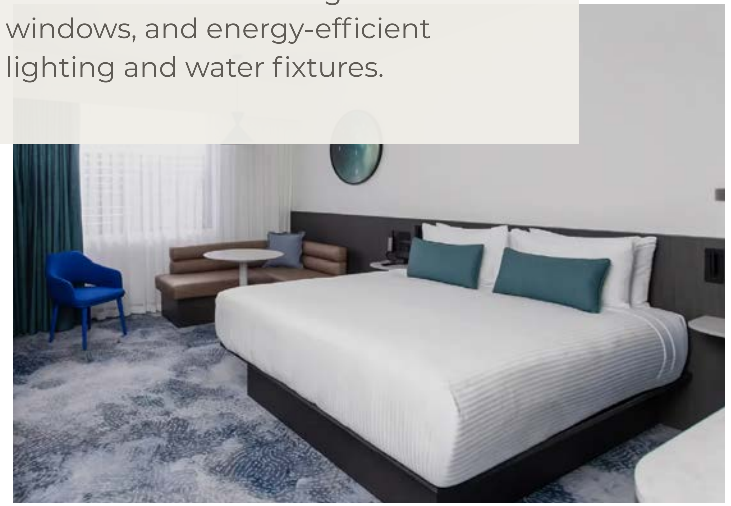
>800

Choice hotels, as well as our corporate offices, are equipped with EV charging stations, a ~60% increase vs previous year.

Clarion Pointe Sioux Falls Airport, SD

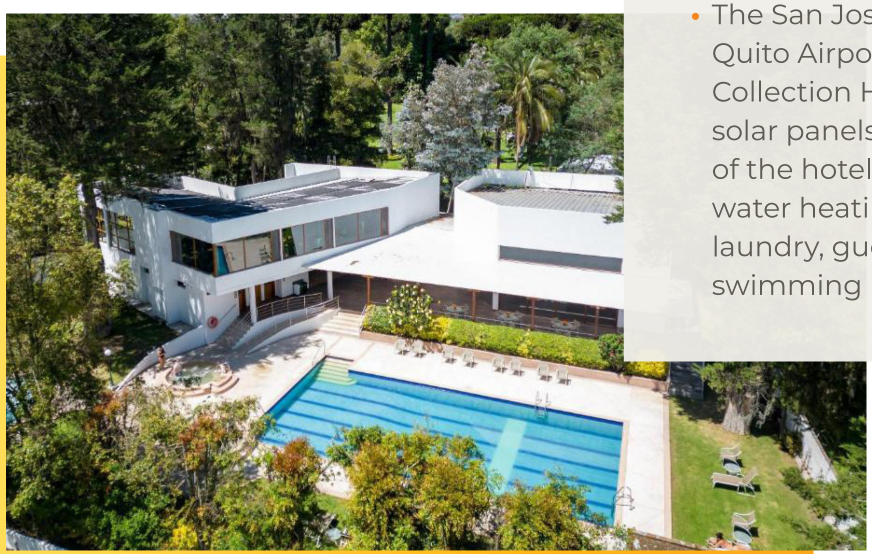
SPOTLIGHT SAVING ENERGY AROUND THE WORLD

Choice Hotels around the globe have implemented key environmental initiatives that follow, and also go beyond, our Room to Be Green requirements. Examples include:



AUSTRALIA:

- As part of a comprehensive renovation project that reimagined 60% of the original structure, the Bayside Geelong Hotel & Apartments, an Ascend Collection Hotel, in the state of Victoria focused on a range of energy-saving initiatives to improve overall building performance. These include a 100 KW on-site solar array, building management and energy recovery ventilation systems, insulation and double-glazed windows, and energy-efficient lighting and water fixtures.



ECUADOR:

- The San Jose de Puembo Quito Airport, an Ascend Collection Hotel installed solar panels on the roofs of the hotel, which powers water heating for the kitchen, laundry, guest rooms and swimming pools.

CANADA:

- Green Key Global certification is a brand standard for Choice Hotels in Canada, which means they must adhere to stringent environmental standards including energy conservation.

CZECH REPUBLIC:

- Energy-efficiency efforts at Choice Hotels in the Czech Republic, such as LED lighting, motion sensor lighting and air conditioning that shuts off when windows are open, led to a 12% decrease in electricity consumption.
- Water consumption was also reduced by nearly 28% by installing low-flow aerators on taps and showers and conducting weekly leak inspections.

Clarion Congress Hotel Brno, Czech Republic

WATER

Reducing water consumption throughout our hotel operations continues to be a priority.

All domestic hotels are required to meet our Room to be Green Level 1 standards, which means they must implement a set of sustainability initiatives such as installing water-saving fixtures and implementing the towel-and-linen reuse program. Advanced levels of our Room to be Green program include more ambitious water-saving criteria, such as gray water recycling and low irrigation landscaping.

We continue to gather water consumption data through the rollout of our automated utilities tracking dashboard across our owned, managed and franchised portfolio.

Guests also help us lower our water and energy consumption when they choose to decline daily housekeeping when staying multiple nights, helping our hotels reduce laundry cycles and in-room cleaning.

> Our towel and linen reuse program saves thousands of gallons of water each year, and guests appreciate being part of the solution and contributing to our sustainability initiatives."
>
> **RAHUL PATEL | General Manager of MainStay Suites Minot, ND**

Domestic hotels are required to use the Ecolab laundry program which helps reduce environmental impact through concentrated formulations that are biodegradable[1], non-toxic to aquatic life[2], and contain no or low phosphorus. U.S. hotels also have the option to use Ecolab's Aquanomic 2.0 Low-Temperature Laundry Program, which can deliver up to a 40% savings[3] in water and energy.

In 2025, Choice properties in the U.S. that used this program saved[4]:

183 million
gallons of water

5,900
metric tons of CO_2e

220,000
pounds of waste

128 billion
BTUs of energy

Bayside Geelong Hotel & Apartments, an Ascend Collection Hotel, Australia

LEARN MORE IN OUR 2025 PERFORMANCE TABLES

1. Biodegradable when used as directed. Product is designed for low impact to the natural environment and is classified as readily, ultimately or inherently biodegradable at use solution levels.
2. Not toxic to aquatic life when used as directed.
3. Based on 160-room lodging property, 75% occupancy rate, 16 pounds of linen per room, 100 degrees F versus typical laundry temperature of 120 degrees F and national-average utility rates.
4. These results are based on Choice Hotels specific data from January to December 2025 and are based on a comparison of our current Ecolab product selection versus typical baseline Ecolab products in the industry. The savings values are estimated by Ecolab based in part on assumptions and limitations intended to reflect typical industry practices. Results may vary for other businesses based on factors and circumstances in their operations.

WASTE

We take a multi-pronged approach to reducing and managing waste. From our Room to be Green program to our collaboration with industry associations and qualified vendors, we continuously seek additional ways to lower our waste footprint.

REDUCTION OF SINGLE-USE PLASTICS

Choice is committed to reducing single-use plastics in our hotels and operations. We continue to evolve our brand standards and established a cross-functional task force in 2024 to inventory single-use plastic items across all our brand segments.

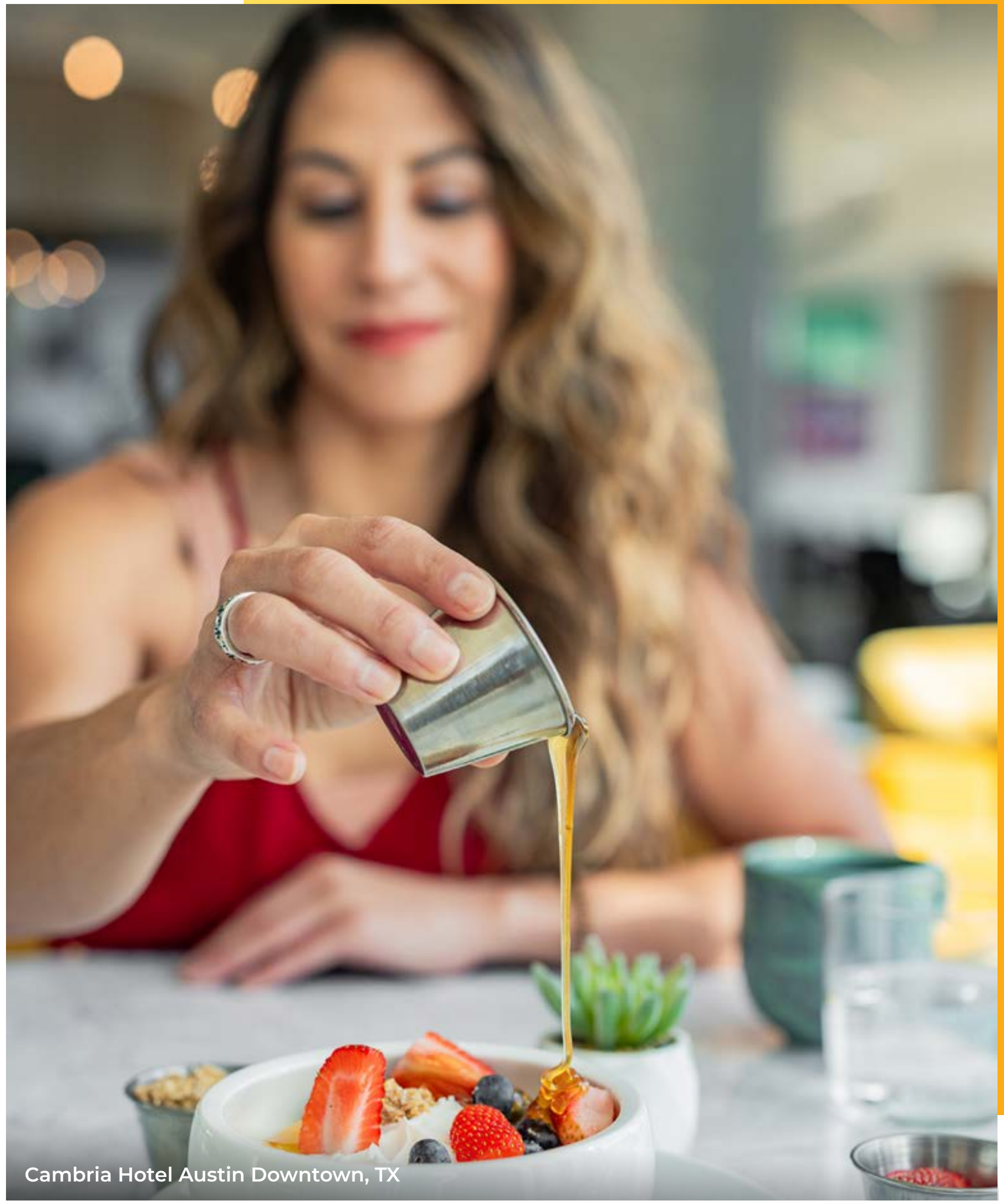
In 2025, Choice conducted a comprehensive sustainability review of our upscale brand hotels, which included a focus on how to reduce plastic use. The review looked at all areas of the hotels — from the fitness rooms and food and beverage areas, to vending machines and the hotel rooms themselves. The analysis led to several recommendations including adding water dispensers with paper cups in fitness rooms, prioritizing glass or aluminum water bottles over plastic equivalents, and changing to-go food containers to compostable.

Several of the recommendations align with our ongoing sustainability pilot programs at our owned and managed hotels. Last year, among other initiatives, we added carton and aluminum water bottles as an alternative to plastic equivalents in the marketplaces and we piloted water fountains on the different room floors of our Country Inn and Suites San Diego, California. Feedback gathered from guests informs our future decisions, such as broadening the scale of our pilot initiatives.

All of these efforts continue to build on our progress, which includes the elimination of:

- Single-use plastics in Choice hotels in Denmark, Finland, Lithuania, Norway and Sweden
- Styrofoam products[1]
- Plastic straws and stirrers[1]
- Plastic coating from our recyclable Choice Privileges paper cups for all hotels in the U.S.
- All in-room complimentary plastic water bottles at our Upscale brands in the U.S.[2]
- Plastic packaging of complimentary care items at our Upscale brands in the U.S.[3]

Our goal of making bulk amenities standard across domestic brands[1] has been extended to January 1, 2027. We've achieved success across some U.S. brands, including our owned and managed hotels, and continue to work toward adoption of the standard with other brands. Each large bottle replaces the equivalent of 20 to 25 individual mini-bottles on average, leading to approximately 85% less plastic and liquid waste since no partially empty bottles are thrown away by the housekeeping teams. The bulk amenities bottles and caps are made of 100% recyclable materials.


Cambria Hotel Austin Downtown, TX

1. Across domestic brands. Does not apply to extended stay brands, which do not provide amenities on a daily basis, or the Ascend Hotel Collection, Radisson Collection and Radisson Individuals.
2. Applies to Upscale brands in the U.S. (Except Ascend Collection and Radisson RED)
3. Applies to shower cap, vanity kit, mending kit, dental kit, shave kit at Upscale brands in the U.S. (Except Ascend Collection and Radisson RED)

In addition, we've set new single-use plastic reduction goals with a target compliance rate of at least 85% by 2028.[1]

SINGLE-USE PLASTIC REDUCTION GOALS[1]	TARGET COMPLIANCE ACHIEVEMENT BY 2028
Implementation of bulk amenities	≥ 85%
Use of standard Choice Privileges paper cups for beverages at breakfast	
Use of wooden hot beverage stirrers at breakfast and in-lobby coffee stations	

1. Applies to domestic hotels (Except our soft brands Ascend Collection and Radisson Individuals)

Standard Choice Privileges paper cups are made from 100% Forest Stewardship Council certified paper, are 100% plastic free (Aquaous-based liner) and recyclable, and 96% compostable.

~90 million

letter-sized sheets of paper saved through our digital registration program since program launch.

Sleep Inn & Suites Round Rock Austin North, TX

Incubator for Innovation

We continue to pilot sustainability programs at our Choice owned and managed hotels. These test projects allow us to identify solutions that can be scaled across our franchise network, thereby amplifying our sustainability impact. Examples include initiatives that help reduce waste and single-use plastics, such as:

- Use of wooden key cards
- Adoption of aluminum water bottles in hotel marketplaces
- Replacement of plastic to-go food containers and utensils with compostable options
- Use of AI-powered systems to help reduce food waste
- Adoption of 100% cage-free eggs and crate-free pork at all-day dining restaurants in our managed hotels

PROGRAMS AND PARTNERSHIPS

Our Room to be Green program requires all domestic hotels to offer recycling bins in their public spaces. Choice also provides our franchisees with recommendations on how to reduce waste. This includes leveraging Hotel Kitchen, an initiative developed by the World Wildlife Fund and the American Hotel and Lodging Association, that works to prevent food waste, donate what cannot be prevented and divert the rest away from landfills.

We work with an external vendor to repurpose, donate or recycle technology equipment and materials. In 2025, our corporate offices diverted more than 6,000 pounds of electronic waste from landfills through these practices.

Country Inn & Suites by Radisson, Flagstaff Downtown, AZ

Clean the World®

Collaboration With Clean The World

Since 2009, Choice collaborates with Clean the World, an organization that recycles discarded soap bars and plastic bottled bath amenities, preventing hundreds of thousands of pounds of waste from going to the landfill. The recycled bars of soap are distributed to people in need around the world, improving global hygiene and saving lives.

	2025	HISTORICAL IMPACT
Soap distributed (bars)	13,415	1,025,154
Soap collected (pounds)	11,467	184,819
Plastic collected (pounds)	2,443	118,885
Carbon footprint reduction (kgCO_2e)	910	114,412
Water saved (gallons)	4,885	615,388

BIODIVERSITY

We continue to build a stronger focus around biodiversity and protecting the environment, nature and our ecosystems.

Through our numerous corporate initiatives, such as installing beehives at our corporate headquarters, we strive to be a model of biodiversity stewardship for our franchise owners and our industry.

Biodiversity is a component of our Room to be Green program. We encourage our hotels to use eco-certified cleaning products and chemicals, which help reduce pollution and create healthier environments that are more prone to biodiversity. Additionally, the program promotes landscaping with native pollinator-friendly plants and the installation of wildlife habitats to enhance pollination and support ecosystems and biodiversity around our hotels.

The three beehives atop our corporate headquarters building in North Bethesda, Maryland, are a living example of how we support biodiversity. The bees pollinate plants and flowers within a three-mile radius and provide hands-on educational and engagement opportunities for Choice associates. In 2025, they produced over 280 pounds of honey which was packaged into jars for our associates and select Choice managed hotels with restaurants.

Biodiversity is part of our Sustainability Policy and Supplier Code of Conduct, which encourages suppliers to support and protect biodiversity, and avoid using materials from endangered wood, animals or plants.

Cambria Hotel Portland Downtown Old Port, ME

Promoting Eco-Friendly Tourism

The Dolphin Sands in Clearwater Beach, an Ascend Collection Hotel in Florida, reduces its environmental impact and protects marine life through numerous sustainability measures. These include special window treatments to reduce energy use and sun glare, sea turtle safe lighting, guest engagement sessions on biodiversity and a daily fee per room that is donated to the Clearwater Marine Aquarium. The hotel's gift shop also sells merchandise from the aquarium and donates a portion of the proceeds to benefit the marine life there.

Dolphin Sands Clearwater Beach, an Ascend Collection Hotel, FL

RESPONSIBLE SOURCING

Choice is committed to supporting responsible business practices and contributing to a more sustainable world.

Our Supplier Code of Conduct details our expectations of suppliers, qualified vendors and business partners, including business ethics, human rights and environmental responsibility.

Our Procurement team launched a sustainability survey for our qualified vendors to evaluate their environmental and social practices, helping to identify those in alignment with our Sustainability Policy. All of the suppliers who responded comply with environmental laws and regulations.

As we continue to gather information from new and existing vendors about their sustainability-related practices, goals and certifications, we aim to provide our franchisees with qualified vendors that provide more sustainable solutions and products so they can further reduce their environmental impact and more easily meet the requirements of our Room to be Green standards and third-party certifications such as Green Key Global.

2025 Survey of Choice's Qualified Vendors

71%

of respondents have established environmental targets and objectives to improve environmental performance (energy, water, waste, biodiversity)

72%

of respondents monitor and track energy and water consumption

71%

of respondents have a program and/or procedures to improve environmental performance (energy, water, waste, biodiversity)

68%

of respondents factor manufacturers' performance on key ESG indicators into their purchasing decisions

91%

of respondents have procedures in place to ensure that suppliers, including labor brokers, operate in compliance with all applicable environmental and labor laws and regulations

ANIMAL WELFARE

Choice remains committed to providing the hotels in our system with suppliers of cage-free eggs, in order to source 100% of the eggs used (shell, liquid and egg products) from cage-free sources. We have made significant progress, including serving 100% cage-free eggs at the all-day dining restaurants of our managed hotels, which also serve 100% crate-free pork.

Additionally, 100% of our suppliers who sell egg products in 11 of our key markets, which represents more than 90% of hotels globally, offer cage-free options. Globally, more than 52% of our hotel portfolio aligns with our cage-free commitment.

Hotels are classified as cage-free when they meet at least one of the following conditions:

A. they belong to brands that have adopted cage-free or free-range egg requirements.
B. they are located in jurisdictions where cage-free egg regulations apply; or
C. they do not serve eggs, whether liquid or whole

Our ambition remains strong, and we will continue to work actively with our suppliers and publicly report on system-wide progress in our annual sustainability report.

Cage-free adoption in 2025[1]

	% OF SUPPLIERS OFFERING CAGE-FREE EGGS	CAGE-FREE ADOPTION %
Caribbean & Latin America	No data	60%
Australia and New Zealand	17%	42%
Canada	100%	94%
China[1]	No data	No data
Czech Republic	100%	100%
Denmark	100%	100%
Finland	100%	100%
France	100%	25%
India[1]	No data	No data
Ireland	100%	100%
Japan[1]	No data	No data
Lithuania	100%	100%
Norway	100%	100%
Rest of Europe[1]	No data	No data
Sweden	100%	100%
USA – Franchised hotels	100%	50%
USA – Managed hotels	100%	52%
TOTAL		**52%**

>52%
of our global hotel portfolio aligns with Choice's cage-free commitment

100%
of the all-day dining restaurants at our managed hotels shifted to using only cage-free eggs and crate-free pork

1. Countries and regions that do not have data account for less than 4% of our total portfolio of hotels.

Ice Hotel, an Ascend Collection Hotel, Sweden
Sustainable Arctic Destination Certified

PERFORMANCE

Driving our success through strong governance and accountability.

GOVERNANCE-RELATED POLICIES:

- Anti-corruption Policy ↗
- Code of Ethics and Conduct ↗
- Compliance and Ethics Hotline ↗
- Privacy Policy ↗

+

LEARN ABOUT OUR GOVERNANCE STRUCTURE →

MUST READ: ETHICAL BEHAVIOR →

RISK MANAGEMENT →

GOVERNANCE AND OVERSIGHT

BOARD OF DIRECTORS

Oversight of Choice's business operations, strategy and performance is managed by our Board of Directors. Guided by Corporate Governance Guidelines, the Board promotes the long-term success of our company. The corporate governance practices outlined in the guidelines assist the Board in the exercise of its fiduciary duties. Our directors provide an effective and diverse mix of experience and perspectives.

Directors provide effective mix of experience, perspective and personal attributes

Stewart W. Bainum, Jr.
Chairman of the Board of Directors

Patrick S. Pacious
Director

Brian B. Bainum
Diversity Committee Chair

William L. Jews
Audit Committee Chair

Monte J.M. Koch
Director

Liza K. Landsman
Director

Ervin R. Shames
Director

Gordon A. Smith
Lead Independent Director, Corporate Governance & Nominating Committee Chair

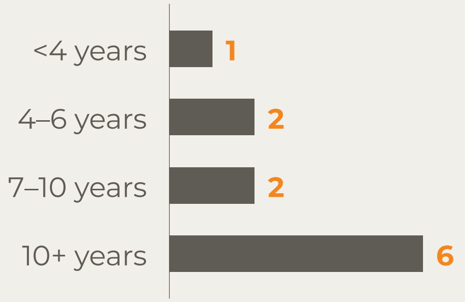
Maureen D. Sullivan
Director

John P. Tague
Human Capital and Compensation Committee Chair

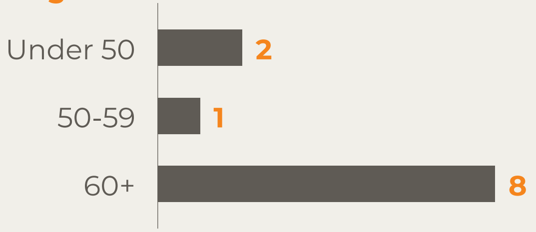
Donna F. Vieira
Director

Denotes Independent Director

Balanced Tenure



Balanced Age



Independence

GOVERNANCE STRUCTURE

ESG strategy, initiatives, policies and performance are reviewed and discussed by the Board. The Chief Sustainability Officer updates the Board on our sustainability strategy and progress, once a year with the full Board and once a year with the Corporate Governance and Nominating Committee.

BOARD OF DIRECTORS

- Oversees ESG strategy, initiatives, policies and performance
- Reviews stakeholder feedback to inform decision making

AUDIT COMMITTEE

- Oversees ESG-related risk management and assessment

READ COMMITTEE'S CHARTER

CORPORATE GOVERNANCE & NOMINATING COMMITTEE

- Monitors and provides input into the management of ESG strategy, practices and policies
- Reviews ESG communications and reporting

READ COMMITTEE'S CHARTER

DIVERSITY COMMITTEE

- Reviews and evaluates efforts to foster belonging and promote equal opportunity for everyone, including in talent acquisition, retention and development, franchise development, and marketing

READ COMMITTEE'S CHARTER

HUMAN CAPITAL AND COMPENSATION COMMITTEE

- Oversees executive compensation strategy
- Reviews company-wide engagement results, internal pay parity and fair pay workplace assessments, management development and succession planning

READ COMMITTEE'S CHARTER

ESG EXECUTIVE COMMITTEE

Executive leadership representing Finance, Human Resources, Legal, Operations, and Sustainability

- Meets quarterly to drive strategic direction and oversight of ESG efforts

RISK MANAGEMENT

Our business strategy and day-to-day operations incorporate risk identification and management including sustainability-related risks and opportunities, such as natural disasters and photovoltaic power potential. We continuously review the evolving sustainability-related regulatory landscape to ensure compliance.

Choice regularly inventories and monitors day-to-day risks across all business units and conducts a broad enterprise-wide risk assessment every two years, which informs our list of top risks facing the business. This process enables us to evaluate the impact and likelihood of risks at least on a quarterly basis, and identify and execute necessary mitigation steps, which is shared with leadership.

GOVERNANCE

Our Board of Directors plays an active oversight role to understand the risks facing the business and how the company is managing and mitigating the impact of those risks. The Enterprise Risk Committee, a cross-functional group of company leaders, meets on a quarterly basis to discuss various risks facing the business. After each meeting, a summary report is prepared for the Audit Committee of the Board of Directors and key issues are reviewed with company leadership. In addition, a roll-up of the top risks list and an enterprise risk summary are provided to the entire Board on an annual basis and include topics such as information security, human capital, disaster recovery and environmental issues.

Our Chief Compliance Officer coordinates enterprise-wide risk management efforts and reports to our General Counsel with a dotted line to the Audit Committee Chair. Business unit risks are managed by the individual business units, and each group is responsible for identifying risk in their area and developing mitigation plans.

ORGANIZATIONAL RESILIENCE

Our Business Continuity Plan is available to all associates and updated at least once a year. Our Business Continuity & Disaster Recovery Steering Committee meets quarterly to provide updates to leadership and discuss new developments and company initiatives. We have historically conducted bi-annual tabletop exercises, and the Board is briefed on the findings of the exercise.

Our Crisis Playbook contains guidance and resources in the event of a disaster, including where to find information on expected extreme weather events as well as the process for informing leadership of closures and impacts. Although franchised hotels are responsible for maintaining their own business continuity and emergency preparedness plans, our corporate Disaster Response team, composed of associates across our business units, helps franchise owners to pre-emptively prepare for disasters, monitoring emergencies in real time and communicating relevant information internally and externally. Our area directors also utilize our geoPREDICT dashboard to support franchisees in managing climate-related risks and opportunities.

The company's risk-management group oversees insurance purchasing and risk-related issues.

LEARN MORE ABOUT OUR CLIMATE-RELATED RISKS AND OPPORTUNITIES IN OUR TASK FORCE ON CLIMATE-RELATED FINANCIAL DISCLOSURES (TCFD) REPORT AND CLIMATE AND ENERGY SECTION

ETHICAL BEHAVIOR

All Choice associates are responsible for demonstrating ethical behavior, including compliance with laws and regulations and Choice policies.

Our culture of integrity is bolstered by our policies, confidential ethics reporting system, and training for leadership, staff and suppliers. Open channels of communication promote a positive work environment and solicited feedback is incorporated into our strategies and decision making.

CODE OF ETHICS AND CONDUCT

Our Code of Ethics and Conduct is our principal business ethics policy established by our Board of Directors to foster a culture of ethical conduct and compliance. It is incorporated into the Choice Associates Handbook and provides ethical guidelines and expectations for all Choice associates, leaders and the Board of Directors. It includes position statements on a number of topics, including laws and regulations, conflict of interest and anti-competitive behavior. Consultants and temporary employees from agencies are also expected to adhere to the spirit of the Code of Ethics and Conduct when performing work for Choice. Expectations of our suppliers, qualified vendors and business partners are detailed in our Supplier Code of Conduct.

COMPLIANCE AND ETHICS HOTLINE

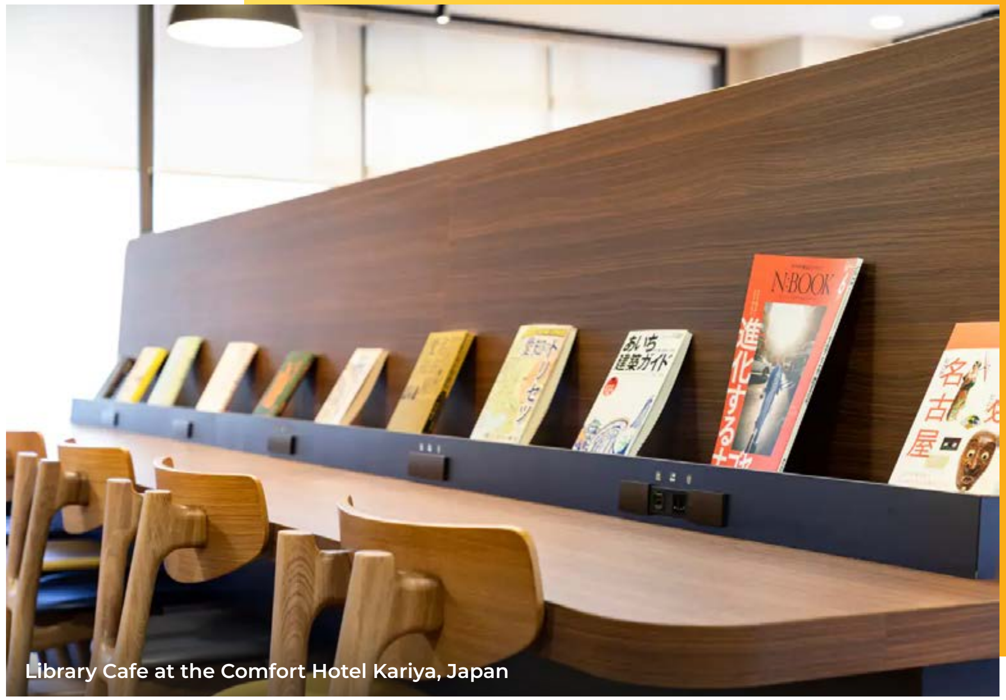
Associates are encouraged to speak up and report unethical behavior or violations of company policy or corporate governance, as well as ask for guidance related to policies and procedures. Our primary reporting channel is our Compliance and Ethics Hotline, which is commonly referred to as a whistleblower hotline. It allows associates to report misconduct anonymously. Our hotline is hosted by a third-party hotline provider, Navex EthicsPoint.

All hotline submissions are reviewed and investigated as appropriate. A report on hotline submissions is given to the Audit Committee once a quarter and the full Board once a year.

COMPLIANCE TRAINING COURSES

Choice requires all associates to complete annual compliance training and they are held accountable for those requirements. Required compliance training topics for corporate associates include: anti-harassment, ethics, security and privacy awareness and phishing. Additional courses, such as anti-corruption and insider training, are required based on management level and role. All corporate associates, franchise owners or their manager-level designees, and all on-property managed hotel associates are also required to complete our human trafficking prevention training.

CHOICE'S COMPLIANCE AND ETHICS HOTLINE IS AVAILABLE WORLDWIDE, 24 HOURS A DAY, 365 DAYS A YEAR AT CHOICEHOTELS.ETHICSPOINT.COM



Library Cafe at the Comfort Hotel Kariya, Japan

DATA SECURITY AND PRIVACY

Given the increasing prevalence of cyberattacks in our industry, and in general, Choice seeks to minimize the impact of cybersecurity incidents through the use of various technologies, processes and practices designed to help protect our networks, systems, computers and data.

We continuously assess our security posture, seek to implement appropriate risk-reduction measures, enhance our operating processes, improve our defenses and take other measures to strengthen our cybersecurity program. The integrity and protection of franchisee, guest, employee and company data is critical to us and our reputation.

GOVERNANCE

Our Chief Information Security Officer (CISO) is responsible for our Information Security and Privacy programs, which focus on securing data at rest and during transmission, helping ensure compliance with data security and privacy regulations, as well as providing third parties who receive Choice data with appropriate controls and risk-management programs.

The CISO briefs the Audit Committee and the full Board separately twice a year, alternating every quarter. Reports generally focus on items such as cybersecurity risk-prevention and reduction efforts, mitigation efforts and response plans, emerging regulatory policies and results of third-party assessments.

Our internal cybersecurity governance board, led by our CISO, is composed of select executives who meet several times a year to ensure we're focusing on the right risks and allocating appropriate resources. It's also an opportunity to share information on current risks and changes. The cybersecurity governance board also participates in the Enterprise Risk Committee.

TRAINING

Annual educational training is required on security, privacy and phishing for those who have access to data at Choice, including associates at managed hotels and third parties such as contractors. We also conduct phishing tests; those who fail must undergo remedial training. Online cybersecurity training programs are offered to our franchise owners and their staff on topics including hospitality cyber threats and hotel security.

POLICIES AND PRACTICES

Choice conducts vulnerability assessments on an ongoing basis. An outside firm performs an annual Payment Card Industry (PCI) assessment, as well as an annual penetration test of our environment. Every two years, we engage a third-party firm to perform an in-depth risk assessment with annual reassessments.

In the event of a confirmed cybersecurity breach, we have protocols in place. We notify senior leaders, including the Board, and consult with outside counsel and other external experts, based on the nature of the incident. We are committed to complying with all applicable data privacy and notification regulations and timelines including relevant state, federal and international requirements.

Our franchisees are required to obtain cyber insurance with a minimum set of coverages. In addition, Choice is a hotel industry leader in mandating franchise owners to use specific security software on their hotel computers, which enables us to support franchisee information security 24/7 through a third-party solution provider. Security obligations are built into contracts with vendors who have access to our data and conduct periodic assessments to help ensure data is being handled appropriately.

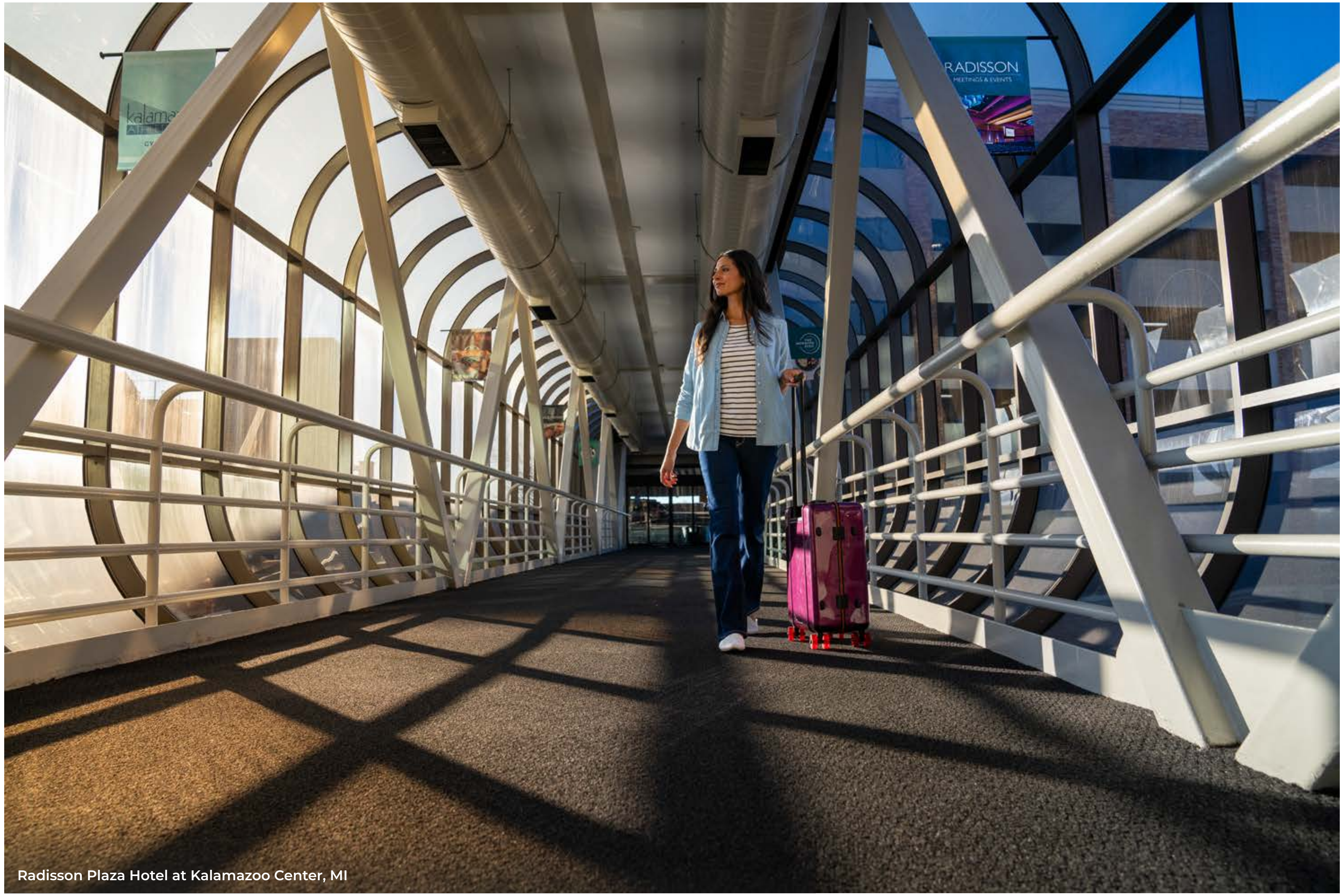
SEE CHOICE'S PRIVACY AND SECURITY POLICY

PUBLIC POLICY AND POLITICAL ACTIVITY

Choice makes a concerted effort to align our advocacy efforts with our corporate business and sustainability goals.

We collaborate with a number of trade associations to advance sustainability across our business and the industry. The hotel industry's approach to cleanliness and policies developed during the COVID-19 pandemic is an example of our collaborations. We've also focused on sharing information with all of our hotels about tax credits available through the Inflation Reduction Act, including those to encourage energy efficiency improvements and electric vehicle (EV) charging stations.

Choice Hotels does not make federal political contributions. In 2025, we made limited state contributions, such as to political candidates and activities in Maryland, where our global corporate headquarters is located.



Radisson Plaza Hotel at Kalamazoo Center, MI

APPENDICES

SUSTAINABILITY POLICIES:

- Anti-Corruption Policy ↗
- Anti-Harassment Policy ↗
- Code of Ethics and Conduct ↗
- Compliance and Ethics Hotline ↗
- Equal Employment Opportunity Policy ↗
- Human Rights Policy ↗
- Privacy Policy ↗
- Sustainability Policy ↗
- Supplier Code of Conduct ↗

PERFORMANCE TABLES[1]

Company Profile

	2025	2024
Number of Properties[2]		
– Corporate offices (inc. partial year properties)	8	9
– Managed hotels (inc. partial year properties)	13	14
– Franchised hotels	7,866	7,888
Number of Rooms		
– Managed hotels	3,059	3,143
– Franchised hotels	663,356	664,603
Occupancy Rate Managed Hotels	67%	69%
Occupied Rooms for Intensity Metrics (Managed Hotels)	748,772	789,845
Occupancy Rate Franchised Hotels[3]	57%	56%
Occupied Rooms for Intensity Metrics (Franchised Hotels)	128,729,386	129,732,484
Total Floor Area (SqFt of Managed Hotels) (for portfolio in environmental performance disclosure)	2,459,669	2,491,084
Total Floor Area (SqFt of Franchised Hotels) (for portfolio in environmental performance disclosure)[4]	295,370,076	298,158,570

1. In this reporting cycle, we expanded our GHG emissions boundary to align with our SBTi-validated targets. The expanded boundary for Scope 1 and Scope 2 includes partial-year emissions from properties that were added to or removed from the portfolio during the reporting year, as well as fugitive refrigerant emissions. The expanded boundary for Scope 3 Category 14 (Franchises) includes partial-year emissions from properties that were added to or removed from the portfolio during the reporting year, as well as fugitive refrigerant emissions and mobile emissions. The same organizational boundary and methodology have been applied to the 2025 inventory.
2. The number of managed hotels, franchised hotels, and corporate offices reported for 2025 includes all properties that were part of the Choice portfolio at any point during the year.
3. The total occupied rooms of some of the franchised hotels has been estimated using average occupancy rate by region and brand segment.
4. The total floor area of the franchised portfolio has been estimated using average floor area by brand and prorated based on the duration each property was part of the portfolio during the reporting year.

Greenhouse Gas Emissions[5, 6]

	2025	2024
Scope 1 Direct Emissions		
Emissions (MT CO_2e)[12]	6,585	6,754
Emissions intensity (MT CO_2e/SqFt)	0.0027	0.0027
Scope 2 Indirect Emissions		
Location-based emissions (MT CO_2e)[12]	9,837	10,111
Location-based emissions intensity (MT CO_2e/SqFt)	0.0040	0.0041
Market-based emissions (MT CO_2e)[12]	9,845	10,121
Market-based emissions intensity (MT CO_2e/SqFt)	0.0040	0.0041
Total scope 1 + 2 Emissions		
Location-based emissions (MT CO_2e)[12]	16,422	16,865
Location-based emissions intensity (MT CO_2e/SqFt)	0.0067	0.0068
Market-based emissions (MT CO_2e)[12]	16,430	16,875
Market-based emissions intensity (MT CO_2e/SqFt)	0.0067	0.0068
Scope 3 Franchise Emissions		
Location-based emissions (MT CO_2e)	1,555,583	1,629,844
Location-based emissions intensity (MT CO_2e/SqFt)	0.0053	0.0055
Market-based emissions (MT CO_2e)	1,633,123	1,716,470
Market-based emissions intensity (MT CO_2e/SqFt)	0.0055	0.0058

PERFORMANCE TABLES

Greenhouse Gas Emissions[5, 6] (continued)

	2025	2024
Total Location-Based Emissions: Managed and Franchised		
Location-based emissions (MT CO_2e)	1,572,005	1,646,709
Location-based emissions intensity (MT CO_2e/SqFt)	0.0053	0.0055
Total Market-Based Emissions: Managed and Franchised		
Market-based emissions (MT CO_2e)	1,649,553	1,733,345
Market-based emissions intensity (MT CO_2e/SqFt)	0.0055	0.0058
Scope 3 Non-Franchise Emissions[7]		
Emissions from other Scope 3 categories (MT CO_2e)	69,739	62,883

Energy

	2025	2024
Energy consumption (MWh)[9]		
Managed[8]	58,067	57,645
Franchised	5,578,724	5,423,259
Total	5,636,791	5,540,840
Energy intensity (MWh/SqFt)[10]		
Managed	0.0236	0.0231
Franchised	0.0189	0.0182
Total	0.0189	0.0184

Water

	2025	2024
Water consumption (cubic meters)		
Managed	377,897	363,453
Franchised	46,885,645	55,583,812
Total	47,263,542	55,947,265
Water consumption intensity (cubic meters/occupied room)		
Managed[11]	0.5047	0.4602
Franchised	0.3642	0.4284
Total	0.3650	0.4286

5. GHG emissions include managed hotels, corporate facilities, fleet (vehicles and aviation) and fugitive refrigerant emissions.
6. GHG emission intensity excludes aviation emissions.
7. Scope 3 non-franchise includes Category 1, 2, 3, 4, 5, 6 and 7.
8. One data point contributing to direct energy has been updated which impacted total energy and total GHG emissions for 2024.
9. Energy consumption data includes managed hotels, corporate facilities, and fleet (vehicles and aviation).
10. Energy intensity excludes aviation energy.
11. Water consumption data is based on actual and extrapolated data coverage of approximately 99.5% of all managed properties by floor area. Water intensities per occupied room exclude office water data.
12. 2025 data is subject to review by independent certified public accountants; refer to page 78 for report of independent certified public accountants.

GHG EMISSIONS METHODOLOGY

Choice Hotels carbon footprint was calculated in accordance with the guidance of the GHG Protocol.

This report presents Choice Hotels' greenhouse gas emissions data for calendar years 2024 and 2025. The 2024 reporting year serves as the baseline year for Choice Hotels' science based target development and represents the first year under the current GHG inventory scope and methodology. Emissions data for 2023 is not presented because the scope and methodology used for that reporting year differed materially from the current reporting boundary and would not provide a like for like comparison. Presenting 2024 and 2025 data provides a more consistent basis for year over year comparison.

Choice Hotels' GHG inventory methodology, reporting boundary and data collection processes are intended to support consistent emissions tracking over time and alignment with applicable GHG Protocol and Science Based Targets initiative requirements.

SCOPE 1 AND 2 EMISSIONS

The reporting period corresponds to the calendar year 2025. Scope 1 and 2 emissions were calculated using the operational control approach, under which Choice Hotels has accounts for 100% of the Scope 1 and 2 emissions from assets over which it has operational control and that were included in the portfolio for all or part 2025.

For Choice Hotels, these assets include managed hotels, corporate facilities, aviation and associated vehicles. Scope 1 and 2 primary activity data was collected through surveys and the Utilities Tracking Dashboard.

Emissions sources covered include stationary combustion, mobile combustion, fugitive emissions from refrigerants and purchased electricity. Where data gaps remain following the validation process, Choice applies defined estimation methodologies appropriate to the data type and property characteristics. A description of estimation methodology is outlined in the GHG Emissions Disclosure and Management Assertion section.

The 2024 inventory was restated to include partial year emissions and refrigerant emissions across Scope 1, Scope 2, and Scope 3 Category 14. In addition, mobile emissions have also been estimated for franchise properties and reported as part of category 14. The same methodology and organizational boundary have been applied to the 2025 inventory.

Radisson Hotel Salt Lake City Downtown, UT

SCOPE 3 EMISSIONS

The accounting period for Scope 3 emissions corresponds to the calendar year 2025. These emissions arise from upstream and downstream activities that are outside of Choice Hotels' direct operational control but are still linked to its business activities.

CATEGORY	DESCRIPTION	SOURCES
Category 1 - Purchased goods and services	Emissions from purchased goods and services	• Purchase of raw materials, food and beverages materials, operating supplies, amenities, consumable, etc. • Purchase of outsourced laundry services, outsourced IT services, subscription services, maintenance services, etc.
Category 2 -Capital goods	Emissions from the acquisition of capital goods during the reporting year	• Purchase of fixed assets or capital expenditure items including plant and equipment, furniture and fittings, etc.
Category 3 - Fuel and energy related activities	Emissions from fuel and energy-related activities, not included in Scope 1 and 2	• Transmission and distribution (T&D) loss • Upstream emissions of fuel and energy
Category 4 - Upstream transport	Emissions from outsourced transportation and distribution activities	• Transportation services for goods purchased from supplier • Transportation services purchased from third parties for inbound and outbound logistics
Category 5 - Waste generated in operations	Emissions from disposal of waste generated in operations	• Solid waste generated in operation • Water treatment (supply and discharge)
Category 6 - Business travel	Emissions from business travel activities	• Transportation, not owned or controlled by the company - air, bus, automobile, rail, etc. • Hotel stay emissions are excluded, as most of Choice employees' business travel stays occur at Choice hotels, where the associated emissions are already reported under Scope 1, Scope 2, or Scope 3 Category 14 (franchises).
Category 7 - Employee commuting	Emissions from employee commuting	• Employee commuting transportation, not owned or controlled by the company
Category 14 - Franchises	Emissions from the operation of hotel properties under the franchise arrangement, not included in Scope 1 and 2	• Direct and indirect energy consumption of franchised properties, including refrigerant and mobile emissions

FRANCHISE EMISSIONS – LARGEST CONTRIBUTOR TO SCOPE 3

Emissions from franchised hotel operations (Category 14) represent the largest share of Scope 3 emissions, accounting for approximately 96% of total Scope 3 emissions. This category includes emissions from franchisee energy consumption, which is not covered under Scope 1 or Scope 2 and is reported by franchisors.

Data Collection & Calculation Approach:

- Primary data source: Utilities Tracking Dashboard.
- A description of estimation methodology is outlined in the GHG Emissions Disclosure and Management Assertion section.
- Emissions calculation: Direct and indirect energy consumption data from franchised properties is multiplied by corresponding emission factors.
- Emission factors: Sourced from the same methodologies used for Scope 1 and Scope 2 quantification.

Hotel Bantu By Faranda Boutique, a member of Radisson Individuals, Cartagena, Colombia

SASB INDEX

SASB Standards, now part of the IFRS Sustainability Disclosure Standards, guide the disclosure of financially material sustainability information by companies to their investors. To answer the informational needs of institutional investors, Choice Hotels has provided the following disclosures using the SASB Standard for the Hotels & Lodging industry.

Choice Hotels has consolidated data using an operational control approach to be consistent with our GHG emissions disclosure. Disclosures include data for managed hotels and corporate assets unless otherwise noted.

Industry: Hotels & Lodging

Table 1. Sustainability Disclosure Topics & Accounting Metrics

TOPIC	ACCOUNTING METRIC	CATEGORY	UNIT OF MEASURE	CODE	RESPONSE OR LOCATION
Energy Management[1]	(1) Total energy consumed, (2) Percentage grid electricity, (3) Percentage renewable	Quantitative	Gigajoules (GJ), Percentage (%)	SV-HL-130a.1	(1) 209,040 GJ (2) 47% (3) Unknown **65 Appendices — Performance Tables — Energy ↗**
Water Management	(1) Total water withdrawn, (2) Total water consumed, percentage of each in regions with High or Extremely High Baseline Water Stress	Quantitative	Thousand cubic meters (m^3), Percentage (%)	SV-HL-140a.1	(1) 378 thousand cubic meters (including irrigation) (2) Approximately 45% of our water withdrawals by volume are in High or Extremely High Baseline Water Stress regions. This includes managed properties as well as Choice Hotels corporate assets. **48 Planet — Water ↗** **65 Appendices — Performance Tables — Water ↗**

1. 2025 energy consumption data includes managed hotels, corporate facilities, and fleet (vehicles and aviation).

TOPIC	ACCOUNTING METRIC	CATEGORY	UNIT OF MEASURE	CODE	RESPONSE OR LOCATION
Ecological Impacts	Number of lodging facilities located in or near areas of protected conservation status or endangered species habitat	Quantitative	Number	SV-HL-160a.1	Based on our 2025 risk assessment, 9 of our managed locations are located less than 5km away from a protected area. We will prioritize these sites as we work towards reducing our biodiversity impact.
	Description of environmental management policies and practices to preserve ecosystem services	Discussion and Analysis	N/A	SV-HL-160a.2	Choice Hotels views the impacts of our business on biodiversity as high priority. In early 2026, we conducted a biodiversity impact assessment of our owned & managed sites using the WWF Biodiversity Risk Filter. We are looking forward to engaging with identified properties to understand the role we can play in preserving local ecosystem services. Our company sustainability policy can be found here and our Supplier Code of Conduct here.
Labor Practices	(1) Voluntary and (2) involuntary turnover rate for lodging facility employees	Quantitative	Rate	SV-HL-310a.	(1) Voluntary turnover rate for our managed hotel employees was 37.5%. (2) Involuntary turnover rate for managed hotels employees was 8.5%.
	Total amount of monetary losses as a result of legal proceedings associated with labor law violations	Quantitative	Reporting currency	SV-HL-310a.2	$0. In 2025 there were no monetary losses as a result of legal proceedings associated with labor law violations. **34 2025 Form 10-K: Item 3. Legal Proceedings ↗**
	(1) Average hourly wage and (2) percentage of lodging facility Employees earning minimum wage, by region	Quantitative	Reporting currency Percentage (%)	SV-HL-310a.3	(1) $18.93 (2) 8.5% of hourly employees in our managed hotels earned local minimum wage (U.S.)
	Description of policies and programs to prevent worker harassment	Discussion and Analysis	N/A	SV-HL-310a.	Our labor-related policies can be found below, including Anti-Harassment Policy, Equal Employment Opportunity Policy, Code of Ethics and Conduct, Supplier Code of Conduct, and Human Rights Policy. **32 People — Human Trafficking Prevention ↗** **56 Performance ↗** **60 Performance — Ethical Behavior ↗**
Climate Change Adaptation	Number of lodging facilities located in 100-year flood zone	Quantitative	Number	SV-HL-450a.1	2 of our managed locations are located within a 100-year flood zone according to Federal Emergency Management Agency (FEMA).

Table 2. Activity Metrics

ACCOUNTING METRIC	CATEGORY	UNIT OF MEASURE	CODE	RESPONSE OR LOCATION
Number of available room-nights	Quantitative	Number	SV-HL-000.A	5 Introduction — About Choice 65 Appendices — Performance Tables — 2025 Performance
Average occupancy rate[1]	Quantitative	Rate	SV-HL-000.B	57% 11 2025 Form 10-K: Item 1. Business — U.S. Franchise System 65 Appendices — Performance Tables — 2025 Performance
Total area of lodging facilities[2]	Quantitative	Square meters$^{(m2)}$	SV-HL-000.C	39.4M m^2 65 Appendices — Performance Tables — 2025 Performance
Number of lodging facilities and the percentage that are: (1) managed, (2) owned and leased, (3) franchised	Quantitative	Number, Percentage (%)	SV-HL-000.D	Total number of hotels: 7,879 1. 13 managed hotels, inclusive of 4 owned hotels (0.001%) 2. 18 owned hotels (0.001%) and 18 partially owned hotels through joint ventures (0.001%) 3. 7,866 franchised hotels (99.8%) 5 Introduction — About Choice 5 2025 Form 10-K: Item 1. Business — The Lodging Industry 11 2025 Form 10-K: Item 1. Business — U.S. Franchise System 37 2025 Form 10-K: Item 7. Management's Discussion and Analysis of Financial Condition and Results of Operations — Overview

1. Note to SV-HL-000.B – Measured as number of (1) occupied room-nights divided by (2) available room-nights across all properties.
2. Note to SV-HL-000.C – The scope of disclosure includes facilities that were owned, operated, leased or franchised during any portion of the reporting period. The total floor area of the franchised portfolio has been estimated using average floor area by brand and prorated based on the duration each property was part of the portfolio during the reporting year.

TCFD INDEX

The Task Force on Climate-related Financial Disclosures (TCFD) index includes disclosures from Choice's TCFD Report, published in December 2025. Metrics and targets are updated to reflect data included in this 2025 Sustainability Report.

Statement on Climate Change

At Choice, we are committed to contributing to a more sustainable world, and we recognize the profound impacts of climate change on the future of the travel, tourism, hospitality and lodging industry.

Support of TCFD Recommendations

Choice strives for operational excellence and transparency with our stakeholders. Choice recognizes that the changing climate creates a wide array of risks and opportunities across industries, and our business is no exception. In our reporting, Choice demonstrates efforts towards implementing the recommendations of TCFD, now a part of IFRS, to understand risks and opportunities that might impact Choice. Our approach to climate risk management takes into consideration a wide variety of stakeholders, including our franchisees, associates, guests, shareholders, suppliers and community partners.

TOPIC	DISCLOSURE	RESPONSE OR LOCATION
Governance: Disclose the organization's governance around climate-related risks and opportunities.	a. Describe the board's oversight of climate-related risks and opportunities	Choice's Board of Directors (Board) is currently comprised of 11 members who review and discuss environmental, social, and governance (ESG) strategy, initiatives, policies and performance quarterly, either within Board committees or as a full Board. All four of the Board's standing committees provide ESG oversight and involvement, and two committees have oversight of specific issues related to climate change. • The **Corporate Governance & Nominating Committee** oversees a variety of sustainability and ESG practices, including climate strategy and performance against sustainability and climate targets. • The **Audit Committee** oversees enterprise risk management, including climate risk assessment and management. 57 — Performance — Governance and Oversight ↗ 1 2025 TCFD Report: Governance — Board oversight of climate-related risks and opportunities ↗
	b. Describe management's role in assessing and managing climate-related risks and opportunities.	Choice recently established two new management committees to facilitate stronger integration of our sustainability efforts, inclusive of climate, across the organization. These groups play an integral role in our sustainability efforts, including setting goals and targets, advancing initiatives, and identifying risks and opportunities. The ESG Executive Committee meets every quarter to drive strategic direction and oversight of the company's ESG and climate efforts and includes our Chief Financial Officer (CFO), Chief Human Resources Officer (CHRO), General Counsel, and Vice President of Sustainability. The ESG Steering Committee is comprised of key leaders across the business who meet quarterly to drive cross-functional alignment and progress, ensure accountability and report on results. The VP, Sustainability provides quarterly updates to the Board on pertinent sustainability and ESG topics, including insights from these management committees. 57 — Performance — Governance and Oversight ↗ 1 2025 TCFD Report: Governance — Management's role in assessing and managing climate-related risks and opportunities ↗

TOPIC	DISCLOSURE	RESPONSE OR LOCATION
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.	a. Describe the climate-related risks and opportunities the organization has identified over the short, medium and long term	**Time horizons** Choice conducted peer research of time horizons typical for our industry and found a wide range used. Choice has chosen to align its climate-relevant time horizons with its financial planning time horizons, which are the following: • **Short term:** 0-2 years • **Medium term:** 3-6 years • **Long term:** 7+ years **Impact Level** In assessing climate-related risks, Choice defines impact level as follows: • **Low impact** is defined as potentially minor impact and may affect more than one market in which we do business. • **Medium impact** is defined as a risk that causes a reduction in operating income or, if not mitigated, may affect multiple markets. • **High impact** is defined as potentially material impact that could result in a loss in net revenue if not mitigated, potentially across many or all markets. **Scenario Analysis** Scenario analysis is a useful tool for strategic decision-making and risk management under uncertain conditions. Scenario-based planning circumvents the impossible task of trying to predict the future and instead focuses on the key uncertainties relevant to a company's strategic decisions. It does so by providing a structured method of developing new perspectives and unique insights, understanding the predictable and uncertain elements in different scenarios, and changing the mental models of decision-makers. Scenarios describe potential pathways from today to tomorrow, helping executives to look at a number of plausible possibilities and develop flexible options and timely responses to support resiliency to future risk. In recent years, researchers have developed a basis for the construction of comparable climate scenarios — Representative Concentration Pathways (RCPs) and Shared Socioeconomic Pathways (SSPs). RCPs are "emissions scenarios" that include time series of emissions and concentrations of the full suite of greenhouse gases, aerosols, and chemically active gases, as well as land use and land cover. SSPs are scenarios that project global socioeconomic changes based on different climate policies. SSPs expand on RCPs to allow for a standardized comparison of society's choices and their resulting levels of climate change. To assess Choice's exposure to physical and transition risks, we performed an analysis under two scenarios: • **Business as usual**, which corresponds to RCP8.5 and SSP5, and assumes continued use of fossil fuels, strong economic growth and weak carbon policies. This scenario corresponds with expected global temperature increases at 3.5-4.5°C above pre-industrial levels by 2100. • **Decarbonized future**, which corresponds to RCP2.6 and SSP1, and assumes a transition towards renewable energy, circular economy, and strict carbon policies. This scenario corresponds with expected global temperatures increases that stay below a 2°C threshold by 2100.

TOPIC	DISCLOSURE	RESPONSE OR LOCATION
		Climate risks and opportunities We are subject to the physical and transition risk associated with climate change and extreme weather events. These risks include, among others: • **Physical risks**, such as changes in sea levels, water shortages, droughts and natural disasters • **Transition risks**, such as changing consumer preferences and demand for travel along with changes in laws and regulations related to climate change, greenhouse gas emissions, energy policies, and sustainability. Choice continues to monitor climate-related risks and opportunities to the business on an ongoing basis. Based on our scenario assessment, we have prioritized Choice's top three risks and opportunities related to climate change as described below. ***Risks*** 1. **Extreme weather events (short-to-medium term, medium impact).** Increased frequency and severity of extreme weather events, such as hurricanes, droughts, wildfires or heat waves, could impact hotel operations and profitability. For example, hurricane damage in locations in the southeastern U.S. may cause property damage and disrupt operations, resulting in costs to repair or lost revenue. 2. **Operational costs and complexity (short-to-medium term, medium impact).** Hotels may face increased operational costs and complexity to mitigate or adapt to the impacts of climate change. For example, new regulations or stricter building codes may require investments in more efficient systems such as HVAC and hot water heaters. Hotels have already experienced the rising costs of energy, a trend which may continue for the foreseeable future and negatively impact profitability. Insurance policies may be unavailable or costly in certain markets due to changing climate conditions. 3. **Changing stakeholder expectations (medium term, medium impact).** A variety of Choice's stakeholders are increasingly focused on our sustainability practices including our efforts around climate and greenhouse gas emissions. These stakeholders include corporate travel managers, meeting planners, government clients, current associates and potential future talent, and investors. We may face a loss of preference, loss of business, or reputational risk if we're unable to meet the evolving expectations of these constituencies. ***Opportunities*** 1. **Cost savings (short-to-medium term, medium impact).** Hotels may have an opportunity to realize substantial cost savings by reducing their energy, water and waste, particularly in an environment of rising energy costs. Low-cost investments in energy efficiency measures (e.g., smart sensors) may also reduce their operating expenses from utilities. As the cost of renewables continues to decline, hotels may be able to take advantage of renewable energy programs or investments. 2. **New markets or consumers (medium-to-long term, medium-to-high impact).** Changing consumer preferences as more guests prioritize sustainability may create opportunities for Choice to enter new markets or appeal to new consumer profiles. There may be an opportunity to establish leadership in a particular niche of the market that is complementary to Choice's overall business strategy. 3. **New products or services that support a low-carbon economy (medium-to-long term, medium impact).** As more consumers and companies focus on addressing the impacts of climate change, there could be additional opportunities to build, buy or partner in creating new products or services that support a low-carbon economy. Choice's announcement that the Radisson Blu Mall of America was the first hotel in the world to install CleanO2's CarbinX technology for small-scale carbon capture is one example of the kind of innovation already happening related to climate change. 44 Planet — Climate and Energy — Assessing Climate-Related Risks and Opportunities ↗ 21 2025 Form 10-K: Item 1A. Risk Factors — Business and Operational Risks ↗ 2 2025 TCFD Report: Strategy — Climate-related risks and opportunities identified over the short, medium, and long term ↗

TOPIC	DISCLOSURE	RESPONSE OR LOCATION
	b. Describe the impact of climate-related risks and opportunities on the organization's businesses, strategy, and financial planning.	Choice incorporates insights related to climate-related risks and opportunities into our business planning and strategy. Commitment to Green is our franchisee-facing sustainability program and includes a number of components to help hotels measure and reduce their greenhouse gas emissions. We have rolled out a property-level dashboard to all franchisees in the U.S. system to help them better manage, benchmark, and forecast their utilities costs so they can spot anomalies and identify opportunities to reduce their energy and water use. This dashboard also calculates hotels' carbon footprint, enabling franchisees to respond to those questions on corporate RFPs. Our Room to Be Green certification program provides guidance for franchisees on how to reduce their utilities usage and improve their energy efficiency. Level 1 of Room to Be Green is a requirement for all hotels. Additionally, Choice has made investments in assisting select properties with energy audits as part of their property improvement plans. Climate-related issues are integrated into Choice's enterprise financial planning process and are evaluated across three aligned time horizons: short term (0–2 years), medium term (3–6 years), and long term (7+ years). Insights from these assessments inform capital allocation, operational planning, and franchise engagement. Risks and opportunities are prioritized based on potential financial impact, strategic relevance, and stakeholder expectations. This approach helps Choice balance near-term operational efficiencies with long-term investments that strengthen climate resilience and enterprise value. By embedding sustainability across our operations and value chain, Choice recognizes the interdependencies among environmental, social, and financial factors that influence our ability to create value over time. This integrated view enables the company to position itself ahead of future decarbonization targets while supporting franchisee profitability and sustained business growth. **42 Planet — Climate and Energy ↗** **4 2025 TCFD Report: Strategy — Impact on the organization's business, strategy, and financial planning ↗**
	c. Describe the resilience of the organization's strategy, taking into consideration different climate-related scenarios, including a 2°C or lower scenario.	Choice's asset-light business model, which is more than 99% franchised, helps limit our direct exposure to the physical risks of climate change. Our managed hotel division represents a relatively small number of hotels (10-20 properties on average in a given year), which limits the scope of properties within our operational control. Additionally, our brand portfolio tends to skew towards highway and small town locations, and we have comparatively less coastal exposure than some others in the industry. However, the impacts of the physical risks of climate change on our franchised hotels could disrupt their operations, adversely affecting our profits and growth. Further, large-scale systemic risks or a significant increase in stranded assets due to physical damage or regulatory non-compliance could impact the ability of the hotel industry overall to attract new investments. In a decarbonized, 2°C scenario, the physical risks of climate change are likely to be somewhat mitigated, though still present. Transition risks, including adapting to stricter regulations and changing consumer preferences, are likely to be even more important drivers in our business model. Our recent commitment to setting science-based targets puts us on a path to better understand, quantify, and plan our own pathways towards decarbonization. **5 2025 TCFD Report: Strategy — Resilience of our strategy for the impact of different climate-related scenarios including a 2°C scenario ↗**

TOPIC	DISCLOSURE	RESPONSE OR LOCATION
Risk Management: Disclose how the organization identifies, assesses, and manages climate-related risks.	a. Describe the organization's processes for identifying and assessing climate-related risks.	Choice's enterprise risk-management process is the primary mechanism for surfacing key risks from across the business, including climate risks. Every two years, the company conducts a detailed enterprise risk assessment with input from across the organization, including interviews with key business leaders and a survey of associates at the director level and above. From the survey results, other input from leaders and additional sources, including external benchmarking and guidance, a list of Top Risks is established for a deeper dive. The list has historically included topics such as information security, human capital, and disaster recovery. In 2022, we began including climate considerations into the process. In 2023, ESG was added as a standalone Top Risk topic for report-out to the Audit Committee and roll-up to the full Board. Choice monitors existing and emerging regulatory requirements related to climate change, including potential limits on greenhouse gas emissions, evolving energy efficiency standards, and disclosure expectations from organizations such as the EU Corporate Sustainability Reporting Directive (CSRD), and U.S. federal and state-level climate regulations. These considerations are incorporated into our enterprise risk management and financial planning processes to anticipate compliance needs and identify opportunities for early adoption. In addition to regulatory factors, Choice considers stakeholder expectations, market trends, and voluntary frameworks – such as the Carbon Disclosure Project (CDP) and the Science Based Targets initiative (SBTi) – in shaping our climate strategy. This approach ensures that both regulatory and market-driven dynamics inform our decision-making and long-term planning. **5 2025 TCFD Report: Risk Management — Process for identifying and assessing climate-related risks ↗**
	b. Describe the organization's processes for managing climate-related risks	The Compliance and Enterprise Risk Committee, a cross-functional group of company leaders, meets on a quarterly basis to discuss various risks and compliance issues facing the business. After each meeting, a summary report is prepared for the Audit Committee and key issues are reviewed with company leadership. The Board of Directors is engaged in understanding how management is addressing risks facing the business and how the company is managing and mitigating the impact of those risks. Business risks are discussed at the quarterly Audit Committee meeting, including a detailed review of a rotating portion of the Top Risks list. A roll-up of the Top Risks list and a compliance and enterprise risk summary are provided to the entire Board on an annual basis. In addition, the Board and Audit Committee receive regular risk updates from company leaders, and the Audit Committee Chair receives briefings on current hot topics before each meeting. Choice prioritizes climate-related risks using a structured process aligned with our enterprise risk management (ERM) framework. Climate-related risks identified through internal assessments, franchise engagement, and scenario analysis are evaluated based on their likelihood, potential financial and operational impact, time horizon, and alignment with strategic objectives. Risks are first assessed by functional leads and Choice's sustainability team and then reviewed by the ESG Executive Committee to ensure consistency and enterprise relevance. Materiality is determined by evaluating the magnitude and likelihood of potential impacts on our business model, reputation, and financial performance, as well as their significance to stakeholders. This process helps Choice focus resources on the most material climate-related risks and opportunities and ensures these are incorporated into broader risk management and business planning activities. **44 Planet — Climate and Energy — Assessing Climate-Related Risks and Opportunities ↗** **6 2025 TCFD Report: Risk Management — Processes for managing climate-related risks ↗**

TOPIC	DISCLOSURE	RESPONSE OR LOCATION
	c. Describe how processes for identifying, assessing, and managing climate-related risks are integrated into the organization's overall risk management.	Although environmental risks and disaster risks have been part of our risk-management program for a long time, starting in 2022 this process also included the business risks associated with climate change. Risk across the organization is managed by individual business units, and each group is responsible for identifying risk in their area. To better understand our exposure to climate related risks, Choice has conducted flood and water stress assessments for all our domestic owned, managed, and franchised locations. Additionally, Choice has undertaken a geospatial analysis of the domestic portfolio to pinpoint the most substantial climate-related risks and opportunities at the property level. 59 Performance — Risk Management ↗ 6 2025 TCFD Report: Risk Management — Process integration into overall risk management ↗
Metrics and Targets: Disclose the metrics and targets used to assess and manage relevant climate-related risks and opportunities where such information is material.	a. Disclose the metrics used by the organization to assess climate-related risks and opportunities in line with its strategy and risk management process	Choice monitors metrics to better understand our climate-related risks and opportunities. These metrics include energy and GHG emission performance, water consumption and water risk, and 3rd party certifications such as Green Key Global, and are reflected in our annual Sustainability Report. Choice tracks other quantitative and qualitative metrics to measure and manage climate-related risks and opportunities across our own operations and franchise network, including energy and water consumption. 42 Planet — Climate and Energy ↗ 48 Planet — Water ↗ 56 Performance ↗ 64 Appendices — Performance Tables ↗
	b. Disclose Scope 1, Scope 2 and, if appropriate, Scope 3 greenhouse gas (GHG) emissions, and the related risks.	**Scope 1, 2 and 3 GHG emissions** In the 2024 and 2025 Sustainability Reports, Choice reported our Scope 1, Scope 2 and Scope 3 greenhouse gas (GHG) emissions in addition to aligning with the Sustainability Accounting Standards Board (SASB) standards, which include a few metrics related to measuring climate related risk exposure such as flood risk and baseline water stress. 99% of our Scope 3 emissions come from our franchised hotels, which constitute most of our total hotel portfolio. Access to franchised hotels' utilities data has historically been limited. In 2022, we began rolling out an automated property-level utilities tracking dashboard powered by Schneider Electric. This initiative has been a critical step towards helping franchisees identify opportunities for energy efficiency improvements and enabling Choice to understand our Scope 3 emissions inventory. 39 Planet — Commitment to Green — Utility Tracking Dashboard ↗ 42 Planet — Climate and Energy ↗ 64 Appendices — Performance Tables ↗ 66 Appendices — GHG Emissions Methodology ↗
	c. Describe the targets used by the organization to manage climate-related risks and opportunities and performance against targets.	Franchisee engagement with the property-level utilities tracking dashboard is paramount to helping owners identify opportunities to reduce their energy and water usage and enabling accurate and consistent data reporting of our Scope 3 emissions. In 2025, Choice submitted near-term science-based targets to the Science Based Targets initiative (SBTi) for validation. SBTi has validated Choice's near-term, science-based emissions reduction targets. 39 Planet — Commitment to Green — Utility Tracking Dashboard ↗ 42 Planet — Climate and Energy ↗

ASSURANCE STATEMENT

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REPORT OF INDEPENDENT CERTIFIED PUBLIC ACCOUNTANTS

Management
Choice Hotels International, Inc.

We have reviewed management of Choice Hotels International, Inc.'s assertion that the Scope 1 greenhouse gas ("GHG") emissions and Scope 2 (location-based and market-based) GHG emissions and the related disclosures of Choice Hotels International, Inc. for the year ended December 31, 2025, are presented in accordance with the GHG Protocol[1] (the "Criteria"). Choice Hotels International, Inc.'s management is responsible for its assertion and for the selection of the criteria, which management believes provide an objective basis for measuring and reporting on the greenhouse gas emissions. Our responsibility is to express a conclusion on management's assertion based on our review.

Our review was conducted in accordance with attestation standards established by the American Institute of Certified Public Accountants (AICPA) in AT-C section 105, *Concepts Common to All Attestation Engagements*, and AT-C section 210, *Review Engagements*. Those standards require that we plan and perform the review to obtain limited assurance about whether any material modifications should be made to management's assertion in order for it to be fairly stated. The procedures performed in a review vary in nature and timing from, and are substantially less in extent than, an examination, the objective of which is to obtain reasonable assurance about whether management's assertion is fairly stated, in all material respects, in order to express an opinion. Accordingly, we do not express such an opinion. Because of the limited nature of the engagement, the level of assurance obtained in a review is substantially lower than the assurance that would have been obtained had an examination been performed. We believe that the review evidence obtained is sufficient and appropriate to provide a reasonable basis for our conclusion.

We are required to be independent and to meet our other ethical responsibilities in accordance with relevant ethical requirements related to the engagement. We applied the Statements on Quality Control Standards established by the AICPA and, accordingly, maintain a comprehensive system of quality control.

The procedures we performed were based on our professional judgment and consisted primarily of analytical procedures and inquiries. In addition, we obtained an understanding of Choice Hotels International, Inc.'s business processes relevant to the review in order to design appropriate procedures.

The preparation of the assertion requires management to evaluate the Criteria, make determinations as to the relevancy of information to be included, and make estimates and assumptions that affect reported information. Measurement of certain amounts, some of which may be referred to as estimates, is subject to substantial inherent measurement uncertainty. Obtaining sufficient appropriate review evidence to support our conclusion does not reduce the inherent uncertainty in the amounts and metrics. The selection by management of different but acceptable measurement techniques could result in materially different amounts or metrics being reported.

Based on our review, we are not aware of any material modifications that should be made to management of Choice Hotels International, Inc.'s assertion that the Scope 1 GHG emissions and Scope 2 (location-based and market-based) GHG emissions and the related disclosures of Choice Hotels International, Inc. for the year ended December 31, 2025, are presented in accordance with the Criteria, in order for it to be fairly stated.

Grant Thornton LLP

Arlington, Virginia
June 11, 2026

[1] World Resources Institute and World Business Council for Sustainable Development Greenhouse Gas Protocol: A Corporate Accounting and Reporting Standard (Revised Edition) and GHG Protocol Scope 2 Guidance collectively, the "GHG Protocol".

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GHG EMISSIONS DISCLOSURE AND MANAGEMENT ASSERTION

For the Fiscal Year Ended December 31, 2025

Overview
Choice Hotels International, Inc. (“Choice”) is responsible for selecting the reporting criteria; collecting, calculating, and presenting the information; and maintaining controls to support the completeness, accuracy, and validity of the metrics presented below. Choice asserts its Scope 1 greenhouse gas (“GHG”) and Scope 2 (location-based and market-based) GHG emissions metrics for the year ended December 31, 2025 (“FY 2025”) are prepared in accordance with the reporting criteria described in this disclosure.

Reporting Criteria and Emissions Reported
For the reporting criteria, Choice applies the World Resources Institute and World Business Council for Sustainable Development Greenhouse Gas Protocol: A Corporate Accounting and Reporting Standard (Revised Edition), and the GHG Protocol Scope 2 Guidance (collectively, the “GHG Protocol”).

For the emissions reported,

- GHG emissions include CO2, CH4, and N2O expressed as CO_2e using IPCC AR5 100 year GWP values (CH4 = 28; N2O = 265), except UK and Germany electricity using IPCC AR6 100 year GWP values (CH4 = 27; N2O = 273) according to the emission factor reference sources.
- HFC refrigerant leakage is included
- No relevant sources of PFCs, SF6, or NF3 were identified.

Organizational Boundary
- Choice uses the operational control approach to account for and report its GHG emissions.
- Scope 1 and 2 GHG emissions include emissions from owned and leased locations that Choice operates directly, including 13 managed hotels, 9 corporate offices, a small fleet of vehicles for hotel business purposes/shuttles, etc. and the Choice aviation fleet.

Base Year and Targets
The 2024 reporting year serves as the base year for Choice Hotels’ validated Science-Based Target (SBTi) and represents the first year under the current GHG inventory scope and methodology. The 2024 base year applies to Scope 1 and Scope 2 emissions. SBTi targets are calculated and tracked using the market-based method for Scope 2 emissions. Base year emissions will be adjusted for structural changes, methodology improvements, or cumulative errors that result in a change of 5% or more to total Scope 1 and 2 emissions, consistent with the GHG Protocol Corporate Standard.

GHG EMISSIONS DISCLOSURE AND MANAGEMENT ASSERTION Continued

METRICS	DESCRIPTION OF METRIC AND CALCULATION METHODOLOGY	FY 2025 METRIC TOTAL
Scope 1 GHG Emissions (Direct Emissions)	Stationary combustion from natural gas, propane and diesel at managed hotels and corporate offices; mobile combustion from fleet fuel where activity data is available; corporate aviation fuel; fugitive emissions from refrigerants are included in inventory. 88% of Scope 1 emissions are based on primary data; remaining gaps are estimated using one of the approaches below. Emissions are calculated by multiplying the amount of company purchased fuels and refrigerants consumed (converted to units of CO_2) by the appropriate emission factors referenced below.	6,585 MT CO_2e
Scope 2 GHG Emissions (Indirect Emissions)	Electricity purchased for managed hotels and corporate offices. Reported using location-based and market-based methods. 79% of Scope 2 location-based emissions and 78% of Scope 2 market-based emissions are based on primary data; remaining gaps are estimated using one of the approaches below. Emissions are calculated by multiplying the amount of company purchased electricity consumed (converted to units of CO_2) by the appropriate emission factors referenced below. In FY 2025, Choice did not purchase or retire renewable energy credits or Guarantees of Origin, nor did it have green tariffs, feed in tariffs, or power purchase agreements in place. Market-based factors therefore use residual mix factors where available; where unavailable, location-based factors are applied.	Location based: 9,837 MT CO_2e Market based: 9,845 MT CO_2e
Total Scope 1 and Scope 2 GHG Emissions (Direct and indirect emissions)	82% of Scope 1 and Scope 2 location-based and market-based emissions are based on primary data; remaining gaps are estimated using one of the approaches below.	Location based: 16,422 MT CO_2e Market based: 16,430 MT CO_2e

Estimation Methodology

Where data gaps remain following the validation process, defined estimation methodologies appropriate to the data type and property characteristics are consistently applied. Approaches may include:

- Application of annualized average consumption estimation which divides total consumption (natural gas, electricity) by the number of months with available data multiplied by 12 months.
- Gap-filling utilizing the prior year actuals to estimate the missing values. Where current-year data is partially unavailable for a month or period, the available current-year data point is used as the baseline, and the corresponding monthly movement from the prior year is applied to calculate the missing gap.
- Application of portfolio average intensity (water, natural gas, electricity) across all like properties (hotels, offices) to estimate missing data for properties without reliable historical records (portfolio gross up method).
- Gap-filling using prior year total consumption where a full year of data is unavailable.
- For properties without actual refrigerant data, refrigerant emissions are extrapolated using Table 3-10 of the *Accounting Tool to Support Federal Reporting of HFC Emissions*, based on the applicable factors for offices and clinics. For these estimates, R-410A is assumed as the refrigerant type.

Emission Factor References

- Scope 1 combustion factors: EPA Emission Factors for GHG Inventories 2025, UK Government GHG Conversion Factors for Company Reporting 2025 V1.0, WRI Stationary Combustion Tool V4.2, Australian National Greenhouse Accounts Factors Sep 2025, Canada National Inventory Report 1990-2023 (2025), Germany Umweltbundesamt - Carbon Dioxide Emissions for the German Atmospheric Emission Reporting 1990-2023 Version: 06/11/2024 (Published Jan 2025).
- Scope 2 electricity factors: EPA eGRID 2023, Australian National Greenhouse Accounts Factors Sep 2025, UK Government GHG Conversion Factors for Company Reporting 2025 V1.0, Association of Issuing Bodies European Residual Mixes 2024 (Version 1.1, 2025-08-11), International Energy Agency 2025, Germany Umweltbundesamt - Entwicklung der spezifischen Treibhausgas-Emissionen des deutschen Strommix in den Jahren 1990 -2024 (2025), Canada National Inventory Report 1990-2023 (2025).

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