



# SUMMIT

HOTEL PROPERTIES

*Investor Presentation*

AUGUST 2024



Element - Miami Brickell

Hampton Inn & Suites - Austin Downtown

# Forward looking statements


We make forward-looking statements in this presentation that are subject to risks and uncertainties. These forward-looking statements include information about possible or assumed future results of our business, financial condition, liquidity, results of operations, plans, and objectives. When we use the words “believe,” “expect,” “anticipate,” “estimate,” “plan,” “continue,” “intend,” “should,” “may,” or similar expressions, we intend to identify forward-looking statements. Statements regarding the following subjects, among others, may be forward-looking by their nature:

- our ability to increase our dividend per share of common stock;
- the state of the U.S. economy generally or in specific geographic regions in which we operate, and the effect of general economic conditions on the lodging industry and our business in particular;
- market trends in our industry, interest rates, real estate values and the capital markets;
- our business and investment strategy and, particularly, our ability to identify and complete hotel acquisitions and dispositions;
- our projected operating results;
- actions and initiatives of the U.S. government and changes to U.S. government policies and the execution and impact of such actions, initiatives and policies;
- our ability to manage our relationships with our management companies and franchisors;
- our ability to maintain our existing and future financing arrangements;
- changes in the value of our properties;
- the impact of and changes in governmental regulations, tax law and rates, accounting guidance and similar matters;
- our ability to satisfy the requirements for qualification as a REIT under the U.S. Tax Code;
- our ability to repay or refinance our indebtedness as it matures or becomes callable by lenders;
- the availability of qualified personnel;
- our ability to make distributions to our stockholders in the future;
- the general volatility of the market price of our securities; and
- the degree and nature of our competition.

Forward-looking statements are based on our beliefs, assumptions and expectations of our future performance, taking into account information currently available to us. You should not place undue reliance on these forward-looking statements. These beliefs, assumptions and expectations can change as a result of many possible events or factors, not all of which are known to us. These factors are discussed under “Item 1A. Risk Factors” in our Annual Report on Form 10-K for the year ended December 31, 2023, and in other documents we have filed with the Securities and Exchange Commission. If a change occurs, our business, financial condition, liquidity and results of operations may vary materially from those expressed in our forward-looking statements. Any forward-looking statement is effective only as of the date on which it is made. New risks and uncertainties arise over time, and it is not possible for us to predict those events or how they may affect us. Except as required by law we are not obligated to, and do not intend to, publicly update or revise any forward-looking statements, whether as a result of new information, future events or otherwise.

Additionally, this presentation contains certain unaudited historical and pro forma information and metrics which are based or calculated from historical data that is maintained or produced by Summit or third parties. This presentation contain statistics and other data that may have been obtained from, or compiled from, information made available by third-parties.

Summit Hotel Properties (NYSE: **INN**) is a leading publicly-traded REIT focused on owning lodging assets with efficient operating models primarily in the upscale segment of the lodging industry

<p>96</p> <p>Lodging Assets <sup>(1)</sup></p>	<p>14,256</p> <p>Guestrooms <sup>(1)</sup></p>	<p>42</p> <p>Markets <sup>(1)</sup></p>
<p>86%</p> <p>Top 50 Markets <sup>(2)</sup></p>		<p>\$131M</p> <p>Recent Dispositions</p>
<p>95%</p> <p>Marriott, Hyatt, Hilton <sup>(2)</sup></p>	<p>46%</p> <p>GOP Margin <sup>(1,3)</sup></p>	<p>115</p> <p>Portfolio RevPAR Index <sup>(1,4)</sup></p>



AC Hotel / Element – Miami Brickell

1. Based on 96 lodging assets owned as of July 31, 2024.  
 2. Based on guestroom count for the 96 lodging assets owned as of July 31, 2024.  
 3. Based on pro forma financials for the twelve months ended June 30, 2024.  
 4. Based on STR data for the twelve months ending June 30, 2024.



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# *Operational Update*

# Second Quarter 2024 Highlights

## Ongoing Improvement in Business Travel Driving Top Line Growth

- Occupancy: 77.7% (+2.4%); ADR: \$170 (+0.9%); RevPAR: \$132 (+3.4%)
- Select recovering markets achieved 6% RevPAR growth and 22% hotel EBITDA growth (SF Bay Area, New Orleans, Baltimore, Minneapolis, and Louisville)
- The NewcrestImage portfolio continues to produce exceptionally strong results
  - RevPAR growth +3%; hotel EBITDA +7%
  - Market share grew over 400 basis points to a RevPAR index of 114 for the twelve months ending June 30, 2024

## Profitability

- Strong pro forma hotel EBITDA growth (+7%) and operating expense POR growth of only 0.4% drove margin expansion of approximately 120 basis points
- Adjusted EBITDAre and Adjusted FFO growth of 6% and 10%, respectively

## Balance Sheet

- Further deleveraged the balance sheet by repaying over \$105 million of pro rata indebtedness with proceeds from asset sales and available cash on hand
- Sold nine hotels over the last year for \$130M at a ~5% cap rate resulting in approximately ~1x of deleveraging

## Transaction Activity

- Year-to-date, the Company has sold four hotels for \$94M at a blended cap rate of 6.5% on 2024E NOI after consideration of foregone capital expenditures.

## Common Dividend

- Declared a quarterly cash dividend rate of \$0.08 per share representing a 5.2% annualized dividend yield on the Company's share price as of July 26, 2024



2024 OUTLOOK

# Summit's 2024 Revised Outlook

Summit's revised outlook reflects a moderating RevPAR growth environment, particularly around peak summer travel as leisure trends normalize. Adjusted EBITDA incorporates a tightened high-end and a slight decrease to the midpoint as successful profitability initiatives and reduced expense growth offset lower revenue growth expectations. Adjusted FFO and AFFO per share ranges have been tightened with midpoints maintained.

Full Year 2024	Low	High
Pro Forma RevPAR Growth <sup>(1)</sup>	1.00%	2.50%
Adjusted EBITDA	\$188,000	\$196,000
Adjusted FFO	\$112,000	\$122,000
Adjusted FFO per Diluted Unit	\$0.91	\$0.99
Capital Expenditures, Pro Rata	\$65,000	\$85,000



Residence Inn – Steamboat Springs

1. All pro forma information includes operating & financial results for 96 lodging assets owned as of July 31, 2024, as if each property had been owned by the Company since January 1, 2023, and will continue to be owned through the entire year ending December 31, 2024. As a result, the pro forma information includes operating & financial results for lodging assets acquired since Jan 1, 2023, which may include periods prior to the Company's ownership. Pro forma & non-GAAP financial measures are unaudited.

# Well-positioned for *outperformance* with recovery opportunity in several urban markets

Summit is positioned for continued relative outperformance given its exposure to several urban markets that have been slower to recover to pre-pandemic levels. In aggregate, these five markets had second quarter 2024 RevPAR growth and hotel EBITDA growth of 6% and 22%, respectively.

MSA	Hotels	Q2 2024		Recovery Opportunity (vs 2019)		
		RevPAR Growth	Hotel EBITDA Growth	RevPAR Recovered %	Hotel EBITDA Recovered (%)	Hotel EBITDA Deficit (\$ millions)
Baltimore	3	15%	53%	90%	78%	(1)
Louisville	2	23%	57%	71%	53%	(3)
Minneapolis	2	17%	98%	78%	42%	(3)
New Orleans	6	3%	0%	95%	73%	(2)
San Francisco Bay Area	4	-7%	-21%	60%	31%	(12)
<b>Total</b>	<b>17</b>	<b>6%</b>	<b>22%</b>	<b>74%</b>	<b>50%</b>	<b>(21)</b>

Exceeded Q2 2024 STR Total U.S. Average RevPAR Growth by more than 2x

\$21 Million Hotel EBITDA Recovery Opportunity in Five Select Markets  
*\$2 Per Share of Value*<sup>(1)</sup>

(1) Assumes 10x-12x EBITDA multiple and 124,147,000 common units outstanding.

# Urban & weekday demand driving next phase of lodging recovery

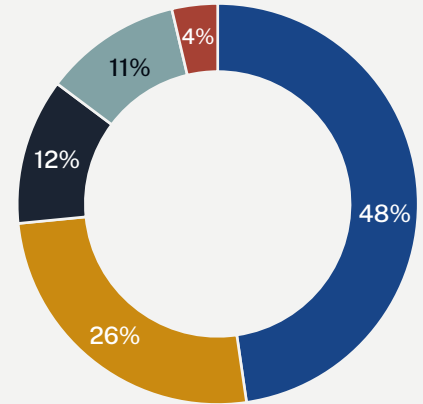
The greatest opportunity for further RevPAR acceleration is from weekday performance improvement, likely to be driven by the urban location type through the business transient and corporate group segments.

<u>Q2 2024 RevPAR</u> <sup>(2)</sup>	<u>Weekday</u>	<u>Weekend</u>
RevPAR Growth vs Q2 2023	4%	1%
RevPAR Recapture vs Q2 2019	92%	107%

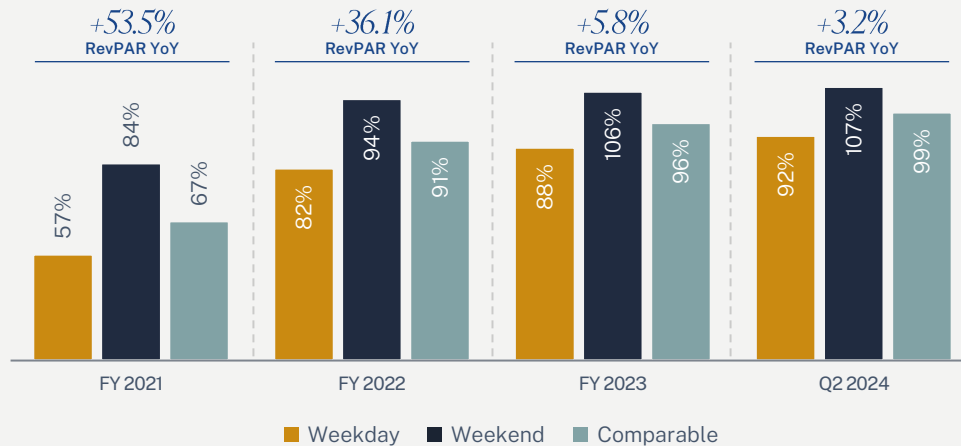
Strengthening corporate and group demand continue to drive improving fundamentals in key urban sun belt markets.

% of Portfolio by STR Location <sup>(1)</sup>

- Urban
- Suburban
- Airport
- Resort
- Other



## 85 Hotel Comparable Portfolio RevPAR Recapture vs 2019 <sup>(2)</sup>



1. Based on pro forma financials for the 96 lodging assets owned as of July 31, 2024.  
 2. Based on pro forma financials for the 85 comparable lodging assets owned as of July 31, 2024.





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# *Investment Thesis*

# Proven Investment Strategy

- 01 Efficient operating model & best-in-class platform drives profitability
- 02 Premier portfolio with broad geographic diversification and concentration in high growth sun belt markets
- 03 Targeted capital allocation strategy with proven track record of external growth and capital recycling
- 04 Well-positioned balance sheet and liquidity profile
- 05 Leading Environmental, Social, and Governance (ESG) program



# Efficient operating model and best-in-class platform *drives profitability*

Summit's operating platform is built on its expertise and experience in revenue and asset management, design and construction, and capital allocation all underpinned by robust business intelligence and data analytics

## *In-house Revenue Management*

- Consistent on-site presence and collaboration with local management
- Industry benchmarking and data analysis
- Analyzing forward-looking data to proactively manage demand patterns

## *Acquisitions & Development*

- Deep network of industry relationships facilitates off market transactions
- Leverage in-house asset management and design & construction to optimize market positioning and capital investment
- Partnership with GIC facilitates expanded acquisition opportunities and enhanced underwriting rigor
- Selective mezzanine financing program with purchase options expands our shadow pipeline

## *In-house Asset Management*

- Intensive asset management process provides better oversight and accountability of management companies
- Exhaustive due diligence approach facilitates value creation

## *In-house Design & Construction*

- Continuous renovation planning and oversight to ensure minimum revenue displacement
- Cost savings driven by fewer outsourcing needs for renovation activity
- In-house design leads to more customized renovations which drives higher ROIs on capital investments

## *Independent Management Companies*

- Flexible and favorable management terms across eleven different management companies
- High degree of engagement with key management company personnel
- Use of independent platforms eliminates conflicts of interest

## *Investment & Business Intelligence*

- Business intelligence tools facilitate real-time data analytics
- Data analytics used to implement revenue and asset management strategies designed to maximize hotel profitability

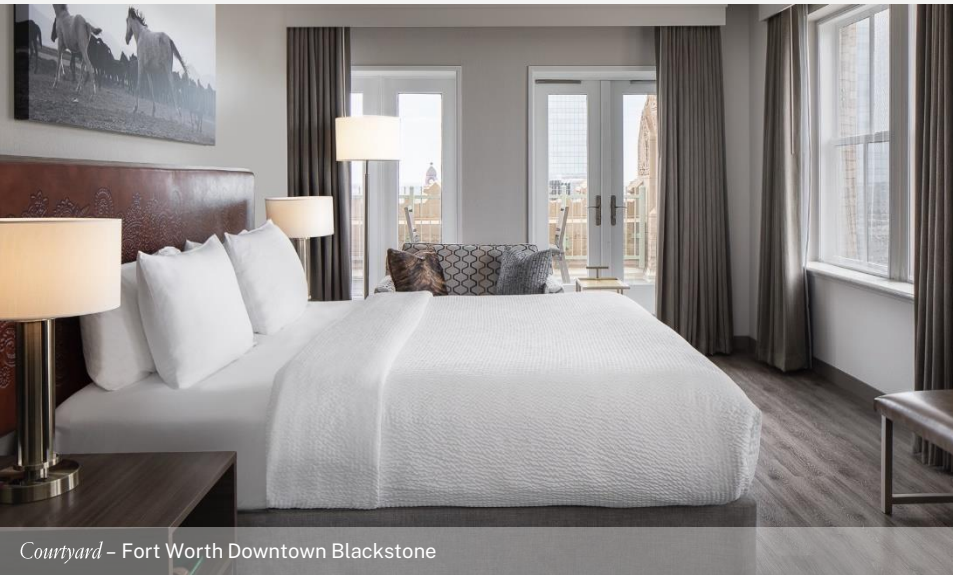
# Efficient operating model and best-in-class platform *drives profitability*

- Rooms revenue driven model enhances GOP and EBITDA margins
- Restructuring of the operating model during the pandemic leads to lower FTE run rate going forward
- Proprietary, in-house revenue management platform partners with management companies to more effectively yield manage the portfolio and drive profitability
- Complexing of management and sales teams across the portfolio creates both revenue and expense synergies
- Utilization of best practices from multiple hotel management partners drives operational efficiencies
- Strong connectivity, representation and influence with all major brand partners through leadership roles on owner advisory councils

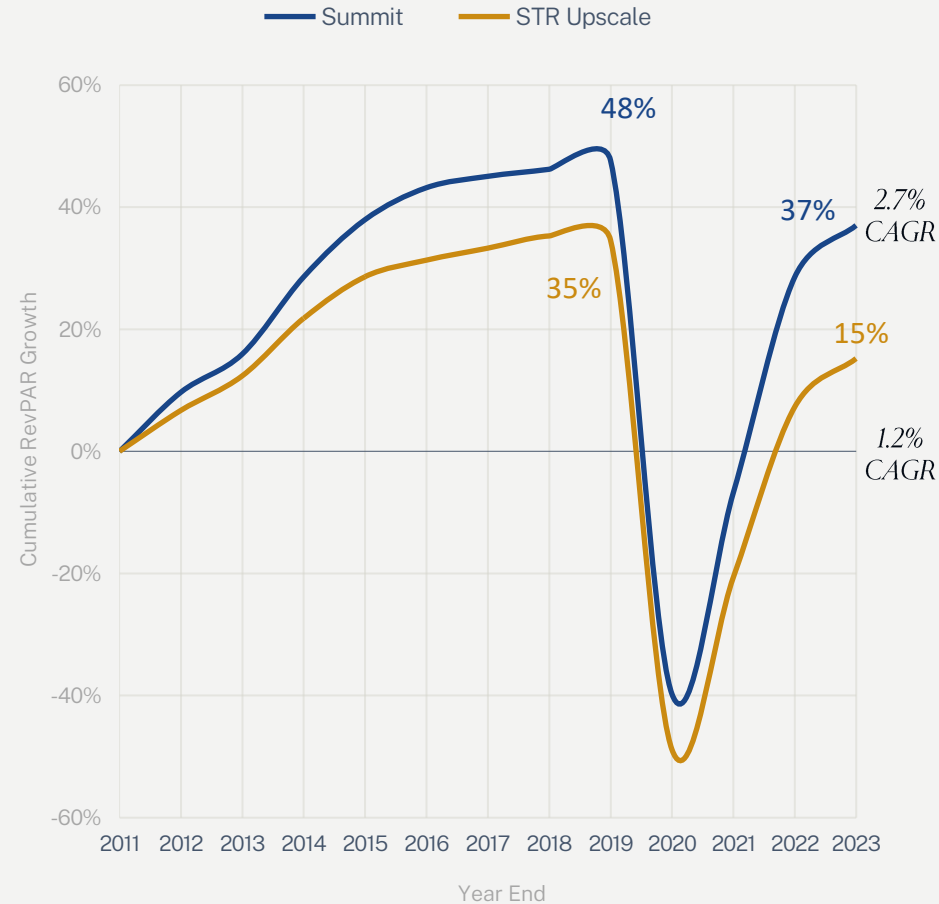


# Efficient operating model and best-in-class platform *drives profitability*

Summit has a track record of outperformance with cumulative RevPAR growth, exceeding the STR Upscale chain scale benchmark by a **150-basis point** CAGR over the 12 years since the Company's IPO.



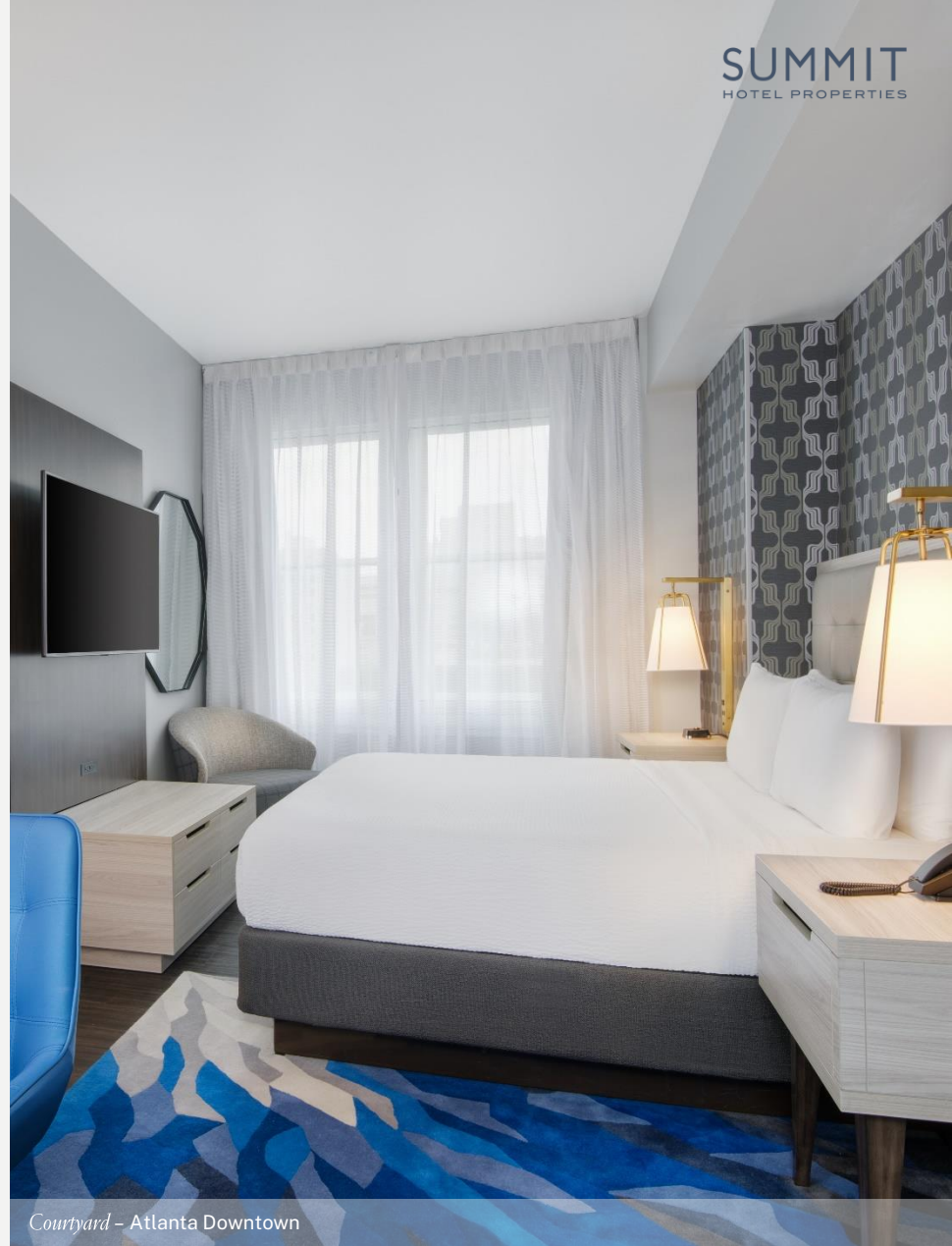
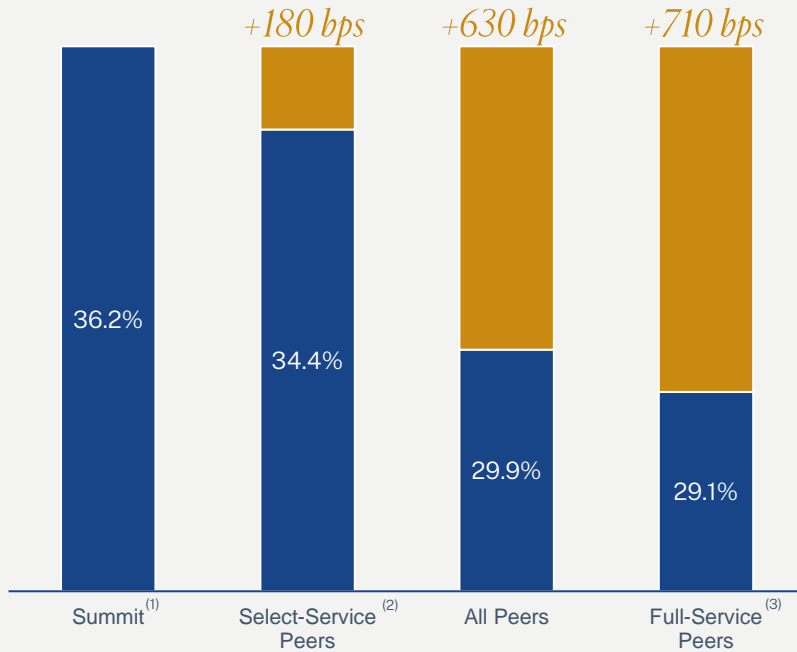
Cumulative RevPAR Growth: Summit Pro Forma Portfolio vs. STR Upscale <sup>(1)</sup>



1. Based on the Smith Travel Research Lodging Review and Summit's full year reported pro forma RevPAR growth for the applicable years.

# Efficient operating model and best-in-class platform *drives profitability*

## T12 Hotel EBITDA Margin



1. Summit based on the pro forma twelve-month financials ending June 30, 2024, for the 96 lodging assets owned as of July 31, 2024.

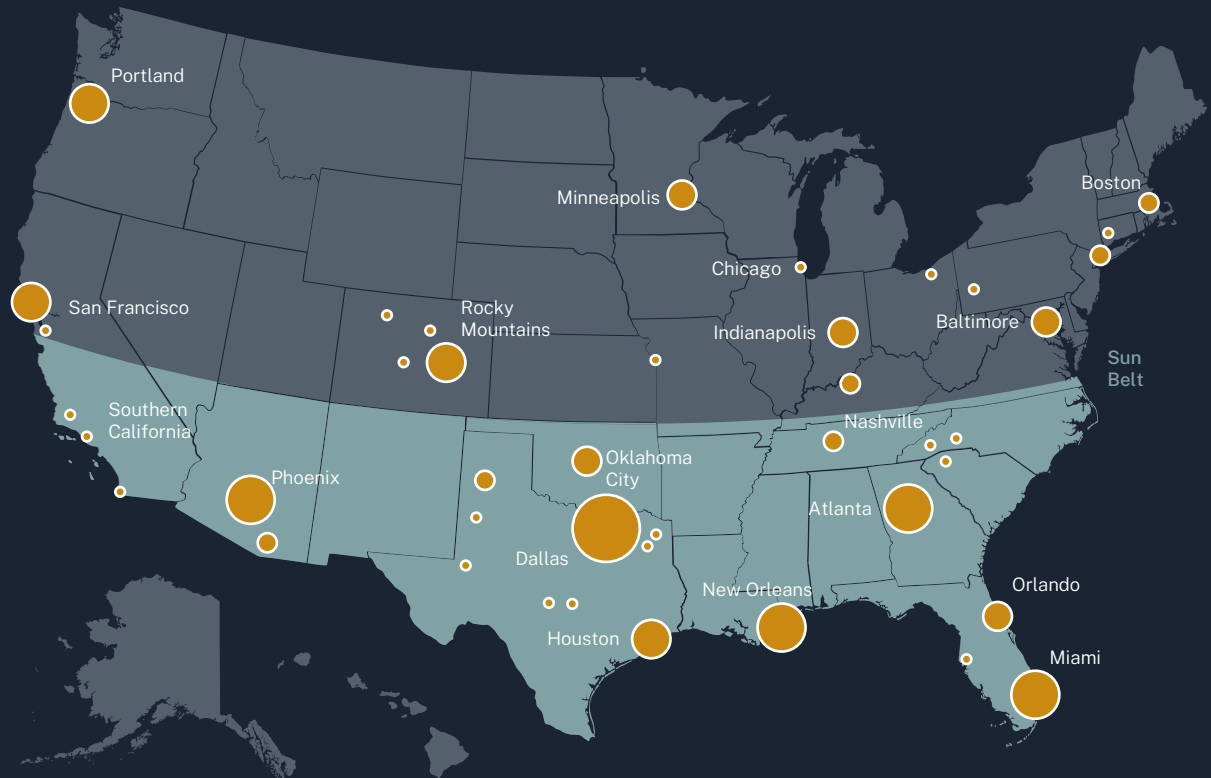
2. Select-service peer data based on the aggregate trailing twelve-month financials ending Q4 2023 for comparable portfolio revenue and hotel EBITDA reported for the following peers: APLE, CLDT, and RLJ.

3. Full-service peer data based on the aggregate trailing twelve-month financials ending Q4 2023 for comparable portfolio revenue and hotel EBITDA reported for the following peers: AHT, BHR, DRH, HST, PK, PEB, RHP, SHO, and XHR.

# Premier portfolio with broad *geographic diversification* & *concentration* in high growth sun belt markets

No single asset contributes more than 4% to our portfolio, and Dallas is the only market that contributes >10%. Each individual Dallas submarket contributes <5%. <sup>(1)</sup>

U.S. Markets	# of Rooms	% of Portfolio <sup>(2)</sup>
Top 25	9,103	64%
Top 50	12,217	86%
Sun Belt	8,897	62%
Urban	6,800	48%
Total	14,256	100%



● Current lodging assets

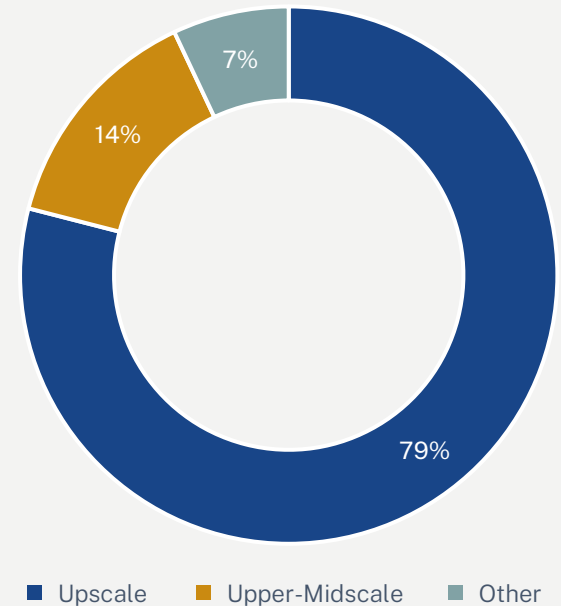
1. Based on June 30, 2024, trailing twelve-month EBITDA for 96 lodging assets owned as of July 31, 2024.  
 2. Based on guestroom count as a percent of the total MSA for 96 lodging assets owned as of July 31, 2024.  
 Note: Guestroom count used to determine circle size.

# Lodging industry set up for favorable *supply & demand dynamics* for the foreseeable future

Muted industry supply growth expected to average <1% from 2024-2026, ~100 bps below the long-run average

CBRE <sup>(1)</sup>	Total US			Upscale		
	Supply Growth	Demand Growth	Variance	Supply Growth	Demand Growth	Variance
May 2024						
2019	1.6%	2.3%	70 bps	4.2%	4.4%	20 bps
2020	0.9%	-35.2%	-3,610 bps	2.7%	-40.9%	-4,360 bps
2021	1.0%	37.0%	3,600 bps	3.2%	47.3%	4,410 bps
2022	0.4%	11.3%	1,090 bps	2.1%	15.3%	1,320 bps
2023	0.4%	1.0%	60 bps	1.0%	3.4%	240 bps
2024E	0.7%	0.9%	20 bps	1.2%	1.3%	10 bps
2025E	0.9%	1.8%	90 bps	1.3%	2.5%	120 bps
2026E	1.0%	1.8%	80 bps	1.4%	2.6%	120 bps
<b>2024-2026 Avg</b>	<b>0.9%</b>	<b>1.5%</b>	<b>60 bps</b>	<b>1.3%</b>	<b>2.2%</b>	<b>90 bps</b>

Summit Portfolio Chain Scale Breakdown <sup>(2)</sup>



Upscale demand growth forecasted to exceed supply growth by nearly *100 bps* through 2026

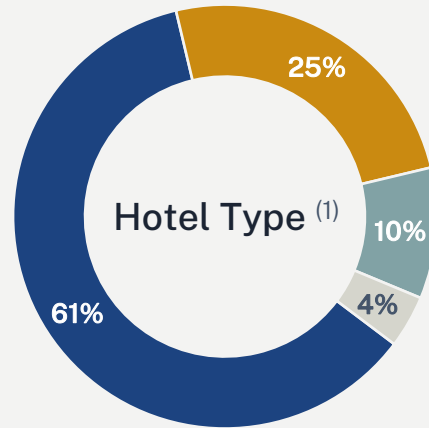
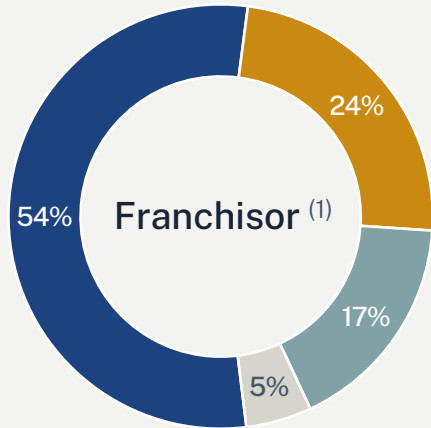
1. Based on CBRE Hotel Trends, Q1 2024 data as of May 2024.

2. Based on guestroom count for the 96 lodging assets owned as of July 31, 2024.



# Premier portfolio with *industry-leading brands* offering diverse and distinctive accommodations and experiences

Summit believes in the value of brand loyalty and partners with leading global brands that provide access to millions of enrolled loyalty members. We believe guests value premium standards, exceptional service, diverse types of stay offerings, and ease of reservation that result in a positive guest experience and recurring stays.



Hyatt Place - Chicago Downtown

1. Based on guestroom count for the 96 lodging assets owned as of July 31, 2024.



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# *Capital Allocation*

# Targeted capital allocation strategy with proven track record of *transaction driven* value creation

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## Acquisitions

- Locations in “Markets that Matter” with favorable supply/demand dynamics and multiple demand generators
- Efficient operating models and value-add opportunities
- Target product types that appeal to evolving guest preferences

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## Dispositions

- Identify markets with unfavorable supply/demand dynamics
- Hotels with functional obsolescence or large capital needs that do not meet return thresholds

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## Joint Venture with GIC

- Own 39 hotels totaling 5,335 guestrooms with a well-respected global real estate investor further validates Summit’s platform and operating model
- Facilitates external growth strategy and creates a pipeline for future growth
- Fee stream enhances yields and overall returns (expected to cover ~15% of 2024E cash G&A)

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## Opportunistic development & mezzanine lending activity

- Higher risk-adjusted returns and utilization of in-house development expertise
- Mezzanine lending program provides alternative pipeline for growth which typically earns current yields of 10%-14%
- Provides for the future option to acquire assets at a fixed price

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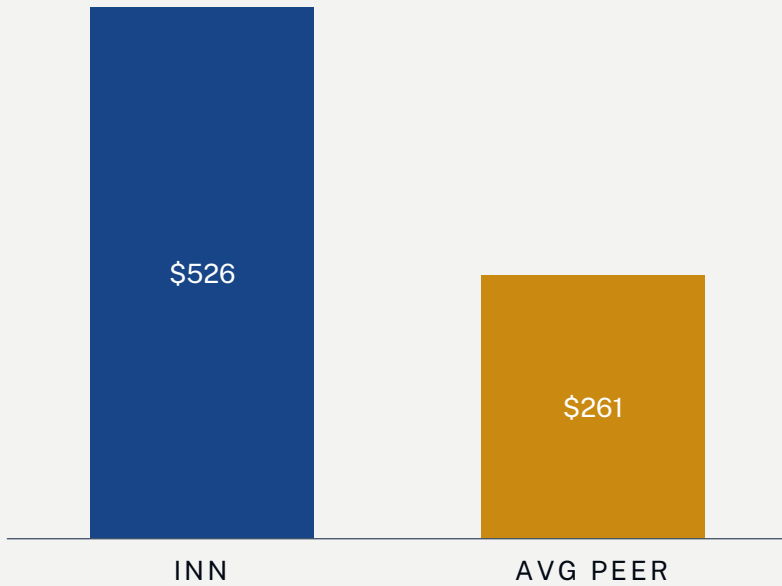
## Flexible balance sheet

- Maintain liquidity, flexibility and a well-balanced maturity ladder
- ~80% fixed rate debt and preferred equity capital structure
- Precedent for creative structuring and accretive issuance of OP units to preserve liquidity while remaining transactional

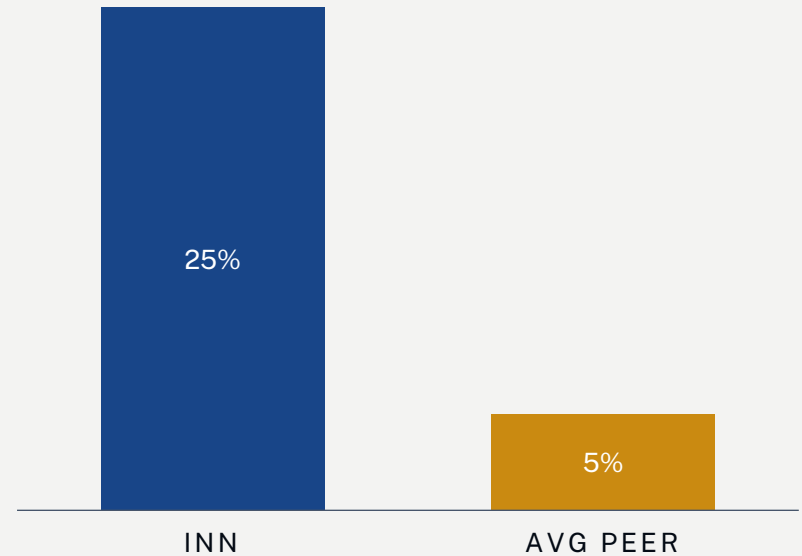
# Targeted capital allocation strategy with proven track record of *transaction driven* value creation

Over the past two years, Summit has been highly acquisitive relative to the lodging peer set, setting the stage for outsized EBITDA growth over the next several years

Gross Acquisition Value <sup>(1)</sup>



Acquisitions as a % of TEV <sup>(2)</sup>



1. Amounts in millions. Completed acquisition activity for the period beginning January 1, 2022, through December 31, 2023.

2. Summit TEV based on market close price as of July 31, 2024. Summit acquisition value is pro rata. Peer data from SNL based on Q1 2024 reported data available and market close price as of July 31, 2024.

# GIC Joint Venture Overview and *Investment Highlights*

## Joint venture with *highly-respected* global real estate investor

Further validates Summit's investment thesis and operating platform

## Opportunistic investment approach

- No pre-defined investment size parameters
- Eliminates forced buying or selling
- Allows for opportunistic deployment and recycling of capital

## Facilitates external growth & creates pipeline for *future growth*

- Fee stream effectively reduces Summit's overall cost of capital
- Acquire deep asset and market knowledge base which facilitates seamless integration if Summit acquires unowned interest

## Joint venture fee structure provides *enhanced investment returns*

- Asset management fee
- Project management fee
- Promoted interest potential
- Equal to ~15% Cash Corp G&A in 2024

## Joint Venture Formed in 2019

- 51% summit / 49%
- Summit as General Partner & Asset Manager

## Invested \$275MM in Year 1

- Acquired Hampton Inn & Suites Silverthorne for \$26MM
- Acquired 4-Hotel Portfolio for \$249MM

## Six-Hotel Portfolio Contributed to the Joint Venture

- \$249MM Gross Transaction Value
- Summit sold 49% interest to the Joint Venture

## Acquired two hotels for \$59MM in 2021

- Acquired Residence Inn Steamboat Springs for \$33MM
- Acquired Embassy Suites Tucson Paloma Village for \$26MM

## NewcrestImage Portfolio Acquired for \$822MM

- 27 Hotels, 2 Parking Garages, and Financial Incentives
- Attractive basis and increased exposure to high-growth markets
- Discount to estimated replacement cost

## Hilton Garden Inn San Francisco Airport Sold for \$75MM

- Resulted in \$21MM gain on sale during the 2.5-year hold period
- Sold at 1.0% cap rate on T12 financials

## Acquired two hotels for \$43MM in 2023

- Acquired Residence Inn Scottsdale North for \$29MM
- Acquired Nordic Lodge Steamboat Springs for \$14MM

## 2024 Opportunistic Dispositions

- Hyatt Place Dallas / Plano Sold for \$10MM
- Hilton Garden Inn College Station Sold for \$11MM
- Sold at 5.9% blended cap rate on 2024E NOI including foregone capex

# Targeted capital allocation strategy with *proven track record* of external growth and capital recycling

RECENT ACQUISITION HIGHLIGHTS	Summit Same Store <sup>(1)</sup>	AC / Element Miami	Onera Fredericksburg	2023 Acquisitions	Summit Pro Forma	Key Highlights
# of Assets	91	2	1	2	96	5% Growth
# of Guestrooms	13,814	264	11	167	14,256	3% Growth
Date of Acquisition	-	Q2 2022	Q4 2022	Q2 2023	-	-
Gross Purchase Price	-	\$89MM	\$5MM	\$43MM	-	~\$137MM Invested
Price per Key	-	\$337K	\$455K	\$256K	-	Attractive Basis of \$309K / Key
Stabilized Yield <sup>(2)</sup>	-	8-9%	11-13%	9-10%	-	Strong Stabilized Yields
RevPAR Growth <sup>(3)</sup>	-	8%	N/A <sup>(4)</sup>	7%	-	Exceptional Growth Profile

1. Based on the 91 same store hotels as of July 31, 2024, after excluding the AC / Element Miami and Onera Fredericksburg.

2. Based on stabilized NOI divided by the purchase price.

3. Based on pro forma RevPAR growth for the full year ended December 31, 2023.

4. Onera Fredericksburg RevPAR not comparable due to unit changes throughout 2023 and ongoing phase II development.

# Strategic CapEx Investment

Summit's in-house design, construction & asset management teams deliver comprehensive renovations while ensuring minimal revenue displacement to gain meaningful market share and grow EBITDA.

## Proven track record & *ongoing commitment* to reinvesting in the portfolio

- ~\$180MM invested in the past 2 years (~\$150MM on a pro rata basis)
- Renovate ~10% of the portfolio on average in any given year
- Typically displace <1% revenues in any given year

## In-house *construction, design & procurement* expertise

- Team of engineers, architects, project managers, designers, and buyers that collectively have decades of experience
- Offers continuous planning and oversight to optimize project timing and minimize revenue displacement
- In-house design and purchasing expertise provides for more cost-efficient renovations while achieving better finished product

### Recently Completed Renovations

- Courtyard New Haven at Yale
- Hilton Garden Inn San Jose / Milpitas
- Residence Inn Portland / Hillsboro
- Hyatt Place Denver Tech Center
- Embassy Suites Tucson
- Hotel Indigo Asheville Downtown
- Residence Inn Portland Downtown
- SpringHill Suites Dallas Downtown
- SpringHill Suites Nashville Metro Center
- Staybridge Suites Denver

### Ongoing & Upcoming Renovations

- Courtyard Charlotte City Center
- Courtyard Fort Lauderdale Beach
- Courtyard Grapevine DFW Airport
- Courtyard Kansas City
- Hyatt House Denver Tech Center
- Residence Inn Atlanta Midtown

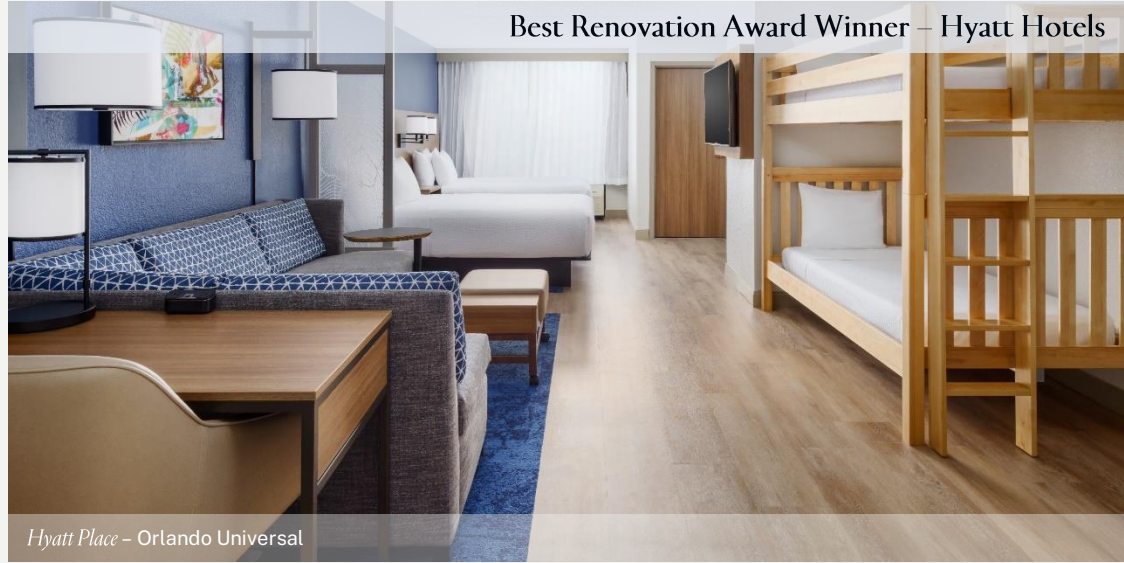


Marriott - Boulder

# Recent Renovations



Courtyard – New Orleans Metairie



Best Renovation Award Winner – Hyatt Hotels

Hyatt Place – Orlando Universal



Hilton Garden Inn – Houston Energy Corridor



Residence Inn – Portland Downtown RiverPlace





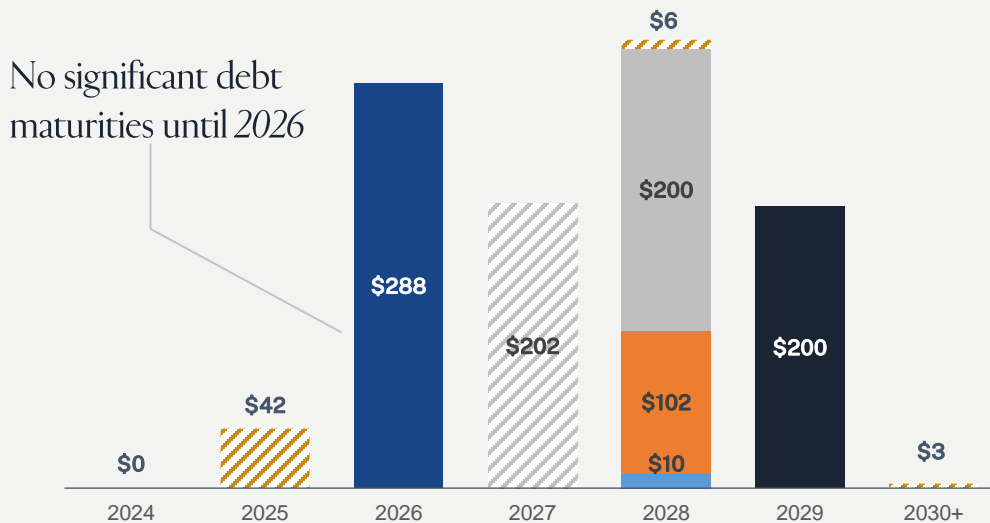
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*Balance  
Sheet*

# Well-positioned balance sheet & liquidity profile

## Pro Forma Debt Maturity Schedule <sup>(1)</sup>

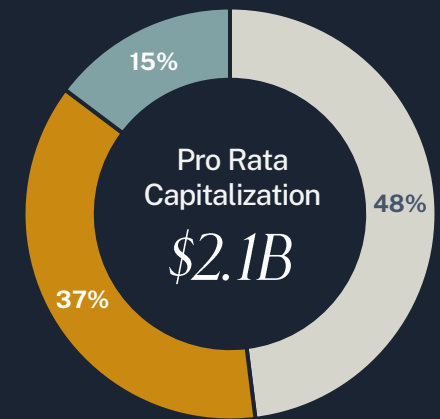
- GIC JV Credit Facility
- GIC JV NCI Term Loan
- BofA Term Loan
- JV Mortgage Debt
- Mortgage Debt
- Regions Term Loan
- Convertible Debt
- Senior Unsecured Revolver



\$ in millions

## Pro Forma Capital Structure <sup>(1,2)</sup>

- Net Debt: \$1.0 Billion
- Common Equity: \$0.8 Billion
- Preferred Equity: \$0.3 Billion



## Pro Forma Key Highlights <sup>(1,2)</sup>

Liquidity (Undrawn Revolver Capacity + Cash)	~\$328MM
Pro Rata Net Debt Outstanding	\$1.0B
Pro Rata Net Debt / Total Enterprise Value	48%
Avg. Length to Maturity	~3.1 Yrs
Pro Forma Weighted Avg. Cost of Debt	4.7%
Fixed Charge Coverage Ratio <sup>(3)</sup>	2.8x

1. Based on financials and pro rata debt as of June 30, 2024. Assumes fully-extended maturity dates for all loans.

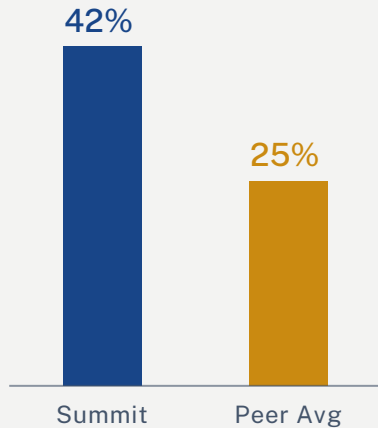
2. Summit's market close price as of July 31, 2024. Amounts are pro rata.

3. Based on 2024E Consensus of \$193 million and fixed charges of pro rata 2024E principal, interest expense, and preferred dividends on a pro forma basis.

# Balance sheet well-positioned for *current environment*

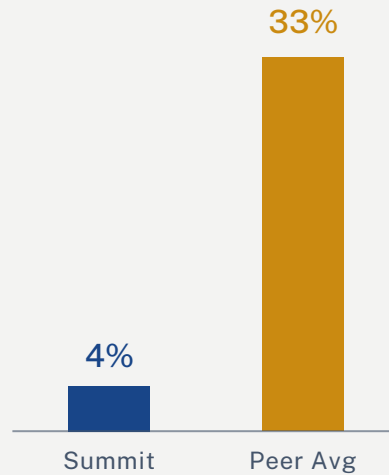
## Exceptional Liquidity Profile Among the Industry's Best <sup>(1,2,3,4)</sup>

~\$330MM of total liquidity (42% of equity market cap) <sup>(1,2,3)</sup>



## Minimal Near-Term Debt Maturities <sup>(1,3)</sup>

Only 4% of pro rata debt matures by year-end 2025 limiting interest rate refinancing risk



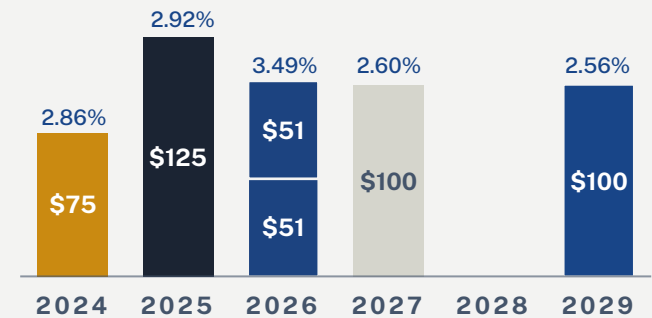
## Limited Variable-Rate Debt Exposure <sup>(1)</sup>

Over 80% of pro rata debt and preferred with fixed interest rates



## Extended Swap Maturities <sup>(1)</sup>

Blended rate of 2.86% with an average maturity of 2.3 years for swaps in effect



1. Based on financials and pro rata debt as of June 30, 2024. Assumes fully-extended maturity dates for all loans.  
 2. Summit's market close price as of July 31, 2024. Amounts are pro rata.  
 3. Peer data from SNL based on the Q1 2024 reported data available.  
 4. Total liquidity represented as a percent of equity market cap.




SUMMIT

*Leading  
ESG  
Program*


# 2022 ESG Highlights <sup>(1)</sup>

Over the past year, we have developed a climate action plan to achieve our emissions reduction target of 30% by year-end 2025. Our climate plan includes active data and energy management programs and systems to enhance building and operational efficiencies and continued investments in clean energy.


## Environmental Stewardship




Achieved a 15% market-based intensity reduction in **emissions** from 2019 baseline, equivalent to removing over 1,000 passenger vehicles from the road for one year. <sup>(2)</sup>




Produced a 7% intensity reduction in **energy** consumption from 2019 baseline.




Contracted for approximately 8,000 **Green RECs** equivalent to powering over 500 homes for one year. <sup>(2)</sup>




Increased the number of properties with **Electric Vehicle Supply Equipment** in our portfolio from 7% in 2021 to 22% in 2022.




Achieved an 8% intensity reduction in **water consumption** from 2019 baseline.



Increased the number of **ENERGY STAR® Certified** properties in our portfolio by 60% over the prior year.



Endorsed the **AHLA Responsible Stay initiative** to demonstrate our commitment to sustainability and to align ourselves with industry initiatives.



Completed a portfolio-wide transition to bulk shower amenities to **reduce waste**.

## Social Responsibility

Contributed over \$140,000 and volunteered over 280 service hours to **Partnerships for Children** and other community-based organizations.

Achieved a positive response of over 85% from employees that our company is a great place to work and has a positive work **culture**.

Increased the composition of our Independent **Board Members** that are from underrepresented groups from 29% in 2021 to 43% in 2022.

Increased the percentage of our corporate level **minority workforce** from 13% in 2021 to 22% in 2022.

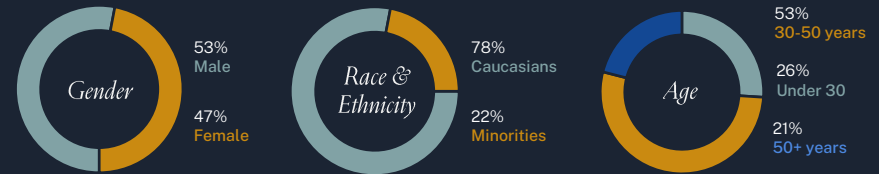
Increased diversity of corporate level employees from **underrepresented groups** from 48% in 2021 to 56% in 2022.

Joined the **AHLA Foundation Board of Trustees and Industry Impact Leaders Committee** to increase community engagement within our industry.

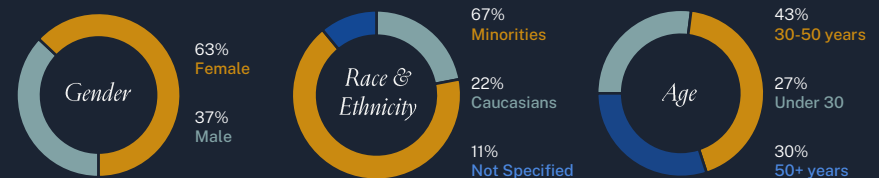
Established a **Hotel Training Day Program** for employees to learn more about the day-to-day operations at our hotels and to foster teamwork and connectedness amongst employees and with our operating partners.

Increased connectedness with our operating partners and team by implementing an **Employee Stay Program**.

### Workforce Composition: Corporate Employees <sup>(3)</sup>



### Workforce Composition: Hotel Employees <sup>(4,5)</sup>



1. Information is for the year ended December 31, 2022.

2. Equivalent based on U.S. EPA's GHG Equivalencies Calculator: <http://www.epa.gov/energy/greenhouse-gas-equivalencies-calculator>.

3. Information is as of 12.31.2022, and is for regular, full-time employees of Summit Hotel Properties, Inc.

4. Information is as of 12.31.2022 and reflects employees at 97 of our 103 hotels.

5. Employees at our hotels are not employees of Summit Hotel Properties, Inc. but are employees of our third-party managers that operate our hotels.

# Leading *Environmental, Social, & Governance* (ESG) Program

## *Environmental Stewardship Goals*

- Continue to improve our building efficiencies by increasing the number of properties in our portfolio with guestroom automation systems by 35% over the prior year.
- Increase our number of green certified lodging properties by 10% over 2022.
- Evaluate additional investments in clean energy, including on-site solar.
- Continue the transition to clean energy by further increasing the number of properties in our portfolio with electric vehicle supply equipment by 25% over the prior year.
- Pilot a decommissioning project for recycling and upcycling hard and soft goods during renovations.
- Develop a standard operating procedure for recycling and upcycling waste during renovations.
- Transition newly acquired properties to keyless entry and provide employee safety devices to each property within a year.

## *Social Responsibility Goals*

- Contribute over \$150,000 and 250 hours of volunteer service to support our local communities in 2023.
- Support our community partner, Partnerships for Children, by building custom storage for their KING mentoring program musical instruments in 2023.
- Host a Holistic Health & Wellness Week to promote employee health & well-being, including social, physical, nutrition, financial and mental wellness segments in 2023.
- Complete biophilic and inclusive design upgrades to our corporate offices, including a wellness room in 2023.
- Provide at least 100 hours of increased development opportunities for underrepresented groups to promote their growth and scope of responsibility in 2023.
- Complete over 150 hours of human rights training, including harassment and human trafficking awareness and prevention training in 2023.

## *Governance & Resilience Goals*

- Continued compliance with all ethics and corporate governance requirements in 2023.
- Meet common industry stakeholders rights in 2023.
- Further enhance policies to meet new SEC guidelines in 2023.
- Conduct property risk assessments annually to ensure proper maintenance and safety.
- Evaluate additional investments in on-site battery storage systems for lodging properties located in areas with high environmental risk for increased resiliency in 2023-2024 program year.

### *About Our Program*

*We established our ESG program in 2018 with the purpose of creating long-term value for our stakeholders by investing responsibility in our business, environment, people and communities. Our program aligns with GRI & TCFD frameworks to better identify ESG indicators that are material to our business. In 2021, we set performance reduction targets in alignment with the Greenhouse Gas Protocol ("GHG Protocol"), which supplies the world's most widely used greenhouse gas standards. Our ESG program and reporting are overseen by our Board of Directors and senior management and a component of executive compensation is tied to the progress of our ESG program.*

# Experienced Leadership *Driving Success*



## *Jonathan Stanner*

### **President & Chief Executive Officer**

Mr. Stanner joined Summit Hotel Properties in April 2017 and most recently served as the company's Executive Vice President and Chief Financial Officer.

Prior to joining Summit, Mr. Stanner was Chief Executive Officer at Strategic Hotels & Resorts, a former NYSE-listed company acquired by an affiliate of The Blackstone Group in 2015. During his tenure at Strategic Hotels & Resorts from 2005 to 2015, Mr. Stanner also held various other senior positions with the company, including Chief Financial Officer, Senior Vice President - Capital Markets, Acquisitions, and Treasurer and Director of Corporate Finance. Prior to his time at Strategic Hotels, Mr. Stanner was an investment banking analyst for Banc of America Securities.

Mr. Stanner holds both a B.S. in Management and an MBA from the Krannert School of Management at Purdue University.



## *William ("Trey") Conkling*

### **Executive Vice President & Chief Financial Officer**

Mr. Conkling joined Summit Hotel Properties in May 2021 as the Company's Executive Vice President & Chief Financial Officer.

Prior to joining Summit, Mr. Conkling served as a Managing Director in the Real Estate, Gaming & Lodging Investment Banking group for Bank of America Merrill Lynch, where he oversaw the successful execution of transaction volume in excess of \$190 billion including capital markets and mergers and acquisitions. Prior to his time at Bank of America Merrill Lynch, Mr. Conkling was with the investment banking unit of Bear, Stearns & Co. and previously worked in asset management for Host Hotels & Resorts.

Mr. Conkling earned a B.S. in Hotel and Restaurant Administration from Cornell University, School of Hotel Administration and an MBA from Cornell University, Johnson Graduate School of Management.



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HOTEL PROPERTIES