



## VERIFICATION OPINION DECLARATION GREENHOUSE GAS EMISSIONS

Apex Companies, LLC (Apex) was engaged to conduct an independent verification of the greenhouse gas (GHG) emissions reported by Intercontinental Hotel Group plc (IHG) for the period stated below. This verification declaration applies to the related information included within the scope of work described below.

The determination of the GHG emissions is the sole responsibility of IHG. IHG is responsible for the preparation and fair presentation of the GHG statement in accordance with the criteria. Apex's sole responsibility was to provide independent verification on the accuracy of the GHG emissions reported, and on the underlying systems and processes used to collect, analyze and review the information. Apex is responsible for expressing an opinion on the GHG statement based on the verification. Verification activities applied in a limited level of assurance verification are less extensive in nature, timing and extent than in a reasonable level of assurance verification.

### **Boundaries of the reporting company GHG emissions covered by the verification:**

- Operational Control
- Worldwide

**Types of GHGs:** CO<sub>2</sub>, N<sub>2</sub>O, CH<sub>4</sub>, PFCs,

### **GHG Emissions Statement:**

- **Scope 1:** 529,093 metric tons of CO<sub>2</sub> equivalent
- **Scope 2 (Location-Based):** 2,008,037 metric tons of CO<sub>2</sub> equivalent
- **Scope 2 (Market-Based):** 2,028,531 metric tons of CO<sub>2</sub> equivalent
- **Scope 3: Franchises:** 2,758,518 metric tons of CO<sub>2</sub> equivalent

Data and information supporting the Scope 1, Scope 2 and Scope 3 GHG emissions statement were generally historical in nature.

### **Period covered by GHG emissions verification:**

- October 1, 2018 to September 30, 2019

### **Criteria against which verification conducted:**

- World Resources Institute (WRI)/World Business Council for Sustainable Development (WBCSD) Greenhouse Gas (GHG) Protocol Corporate Accounting and Reporting Standard (Scope 1 and 2)
- WRI/WBCSD Greenhouse Gas Protocol Corporate Value Chain (Scope 3) Accounting and Reporting Standard (Scope 3)

### **Reference Standard:**

- ISO 14064-3: Greenhouse gases -- Part 3: Specification with guidance for the validation and verification of greenhouse gas statements

### **Level of Assurance and Qualifications:**

- Limited
- This verification used a materiality threshold of  $\pm 5\%$  for aggregate errors in sampled data for each of the above indicators



**GHG Verification Methodology:**

Evidence-gathering procedures included but were not limited to:

- Interviews with relevant personnel of IHG's consultant;
- Review of documentary evidence produced by IHG and their consultant;
- Review of IHG data and information systems and methodology for collection, aggregation, analysis and review of information used to determine GHG emissions; and
- Audit of sample of data used by IHG to determine GHG emissions.

**Verification Opinion:**

Based on the process and procedures conducted, there is no evidence that the GHG emissions statement shown above:

- is not materially correct and is not a fair representation of the GHG emissions data and information; and
- has not been prepared in accordance with the WRI/WBCSD GHG Protocol Corporate Accounting and Reporting Standard (Scope 1 and 2), and WRI/WBCSD Greenhouse Gas Protocol Corporate Value Chain Accounting and Reporting Standard (Scope 3).

It is our opinion that IHG has established appropriate systems for the collection, aggregation and analysis of quantitative data for determination of these GHG emissions for the stated period and boundaries.

**Statement of independence, impartiality and competence**

Apex is an independent professional services company that specializes in Health, Safety, Social and Environmental management services including assurance with over 30 years history in providing these services.

No member of the verification team has a business relationship with IHG, its Directors or Managers beyond that required of this assignment. We conducted this verification independently and to our knowledge there has been no conflict of interest.

Apex has implemented a Code of Ethics across the business to maintain high ethical standards among staff in their day-to-day business activities.

The verification team has extensive experience in conducting assurance over environmental, social, ethical and health and safety information, systems and processes, has over 20 years combined experience in this field and an excellent understanding of Apex's standard methodology for the verification of greenhouse gas emissions data.

**Attestation:**

  
Christopher Ostermann, CPEA  
Program Manager – Lead Verifier  
Apex Companies, LLC  
Atlanta, Georgia

  
John Rohde, Technical Reviewer  
National Practice Line Leader  
Apex Companies, LLC  
Lakewood, Colorado

May 18, 2020

*This verification statement, including the opinion expressed herein, is provided to IHG and is solely for the benefit of IHG in accordance with the terms of our agreement. We consent to the release of this statement by you to CDP in order to satisfy the terms of CDP disclosure requirements but without accepting or assuming any responsibility or liability on our part to CDP or to any other party who may have access to this statement.*

## INDEPENDENT LIMITED ASSURANCE STATEMENT



### Introduction and objectives of work

Apex Companies, LLC (Apex) has been engaged by Intercontinental Hotel Group plc (IHG) to provide limited assurance of its global water consumption. This Assurance Statement applies to the Subject Matter included within the scope of work described below.

This information and its presentation are the sole responsibility of the management of IHG. Our sole responsibility was to provide independent assurance on the accuracy of the Subject Matter.

### Scope of work

The scope of our work was limited to assurance over water consumption data for the period October 1, 2018 to September 30, 2019 (the 'Subject Matter'). Our assurance does not extend to any other information reported by IHG.

### Reporting Boundaries

The following are the boundaries used by IHG for reporting sustainability data:

- Operational Control
- Worldwide Operations

### Limitations and Exclusions

Excluded from the scope of our work is any verification of information relating to:

- Activities outside the defined verification period;

This limited assurance engagement relies on a risk based selected sample of sustainability data and the associated limitations that this entails. The reliability of the reported data is dependent on the accuracy of metering and other production measurement arrangements employed at site level, not addressed as part of this assurance. This independent statement should not be relied upon to detect all errors, omissions or misstatements that may exist.

### Responsibilities

This preparation and presentation of the water consumption data are the sole responsibility of the management of IHG.

Apex was not involved in the development, tracking, or reporting of the water consumption data. Our responsibilities were to:

- obtain limited assurance about whether the Subject Matter has been prepared in accordance with the Reporting Criteria;
- form an independent conclusion based on the assurance procedures performed and evidence obtained; and
- report our conclusions to the Stakeholders of IHG.

## Assessment Standards

- We performed our work in accordance with Apex's standard procedures and guidelines for external Assurance of Sustainability Reports and International Standard on Assurance Engagements (ISAE) 3000 Revised, Assurance Engagements Other than Audits or Reviews of Historical Financial Information (effective for assurance reports dated on or after Dec. 15, 2015), issued by the International Auditing and Assurance Standards Board. A materiality threshold of  $\pm 5$ -percent was set for the assurance process.

## Summary of Work Performed

As part of our independent verification, our work included:

1. Assessing the appropriateness of the Reporting Criteria for the Subject Matter;
2. Conducting interviews with relevant personnel of IHG;
3. Reviewing the data collection and consolidation processes used to compile Subject Matter, including assessing assumptions made, and the data scope and reporting boundaries;
4. Reviewing documentary evidence provided by IHG;
5. Agreeing a selection of the Subject Matter to the corresponding source documentation;
6. Reviewing IHG systems for quantitative data aggregation and analysis; and
7. Assessing the disclosure and presentation of the Subject Matter to ensure consistency with assured information.

## Reported Data

The global water consumption within the defined boundary was 115,068,210 cubic meters.

- Owned and Managed Hotels: 48,695,198 cubic meters
- Franchised Hotels: 66,373,012 cubic meters

## Conclusion

On the basis of our methodology and the activities described above:

- Nothing has come to our attention to indicate that the Subject Matter is not fairly stated in all material respects; and
- It is our opinion that IHG has established appropriate systems for the collection, aggregation and analysis of quantitative data.

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No member of the assurance team has a business relationship with IHG, its Directors or Managers beyond that required of this assignment. We have conducted this verification independently, and there has been no conflict of interest.

The assurance team has extensive experience in conducting assurance over environmental, social, ethical and health and safety information, systems and processes, has over 20 years combined experience in this field and an excellent understanding of Apex’s standard methodology for the verification of greenhouse gas emissions data.

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