



## Our performance

We measure our progress through our 2018 – 2020 responsible business targets, in the areas of environmental sustainability; community impact; our people; and responsible procurement.



### Environmental sustainability

#### Target

# 6-7%

Reduce carbon footprint per occupied room



#### Progress in 2019

- Over a two year period, we have reduced our carbon footprint by 5.9% per occupied room, including a 3.7% reduction in 2019, from a 2017 baseline.

#### What's next?

- Continue to reduce our carbon footprint across our entire estate.
- Partner with owners and our hotels to share best practices to help drive greater reductions.
- Work to meet the requirements of Task Force on Climate-related Financial Disclosures (TCFD).

# 6 projects

Launch two water stewardship projects each year. In 2019, we launched water stewardship projects in Beijing and Bali



- We launched a project in Beijing in partnership with the Alliance for Water Stewardship (AWS) and the InterContinental Beijing- Beichen, to hold training and workshops with 11 hotels to share challenges and solutions to reduce their water usage. Solutions implemented at the InterContinental Beijing- Beichen have driven a water reduction of 7% per occupied room.
- We are working with AWS in Bali and have completed a water stewardship assessment at the Hotel Indigo Seminyak Beach to help identify potential interventions and actions.

- We will continue to partner with AWS to use our findings from Delhi, Beijing and Bali with local communities and implement important interventions across these locations and beyond.
- Launch Water Stewardship Projects in Mexico and Saudi Arabia.



## Our performance continued



## Community impact

## Target

**30,000–40,000**

Individuals provided with hospitality skills training through IHG Academy



## Progress in 2019

- In 2019, 15,081 people benefited from the IHG Academy across 1,573 programmes in 80 countries.
- Since 2018, 28,181 people have benefited from the IHG Academy.

## What's next?

- Build on the IHG Academy programme offering through launching the Internship Pathway in 16 hotel-ready languages.
- Continue to drive quality growth in the programme through enabling our regional teams to measure impact through a robust reporting solution and convert IHG Academy hires into employees for 2021 and beyond.

**\$3m**

Contributed to community impact project



- In 2019, we contributed \$1.3m community impact projects around the world taking our total to \$2.5m.

- Work with our charitable partners to deliver hospitality skills building and disaster relief assistance.

**100,000**

Colleagues involved in IHG's community impact



- In 2019, 160,313 colleagues took part in community impact activities.

- Identify ways to enhance our programme and encourage even more participants for our Giving for Good month and corporate volunteering.



## Our performance continued

**Our people****Target****Increase diversity**

Increase diversity in terms of gender and nationality or ethnicity of IHG Senior Leaders

**Progress in 2019**

- In 2019, female representation in our Senior Leadership was at 36% vs 2017 baseline of 37%.
- Our Executive Committee female membership increased from 22% to 30% with the appointment of Nicolette Henfrey as Executive Vice President, General Counsel & Company Secretary.
- Lead Supporter and active member of Women in Hospitality, Travel & Leisure (WIHTL). Four IHG Senior Leaders were profiled in the WIHTL Women to Watch Index 2019.
- In January, 2020, we became signatories to The Valuable 500 and CEO Action for Diversity & Inclusion.
- Rolled out Conscious Inclusion training to IHG's Senior Leaders.

**What's next?**

- Will launch Conscious Inclusion training to all corporate colleagues and managed hotel General Managers, equipping them with the knowledge and skills to build a more inclusive environment.
- Further support the development of employee networks, providing communities of colleagues with a platform to build inclusive relationships and further professional development.



## Our performance continued



## Our people continued

## Target

## Increase female representation

Increase number of females working in General Manager and Operations roles in managed hotels



## Progress in 2019

- Increased the percentage of females in GM and Operations roles from 24% to 26%.
- Rise, our female mentoring initiative for aspiring female General Managers was launched in all key markets, with close to 100 participants.
- Launched D&I councils in local markets to represent the voice of colleagues in regions.
- Report this job button added on careers site to report any jobs that are deemed inappropriate, including those with gender bias.

## What's next?

- Continue to scale our Rise mentoring programme, increasing the number of participants benefitting from involvement each year.

## Employee engagement

Track and report employee engagement each year

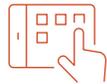


- We measure employee engagement through our bi-annual survey, Colleague HeartBeat, and corporate, managed hotel and customer reservations office employees are invited to take part. The overall score was 87%; 11% above Kincentric's top quartile benchmark.

- Improve our talent acquisition systems and services to position IHG as a leading employer and deliver a great hiring experience for candidates.
- Continue to drive a high-performance culture across IHG through embedding performance and reward practices.
- Further drive the adoption of improvement to our human resources systems, to further our ability to attract, develop and retain talent.



## Our performance continued



## Responsible procurement

## Target

## Increase supplier audits

Increase the percentage of supplier risk profiles and supplier audits for IHG preferred suppliers



## Progress in 2019

- A self-assessment programme has been rolled out to all IHG Marketplace suppliers.
- We have been reviewing suppliers' responses to our enquiries about their governance, human rights and environmental practices and requesting corrective actions to put in place where there has been a deviation from our expectations.

## What's next?

- We will continue to partner with our suppliers, managing supply chain risks related to sustainability issues and also expand the scope beyond this group by entering into the next phase of our programme.

## Increase ethical supplier awareness

Roll out new training for corporate colleagues and hotels



- We launched a mandatory programme for all employees. The virtual training and resources cover specific elements of risks and opportunities that are important for employees to be aware of.

- In 2020, we will continue our colleague engagement programme and provide more in-depth education on responsible procurement.

## IHG green criteria

Increase the percentage of suppliers that meet IHG green criteria



- We introduced the IHG Green Supplier scorecard, which helps us understand the environmental credentials of prospective IHG suppliers going through our RFP process.
- 45% of new contracts through our tendering processes, were awarded to an IHG Green Supplier.

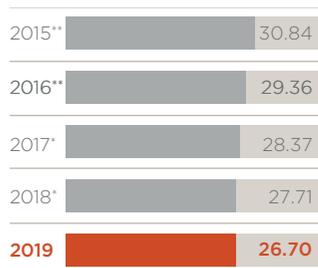
- We will further enhance the Green Supplier scorecard with an increased focus on circular economy.



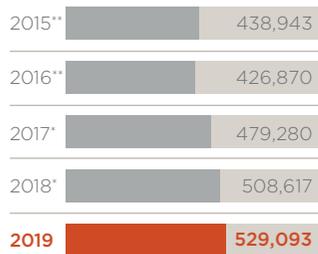
## Our performance continued

## Environmental performance data

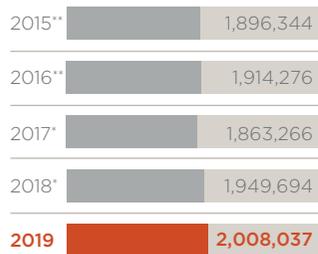
## Carbon Footprint

Carbon footprint per occupied room (kgCO<sub>2</sub>e)IHG's total carbon footprint (tCO<sub>2</sub>)

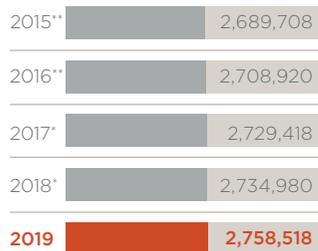
## Scope 1



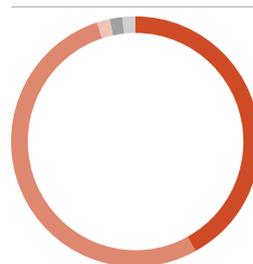
## Scope 2



## Scope 3

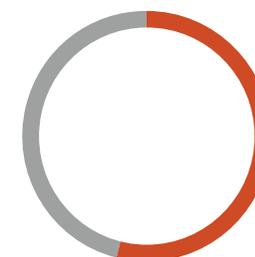


2019 Energy Consumption (Total MWh)

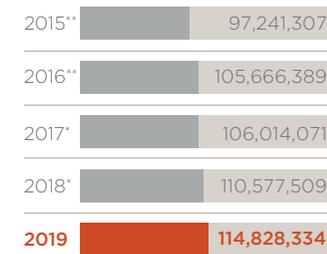


## Water

IHG's water use in water-stressed and non-water-stressed regions across the estate (%)



IHG's water use per occupied room across the global estate (%)

IHG's total water consumption across the global estate (m<sup>3</sup>)

\* As IHG's System size is continually changing and the number of hotels reporting data to the IHG Green Engage™ system increases annually, we have restated data.

\*\* Data not restated as baseline has been set at 2017 for our 2018-2020 target



## Our performance continued

## Environmental performance data

## Waste

## IHG's waste per occupied rooms (kgs)

## Total general waste



## Total food waste



## Total recycling



## Total composting



## Total waste



## Social performance data

## IHG Academy

## Individuals provided with hospitality skills training through the IHG Academy



## Total funds donated to community impact projects (\$m)



## Colleagues supporting community impact projects



## Gender profile of employees

## As at 31 December 2019

	Male	Female	Total
Directors	7	4	11
Executive Committee	7	3	10
Executive Committee direct reports	40	23	63
Senior managers (including directors of subsidiaries)	102	34	136
All employees (whose costs were borne by the Group or the System Fund)	6,498	7,938	14,436

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