

Our hotels

Our hotels and colleagues are focused on bringing our great brands to life for millions of guests all over the world. As well as creating the right experience, we're committed to creating safe, inclusive environments for everyone, and taking active steps to help our hotels measure and manage their impact on the environment.

As a predominantly managed and franchised business, we work hand in hand with our hotel owners to make sustainable choices and take opportunities to do things differently. Working this way is important to our colleagues, guests, partners and investors, and we take seriously issues such as climate change, water scarcity, utility consumption and waste management.



Safety and security

We believe in the importance of providing a safe and secure environment for all colleagues, guests and visitors.

We take the safety and security of guests, colleagues and visitors to IHG branded hotels very seriously. We manage safety and security through a global management system that includes Brand Safety Standards and a suite of risk guidance, training and toolkits that are available to all hotels.

IHG employs a team of global risk specialists to co-ordinate and monitor a safety and security management system. This system is designed to provide an appropriate level of control to mitigate against a systematic issue with safety and security in our managed and franchised hotels.

IHG hotels are encouraged and supported to build greater levels of risk maturity, beyond mandated levels of safety (Brand Safety Standards), through access to a large range of guidance, tools and training resources available to all hotels via IHG's Global Risk online learning centre.

Our team of global intelligence specialists use an intelligence-led, threat-based security approach to monitor the risks and threats posed to our hotels and to set the mitigations and policies to address these. Risks include terrorism, changing political landscapes, digital security and natural disasters. Our well-tested crisis management system enables us to bring the necessary skills and expertise together so that we can quickly direct resources and support exactly where it is needed worldwide.

In a climate where the risk of data, credit card and cybersecurity breaches are a serious threat, it is everyone's responsibility at IHG to safeguard information under our care, to follow legal requirements and comply with IHG's information security and personal data policies, standards and procedures.

In 2018, we launched updated training to colleagues on handling information responsibly, and we continue to enhance our privacy programme to address evolving privacy requirements and best practice, including the EU General Data Protection Regulation. The Board and Audit Committee regularly reviews information security controls and the risk landscape, including updates on previous incidents.



Developing our hotel colleagues

We provide everyone with the tools to develop in their roles and feel supported in their work.

Our colleagues are the ones who bring our brands and purpose of True Hospitality for everyone to life, build relationships with guests and work with hotel owners to drive performance.

MyLearning, our learning platform, is available to all hotel colleagues in multiple languages and across digital platforms. It gives people the chance to track their personal learning journey, and allows managers to easily review progress.

We offer hotel colleagues True Hospitality Service Skills training. Guests can expect a consistently great experience delivered by colleagues trained in True Attitude, True Confidence, True Listening and True Responsiveness.

We also have a global online learning platform for all hotel General Managers (GMs) called Fuse. This brings our network of GMs together in an online social community to share best practice, seek advice and complete professional development courses. GMs can also access a range of other resources from onboarding curriculums and learning plans to specific, flexible online learning modules.

Each year, a new cohort of hospitality graduates join our Future Leaders programme. Through a two-year programme, we embed and develop exceptional talent within IHG working across our Operations, Finance and Revenue Management functions. On completion of the programme, the graduates take on managerial positions across IHG.



General Manager Learning Events

Every year, over 300 General Managers across our EMEAA region attend a series of Learning Events, hosted by our Business Unit Managing Directors and Learning & Development teams.

The events are an opportunity for General Managers to come together to learn and share best practices, building on their capability to maximise performance and balance the needs and expectations of multiple stakeholders.



Carbon and energy

As a global business with hotels in more than 100 countries, we believe our biggest contribution towards cutting greenhouse gas emissions will come from changing our own behaviour.



Environmental sustainability

2018-2020 target

6-7%

Reduce carbon footprint per occupied room.

In 2018, we reduced our carbon footprint by 2.2% per occupied room.



For further progress in detail against all of our 2018-2020 targets, please see our Performance pages: 33 to 36.

We believe the best approach to reducing and managing carbon emissions comes from working with all our hotels to make a difference, rather than by purchasing carbon offsets.

Between 2013 and 2017, we reduced our carbon footprint per occupied room by 15% (against a 2012 baseline), achieving our five-year target. As part of our 2018-2020 targets, we are committed to further reducing the carbon per occupied room by 6-7%. To help us achieve this, we set our hotels individual carbon reduction targets, and we support them with best practice guidance and practical solutions to help ensure we succeed together.

Utility costs are the second biggest expenses to our hotels and lighting accounts for up to 40% of a hotel's total energy consumption. Installing LED lighting solutions is a low-cost, high-impact action for our hotels to action through the IHG Green Engage system.

To further reduce our environmental footprint, we are working to understand the carbon emissions in our supply chain. In 2018, we commissioned stage one of our agenda, which identified that food and beverage, outside services, consultancy,



InterContinental® Madrid

The Green Team at InterContinental® Madrid have been on a journey to implement a number of innovative carbon and energy initiatives across the hotel aimed at reducing their utility costs and consumption. From replacing their boilers, upgrading to new energy efficient air-conditioning refrigeration units to installing LED lighting across the hotel, the team and their owners have reduced their carbon footprint by over 60%.

equipment and cleaning products are the highest carbon emitting categories in our operational supply chain. To further build on this, in 2019 we will work closely with key emitters to contribute to a shared positive impact.

We're proud of the engagement with our hotels in this important area, and we continue to work to promote carbon reduction with all our hotels globally.

MEMBER OF

Dow Jones Sustainability Indices

In Collaboration with RobecoSAM

Dow Jones Sustainability Index

The Dow Jones Sustainability Index, in collaboration with RobecoSam, highlights businesses that show outstanding performance in tackling the biggest social, environmental and economic issues in their industries. In 2018, IHG was named industry leader for a second consecutive year in RobecoSam's Resorts & Cruise Lines industry group, which includes hotels, resorts and cruise lines, and the highest score in the industry on its Corporate Sustainability Assessment. IHG ranked first for several criteria, including environmental criteria, human rights and stakeholder engagement. The results of the survey are published on the Bloomberg professional platform, making them accessible to investors and other stakeholders.

Water

We recognise the risks our business and local communities face from water scarcity and pollution, and are taking steps to ensure this precious resource is managed sustainably.



Environmental sustainability

2018-2020 target

6 projects

Launch two water stewardship projects per year.

In 2018, we launched water stewardship projects in both London and Delhi.



For further progress in detail against all of our 2018-2020 targets, please see our Performance pages: 33 to 36.

Water stress impacts over 40% of the global population and is anticipated to rise further, according to the UN. More than 1.7 billion of the world's population currently live in river basins, where water use exceeds its recharge, and the problem will get worse as the population grows.

As part of our commitment to water stewardship, we completed the hospitality industry's most comprehensive water risk assessment in 2016. Encompassing our entire global estate of open and pipeline hotels, this means we can identify risks related to both water quantity and quality, and put in place tailored water stewardship action plans to apply best practice techniques for each of our hotels, particularly those in water-stressed areas.

The IHG Green Engage system provides our hotels with a comprehensive guide to water-saving technologies and processes, recommending nearly 30 Green Solutions devoted solely to water. Typically, more than 40% of the water used in a hotel is from showers, toilets, taps and kitchens, but installing low-flow taps, toilets and shower heads, helps to reduce water consumption.

The localised nature of water-stress means we need to embed initiatives at a local level, which led to the launch of our pilot project in Chengdu in 2017. Four hotels developed tailored water implementation plans and went beyond water efficiency, collaborating with environmental NGO Chengdu Urban Rivers Association (CURA), and members of the local community to protect the freshwater resources of Chengdu. In 2018, these hotels continued their water stewardship journey and are seeing impressive water reductions. The InterContinental Century City Chengdu reduced its water use by 21% and Holiday

Inn Chengdu – Century City East Tower by 12%, as a result of actions taken as part of the water stewardship programme.

Building on this pilot, we want to launch six more stewardship projects by 2020. The first of these was in 2018 in London, UK, where we partnered with the Rivers Trust, a UK-based non-governmental organisation. London is included in the world's top 10 most likely cities to run out of water and according to the Greater London Authority, the city is pushing close to capacity and is likely to have supply problems by 2025 and serious shortages by 2040. The London project has provided us with vital learnings and helps reduce the exposure of our hotels to water related risks. We engaged our colleagues in the programme through tailored education and the opportunity to volunteer and help to clean local waterways.

Following analysis of our risk assessment and the ITP's water risk prioritisation index, we launched our second project in Delhi, India – the world's second most populous city, where water shortages are becoming a regular challenge and the quality of water is poor and unfit for human consumption. In conjunction with seven IHG branded hotels, we have partnered with the Center for International Projects Trust (CIPT), a non-profit organisation based in Delhi and an affiliate of Columbia Water Center, and the Alliance for Water Stewardship, to identify key issues where we can develop and implement small scale innovations that can be replicated in other water stressed locations.



The Rivers Trust

Water stewardship tool

Following the success of our first water stewardship project in London, and in partnership with the Rivers Trust, we have developed a tool to enable all of our hotels across the UK to replicate the water stewardship activities carried out in the London project at a local level with local trusts.



Waste

We have a responsibility to minimise waste across all our hotels, preserving our environment for future generations.

The IHG Green Engage™ system provides guidance to IHG branded hotels on how to manage their waste and through the tool we encourage hotels to create a waste management plan that sets out how they are going to handle, store and dispose of waste, both on and off-site.

We have begun to map out the biggest areas of waste within our operations, identifying ways to reduce, re-use and recycle to ensure we are diverting as much waste from landfill as possible.

Across 11 IHG branded hotels, we have partnered with Winnow to trial their innovative Winnow System. Using their smart meter technology, it makes it quick and easy to record exactly what and how much food is being wasted in our kitchens. Providing both real-time and regular reporting, our kitchen colleagues can easily identify how much produce they are disposing of and what the cost is of doing so. These vital insights have allowed our colleagues to make improvements through careful menu planning in their hotels and as a result have seen a reduction on average of 20% in their food wastage.

In our Americas region, we are introducing bulk-size bathroom amenities across our Holiday Inn Express®, Staybridge Suites® and Candlewood Suites® brands. Our EVEN® Hotels and avid™ hotels brands have included bulk-size amenities since they were launched, and Kimpton® Hotels & Restaurants began rolling them out in 2017.

Working with Clean the World in the Americas and Soap for Hope in Asia, increasingly our hotels are choosing to recycle soap and guest room amenities, so that new soap bars can be distributed to communities in the developing world, helping them reduce the risk of disease.

Plastic straws

In 2018, IHG committed to remove single-use plastic straws from our global estate by the end of 2019. As a global brand standard, we will be eliminating annually an average of 50 million straws from our hotels. Laid end-to-end, the straws we remove would span some 10,500 kilometres – stretching from New York to Tokyo.



Renovation Donation Initiative

At a time when many IHG branded hotels are introducing new design concepts to meet evolving guest expectations, we launched the Renovation Donation Initiative in 2018, in partnership with the IHG Owners Association.

IHG branded hotels in the US and Canada undergoing renovations or property improvements can donate furniture, fixings and equipment to NGOs. The shared commitment will reduce the amount of products and materials going to landfill, whilst supporting the work of our charity and NGO partners in the local communities, including workforce development and hospitality skills training programmes. Piloted in 2018, the programme will roll out in 2019.



Sustainable hotel solutions

We encourage our hotels to use sustainable products and to source goods and services locally wherever possible.

In line with our sustainability solutions, we want to futureproof our supply chain by assessing the products we use the most throughout our business. This work includes setting out a strategy to reduce our waste impact, whilst looking for the sustainable solutions of the future which have a smaller environmental footprint.

Carpets

We have been working with our supplier Ege carpets to trial carpets using a yarn produced from recycled plastic bottles and fishing nets. In 2018, we ran a trial of the carpets in eight of our Europe-based hotels, using four tonnes of 100% recycled yarn and we hope to increase the offering to more properties in 2019.

Filtered water

We have been rolling out an initiative to allow our hotels to remove plastic water bottles from meetings and events, in favour of reusable glass bottles. In the summer of 2018 in the UK and Ireland, we piloted the EcoPure Waters' filtered water system to provide an alternative solution to plastic bottles. Of the 27 hotels that took part in the pilot, the indication is that each month they are filling 1,400 750ml water bottles in meeting and catering areas. We will be encouraging more of our hotel estate to adopt the system in future.

Food and beverage

Our restaurants and bars are an integral part of the service and experience we offer to our guests. With a wide variety of dining options available across our hotel brands, we are focused on sourcing our produce sustainably and ethically, meeting our guests' expectations.

By 2020, we are committed to 90% of our top seafood products being sustainably sourced. Included in this commitment is the prohibition of shark fin being served in our hotel bars and restaurants. We have also committed to sourcing 100% cage-free eggs throughout our US, Canadian and European hotels by no later than 2022, and across all our hotels globally by 2025.

VOCO™

AN IHG® HOTEL

Voco sustainable bedding

As part of our commitment to increasing our spend with green suppliers, in 2018 we started to source bedding for our voco™ hotels from Trendsetter, a supplier which has a commitment towards the environment and ethical responsibility. They provide filled goods such as pillows and duvets that have 100% recycled plastic filling. As a voco brand standard in the launch of our first three voco hotels, we have already diverted more than 140,000 plastic bottles from landfill and the factory's energy usage is from 100% certified renewable sources.



IHG Green Engage system

Providing our hotels with the tools they need to operate in environmentally-friendly ways through our Group-wide, online sustainability platform.

IHG Green Engage provides our hotels with more than 200 Green Solutions, helping them manage and report their use of energy, carbon, water and waste, and minimise their overall utility costs and environmental impact. We make it a global standard for all hotels to utilise the platform and we recognise their progress through four levels of certification.

The system works to:

- Provide hotels with action plans and targets to reduce their impact on the environment.
- Set and track property-specific reduction goals for carbon, energy, water and waste, and demonstrate potential cost savings associated with a plan.
- Use data to provide customised environmental performance benchmarking, taking into account hotel location, brand and outfitting.
- Feed a hotel's IHG Green Engage system certification status to our booking channels to allow guests to make more informed decisions about where they stay.

To ensure the quality of participation in the IHG Green Engage system, hotels that reach any level of certification undergo a third-party assurance process, administered by Deloitte. In addition, our environmental performance data is independently verified through Lloyd's Register Quality Assurance (LRQA), in accordance with ISO14064 - 3:2006.

We work with third parties to align the IHG Green Engage system to their requirements, and through the platform, and many of our hotels pursue additional third-party certification, including TripAdvisor's GreenLeaders, Green Globe and Green Key Global.

Supporting travel buyers

We know that sustainability is important to our corporate clients. Every year, more travel buyers ask for information about the environmental footprint of our hotels, so that they can make more sustainable choices in their travel procurement. In 2018, almost 60% of our business accounts asked for this information, such as carbon footprint and waste diversion rates, using the Global Business Travel Association (GBTA) corporate responsibility module.

We have continually enhanced our ability to inform travel buyers. The IHG Green Engage system automatically reports this information about each of our hotels to corporate clients that ask for it. We report our environmental performance data to EcoVadis and the CDP Supply Chain programme for Carbon and water. We also report to the RobecoSAM of which we are the industry leader on the Dow Jones Sustainability Index.



A Greener Stay

Guests staying in our hotels for more than one night can elect to participate in A Greener Stay, a programme where guests can opt out of housekeeping services in return for IHG® Rewards Club points. As a result of this initiative, guests are encouraged to make more environmentally conscious decisions when travelling. The programme helps hotels to take action towards reducing their environmental footprint with less water and energy needed and a reduction in waste.

