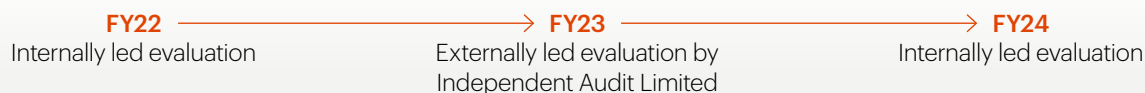


Board effectiveness evaluation

In line with best practice, the performance and effectiveness of the Board and its Committees are carefully reviewed each year through a formal evaluation process, which is traditionally facilitated externally every three years. An external evaluation was completed in 2023. In 2024, an internal evaluation was undertaken.



Evaluation process

Board members were asked to consider the Board's overall effectiveness by completing an internal questionnaire, which focused on the following areas:

- progress in implementing agreed action items from the 2023 effectiveness review;
- Board composition, including knowledge, experience and competencies, and succession planning;
- Board dynamics and information flow from management to the Board;
- engagement between the Board and management; and
- Board leadership and strategic focus.

Results of Governance Review

Strengths:

1. The responses of Board members to the questionnaire were largely favourable in relation to all areas of the Board's operation.
2. The Board's engagement with management continues to be robust and effective, with the right level of support and challenge being brought by the Board.
3. Board members commented positively on overall Board dynamics and discussion, indicating that reporting from Management continues to be well prepared and transparent and that the Board has kept sufficient focus on IHG's long-term strategy.
4. The Board continues to be effective in safeguarding the governance, reputation, viability and future value of IHG.



Areas of focus for the year ahead:

1. Continued focus on long-term strategy: need to continue balancing short-term and long-term objectives, in particular in the context of an increasingly competitive landscape, complex geopolitical and economic factors, technology opportunities and challenges, and evolving environmental, social and governance trends.
2. Evolving Customer Needs and Industry Trends: maintain its focus on industry trends, whilst further focusing on consumer trends and brand performance and employee culture to remain competitive.
3. Board Composition & Succession Planning: good progress had been made in relation to executive succession planning, which should continue to be a focus for 2025.

Board Committees

Each of the Board's Committees were evaluated as part of the broader evaluation process. The internal evaluation process also assessed the effectiveness and support provided by and to the Board Committees.

Through the process, it was confirmed that the Committees have the necessary attributes to support their effective operation and that they are well integrated into the Board decision-making processes.

Each of the Committees reviewed the findings and agreed the respective actions with consideration of the overall Board findings where they were deemed relevant to the Committee's work. Further details are set out in each Committee Report on pages 129, 134, 137 and 154.

Performance evaluation of Directors

In addition to the internal Board evaluation process outlined above, the SID led the individual performance of the Non-Executive Directors and carried out one-to-one meetings with each of them, focusing on their contribution to the Board and Principal Committees and engagement with fellow Directors, taking into account their relevant skills, knowledge and experience. Particular points of note were shared with the individual Directors and, following a final discussion and feedback session between the Chair and the SID, it was concluded that the Directors perform their duties independently and effectively and that they dedicate sufficient time to discharge their Board responsibilities.

The performance assessment of the Chair was also led by the SID. The evaluation focused on:

- overall leadership of the Board;
- the Board's culture and the Chair's ability to facilitate constructive Board relations; and
- managing the Board in accordance with high standards of corporate governance.

The CEO evaluation was led by the Chair, who collected feedback to a series of questions from the Non-Executive Directors.

Key areas of focus included:

- the Group's performance and impact of the CEO;
- the relationship and ability to work collaboratively and transparently with the Board;
- delivery of the Group's growth agenda;
- regard for community and the environment;
- building talent and organisational capabilities; and
- progress in relation to IHG's 2024 plan and future strategic priorities.