

## Chief Executive Officer's review

# Accelerating growth, achieving potential



“I am incredibly proud of our accomplishments and ability to capture travel demand across geographies, chain scales and stay occasions through an unwavering commitment to care, quality and trust that underpins our purpose to provide True Hospitality for Good.”

**Elie Maalouf**  
Chief Executive Officer

This year we have accelerated the growth of our brands, deepened owner and guest relationships, made significant strategic progress and delivered strong financial performance. Through these achievements, we've collectively propelled the business to several growth milestones, including surpassing one million open rooms globally.

I am incredibly proud of our accomplishments and ability to capture travel demand across geographies, chain scales and stay occasions through an unwavering commitment to care, quality and trust that underpins our purpose to provide True Hospitality for Good.

Global RevPAR was up +1.5% year-on-year, despite some turbulent trading conditions. In the Americas, RevPAR was up +0.3%, with US RevPAR -0.1%.

In EMEAA, RevPAR grew +4.6%, driven by particularly strong performances in Continental Europe, East Asia & Pacific and the Middle East. In Greater China, RevPAR was down -1.6%, however, the region returned to growth in Q4.

This performance, coupled with fee margin growth and disciplined cost management, helped drive operating profit up 15% year-on-year to \$1,198m. Operating profit from reportable segments rose 13% to \$1,265m. Basic EPS was 490.9 cents, while adjusted EPS grew 16%, ahead of our target of 12%-15% average annual growth over the medium to long term. We also returned more than \$1.1bn to shareholders through ordinary dividend payments and a \$900m share buyback programme, and a new \$950m share buyback programme has been approved for 2026.

Owner confidence in our brands and powerful enterprise led to the opening of 443 hotels – a record number – which contributed to adjusted net system size growth of 4.7%<sup>a</sup>. We signed a further 694, taking our development pipeline to 2,292 hotels, which represents future system size growth of 33%.

### Strategic progress

Our performance is driven by investment in our brands and the enterprise that supports them. We continued to invest in our established brands, with our Holiday Inn Brand Family generating 35% of openings and signings in 2025. A transformed presence in Luxury & Lifestyle in recent years means these brands now represent 14% of our system size and 22% of our pipeline. Among key openings in 2025 were Kimpton Naluria Kuala Lumpur – the brand's first in Malaysia – InterContinental®

a. Net system size growth of 4.7% after adjusting for the impact of removing 7,092 rooms previously affiliated with The Venetian Resort Las Vegas in January 2025. Net system size growth of 4.0% on a reported basis.

Presidente Monterrey in Mexico and Ciel Dubai Marina, Vignette Collection in the United Arab Emirates – the world's tallest hotel.

In 2025 we also met growing guest and owner demand in the premium segment with the acquisition of urban lifestyle brand Ruby to strengthen our presence in popular city destinations, and began 2026 with the launch of Noted Collection, a new premium collection brand.

These two additions join a stable of newer brands already gaining traction in key markets globally. This includes premium conversion brand voco, which has reached more than 100 open hotels in just seven years since launch; midscale conversion brand Garner, which has grown to 166 open and pipeline hotels across 12 countries in just over two years and is IHG's fastest-ever scaling of a brand globally; and Atwell Suites, which expanded from the US into Greater China in 2025. Collectively, our 10 newer brands now account for 10% of total current system size and 22% of the pipeline, underlining their future growth potential.

Our leading IHG One Rewards loyalty programme is a critical component of our wider enterprise. Enrolments increased by 25% in 2025, helping grow membership to more than 160 million, with Reward Night redemptions up 9% year-on-year as members increasingly engage with and receive value from IHG One Rewards. The programme also played a key role in elevating awareness of our IHG Hotels & Resorts masterbrand, supported by our strategic partnerships with sporting events and other leading brands, the growth of our US co-brand credit card customer base, and the expansion of the latest instalment in our Guest How You Guest global marketing campaign.

## The role of technology

Our leading suite of technology continues to strengthen how owners promote their hotels, optimise operations and engage with guests. Nine million mobile app downloads were made in 2025, fuelled by improvements to drive direct bookings and loyalty engagement. We made significant progress working with third-party suppliers on our cloud-based platforms: our Guest Reservation System is helping maximise guest choice and owner value across our global estate; an AI-powered revenue management

system is incorporating leading forecasting tools to drive top-line revenue in every eligible IHG hotel globally; and new cloud-based property management systems are rolling out globally to deliver fast, efficient enhancements to hotels.

We also began work on a new customer relationship management platform to strengthen customer acquisition and deepen loyalty with our guests, and a new digital content platform to support owners in showcasing their hotels more effectively in an increasingly AI-driven world. We are embedding AI across our technology eco-system to elevate guest experiences, customer acquisition and hotel performance, while at the same time driving efficiencies across the business.

Collectively, our strategic progress led to 83% of room revenue at hotels in our system being booked through IHG-managed channels and sources, demonstrating our growing ability to provide owners with higher value customers at a lower cost of acquisition.

Controlling costs is a core part of the value we provide owners and we collaborate closely to reduce the cost to build, open and operate our hotels, while at the same time working with trade bodies and governments on behalf of owners to secure policy support for their businesses and the wider hospitality and travel industry.

## Growing responsibly

As we operate and grow our business, we do so responsibly for our people and the world around us. Whether in our hotels or offices, our inclusive, welcoming culture is central to our progress, and we took further steps in 2025 to attract and retain the talent we need to succeed globally and work with partners to create opportunities and skills building for all.

In our communities, we provided support in times of natural disaster, created job opportunities, and have helped combat food insecurity for more than five million people since the 2024 launch of our partnership with Action Against Hunger, alongside giving back to thousands more during our annual Giving for Good month. We also continued to test, learn, and share findings on sustainability measures by expanding our industry-first Low Carbon Pioneers programme, and took further action to reduce emissions, water usage and waste through new technology, updated brand standards and hotel guidance.

Through work to improve the efficiency of our hotels, we achieved double-digit reductions in both emissions and energy per available room compared with a 2019 baseline. However, as set out during the year, the lack of sufficient clean energy infrastructure in our markets, alongside our successful opening of more hotels, means that total carbon emissions have increased overall since 2019. Looking ahead to 2026, we will refresh elements of our Journey to Tomorrow responsible business plan. This will be an important step towards strengthening our ability to navigate varied and complex energy infrastructure and regulatory landscapes across our global markets, and further drive impact in the programme's priority areas.

Among my many highlights of 2025 was spending time with guests, owners, colleagues and investors in different markets – from the US, China and Germany to Japan, Saudi Arabia, the United Arab Emirates and Singapore – seeing and hearing how the exceptional work we are doing is driving economic development, hotel performance, brand growth and further trust in IHG. Our partnership with owners is the foundation of our progress and I was inspired to see how closely we work together to achieve outstanding guest experiences, with year-on-year improvement in Guest Love and outperformance versus key competitors in all three regions in the external Guest Satisfaction Index.

We are generating considerable momentum across the business, and have plenty to look forward to in 2026 and beyond, fuelled by continued execution of our strategy and strong industry growth drivers. Oxford Economics forecasts the number of global hotel room nights consumed to grow annually at an average rate of +3.6% through to 2035, with new room supply globally projected to continue its healthy growth.

I would like to thank our Board for its support throughout 2025, our talented and dedicated colleagues for bringing True Hospitality to so many new destinations around the world, and our owners for their continued partnership. I look forward to driving further success together.



**Elie Maalouf**  
Chief Executive Officer