The past year was packed with landmark moments: we opened a record number of hotels, surpassed one million open rooms, launched new technology and added another brand to our portfolio.

It was also one of elevating guest experiences, deepening support for colleagues, extending care across our communities and making our hotels more sustainable to ensure 2025 was about…

more than milestones

InterContinental Bora Bora Le Moana Resort, Bora Bora, French Polynesia.

Chair's statement

Celebrating progress, shaping what's next

"During my time spent with our many stakeholders in 2025, I heard first-hand about the impact of our work and can see how this translates into a strong track record of trust and long-term value creation for investors and all other IHG stakeholders."

Deanna Oppenheimer
Non-Executive Chair

Important strategic progress was made in 2025, with the power of IHG® Hotels & Resorts' global scale, resilient business model and talented colleagues driving a strong financial performance, system size growth and further enterprise-wide enhancements.

These achievements, made against the backdrop of a challenging economic and geopolitical environment, underline the success of IHG's long-standing strategy to develop a broad portfolio of distinct brands that deliver great guest experiences and strong owner returns, allied to a resilient, asset-light, fee-based, predominantly franchised business model. This approach forms a strong base from which to build global scale, attract millions of guests, form enduring relationships with thousands of owners, and continually invest in core aspects of our offer.

Importantly, it is a model that is highly cash generative and enables reinvestment in critical areas. This has further strengthened IHG in 2025, enhancing performance, efficiency, competitiveness and growth, alongside creating surplus funds to return to shareholders. This includes elevating the quality and operation of existing brands, such as our Holiday Inn® Brand Family, and meeting the evolving needs of guests and owners with the acquisition of Ruby™ and the development of Noted Collection™, our new premium collection brand, which we recently launched to build on the successes of our other collection and conversion brands. The ability to properly harness transformational technological change is also essential in driving competitive advantage and remains a key focus in our efforts to deliver richer guest experiences and stronger owner returns.

Critical to our progress is close collaboration and regular dialogue throughout the year with our thousands of owners and through the IHG Owners Association.

As we grow, we place great importance on ensuring we do so sustainably, reflecting our values as a business and those of our stakeholders. I was pleased to see further progress made during the year on our Journey to Tomorrow responsible business plan, guided by our purpose of providing True Hospitality for Good – a commitment to care for our people and the world around us that helps ensure our hotels not only bring prosperity to thousands of communities but also care where it is needed most. Equally, it is also important we acknowledge areas where we can drive even greater impact, and we will be reviewing and updating our plans and approach in 2026.

Colleague engagement

IHG's overall progress is a testament to the in-depth, shared understanding colleagues have of the Company's strategic direction and focus areas, which was reflected in various feedback forums, including the work of our designated Voice of the Employee Non-Executive Director and IHG's Colleague HeartBeat survey.

I saw the impact of this alignment throughout the year, including when visiting Dubai in the United Arab Emirates, where the Board and I toured several of IHG's world-class properties, and assessed plans to capitalise on the wider region's significant growth opportunities. This is echoed across high-value markets globally and during my time spent with our many stakeholders in 2025, I heard first-hand about the impact of our work and can see how this translates into a strong track record of trust and long-term value creation for investors and all other IHG stakeholders. On behalf of the Board, I would like to congratulate Elie and his executive team for delivering success across so many fronts this year.

The role of the Board

Amid a shifting global landscape, strong governance is fundamental to the success of any business, as is the flexibility to adapt thinking and plans while progressing towards longer-term ambitions. The Board's role is to support and constructively challenge the Executive Committee on how we prioritise, manage risk, grow and generate future value. Focus areas in 2025 spanned brand growth; the effective and responsible use of artificial intelligence; in-depth analysis of our operations and performance across our three regions; talent attraction and Company culture; and our approach to cybersecurity risk management, including assessing threats and recovery plans.

A key aspect of my role as Chair is to encourage the Board's ongoing development and to oversee changes that bring new expertise and insights, reflecting the evolving nature of the business and stakeholder expectations. During the year, we appointed Nicholas Cadbury as Non-Executive Director, who will join the Board on 1 March 2026. Nicholas brings extensive experience in global hospitality and the travel sector, alongside expertise in finance, technology, sustainability and commercial property.

125.9¢

Final dividend proposed for 2025 (2024: 114.4¢).

184.5¢

Total dividend proposed for 2025 (2024: 167.6¢).

>$1.1bn

returned to shareholders through share buyback programme (completed in December 2025) and ordinary dividends.

$950m

share buyback programme approved for 2026.

As part of a sustained focus on talent within the business, IHG revised its Directors' Remuneration Policy during 2025 following a comprehensive review of arrangements for Executive Directors and other senior roles. This was a priority to help secure talent that has been highly effective in advancing strategic priorities and creating shareholder value. We undertook several rounds of shareholder consultation and carefully considered feedback before presenting resolutions for our report and revised policy at the 2025 AGM. We were pleased with shareholders' support of these resolutions, which provide a robust framework for attracting and retaining senior talent in the future.

We also announced one leadership change during the year, with Tejas Katre succeeding Wayne Hoare as Chief Human Resources Officer, following Wayne's retirement at the end of 2025. I would like to thank Wayne for his tremendous contribution, particularly for his role in enriching IHG's culture to position the Company for long-term success. I would also like to congratulate Tejas on his appointment. Succession planning and talent development have been hallmarks of IHG for many years and Tejas brings substantial experience to the role, including a strong track record of excellent results during his eight years with IHG in global and EMEAA-based HR positions.

Shareholder returns

Following a strong financial performance this year, I am pleased to announce the Board is recommending a final dividend of 125.9 cents per ordinary share, an increase of 10% on the final dividend for 2024. An interim dividend of 58.6 cents was paid in October 2025, taking the total dividend for the year to 184.5 cents, representing a year-on-year increase of 10% for the fourth consecutive year. We continued our strong track record of delivering shareholder returns by successfully completing a $900m share buyback programme in December 2025, taking the total returns for the year to over $1.1bn. The Board has approved a further share buyback of $950m over the course of 2026, which will result in cumulative returns of more than $5bn over five years. The Board expects IHG's business model to continue its long-term track record of generating substantial capacity to enable investment plans that drive growth, fund a sustainably growing ordinary dividend, and return surplus capital to our shareholders.

Looking ahead, we must remain alive to a shifting global landscape shaped by macro-economic and geopolitical uncertainty and conflict in parts of the world. What remain unchanged, however, are the industry's long-term growth drivers, such as people's enduring desire to travel, rising GDP in emerging markets and increasing appetite for branded hotel players, all of which are contributing to record levels of travel. We have strategically positioned the business to capture this demand, with investment across our enterprise designed to drive both guest and owner preference for IHG and, in turn, the responsible growth of our brands in key markets and segments.

As ever, our success has been driven by dedicated, passionate colleagues throughout our hotels and offices, who put guests and owners at the heart of our plans. I would like to thank them for all their hard work and commitment and our owners for their continued confidence in IHG.

Deanna Oppenheimer
Non-Executive Chair

Our brands

A brand for everyone

A broad selection of brands and an estate of more than 6,900 hotels thoughtfully designed to meet the needs of a range of guests and owners globally.

Complementing our portfolio of established brands, we have launched or acquired 10 new brands in the past decade to increase the breadth of our offer across segments, from Essentials to Luxury & Lifestyle.

The breadth of our portfolio and strength of our wider enterprise allows us to meet growing demand for branded hotels and is accelerating our expansion in high-growth markets, as guests seek new experiences and owners look to use the advantages of our global scale and systems.

This demand includes increasing appetite for quicker-to-market conversions, which generated over 50% of all room openings in 2025, as independent owners seek fast access to IHG's scale and enterprise platform, including our digital channels, IHG One Rewards loyalty programme, hotel technology and IHG Hotels & Resorts masterbrand.

Illustrating the confidence owners have in IHG, in 2025 we opened a record 443 hotels and signed another 694 to take our pipeline to 2,292 properties.

InterContinental Indianapolis, US.

Our masterbrand and loyalty programme

IHG HOTELS & RESORTS

Our masterbrand is increasing the visibility and appeal of our brands and capturing demand for our hotels, with our strategy putting it in more places, more often. This includes our global Guest How You Guest marketing campaign, strategic partnerships and 'By IHG' brand endorsement – all of which combine to lift awareness and brand favourability.

+ More on pages 34 to 35.

IHG ONE REWARDS

Our IHG One Rewards loyalty programme is critical to our business and future growth. In 2025, the programme grew to over 160 million members, who booked 66% of all room nights globally.

+ More on pages 36 to 37.

Luxury & Lifestyle

Six Senses	Regent	InterContinental Hotels & Resorts	Vignette Collection	Kimpton	Hotel Indigo
27 open	11 open	242 open	31 open	85 open	191 open
39 pipeline	12 pipeline	104 pipeline	45 pipeline	69 pipeline	131 pipeline

Premium

voco	Ruby	Hualuxe Hotels and Resorts 華邑酒店及度假村	Crowne Plaza	EVEN
124 open	17 open	24 open	424 open	46 open
108 pipeline	19 pipeline	23 pipeline	154 pipeline	26 pipeline

Essentials

Holiday Inn	Holiday Inn Express	Garner	avid
1,247 open	3,292 open	89 open	87 open
295 pipeline	655 pipeline	77 pipeline	116 pipeline

Suites

Atwell Suites	Staybridge Suites	Holiday Inn Club Vacations	Candlewood Suites
9 open	350 open	26 open	423 open
56 pipeline	150 pipeline	— pipeline	194 pipeline

Exclusive Partners

Iberostar Beachfront Resorts
62 open
5 pipeline

2025 in review

Regent Hong Kong,
Tsim Sha Tsui, Hong Kong.

Financial performance

In 2025, we delivered a strong financial performance, with growth in revenue and operating profit supporting a solid increase in adjusted EPS, with over $1.1 billion returned to shareholders.

Global RevPAR[a]
+1.5%

2025	1.5%
2024	3.0%

Net system size growth
4.7%[c]

2025	4.7%[c]
2024	4.3%

Signings (rooms)
102,054

2025	102,054
2024	106,242

Total gross revenue in IHG's system[a]
$35.2bn

2025	$35.2bn
2024	$33.4bn

Total revenue
$5,189m

2025	$5,189m
2024	$4,923m

Revenue from reportable segments[b]
$2,468m

2025	$2,468m
2024	$2,312m

Operating profit
$1,198m

2025	$1,198m
2024	$1,041m

Operating profit from reportable segments[b]
$1,265m

2025	$1,265m
2024	$1,124m

Basic EPS
490.9¢

2025	490.9¢
2024	389.6¢

Adjusted EPS[a,b]
501.3¢

2025	501.3¢
2024	432.4¢

Total dividend for the year
184.5¢

2025	184.5¢
2024	167.6¢

Share buyback programme
$900m

2025	$900m
2024	$800m

Regional growth

We opened a record 443 hotels in the year and added a further 694 properties into our pipeline, reflecting the strength in owner demand for our world-class brand portfolio.

Americas
+ More on pages 96 to 97.

	2025	2024
Room openings	18,776	16,832
Room signings	26,626	26,552

EMEAA
+ More on page 100 to 101.

	2025	2024
Room openings	24,107	23,620
Room signings	43,409	50,275

Greater China
+ More on page 104 to 105.

	2025	2024
Room openings	22,195	18,665
Room signings	32,019	29,415

a. Definitions for key performance measures can be found in the use of key performance measures and Non-GAAP measures section, which can be found on pages 107 to 112.
b. Use of Non-GAAP measures: In addition to performance measures directly observable in the Group Financial Statements (IFRS measures), additional financial measures (described as Non-GAAP) are presented that are used internally by management as key measures to assess performance. Non-GAAP measures are either not defined under IFRS or are adjusted IFRS figures. Further explanation in relation to these measures can be found on pages 107 to 112, and reconciliations to IFRS figures, where they have been adjusted, are on pages 250 to 256.
c. 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.

2025 in review continued

Stakeholders

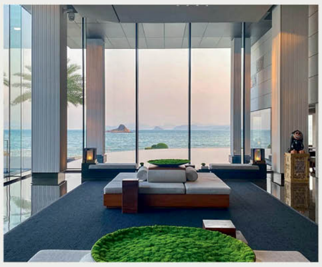
By investing in our iconic brands and our leading loyalty programme, while at the same time prioritising digital innovation and sustainability, we have continued to improve guest experiences, expand our portfolio, and deliver strong returns for our hotel owners and shareholders.

Shareholders and investors

+ More on page 126.

+16%

Adjusted EPS[b] growth.



- Total dividend payments of $270m and $900m share buyback programme completed, delivering combined returns of over $1.1bn.
- New $950m share buyback programme approved for 2026.
- Americas RevPAR growth +0.3%; EMEAA +4.6%; Greater China -1.6%.
- Reached 6,963 open hotels; adjusted net system growth +4.7%[a].
- Pipeline growth +4%.
- Operating profit of $1,198m and basic EPS of 490.9¢.
- Fee margin[b] 64.8%, up +3.6%pts, driven by positive operating leverage and step-ups in ancillary fee streams.

Hotel owners

+ More on pages 25 and 44.

83%

of room revenue booked through IHG-managed channels and sources, providing higher value customers at lower cost of acquisition.

- Expanded tech rollout to capture demand, drive revenue and optimise operations.
- Guest How You Guest marketing campaign and strategic partnerships helped achieve all-time high of IHG masterbrand awareness in the US.
- New brand prototypes and procurement solutions launched to drive revenue and reduce costs.
- Acquired Ruby, providing owners with a flexible city concept to grow with IHG.

Guests

+ More on page 44.

>160m

members for IHG One Rewards loyalty programme, with enrolments up 25% YOY.

- Year-on-year improvement in global Guest Love; outperformed key competitors on Guest Satisfaction Index in all three regions.
- Elevated guest experience through new destinations and AI-powered technology.
- New and continued loyalty partnerships and experiences.
- Enhanced award-winning mobile app, which achieved nine million downloads in the year.
- New features delivered through updated hotel designs, F&B and service.

People

+ More on page 45 and pages 62 to 67.

87%

employee engagement to maintain place in top quartile of employers.

- Enriched culture with greater focus on performance; enhanced colleague benefits.
- Strengthened learning and development offer through IHG® University.
- Named in the Fortune 100 Best Companies to Work For® 2025 list by Great Place To Work® and Fortune, reflecting our ongoing commitment to enhancing workplace culture and colleague benefits.

Communities and suppliers

+ More on page 45 and pages 68 to 69.

10.2m

lives improved since 2021 through our collective action and work with charity partners.

- Teamed up with charities to provide skills training and job opportunities through IHG® Academy.
- 40,000 colleagues supported work of more than 700 charities.
- Supported charities in relief and recovery efforts following 22 natural disasters.
- 5.4 million people supported through partnership with Action Against Hunger since 2024 launch.

Planet

+ More on pages 70 to 73.

18

hotel energy conservation measures now in place to increase energy efficiency and reduce costs for owners.

GREEN ENGAGE

- 10.2% reduction in energy per available room and a 11.0% reduction in carbon per available room compared with 2019 baseline. Total carbon emissions increased 7.7% over same period as system size grew significantly.
- Expanded Low Carbon Pioneers programme to help us test, learn and share findings on sustainability measures.
- Launched water conservation guidebook for hotels in Americas and EMEAA.

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.
b. Definitions for Non-GAAP measures can be found on pages 107 to 112. Reconciliations of these measures to the most directly comparable line items within the Group Financial Statements can be found on pages 250 to 256.

IHG opened a record 443 hotels in 2025 and signed 694 properties into its pipeline.

443

Regent Bali Canggu, Bali, Indonesia.

2025 in review continued

Holiday Inn Resort Ho Tram Beach, Xuyen Moc, Vietnam.

1

Thanks a million!

In 2025 we recognised a landmark moment for IHG: one million open rooms globally. But we didn't stop there. We opened more hotels than ever before, surpassing several milestones along the way, including 4,100 open hotels in the US, 800 in Greater China and 50 in India. Plus, we celebrated our 50th anniversary in Greater China and in Saudi Arabia.

2

Going above and beyond

Our dedicated hotel teams around the world deliver warm welcomes and magical memories every single day. Driving this success is our passion for delivering True Hospitality for Good, which was beautifully captured at the Hotel Indigo® Madrid – Gran Via when a guest discovered she had lost her purse on her return to the hotel following a day out. On hearing this, a member of the team drove several hours to retrace her steps, found it and quietly left it at the front desk for her to collect.

3

Brand new

Our acquisition of premium urban lifestyle brand Ruby in 2025 brought an exciting, distinct and high-quality offer for both guests and owners in popular city destinations. "This acquisition demonstrates our focus on building our presence in large, attractive industry segments and using our experience of integrating and growing brands and hotel portfolios," said Elie Maalouf, Chief Executive Officer, IHG Hotels & Resorts. "The urban micro space is a franchise-friendly model with attractive owner economics, and we see excellent opportunities to not only expand Ruby's strong European base but also rapidly take this exciting brand to the Americas and across Asia, as we have successfully done with previous brand acquisitions."

2025 in review continued

IHG has improved 10.2m lives since 2021 through its collective action and work with charity partners.

10.2m

4

Staying power

Fuelled by new partnerships, rewards and experiences, our IHG One Rewards loyalty programme keeps on growing. Fresh from winning five 2025 Global Traveler Awards, a 25% increase in enrolments pushed membership beyond 160 million, with members now booking 66% of all room nights.

5

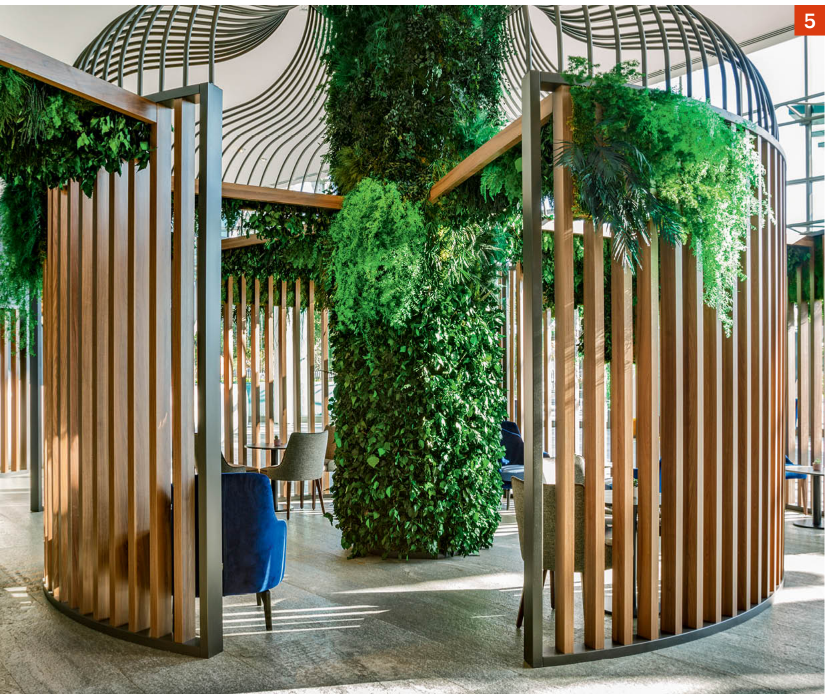
Caring for our people and the world around us

Looking after our people, communities and planet has been at the heart of what we do for many years at IHG. In 2025, we enriched our inclusive culture and delivered improved colleague benefits; we have supported 5.4m people globally through our partnership with Action Against Hunger since its 2024 launch; and we added more properties to our industry-first Low Carbon Pioneers programme to help IHG test, learn and share findings on sustainability measures.

6

Game. Set. And masterbrand

Our IHG Hotels & Resorts brand continued to show up in more places, more often in 2025 through the expansion of our Guest How You Guest global marketing campaign, our simplified 'By IHG' brand endorsement, and partnerships with other leading brands and sporting events. This included being the official hotel and hotel loyalty programme of the US Open Tennis Championships for a seventh year, which helped achieve an all-time high of IHG masterbrand awareness in the US.



2025 in review continued

7

Game-changing tech

Our powerful suite of technology is deepening loyalty to our brands and sharpening our competitive edge. We are driving advantages from artificial intelligence (AI) across our entire enterprise, including improved guest experiences, customer acquisition and hotel performance. Examples of this include our revenue management system incorporating data science, machine learning and forecasting tools to deliver advanced insights and recommendations along with enhancements to our IHG One Rewards mobile app that are unlocking the full power of our loyalty programme in fresh ways.

8

That winning feeling

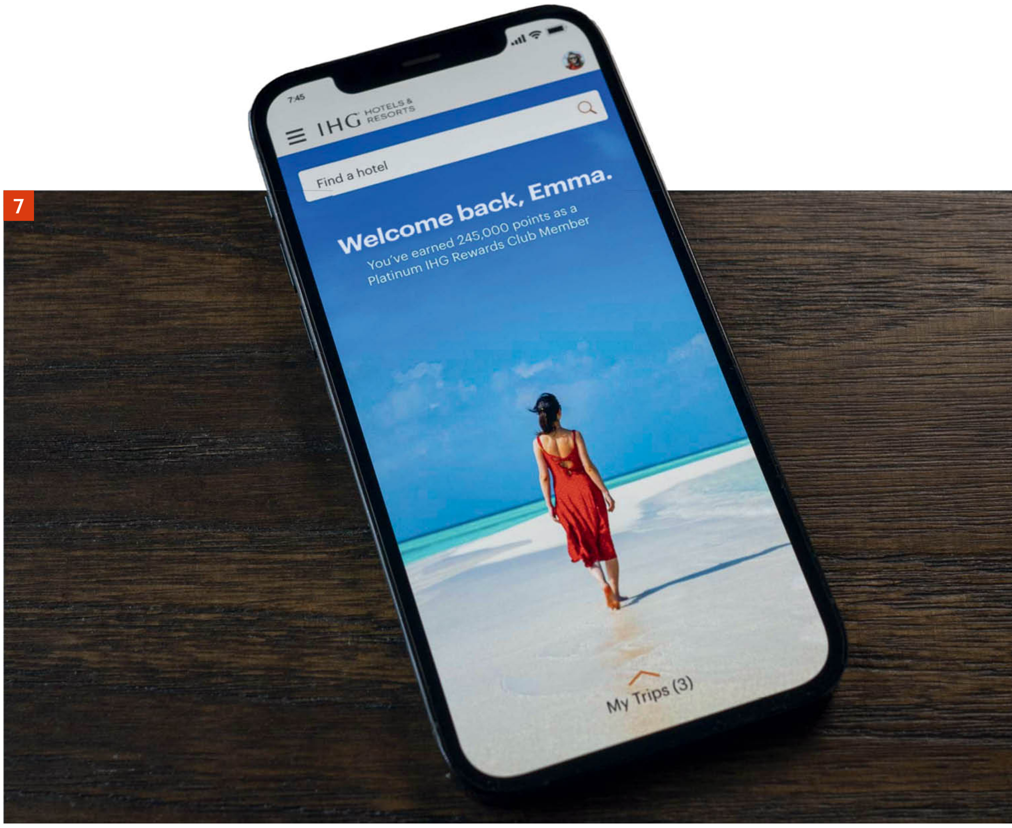
The investment, quality and trust placed in our brands again resulted in an award-winning year in 2025. Among the many highlights were Holiday Inn being recognised by Time magazine as one of the World's Best Brands and voco hotels™ being voted World's Leading Premium Hotel Brand at the 2025 World Travel Awards. Our strong reputation in Luxury & Lifestyle was reflected in dozens of accolades across individual properties and brands, including Regent® being ranked among Travel + Leisure's Most Loved Hotel Brands. Bravo!

9

Reaching new markets

Global demand for our brands continued to grow at pace in 2025, with 32 country debuts for individual IHG brands. These included Garner™ in Mexico, Atwell Suites™ in Greater China and Kimpton® Hotels & Restaurants reaching Germany and Portugal for the first time.

7



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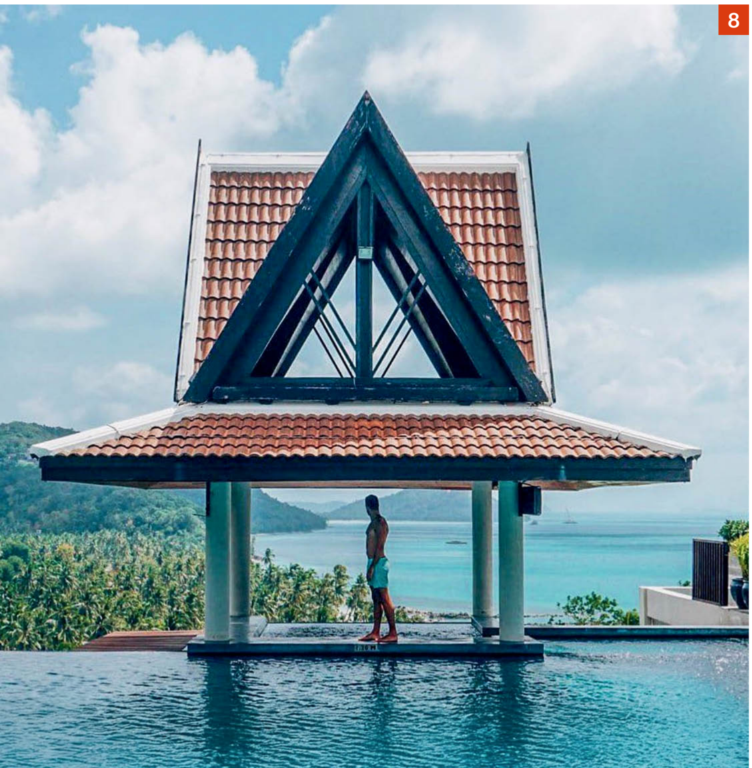

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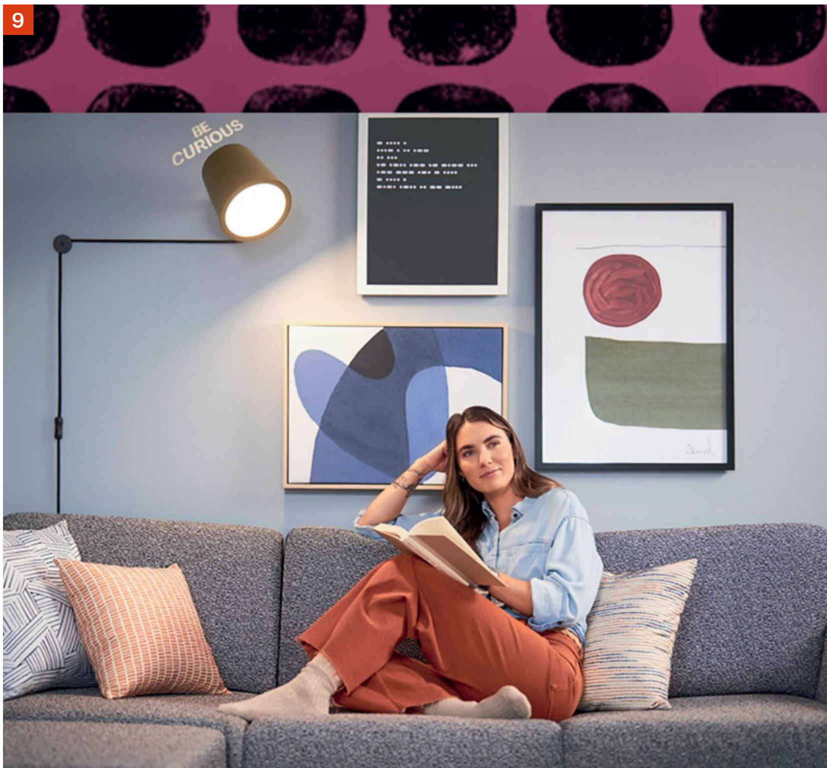


Kimpton Atlantico Algarve, Portugal.

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%[a]. 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

Industry overview

A strong and resilient sector full of opportunity

We operate in an industry with high growth potential, underpinned by strong long-term fundamentals.

The global hotel industry remains poised for long-term growth, supported by stable employment markets, robust levels of business activity and resilient leisure demand. While in some countries geopolitical risk and the economic outlook present uncertainties, the overall environment is one that is supportive to the industry.

The $750 billion hotel industry has compelling structural growth drivers, underpinned by factors including the inherent needs and desires to travel for business and leisure purposes, and an expanding middle class in emerging markets with increasing disposable incomes. Travel continues to be an area of resilient discretionary spending by consumers, while demand for business travel remains robust. Easing inflationary pressures and the turn in the interest rate cycle over the past 12 months has supported robust levels of business activity and economic growth.

In what is a relatively fragmented sector, with 57% of rooms affiliated with a global or regional chain, competitor pressure in the branded space remains intense, as all major players pursue growth strategies through a combination of organic growth, partnership arrangements and acquisitions.

Branded hotel penetration has steadily increased as a long-term trend, with this expected to continue to grow as consumers look to trusted brands to meet their evolving expectations, particularly when it comes to state-of-the-art technology and the skills, scale and resources required to provide enjoyable, effective and sustainable stays. Hotels affiliated with a major global brand and enterprise system also tend to generate higher owner returns.

There remains a long-term need for new hotel supply to satisfy the demand drivers previously mentioned. Global hotel room net new supply increased at a CAGR of 2.3% over the 10 years from 2015 to 2025, with industry forecasts showing a similar rate in the years beyond.

Cost remains a significant barrier to building a scale position in the global hotel industry, whether that's due to investment to build and maintain the properties, establishing strong loyalty programmes and technology platforms, or developing and marketing leading brands.

The hotel industry is cyclical: long-term fluctuations in RevPAR tend to reflect the interplay between industry demand, supply and the macro-economic environment. At a local level, political and economic factors, as well as those such as terrorism, oil market conditions and significant weather events, can also impact demand and supply. While the potential for macro-economic challenges from factors such as lingering inflation, international trade barriers and geopolitical flashpoints create some ongoing uncertainty going into 2026, the attractive industry fundamentals that led to the sector outpacing global economic growth in 19 out of 26 years between 2000 and 2025 remain firmly in place for the long term.

As a global business, with a footprint in more than 100 countries, operating in the midst of change and uncertainty is something IHG is very used to, and one of our greatest strengths. Our strategy of developing a strong brand portfolio that is diversified by geography, brand segment and fee-based income streams, and powered by a strong loyalty programme, means IHG is well positioned to remain resilient through varying economic cycles.

The hotel industry has long-term growth drivers...

1.6%

US disposable personal income grew on average by 1.6% per annum between 2000 and 2025

Source: Federal Reserve Economic Data (FRED)

$62tn

The global consumer class spent an estimated $62tn in 2025, with this expected to increase to $80tn by 2030

Source: World Data Lab

2.3%

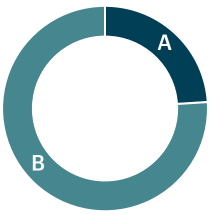
Global hotel room net new supply grew 2.3% per annum between 2015 and 2025

Source: STR

with significant barriers to entry...

The top five hotel groups[a] have almost a quarter of market share

Share of top five branded hotel groups as % of global rooms supply



A Top five: 24%

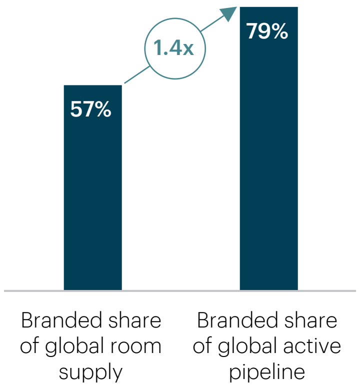
B Smaller brand groups and independents: 76%

a. Includes IHG, Marriott International, Inc., Hilton Worldwide Holdings Inc., Wyndham Hotels & Resorts Inc., Accor S.A.

Source: STR

Share expected to further expand

Branded share of global industry supply and share of global industry active pipeline



Source: STR

Consumers value loyalty membership, which requires a large-scale enterprise to deliver

79%

of consumers are more likely to recommend brands with good loyalty programmes

Source: Bond, in partnership with Visa

85%

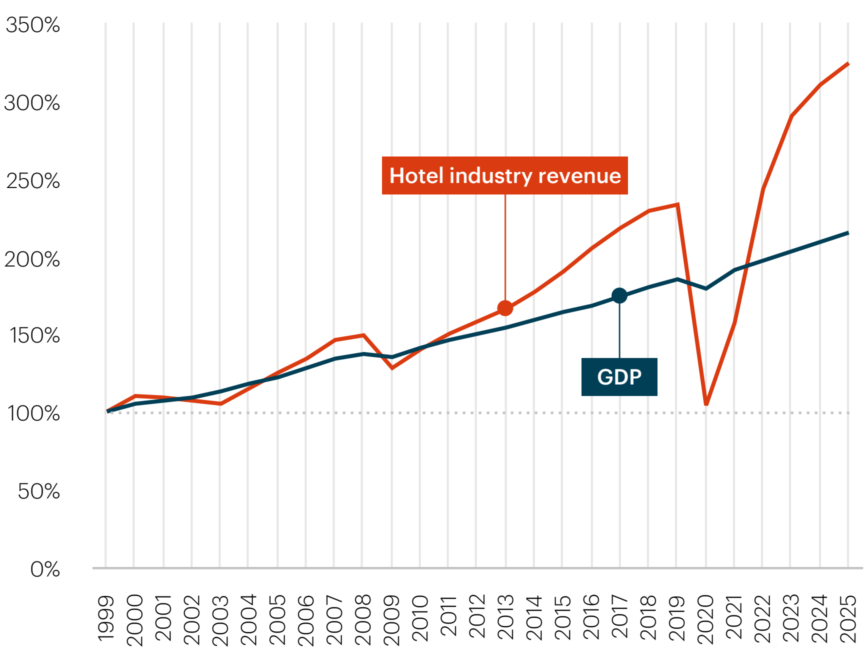
of consumers are more likely to use a brand if they are members of its loyalty programme

Source: Bond, in partnership with Visa

and a track record of growth.

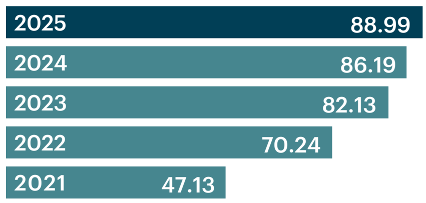
Global hotel revenues have continued to outpace GDP growth

Global industry revenue vs global GDP, indexed to 1999



Global industry RevPAR ($)

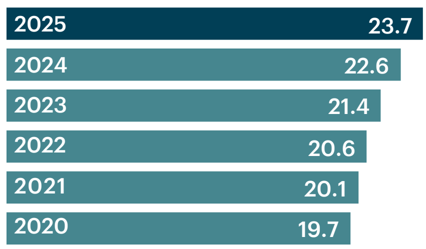
RevPAR movements are illustrative of lodging demand



Source: STR

Global rooms supply (m rooms)

Supply growth further reflects the attractiveness of the hotel industry



Source: STR

Trends shaping our industry

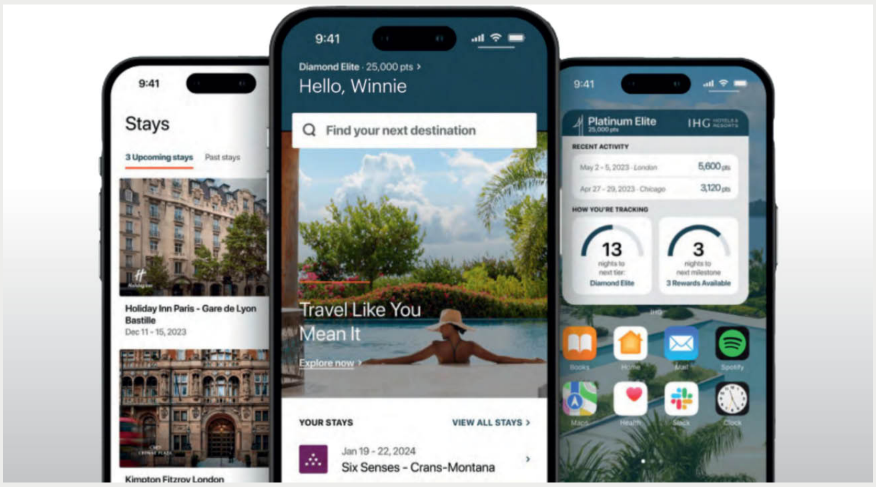
Continuing to evolve and adapt

The travel and tourism industry continues to demonstrate strong fundamentals.

Despite the current backdrop of macro-economic uncertainty, intent to travel remains high.

Continued technological advancement in AI is changing consumer behaviours and expectations, and transforming operations across the hospitality landscape. Meanwhile, the growing attractiveness and potential of Asian and Middle Eastern markets, alongside the emergence of experience-driven consumers, is redefining global travel demand.

AI transforming travel



Artificial intelligence is driving significant transformation across the hospitality sector. AI technologies are redefining the end-to-end travel purchase journey and enhancing the operational capabilities of accommodation providers.

Generative AI is providing inspiration to a broad range of travellers, gaining particular traction among younger travellers and those in Asia. Meanwhile, advanced solutions such as AI-powered smart search and integrated trip-planning platforms are redefining how guests research, book and experience travel.

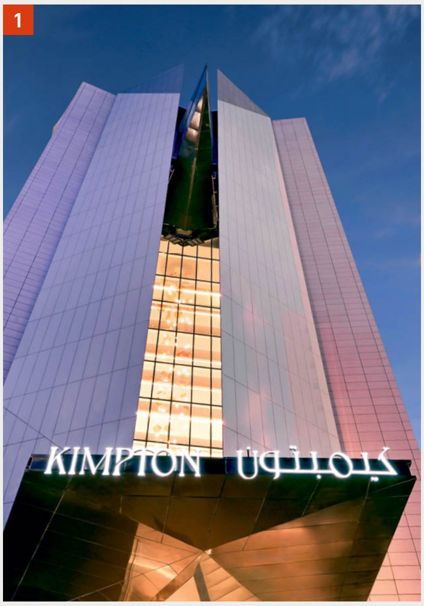
Accommodation providers are also unlocking new capabilities through embedding AI into their core systems, often in collaboration with specialist partners, to remain at the forefront of technological progress. Predictive analytics are optimising pricing and staffing models, providing hotels with improved clarity in anticipating occupancy and demand shifts.

On the guest-facing side, advanced language models are transforming customer service, including assisting with guest queries and supporting multilingual content translation.

Our responses include:

- Embedding AI into core operating platforms, including:
  - deploying a new revenue management system that leverages AI to deliver advanced insights and recommendations to owners; and
  - developing an AI-enabled CRM platform to empower corporate and hotel teams with unified guest insights, and to enhance loyalty delivery.
- Leveraging AI to enable new content types, including building a new digital content platform to unlock additional capabilities for owners, such as AI-powered translations, expanded video capabilities, and accelerated content publishing across our digital channels.
- Developing AI-powered trip-planning capabilities in partnership with Google – a key step towards enabling a more elevated search experience on IHG's owned sites.

Accelerating growth in Asia and the Middle East

1


Asia Pacific and the Middle East are becoming increasingly significant contributors to the global travel market, with the economic development of countries such as China, India and Saudi Arabia driving higher travel demand.

Oxford Economics predicts that Asia Pacific and the Middle East will account for over 15 billion domestic and inbound nights by 2035 (up from 10 billion in 2025), representing 45% of global nights.

To address emerging demand, hotel companies must adapt to varied consumer preferences and behaviours, including varying travel motivations, the use of local planning sources, and purchases through local channels.

Loyalty programmes will need to be tailored to regional expectations, offering benefits and experiences that resonate with local customers, and are delivered in their native language.

Hotel stay product and formats also need to be carefully tailored to reflect local preferences and cultural expectations for domestic travellers. This includes adapting amenities, food and beverage offerings, and guest services to meet the unique needs of regional travellers. By aligning product features and service delivery with local tastes, hotel companies can enhance guest satisfaction and loyalty, ensuring their offerings resonate with both domestic and international visitors.

Our responses include:

- Expanding our presence in key future growth markets, including surpassing 50 open hotels in India, reaching 100 open and pipeline hotels in Saudi Arabia, and growing to more than 800 open hotels in China.
- Adapting to local booking preferences in key markets, such as partnering with Rakuten and launching the LINE mini app in Japan, to connect guests and IHG via preferred channels.
- Launching the next generation Holiday Inn Express® format in China to improve guest satisfaction and investment returns, alongside debuting lifestyle brand Atwell Suites in China.

1
Kimpton KAFD Riyadh, Saudi Arabia, which opened in August 2025, marking the debut of Kimpton in the Middle East.

The next stage of the experience economy

Consumers continue to place strong value on experiences, with younger generations leading this shift; approximately two-thirds of 18- to 35-year-olds report that live experiences are more fulfilling than purchasing items of equivalent value.

This trend is boosting experience-related travel archetypes, such as live-event-focused tourism, where trips are centred around activities such as concerts or sports fixtures, which reflect guests' interests, values and lifestyle.

Hotels are increasingly evolving from simply being a place to stay to becoming an integral component of the overall travel experience.

Brand portfolios are adapting to include more lifestyle-focused offerings catering to specific interests such as wellness, inter-generational family travel and live-event-driven stays. By broadening product offerings, accommodation providers can better meet the needs of experience-driven guests.

Loyalty programmes are increasingly capturing demand by offering members a curated selection of activities, in addition to core accommodation options. These platforms enable guests to earn and redeem points across a broader range of experiences, enhancing the overall value proposition and fostering deeper engagement with the brand.

2

Our responses include:

- Growing our Luxury & Lifestyle portfolio to six distinct brands, providing guests with a variety of authentic, experience-driven stays to suit their specific tastes.
- Scaling our estate in key cultural destinations around the world, providing a base for experience-driven guests travelling for sport, music or other occasions.
- Acquiring Ruby, expanding our estate with design-led lifestyle properties based in cultural hub locations across Europe, and growing the brand globally.
- Partnering with organisations such as the US Open Tennis and Six Nations Rugby to provide members with culturally relevant and personalised experiences.
- Launching 'Doors Unlocked by InterContinental' – a luxury programme across six InterContinental properties, offering curated insider experiences such as private Fashion Week events and VIP film screenings.
- Developing Six Senses destinations that combine crafted experiences, pioneering wellness programmes, and sensory led design to cater for growing demand for experiential luxury.

2
The Racquet Bar by IHG at the 2025 US Open Tennis Championships.

Our business model

What we do

We provide an enterprise platform for hotel owners to join the IHG system through a family of 20 hotel brands and IHG One Rewards, one of the world's largest hotel loyalty programmes. Our overall enterprise, including our brands and technology, meets clear guest needs and generates strong returns for our hotel owners. This in turn attracts further new-build hotel investment and existing hotels to convert to IHG's brands, which grows our system size. We predominantly franchise our brands and manage hotels on behalf of third-party hotel owners, with the decision largely driven by market maturity, segment complexity and owner preference.

The growth of our business relies on two fundamental drivers:

- **increasing revenue per available room (RevPAR); and**
- **expanding the number of rooms in our system.**

RevPAR indicates the value guests ascribe to a given hotel brand or market, and grows when they stay more often or pay higher prices. Room supply and the size of our system also reflect capturing structural growth drivers of increasing demand to travel and experience, as well as the attractiveness of the hotel industry, and IHG, as an investment opportunity from a hotel owner's perspective.

IHG is an asset-light business, with a focus on growing fee revenues and fee margins, which we can do with limited capital requirements. This enables us to grow and invest in our business while generating high returns on invested capital and strong cash flow.

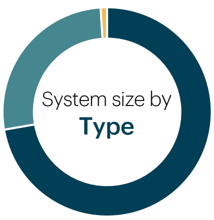
Hotels in the Essentials category tend to be franchised, while Luxury & Lifestyle hotels are predominantly managed. Our broad geographic spread and weighting towards essential business and domestic leisure drives comparative resilience during times of economic downturn.

We have made excellent progress in expanding our presence in the Luxury & Lifestyle segment, which generally generates higher fees per room. This category is currently 14% of IHG's system size and comprises 22% of the future growth pipeline.

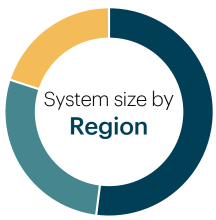
We do not employ colleagues in franchise hotels, nor do we control their day-to-day operations, policies or procedures. That being said, IHG and our franchise hotels are committed to delivering a consistent brand experience and conducting business responsibly and sustainably.

Total system size

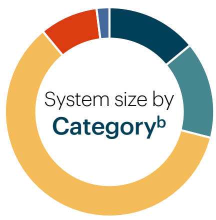
1,026,177 rooms



Franchised[a]	73%
Managed	27%
Owned & Leased	<1%



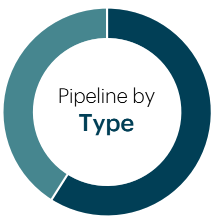
Americas	52%
EMEAA	28%
Greater China	20%



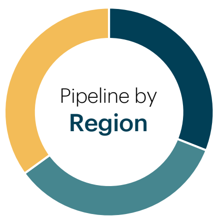
Luxury & Lifestyle	14%
Premium	15%
Essentials	60%
Suites	9%
Exclusive Partners	2%

Total development pipeline

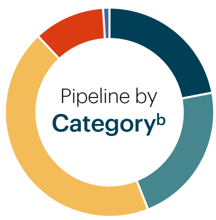
339,526 rooms



Franchised[a]	59%
Managed	41%
Owned & Leased	0%



Americas	31%
EMEAA	34%
Greater China	35%



Luxury & Lifestyle	22%
Premium	22%
Essentials	44%
Suites	11%
Exclusive Partners	1%

a. Includes Iberostar Beachfront Resorts, which joined IHG's system and pipeline as part of a long-term commercial agreement.

b. Adjusts for the small number of hotels currently categorised as 'Other' for example where these are prior to conversion).

How we generate revenue

As an asset-light business, revenue attributable to IHG is predominantly the fees charged to third-party hotel owners, rather than the entire revenue base of the hotels themselves. IHG also receives various ancillary fee streams.

In 2025, IHG's revenue from fee business was $1,897m (which generated an operating profit of $1,231m[a]). Revenue from the small number of owned & leased hotels, which is entirely attributable to IHG, was $544m in 2025 (generating an operating profit of $43m). Total revenue reported for IHG in 2025 was $5,189m, which additionally includes $1,717m of System Fund revenue, $1,004m of reimbursable revenue, and $27m of insurance activities revenue.

Third-party hotel owners pay...

Fees to IHG in relation to the licensing of our brands and, if applicable, hotel management services.

Franchised hotels

We receive franchise fees based upon a fixed percentage of rooms revenue when a guest stays at one of our hotels.

RevPAR X rooms X royalty rate

Managed hotels

We generate revenue through base management fees and incentive management fees.

Fixed % of total hotel revenue as a management fee, and typically a share of hotel gross operating profit after deduction of management fees

Exclusive Partners

We receive marketing, distribution, technology and other fees for providing access to our enterprise platform.

Fee streams similar to our asset-light model

The above fee streams drive the fee revenue that IHG recognises in its three reporting regions. Certain other fees paid by third-party hotel owners, such as technology fees, are additionally recognised in Central revenue.

Assessments and contributions that are collected for specific use within the System Fund, as well as reimbursable revenues.

System Fund

IHG manages a System Fund for the benefit of hotels within the IHG system and their third-party owners, who pay assessments into it for certain hotel services. This includes a marketing and reservation assessment and a loyalty assessment.

Revenue recognised by the System Fund also includes a portion of revenue on consumption of IHG One Rewards loyalty points. Given the significant scale of the System Fund, IHG can make substantial investments in marketing brands, creating a leading loyalty programme and developing powerful technology systems, thereby strengthening the whole IHG enterprise for the benefit of all our hotel owners.

The System Fund is not managed to surplus or deficit for IHG over the longer term, but for the benefit of hotels in the IHG system.

Reimbursable revenues

In a managed property, the Group typically acts as employer of the general manager and, in some cases, other employees at the hotel, and is entitled to reimbursement of these costs. The performance obligation is satisfied over time as the employees perform their duties, consistent with when reimbursement is received.

+ More on pages 185 and 186.

Ancillary fee streams

Aside from fees paid to IHG from third-party hotel owners, IHG also receives ancillary fee streams. These include fees related to co-branded credit cards, a portion of proceeds from the sale of loyalty points to consumers, and other fees related to branded residential properties. For more details, see page 28.

Owned & leased hotels

For the small number of hotels that we own or lease (representing less than 1% of our system size), we record the entire revenue and profit of the hotel in our financial statements.

a. Definitions for Non-GAAP revenue and operating profit measures can be found on pages 107 to 112. Reconciliations of these measures to the most directly comparable line items within the Group Financial Statements can be found on pages 250 to 256.

Our business model continued

How we drive operating profit

Our asset-light business model requires a limited increase in IHG's own operating expenditure to support our revenue growth, which delivers operating profit and fee margin growth.

The benefit of operational efficiencies, along with brands and markets becoming more mature, supported fee margin expansion that averaged around 130bps a year between 2009 and 2019 in total for IHG.

In 2025, our fee margin increased by 360bps, driven by operating leverage and our ongoing actions to drive cost efficiency, together with step-ups in ancillary fee streams. This was ahead of the 100–150bps average annual improvement that is expected on a medium- to long-term basis.

For franchised hotels, the flow-through of revenue to operating profit is higher than it is at managed hotels, given the fee model and our well-invested scale platform, where limited resources are required to support the addition of an incremental hotel.

This is most evident in our Americas region, where fee margins are the highest, reflecting our scale, and more than 90% of our hotels operating under our franchised model.

Across our managed hotels, the flow-through of revenue to profit can be slightly lower, given some additional operating expenditure on operations teams supporting the hotel network.

Our owned & leased hotels tend to have significantly lower margins than our fee business. This is because we not only record the entire revenue of the hotel, but also the entire cost base, which includes staff, supplies and maintenance costs of the hotel.

Fee margin by region

Americas

FY2025	83.4%
FY2024	81.2%
FY2023	82.2%

EMEAA

FY2025	67.4%
FY2024	65.3%
FY2023	60.5%

Greater China

FY2025	60.0%
FY2024	60.9%
FY2023	59.6%

Total IHG

FY2025	64.8%
FY2024	61.2%
FY2023	59.3%

Capital allocation

Our priorities for the uses of the cash flow that IHG generates are consistent with previous years and comprise three pillars:

1

Invest in the business to drive growth

We look to strategically drive growth, while maintaining strict control on investments and our day-to-day capital expenditures.

2

Target sustainable growth in the ordinary dividend

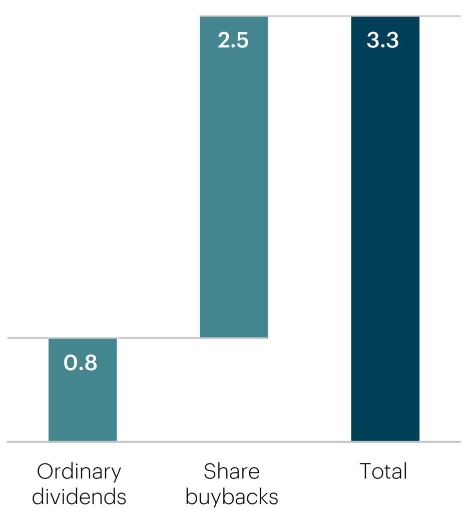
IHG has a dividend policy where we would look to grow the ordinary dividend each year, while balancing all our stakeholder interests and ensuring our long-term success.

3

Return surplus capital to shareholders

The Board expects our asset-light model to provide the opportunity to routinely return additional capital to shareholders such as through share buybacks.

Shareholder returns 2023–25 ($bn)



Capital expenditure

Spend incurred by IHG can be summarised as follows:

Type	What is it?	Recent examples
Key money and maintenance capital expenditure	Key money is expenditure used to access strategic opportunities, particularly in high-quality and sought-after locations, when returns are financially and/or strategically attractive. Maintenance capital expenditure is devoted to the maintenance of our systems and corporate offices, along with our owned & leased hotels.	Examples of key money include investments to secure representation for our brands in prime locations. Examples of maintenance spend include investment in corporate technology and software, as well as office refurbishment and maintenance. Across our owned & leased hotels, we invest in refurbishment of public spaces and guest rooms.
Recyclable investments to drive the growth of our brands and our expansion in priority markets	Recyclable investments are capital used to acquire real estate or investment through joint ventures, equity capital, or loans to facilitate third-party ownership of hotel assets. This expenditure is strategic to help build brand presence. We would look to divest these investments at an appropriate time and reinvest the proceeds across the business.	Examples include recyclable investments where we used our capital to develop initial properties for a previous new brand to showcase the concept, and we then subsequently sold the hotels and now operate them under franchise agreements. Other examples include the initial purchasing of sites or temporary investment in the partial financing of flagship hotels in key markets.
System Fund capital investments for strategic investment to drive growth at hotel level	The development of tools and systems that hotels use to drive performance. This is charged back to the System Fund over the life of the asset.	We continue to invest in a range of upgraded technology solutions, including the ongoing development of IHG's mobile app and IHG One Rewards loyalty evolution.

Dividend policy and shareholder returns

The Board consistently reviews the Group's approach to capital allocation and seeks to maintain an efficient balance sheet and investment grade credit rating.

IHG has an excellent track record of returning funds to shareholders through ordinary and special dividends, and share buybacks. The ordinary dividend paid to shareholders increased at an 11% CAGR between 2004 and 2019, and at a 10% CAGR after resuming dividend payments at the end of 2021.

Our asset-light business model is highly cash generative through the cycle and enables us to invest in our brands and strengthen our enterprise. When reviewing dividend recommendations, the Board looks to ensure that any recommendation does not harm the sustainable success of the Company and that there are sufficient distributable reserves to pay any recommended dividend. The Board assesses the Group's ability to pay a dividend bearing in mind its responsibilities to its stakeholders and its objective of maintaining an investment grade credit rating.

One of the measures we use to monitor this is net debt:adjusted EBITDA, where we aim for a ratio of 2.5–3.0x.

Surplus capital was returned via a $500m buyback programme announced in August 2022, a $750m programme announced in February 2023, an $800m programme announced in February 2024, and then a further $900m programme in 2025. The highly cash generative nature of our business model means we expect to have substantial ongoing capacity to return further surplus capital to shareholders, such as through share buybacks, as we look to maintain leverage within our target range.

The Board intends to continue sustainably growing the ordinary dividend and to typically pay dividends weighted approximately one-third to the interim and two-thirds to the final payment. In February 2025, IHG's Board proposed a final dividend of 114.4¢ in respect of 2024, representing growth of 10% on that for 2023.

The proposal was subsequently approved at the AGM and paid to shareholders on 14 May 2025.

In August 2025, IHG's Board declared an interim dividend of 58.6¢ per share, representing growth of 10% on 2024's interim dividend. This was paid to shareholders on 2 October 2025.

The Board is proposing a final dividend of 125.9¢ in respect of 2025, representing growth of 10% on that for 2024. The proposed total dividend for the year is therefore 184.5¢. Further, the Board has approved a share buyback programme for 2026 to return an additional $950m of surplus capital. Given expectations for growth and EBITDA in 2026, leverage is expected to remain within our target range of 2.5–3.0x.

Our business model continued

Driving ancillary fee streams

Ancillary fee streams further leverage the strength of IHG's brands and our powerful enterprise platform. As well as additional fee revenue, they typically flow through to operating profit at a high incremental margin, therefore contributing to overall fee margin accretion.

Loyalty points sales to consumers

Our loyalty programme, IHG One Rewards, allows members to earn points through qualifying stays and through third-party partnerships and programmes. Points revenue is generated through hotel assessments from qualifying stays, third-party points purchases to support partnership arrangements and points purchased by members. Further points revenue growth from selling loyalty points to consumers is expected in future years, driven by the growth in the attraction and scale of the IHG One Rewards programme. In 2025, the programme grew to over 160 million members who are responsible for 66% of room nights consumed globally.

Co-brand credit cards

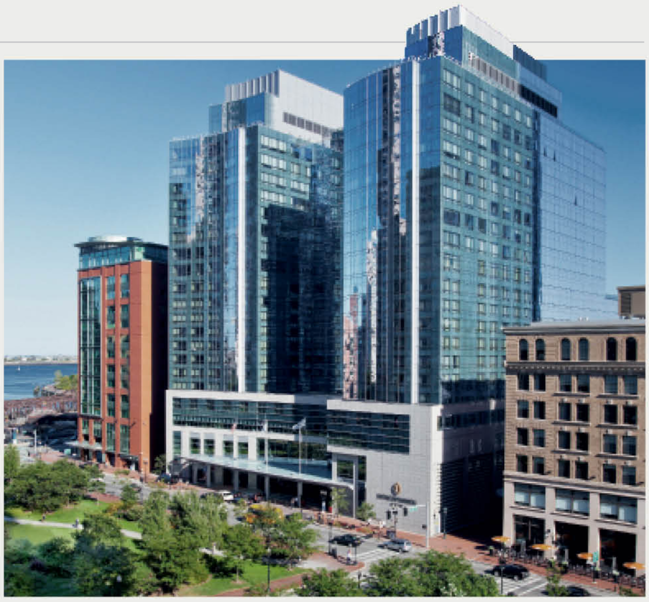
Co-brand credit cards drive further membership and loyalty to our IHG One Rewards programme, deepening guest relationships and delivering more business to our hotels. Co-brand credit card partners pay fees to IHG for:

- access to our loyalty programme and customer base and the rights to use IHG brands;
- arranging for the provision of future benefits to members who have earned points or free night certificates; and
- performing marketing services.

IHG One Rewards co-brand credit card holders stay even more frequently and spend more in IHG hotels. 2025 was a record-breaking year for new account applications; driving further growth in total card customers and total card spend.

Branded residential properties

A further example of driving ancillary fees through the strength of IHG's brands is their use to generate increased sales of residential property, typically alongside a hotel development with shared services and facilities. This industry segment has tripled in number of branded residential developments over the past decade. IHG has 30+ branded residential projects open or selling properties across 15+ countries, and more in the pipeline. Fees earned by IHG from branded residences increased in 2025, benefitting from strong sales at Six Senses® Dubai Marina, which have added to the success of the previously fully sold development at Six Senses The Palm, Dubai, and growth in this latest year also from the near-complete sale of residences at Six Senses, London.



Why hotel owners choose to work with IHG

Hotel owners choose to work with IHG because of the trust they have in our brands, the strength of our wider enterprise and our track record in delivering strong returns.

Strength of brands

A portfolio of brands across industry segments, designed to drive owner returns.

Technology

We work with third-party suppliers and invest in leading technology that makes the biggest difference to guests, owners and hotel teams, leveraging AI and cloud-based platforms to streamline operations and drive revenue.

Procurement

We use our scale to reduce costs for owners, with procurement programmes for hotel goods, services and renovations.

People

We are committed to creating a culture where everyone feels valued and can thrive, supported by a strong framework that attracts, develops and grows exceptional talent.

Sustainability tools and expertise

We have developed tools, training and programmes to support hotels and provide better data and insights to enable them to reduce their energy, waste and water consumption.

Strong loyalty programme and enterprise contribution

Our IHG One Rewards programme has more than 160 million members, helping drive direct bookings. In 2025, 83% of room revenue was booked through IHG-managed channels and sources.

Hotel lifecycle management and operations

We invest in technology, systems and processes to support performance, increase efficiencies and drive returns for our owners.

Global sales organisation

Our global sales enterprise drives higher quality, lower-cost revenue to our hotels.

Commercial engine

We invest in our digital platforms, data and analytics, revenue management, marketing and partnerships to provide guests with more choice and benefits and owners with higher value customers at lower cost of acquisition.

Our strategy

Unlocking our potential

Our strategy is designed to deliver on our ambition to be the hotel company of choice for guests and owners by capitalising on our investments in our brands, people, technology and scale.

Over the long term, with disciplined execution, our strategy drives the growth of our brands in high-value markets. It creates value for all of our stakeholders and delivers sustained growth in profits and cash flows, which can be reinvested in our business and returned to shareholders.

Our strategic priorities and the behaviours that drive them have been designed to put the expanded brand portfolio we have built in recent years at the heart of our business, and our owners and guests at the heart of our thinking. They recognise the crucial role of a sophisticated, well-invested digital approach, and ensure we meet our growing responsibility to care for and invest in our people, and to make a positive difference to our communities and planet.

Our strategy is inspired and informed by our purpose of providing True Hospitality for Good, which is underpinned by our commitment to a culture of operating and growing in a responsible, ethical and inclusive manner. This sets the tone for how we do business, enabling us to focus on creating value for all stakeholders as we build an even stronger IHG.

What we do

Provide True Hospitality for Good

Why we do it

To be the hotel company of choice for guests and owners

How we make it happen

- Relentless focus on growth
- Brands guests and owners love
- Leading commercial engine
- Care for our people, communities and planet

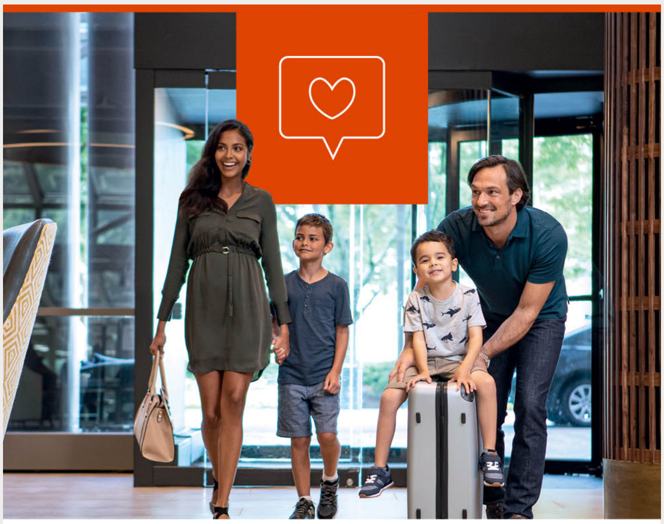
Our growth behaviours

- Ambitious
- Dedicated
- Courageous
- Caring

Relentless focus on growth

The global growth of our brands and expanding portfolio is providing greater choice for guests and more investment opportunities for owners than ever before. In 2025, we opened a record number of hotels, achieved record development activity in a number of key markets and strengthened both new and existing brands across segments.

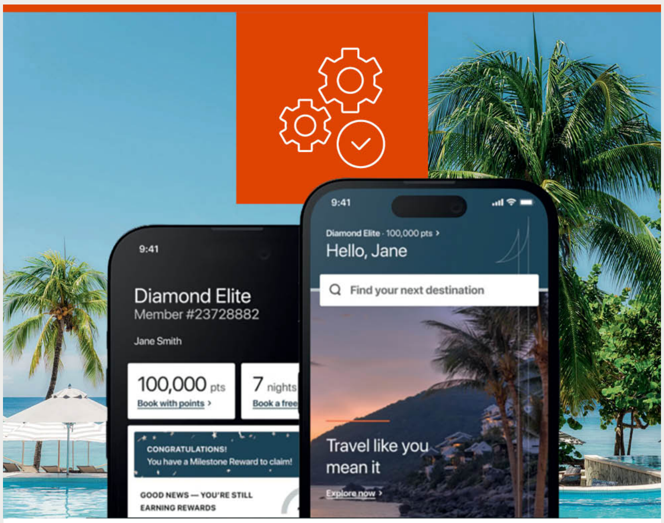
+ More on pages 32 to 33.



Brands guests and owners love

We are focused on delivering elevated experiences for guests and strong returns for owners. In 2025, we launched fresh designs for several of our market-leading brands, delivered new procurement solutions and continued to grow awareness of our IHG Hotels & Resorts masterbrand.

+ More on pages 34 to 35.



Leading commercial engine

We are investing in the tools, technology and solutions that make the biggest difference for guests and owners. Among the key highlights in 2025 was achieving a 25% increase in enrolments for IHG One Rewards, rolling out hotel technology to elevate the guest experience, drive top-line revenue and simplify operations systems, and growing enterprise contribution.

+ More on pages 36 to 37.

Care for our people, communities and planet

With more than 6,900 hotels in our global estate, it is vital that as we grow, we do so responsibly and sustainably for our communities, the environment and the long-term success of our business. In 2025, we took further steps to invest in our people and culture, provide care where it's needed most in our communities and make our hotels more sustainable.

+ More on pages 38 to 39.

Our strategy continued

Relentless focus on growth

We've grown from 10 to 20 brands in a decade while at the same time focusing on the quality of our established brands. Our transformed portfolio is expanding our offer across segments, fuelling demand from guests and owners globally, and is supported by a well-invested enterprise platform that includes a leading loyalty programme, masterbrand strategy and powerful suite of technology.

>6,900

More than 6,900 hotels open globally.

Kimpton Mas Olas Resort & Spa, El Pescadero, Mexico.

What we achieved in 2025

We opened a record 443 hotels during the year to surpass 6,900 globally. We also signed 694 hotels into our pipeline in 2025, taking it to 2,292 in total – the equivalent of 33% of today's system size, which, together with investments in our enterprise, lays the foundation for continued system size growth in the years ahead.

We expanded our presence in high-growth markets, including opening a record 147 hotels in EMEAA and achieving record openings and signings in Greater China. In addition, 32 openings represented a country debut for a particular IHG brand.

One of our proudest achievements during the year was surpassing one million open rooms globally – a testament to the enduring appeal of our brands to guests and owners. This was complemented by several other milestones across established and high-growth markets, including exceeding 4,100 open hotels in the US and 800 in Greater China, where we also reached a pipeline of 582 hotels, which represents 56% future rooms growth in the region. Notable progress was made in EMEAA, with Germany reaching 242 open and pipeline hotels – more than doubling its number since the start of 2024 – Japan reaching 59 open hotels, and Saudi Arabia surpassing 100 open and pipeline properties. Additionally, India reached 50 open hotels, while 35 signings marked a record year, with momentum continuing to support IHG's ambition to reach more than 400 open and pipeline hotels within the next five years.

The appeal of our established brands was illustrated by our Holiday Inn Brand Family generating 35% of openings and signings globally. There were also several key signings for Crowne Plaza® Hotels & Resorts on the back of an exciting brand evolution for our largest premium brand. These included properties in Australia, near Disneyland Paris in France and Nigeria on the way to reaching 578 open and pipeline hotels.

Our fastest growing premium brand, voco, surpassed a milestone 100 open hotels, expanded its pipeline to over 100 properties and entered seven more countries, including Thailand and Aruba. It has now more than doubled its system and pipeline since 2023 and was voted the World's Leading Premium Hotel Brand at the 2025 World Travel Awards in 2025. Also in our premium collection, our wellness brand EVEN® Hotels grew to 72 open and pipeline properties across the Americas and Greater China, and we launched the brand in Saudi Arabia, which also marked its first signing in the Middle East.

We have accelerated the growth and performance of our Luxury & Lifestyle brands in recent years to establish one of the world's largest portfolios. In 2025, we opened and signed a further 152 hotels across our six brands, with Regent reaching 23 open and pipeline hotels, including the signing of Regent Karuizawa – the brand's first resort location in Japan. Reflecting the brand's growing reputation, it was also recognised as one of the most loved hotel brands in Travel + Leisure's 2025 World's Best Awards, while Regent Santa Monica Beach in the US was among Afar's Best New Hotels of 2025 and Regent Hong Kong in Greater China won Best Brand Hotel at the 2025 Virtuoso Global Awards. Six Senses reached 66 open and pipeline hotels, including a signing in Bangkok, as the brand continued to expand beyond its resort roots into key urban locations. Kimpton continued its rapid expansion in key leisure destinations, reaching 154 open and pipeline hotels, including debut openings in Portugal and Germany, and a first signing in the United Arab Emirates. InterContinental added 38 openings and signings, including in Vietnam's Halong Bay and Brisbane, Australia, as it took its system size to 242. Its pipeline of 104 hotels represents future growth of 43%. A debut opening in New Zealand was among 49 openings and signings for Hotel Indigo, which surpassed 320 open and pipeline hotels in almost 50 countries, reflecting its accelerated pace of development. A standout year for Vignette Collection featured the opening of the tallest hotel in the world – Ciel Dubai Marina in the UAE – alongside debut signings in India, Italy and on the Greek islands.

Our strong future growth prospects in Luxury & Lifestyle are reflected by our portfolio now representing 14% of our current system size and 22% of our pipeline.

Our strategic focus on driving quick-to-market conversion deals continued to fuel growth, generating over 50% of all room openings and more than 300 hotel signings, as independent owners seek fast access to our revenue-generating systems, marketing and loyalty programme. Supporting this, we have increased the breadth of our portfolio in recent years by launching our conversion-friendly brands Vignette Collection, voco and Garner, which together represented around one-third of conversion signings in 2025.

Momentum continued to build behind our newer brands, with the 10 most recently added to our portfolio accounting for 10% of total current system size and 22% of the pipeline. Midscale conversion brand Garner reached 166 open and pipeline hotels across 12 countries in just over two years since launch, with debut openings in France, Thailand and Mexico, making it IHG's fastest-ever scaling of a brand globally. We opened our first Atwell Suites in Greater China, and grew its pipeline to 56 properties, while Essentials brand avid™ hotels reached its 80th opening.

In 2025, we added a new brand to our portfolio with the acquisition of premium urban lifestyle brand Ruby, bringing an exciting, distinct and high-quality offer for guests and owners in popular city destinations. We have already signed a further six properties in key European cities, made it available for development in the US and further international expansion is planned for 2026. The recent launch of Noted Collection, a new collection brand in the large and fast-growing premium segment, will target an upscale to upper upscale price point and will build on the well-established successes we have already delivered with our other collection and conversion brands. Noted Collection will initially focus on our EMEAA region, where there is a large proportion of high-quality hotels with distinct identities, and where a collection brand will broaden our guest offer and enable more owners to benefit from our enterprise platform.

In our Exclusive Partners category, our Iberostar Beachfront Resorts brand opened seven hotels and signed another six into its pipeline to reach 67 open and pipeline properties.

2,292

pipeline hotels, representing future system size growth of 33%.

~50%

of global pipeline under construction.

Brands guests and owners love

Staying successful means putting our guests and owners at the heart of everything we do. This is how we create memorable hotel experiences, deepen guest loyalty, grow brand awareness, and unlock investment opportunities for our owners with strong returns.

>160m

Our IHG One Rewards loyalty programme has grown to over 160 million members.

InterContinental Maldives Maamunagau Resort, Raa Atoll, Maldives.

What we achieved in 2025

With travel reaching record levels in 2025, we are focused on greeting guests with elevated experiences, outstanding service and leading technology to meet their evolving expectations.

Our IHG One Rewards loyalty programme is a cornerstone of how we are capturing demand, with fresh experiences, more points and stay enhancements helping drive enrolments up 25% and membership beyond 160 million in 2025. Reward Night redemptions were also up 9% year-on-year, illustrating strong member engagement and driving increased owner returns. The programme earned notable industry recognition, including several wins at both the Global Traveler and Frequent Traveler Awards.

Our IHG One Rewards mobile app provides seamless access to our hotels and loyalty programme, with regular updates elevating the guest experience. Further enhancements in 2025 were the ability to book different room types under a single reservation, store multiple payment cards, and take advantage of new and improved Food & Beverage redemption rewards.

Our technology continues to improve customer service, including solutions powered by artificial intelligence, such as our Digital Concierge chatbot. Newly expanded digital payment solutions were also rolled out on property in partnership with leading providers Apple Pay, PayPal and FreedomPay in the Americas and EMEAA to increase flexibility and reduce check-in times for guests, alongside lowering fees for owners.

+ For more on our technology, see Leading commercial engine on pages 36 and 37.

We continuously invest in new design formats to deliver outperformance in key guest metrics and further increase owner returns. Key brand updates during the year included the new bean-to-cup upgraded coffee service rolled out to 85% of all Holiday Inn Express hotels in the US, along with its fifth generation room and lobby design opening in Greater China and Europe to boost both investment returns and guest satisfaction. The latest Holiday Inn design has launched in more hotels in the US and seen good performance uplifts.

Investment in our brands to keep them feeling fresh was reflected in several industry awards, including Time magazine recognising Holiday Inn among the World's Best Brands in 2025 for each of the US, Mexico, UK and Germany markets.

These enhancements, combined with the work we are doing in collaboration with our owners and hotel teams, helped IHG drive year-on-year improvement in Global Guest Love. We also maintained our outperformance versus key competitors on the externally measured Guest Satisfaction Index in all three regions.

For corporate guests, we are focused on providing organisations with consistently excellent stays and meetings. We launched the IHG Travel Agent Portal to connect travel agents with our brands and hotel portfolio more effectively and efficiently. Built to drive more bookings to IHG hotels, the portal provides agents with tailored information, educational resources and access to exclusive benefits for their own personal travel. Travel planners can also earn extra loyalty points through IHG Business Rewards, while IHG Business Edge – our long-standing SME travel programme – grew its member base to reach more than 160,000 accounts in 2025. During the year, we added new exclusive benefits through partnerships with other leading companies, including Delta Air Lines' Business Traveler platform and Qatar Airways' Beyond Business corporate rewards programme.

For our hotel owners, we remain focused on capturing demand and strengthening hotel performance. IHG One Rewards is at the heart of our approach, which, together with our IHG Hotels & Resorts masterbrand, showcases the breadth of our offer and sharpens perception of our brands. In 2025, we made further significant gains through increasing visibility across the guest journey, breakthrough marketing, and a sharper focus on quality and excellence at scale. This included partnering with sporting events and other leading brands to reach new audiences, drive business to our hotels and provide stronger owner returns. Reflecting our success, we achieved an all-time high of IHG masterbrand awareness in the US.

We work closely with our hotel teams and owners to drive performance, providing training, connecting with General Managers on calls and at regional conferences, and with owners through webinars, meetings and events.

The foundation of our strong owner relationships is a heightened focus on the cost to build, open and operate our hotels. In 2025, we extended our procurement services to cover more products and categories tailored to different markets. In the US, this included a new centralised procurement platform enabling limited-service Essentials and Suites hotels to consolidate purchasing – covering everything from operating supplies to maintenance – into one efficient solution, while more hotels joined our US Food & Beverage procurement programme. In EMEAA, we provided additional purchasing support for new openings, while in Greater China we introduced a one-stop Hotel Procurement Services solution covering the hotel lifecycle to boost cost efficiency and compliance for owners. Additionally, we rolled out a series of targeted enhancements across four brands in the region – Atwell Suites, EVEN, Holiday Inn and Holiday Inn Express – that use our global scale and 50 years of local experience to strengthen performance across the hotel lifecycle.

Developing sustainable solutions is vital to the long-term success of IHG, our owners' businesses and the wider industry, and this year we continued to advance our efforts while strengthening owner returns. We integrated additional energy conservation measures into brand standards to cut energy usage and costs. Our Meeting for Good page is now live on the IHG Hotels & Resorts website, showcasing how over 650 hotels worldwide are supporting meeting and event planners in delivering more sustainable events. More properties also joined our Low Carbon Pioneers programme to help us test, learn and share insights on sustainability measures.

+ For more on Planet, see pages 70 to 73.

We continue to work with the IHG Owners Association, which represents the interests of thousands of owners and operators, to roll out key projects and ensure full visibility of the operational and commercial support we provide. This includes supporting the industry on a broader scale by collaborating with governments, peers and trade bodies on prominent issues.

Our strategy continued

Leading commercial engine

Our investments in technology and tools to drive commercial success are deepening our relationships with guests and delivering fresh experiences, while at the same time improving the operational efficiency of our hotels and driving greater value for owners.

83%

Enterprise contribution increased two percentage points year-on-year to 83%.

What we achieved in 2025

In 2025, 83% of room revenue was booked through IHG-managed channels and sources, illustrating the success of our commercial engine across our technology platforms and sales and distribution channels in providing hotel owners with higher value customers at a lower cost of customer acquisition.

Our IHG One Rewards loyalty programme is central to our progress, with members accounting for 66% of all rooms booked globally, growing by over three percentage points in each region and highest in the US and Americas overall at 73%. These members also typically spend around 20% more in hotels than non-members and are 10 times more likely to book direct.

Co-branded IHG One Rewards credit card holders stay even more frequently and spend more in hotels. Following new agreements with our US co-brand partners in the previous year, we approximately doubled our fees recognised in operating profit from reportable segments in 2025. The number of US co-brand card members saw high single-digit percentage growth in 2025, alongside a comparable uplift in total card spend, and we expanded our partnership with Chase by introducing new IHG One Rewards status benefits for Chase Sapphire Reserve and Chase Sapphire Reserve for Business cardholders. Separately, we recently signed a new UK co-branded IHG One Rewards debit card agreement with Revolut, alongside Visa, with card products scheduled to be launched later this year. Further co-brand priority growth markets are targeted for future years.

The transformation of our technology in recent years is strengthening how we promote our hotels, optimise operations and engage with guests. Our IHG One Rewards mobile app is central to driving engagement across our direct channels, with nine million downloads during the year. Building on our work to create compelling content that drives bookings, we are developing a new digital content management platform, with a phased rollout beginning in 2026 across our app and all IHG booking websites to support owners in showcasing their hotels more effectively in an increasingly AI-driven world.

Our digital partnerships are another way we encourage guests to book through our direct channels and connect with IHG One Rewards via their preferred platforms. During the year, we teamed up with Rakuten and launched the LINE mini app in Japan.

Working with third-party suppliers, industry-leading technology helps owners keep hotels running smoothly and efficiently by providing sophisticated solutions across more than 100 enterprise-wide applications. This includes cloud-based systems, such as our revenue management system (RMS), which has now completed rollout across our global estate of 6,800 eligible hotels and is using data science, AI machine learning and forecasting tools to deliver advanced insights. User feedback is very positive, and indicative levels of revenue uplift and market share gains have been encouraging.

Our best-in-class property management systems (PMS) are creating even greater value for owners by providing above-property solutions that apply the latest technology and allow the deployment of fast, efficient enhancements. Benefits include quicker colleague onboarding and training, and streamlined front desk processes, such as mobile and remote access. HotelKey was our first approved PMS solution in the Americas and EMEAA, and an equivalent platform from Shiji has been deployed to hotels in Greater China. In addition, we recently established a new agreement to provide Oracle OPERA Cloud as a further PMS solution for IHG hotel owners. The accelerated roll out of these cloud-based PMS solutions reached 2,000 hotels in 2025, and we expect to double this to 4,000 by the end of 2026.

Our Guest Reservation System (GRS) enables upselling of unique room attributes so guests can seamlessly select add-ons while owners maximise revenue. Now live across our global estate, approximately half of customers saw an up-sell offer at some point in their booking journey in 2025, up from 30% in 2024. When selected, these offers are achieving average nightly room revenue increases approaching $50 for Luxury & Lifestyle and $20 across our Essentials and Suites brands. This is driving more bookings into premium rooms and more revenue to hotel owners. Updates in 2025 included marketing texts highlighting the leading room attribute, such as Pacific Ocean View, instead of room-type names, so guests better understand what they are paying for. We also introduced an elevated display allowing up to six offers to be shown simultaneously on direct channels.

Our technology is driving engagement with guests through seamless, elevated experiences, such as IHG Wi-Fi Auto Connect automatically connecting IHG One Rewards members to hotel wi-fi without passwords or logins. Another notable example includes the expansion of digital check-out, which is now available at more than 3,500 hotels, and we are piloting both digital check-in and a messaging service so that guests can easily connect with hotel colleagues during their stay. Development is also underway on a new loyalty and customer relationship management (CRM) platform to drive guest engagement and more personalised experiences during booking and on-property to help increase guest satisfaction and deepen loyalty.

Just as it is expected to transform most sectors, AI is set to be a game-changer for travel. We are harnessing every dimension – automation, machine learning, generative AI and agentic – while tracking emerging trends to deliver competitive advantage in how we elevate guest experiences, unlock revenue opportunities and drive returns for owners. This includes working with best-in-class suppliers to fulfil specific needs, from cloud-based integration of different technology platforms, to using AI across our distribution and marketing channels to improve customer acquisition and deepen guest relationships. AI is also supporting the lowering of costs and increasing the effectiveness of service delivery for our hotel owners in other areas. For example, in powering more than 700 delivery robots in over 500 hotels across Greater China to assist staff with cleaning and delivering food to guestrooms, as well as our Digital Concierge chatbot service handling 5.1 million guest conversations in 2025 – up 40% year-on-year – with new features such as bill requests and loyalty points tracking saving hotel teams time and improving customer satisfaction. Within IHG's own operations, we have also launched numerous AI-powered automations as part of our ongoing efficiency programmes to sharpen our cost base and boost productivity.

6,800

eligible hotels now featuring our new revenue management system.

66%

of room nights globally booked by IHG One Rewards members – increasing loyalty penetration.

~50%

of guests saw an up-sell offer at some point in their booking journey in 2025, up from 30% in 2024.

26%

of total room revenue driven by IHG's direct digital booking channels.

Care for our people, communities and planet

Caring for our people, communities and planet has been at the heart of what we do for many years. With more than 6,900 hotels in neighbourhoods around the world, we value the opportunity to be a force for good by positively impacting the lives of millions every day and protecting the world around us.

87%

87% employee engagement places IHG in the top quartile of most engaged employers.

What we achieved in 2025

Our people

Our success is underpinned by our inclusive culture, which attracts the talent we need to succeed as a global business. This is supported by a clear framework that aligns our global and local priorities to maximise impact in creating opportunities for all. This is important to us all at IHG, reflected by our 2025 Colleague HeartBeat survey, where nine in 10 colleagues said IHG has an inclusive culture. In 2025, we strengthened our approach by focusing on three areas: talent and leadership; culture and experiences; and community and partnerships.

During the year, we helped accelerate our growth through a sharper focus on performance, strengthening the link between individual achievement and collective success. Steps included fine-tuning goal-setting and feedback, support for leaders and colleagues, as well as activating changes to better reward high performers.

Engaging with colleagues is a cornerstone of our culture, and we provide listening forums throughout the year so they can express their views. This includes our colleague engagement survey, Colleague HeartBeat, where we achieved a score of 87% in 2025 to maintain our place in the top quartile of most engaged employers. In addition, we were also named in the Fortune 100 Best Companies to Work For® 2025 list by Great Place To Work® and Fortune.

We are committed to attracting and retaining a skilled workforce[a]. During the year, we refined our search and selection practices and used technology to improve efficiency and streamline parts of the recruitment process. We continued to build engagement with our careers website, while extending our social media presence across our careers channels. We also enhanced colleague travel benefits to increase our attractiveness as an employer and to reward and retain colleagues.

We also strengthened our talent pipeline and leadership capabilities for managed hotels through programmes such as the RISE mentoring programme and the Journey to General Manager programme, which welcomed hundreds of participants and successfully placed candidates in General Manager roles. In 2025, we also launched our Journey to Supervisor and Journey to Manager programmes for managed and franchised hotels to create clearer pathways for talented colleagues to build rewarding careers in IHG hotels.

An integral part of our global approach to responsible business is to promote respect for and advance human rights in accordance with internationally recognised standards.

10.2m

lives improved since 2021 through our collective action and work with charity partners.

10.2%

reduction in energy per available room compared with 2019.

In 2025, we continued to drive compliance with our Responsible Labour Requirements and, recognising the important role hotels can play in preventing human trafficking, we launched new, survivor-informed training developed in partnership with a leading anti-trafficking NGO and industry peers, which is mandated for all colleagues globally.

Our communities

We are proud to be at the heart of thousands of communities worldwide, and central to our Journey to Tomorrow responsible business plan is a plan to improve the lives of 30 million people through skills training, disaster response and food security.

We have helped improve the lives of 10.2 million people since 2021 through our community partnerships, volunteering days and programmes. This includes our IHG Academy, which helps future talent to explore a rewarding career in travel. During the year, we trained and upskilled over 80,000 people, including launching Virtual Discover sessions so participants could find out more about hospitality from IHG hotel colleagues. We also worked with organisations to help provide job opportunities across our markets, including Springboard in the UK, China Youth Development Foundation in Greater China, the Tourism and Hospitality Skill Council in India, and the Al Noor Training Centre for People of Determination in Dubai.

We responded to 22 natural disasters in 2025, working closely with charity partners to support relief and recovery efforts. We are also working with global NGO Action Against Hunger to combat food insecurity and hunger for millions around the globe. Since launching the partnership in 2024, we have helped support 5.4m people as part of Action Against Hunger's global nutrition programmes in over 50 countries, through colleague fundraising, loyalty points donations and hotel initiatives. We also worked with our long-standing partners to strengthen food systems within our communities, including OzHarvest – a food rescue organisation in Australia.

Every September, IHG colleagues take part in Giving for Good month to give back to their communities. Colleagues take part in activities ranging from clean-up events and supporting homeless shelters and food banks, to fundraising for local organisations.

Our planet

Our commitment to improve the efficiency of our hotels has achieved double-digit reductions in both emissions and energy use per available room compared with our 2019 baseline. Yet, as we highlighted during the year, access to clean-energy infrastructure remains limited in many of our markets which, combined with the successful expansion of our estate, has increased total carbon emissions by 7.7% since 2019. In 2026, we will refine elements of our Journey to Tomorrow responsible business plan to sharpen our focus on areas where we can make the greatest impact as we drive further progress against our priorities.

We are dedicated to assisting hotel owners in reducing carbon emissions, and in 2025 we continued to implement brand standards to drive energy efficiency, as well as reduce waste, and we expanded our Low Carbon Pioneers programme to help us test, learn and share findings on sustainability measures. The programme now has hotels spanning Asia, Europe and South America.

We continue to explore ways our hotels can reduce energy consumption, and almost 95% of our managed, owned & leased hotels have now been upgraded with LED lighting and have water-efficient fixtures, including in back-of-house areas.

More than 650 hotels participated in our Meeting for Good programme, which helps meet demand for sustainable meetings and events, and it was named 2025 Gold Medal winner in Northstar's Stella Awards for Best Sustainability Initiative.

To reduce plastic waste, we extended brand standards to eliminate plastic water bottles from guestrooms, meetings and events to further markets in EMEAA, and introduced a new brand standard to remove plastic bin liners from guestrooms across the entire region. To reduce food waste, we expanded collaboration with food redistribution organisation Xishi Magic Bag in Greater China, which connects hotels with customers when they have unsold surplus food.

Steps taken to reduce water usage included launching a new water conservation guidebook for hotels in the Americas and EMEAA, which shares best practice on driving efficiency across departments, from heating to landscaping.

+ For more on people, communities and planet, see our Responsible Business chapter on pages 54 to 84.

a. We do not employ colleagues in franchise hotels, nor do we control their day-to-day operations, policies or procedures.

Our key performance indicators (KPIs)

How we measure our progress

Our KPIs are carefully selected to allow us to monitor the delivery of our strategy and long-term success. They are organised around our strategy, which articulates our purpose, ambition and priorities (see page 30). KPIs are reviewed annually by senior management to ensure continued alignment, and are included in internal reporting and regularly monitored.

Measures included are those considered most relevant in assessing the performance of the business and relate to our growth and commitment to key stakeholders including owners, guests, employees, shareholders and the communities in which we work. KPIs should be read in conjunction with the other sections of the Strategic Report, and where applicable, references to specific relevant topics are noted against each KPI.

Link between KPIs and Director remuneration

As we continue to focus on delivering high-quality growth, Directors' remuneration for 2025 was directly related to key aspects of our strategy. The following indicates which KPIs have impacted Directors' remuneration:

+ For more information on Directors' remuneration, see pages 138 to 161.

A Annual Performance Plan

- 70% was linked to operating profit from reportable segments[a].
- 15% was linked to strategic focus on net system size growth through openings.
- 15% was linked to strategic focus on future net system size growth through signings.

LT Long Term Incentive Plan

- 20% was linked to relative Total Shareholder Return.
- 20% was linked to relative net system size growth.
- 20% was linked to absolute cash flow generation.
- 20% was linked to adjusted EPS[a].
- 20% was linked to Carbon and People[b].

Link to our strategy

Our four strategic priorities are core to our success and represented as follows:

- Relentless focus on growth
- Brands guests and owners love
- Leading commercial engine
- Care for our people, communities and planet

System size

Total number of rooms in the IHG system.

Increasing our rooms supply provides significant advantages of scale, including increasing the value of our loyalty programme. This measure is a key indicator of achievement of our growth agenda (see page 32).

2025	1,026,177
2024	987,125
2023	946,203
2022	911,627
2021	880,327

A LT

Signings

Gross total number of rooms added to the IHG pipeline.

Continued signings secure the future growth of our system and ongoing efficiencies of scale. Signings indicate our ability to deliver sustained growth (see page 32).

2025	102,054
2024	106,242
2023	79,220
2022	80,338
2021	68,870

A

2025 status

- System size increased by 4.0% on a reported basis. After adjusting for the impact of removing 7,092 rooms previously affiliated with The Venetian Resort Las Vegas, our net system growth accelerated to 4.7%, with gross system growth of 6.6% and a removals rate of 1.9%.
- Total rooms supply surpassed the one million milestone, with 1,026,177 rooms open at 31 December 2025.
- During the year, signings totalled 102,054 rooms (694 hotels). This included 6,741 Ruby rooms (36 hotels), of which 5,718 rooms (30 hotels) were part of the initial agreement; the first 2,952 Ruby rooms (17 hotels) joined IHG's system in the year. Overall signings decreased by 3.9% year-on-year, reflecting the inclusion in 2024 of 17,703 rooms (119 hotels) as part of the NOVUM Hospitality agreement.
- Total pipeline of 339,526 rooms increased by 4.4% year-on-year, with around half under construction.
- Strengthened the Holiday Inn Brand Family with 20,338 rooms opened and 37,809 rooms signed, representing 35% of openings and signings globally.
- voco signings of 10,563 rooms, with 124 properties open across more than 30 countries since launch in 2018, and a further 108 hotels in the pipeline.
- Continued momentum of our Luxury & Lifestyle portfolio with 11,635 rooms opened and 18,635 rooms signed.
- Expansion of our newer brands with:
  - Nine Atwell Suites open, including its debut in Greater China, and 56 properties in the pipeline;
  - Vignette Collection growing to 31 open and 45 pipeline hotels since its launch in 2022;
  - 11 avid hotels openings and 11 signings, taking the estate to 87 hotels open with a further 116 properties in the pipeline; and
- Further global rollout of Garner since its launch in 2023 to 89 properties open, representing year-on-year growth of 6,101 rooms to 8,501 rooms, and a further 77 properties in the pipeline.

2026 priorities

- Further expansion into our core markets and targeted entry into new geographies across all segments and regions to deliver strong net system size growth.
- Accelerate growth of our newer brands to increase market share and scale.
- Continue to strengthen our Luxury & Lifestyle offer and capabilities, including branded residences and resorts.
- Strengthen Premium offer through the international expansion of Ruby and the launch of Noted Collection.

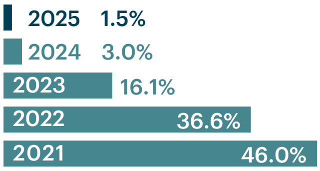
a. Use of Non-GAAP measures: In addition to performance measures directly observable in the Group Financial Statements (IFRS measures), additional financial measures (described as Non-GAAP) are presented that are used internally by management as key measures to assess performance. Non-GAAP measures are either not defined under IFRS or are adjusted IFRS figures. Further explanation in relation to these measures can be found on pages 107 to 112, and reconciliations to IFRS figures, where they have been adjusted, are on pages 250 to 256.

b. People targets subsequently removed. Further explanation can be found in the Directors' Remuneration Report on pages 138 to 161.

Global RevPAR growth

Revenue per available room: rooms revenue divided by the number of available rooms.

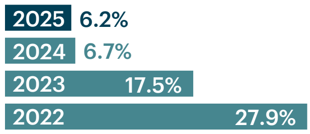
RevPAR growth indicates the increased value guests ascribe to our brands in the markets in which we operate and is a key measure widely used in our industry (see page 20). Definition of this key performance measure can be found on page 107.



Growth in underlying fee revenues[a]

Revenue from reportable segments excluding revenue from insurance activities, revenue from owned & leased hotels, significant liquidated damages and current year acquisitions, stated at constant currency.

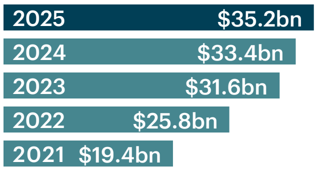
Underlying fee revenue growth demonstrates the continued attractiveness to owners and guests of IHG's franchised and managed business (see page 25).



Total gross revenue from hotels in IHG's system

Total rooms revenue from franchised hotels and total hotel revenue from managed, exclusive partner and owned & leased hotels. Other than for owned & leased hotels, it is not revenue wholly attributable to IHG, as it is mainly derived from hotels owned by third parties.

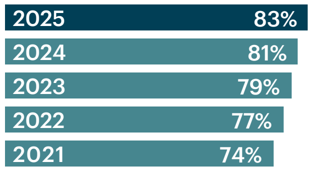
The growth in gross revenue from IHG's system illustrates the value of our overall system to our owners (see page 25). Definition of this key performance measure can be found on page 107.



Enterprise contribution to revenue

The percentage of room revenue booked through IHG-managed channels and sources: direct via our websites, apps and call centres; through our interfaces with Global Distribution Systems (GDS) and agreements with Online Travel Agencies (OTAs); other distribution partners directly connected to our reservation system; and Global Sales Office business or IHG One Reward members that book directly at a hotel.

Enterprise contribution is one indicator of IHG value-add and the success of our technology platforms, and our marketing, sales and loyalty distribution channels (see page 36).



2025 status

- RevPAR growth of 1.5% in 2025 was driven by both average daily rate and occupancy, as Business and Groups demand increased, with Leisure flat year-on-year.
- Grew underlying fee revenue[a] by 6.2%, driven by a combination of RevPAR growth, the further broadening of our global estate and the expansion of ancillary fee streams.
- Total gross revenue increased by 5.3% to $35.2bn, as we continued to strengthen owner returns and enhance the guest experience by investing in our enterprise:
  - maximising guest choice and driving incremental value for owners from the continued rollout in the up-sell of unique room attributes through our industry-leading Guest Reservation System;
  - delivered our new cloud-based Revenue Management System (RMS), completing the roll-out across our global estate of 6,800 eligible hotels, which utilises leading data science, machine learning and forecasting tools to provide advanced insights and recommendations to owners; and
  - continued roll-out of next-generation PMS, a cloud-based, above-property platform, enabling deployment of efficient enhancements, including streamlined front desk processes.
- Improved overall enterprise contribution by 2%pts year-on-year, with IHG's direct digital booking channels accounting for over 26% of total room revenue.
- Further development in our mobile app and AI-backed digital chatbot technology, resulting in growth in direct mobile and digital bookings.
- Boosted loyalty and brand awareness, with over 160 million IHG One Rewards members, and enrolments up +25% year-on-year, demonstrating strong member engagement and driving owner returns.

2026 priorities

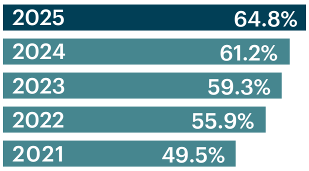
- Drive hotel performance through the RMS with evolved revenue services.
- Continue to grow the co-brand credit cards programme in the US, and launch in international markets.
- Further leverage data analysis to drive performance, create insights and power AI opportunities.
- Continued scale and investment in IHG One Rewards to further grow and deepen engagement of loyalty members through continued enhancements in guest benefits and personalisation.
- Expand procurement solutions to drive development and operating cost efficiencies that generate greater owner value.

a. Use of Non-GAAP measures: In addition to performance measures directly observable in the Group Financial Statements (IFRS measures), additional financial measures (described as Non-GAAP) are presented that are used internally by management as key measures to assess performance. Non-GAAP measures are either not defined under IFRS or are adjusted IFRS figures. Further explanation in relation to these measures can be found on pages 107 to 112, and reconciliations to IFRS figures, where they have been adjusted, are on pages 250 to 256.

b. The 2021 growth figure is excluded from the comparison as the 2020 figure was not re-presented following the adoption of IFRS 17 'Insurance Contracts' in 2023.

Our key performance indicators (KPIs) continued

Fee margin[a]



Operating profit as a percentage of revenue, excluding System Fund, reimbursement of costs, revenue and operating profit from owned & leased hotels, significant liquidated damages, insurance activities and exceptional items.

Our fee margin indicates the profitability of our fee revenue and the benefit of our asset-light business model (see page 24).

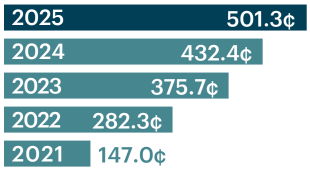
2025 status

- Fee margin increased by 3.6%pts to 64.8%, driven by growth in our system, RevPAR and ancillary fee streams, combined with continued cost efficiencies.
- Around 2.3%pts was driven by operational leverage, including the benefits from our global efficiency programme, and a further 1.3%pts was due to incremental fees from the US co-brand credit card agreements and from the sale of certain loyalty points (together with certain other ancillary revenues).

2026 priorities

- Continued focus on cost and efficiency.
- Utilise technology applications and process enhancements to achieve operational efficiencies.
- Further reinvestment to drive growth and expand margin over the long term.

Adjusted earnings per share[a]



Adjusted earnings per share takes the profit available for equity holders used in the calculation of basic earnings per share and adjusts this to exclude certain items in order to provide a value that is consistent with how management monitors the business (see page 109).

This measure reflects shareholder value creation, including that through capital allocation, such as the effect of increasing the measure by reducing the number of shares through buybacks.

It has become an increasingly important measure as part of IHG's ongoing return of surplus capital to shareholders, and is already a defined performance measure within the LTIP.

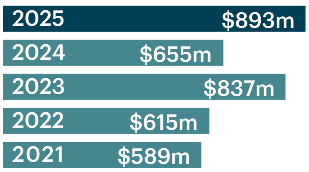
2025 status

- Adjusted earnings per share grew by 15.9%, driven by 11.0% growth in adjusted earnings reflecting revenue and system growth, fee margin expansion through efficiency and cost control, together with the cumulative impact of share buybacks lowering the weighted average share count by 4.2%.

2026 priorities

- Drive continued adjusted EPS growth through maximising system and revenue growth, sustainable fee margin expansion, disciplined cash conversion, and a new $950m share buyback programme, supporting the growth algorithm while investing in future growth of the business.

Adjusted free cash flow[a]



Cash flow from operating activities excluding payments of deferred or contingent purchase consideration, recyclable contract acquisition costs, cash flows relating to exceptional items, interest receipts related to owner loans and lease incentives, less purchase of shares by employee share trusts, gross maintenance capital expenditure, and lease payments, and including finance lease income relating to sub-leases, and any payments or repayments related to investments supporting the Group's insurance activities.

Adjusted free cash flow[a] provides funds to invest in the business, sustainably grow the dividend and return any surplus to shareholders (see page 26). It is a key component in measuring the ongoing viability of our business (see page 113).

2025 status

- Adjusted free cash flow increased by $238m to $893m due to growth in operating profit from reportable segments[a], an improvement in the System Fund and reimbursable result, a reduction in contract acquisition costs and lower tax payments, partially offset by higher interest payments.

2026 priorities

- Continue to deliver strong conversion of adjusted earnings[a] into adjusted free cash flow.
- Timely management of capital deployment in line with business priorities.

Employee engagement survey scores

Colleague HeartBeat survey, completed by IHG colleagues employed in corporate and reservations offices and owned & leased or managed hotels.

We measure employee engagement to monitor risks relating to talent (see page 50) and to help us understand the issues that are relevant to our people as we build an inclusive culture (see page 39).

2025 status

- Our score of 87% in 2025 is 10%pts higher than the external top quartile benchmark.
- We consistently achieved high engagement scores across our Hotel and Corporate populations, demonstrating our ongoing commitments to global colleague development and retention.

2026 priorities

- Further strengthen leadership capability to embed our high performance culture and drive colleague engagement.
- Enhance our people technology and expand AI use to help colleagues and leaders make faster, better informed decisions.
- Expand and embed our HR service model to provide more consistent and effective support for hotel and corporate teams.

Guest Love

IHG's guest satisfaction measurement indicator.

Guest satisfaction is fundamental to our continued success and is a key measure to monitor our ability to deliver an experience that meets and exceeds guests' expectations (see page 34 for details).

2025	82.3%
2024	81.5%
2023	80.3%
2022	78.6%
2021	78.9%

2025 status

- Guest satisfaction of 82.3% continued to improve, reflecting increases in quality and investment in the guest experience.
- Externally measured Guest Satisfaction Index (GSI) achieved scores over 100 in all three regions, showing we are outperforming our peers as we focus on guest experience improvements.
- Continued plans to ensure a consistent high-quality experience for each of our brands, including improvements in food and beverage, hotel condition and service.

2026 priorities

- Improve the guest experience and elevate brand performance by prioritising quality and experience across areas such as loyalty recognition, groups and meetings, digital engagement, service and public spaces.
- Continued focus on data-driven insights, targeted improvement plans, cross-team collaboration, and ongoing renovations to increase the number of high-performing properties within the portfolio.
- Utilise GenAI to deliver actionable guest insights that drive strategic decision-making and property-level solutions to enhance the brand and hotel experience.

Greenhouse gas emissions[b]

Total market-based greenhouse gas (GHG) emissions (measured in tonnes of CO_2e) across our corporate offices, franchised estate, managed and owned & leased hotels. For further details on our carbon footprint methodology, please refer to pages 82 to 83.

2025	6.7 tCO2e
2024	6.6 tCO2e
2019	6.2 tCO2e

2025 status

- Our ongoing commitment to energy reduction and decarbonisation has delivered a 10.2% reduction in energy per available room and an 11.0% reduction in carbon emissions per available room in 2025 compared with 2019.
- Last year, we reported that we were off track to meet our 2030 target (46% reduction in greenhouse gas emissions by 2030), and this continues to be the case in 2025 due to the continued lack of a clean energy infrastructure in many of our markets, alongside the successful opening of more hotels globally. This means total carbon emissions are up 7.7% since 2019.
- We remain dedicated to the actions we are taking to assist hotel owners in reducing carbon emissions, and while our programmes will require time to scale, the actions we are taking today will improve operational efficiency of IHG hotels and prepare us for accelerated decarbonisation once market factors are more favourable.

2026 priorities

- Continue implementing our decarbonisation roadmap focusing on energy efficiency measures in hotels, transitioning to renewable energy and developing new-build hotels operating with very low or zero carbon emissions.
- We are re-evaluating our targets, taking into account the evolving sustainability landscape, including updates to carbon accounting and target validation criteria and focusing on what IHG is able to control and influence.

a. Use of Non-GAAP measures: In addition to performance measures directly observable in the Group Financial Statements (IFRS measures), additional financial measures (described as Non-GAAP) are presented that are used internally by management as key measures to assess performance. Non-GAAP measures are either not defined under IFRS or are adjusted IFRS figures. Further explanation in relation to these measures can be found on pages 107 to 112, and reconciliations to IFRS figures, where they have been adjusted, are on pages 250 to 256.

b. See pages 82 to 83 for detailed energy and carbon data. Figures are restated annually (see page 83 for our data methodology). Given 2025 revisions, performance trends should be assessed using only the restated figures in this report. GHG emissions are presented for 2019, 2024 and 2025 only to show progress against target and year-on-year change. Data for 2020–2023 has been removed for simplicity.

Our stakeholders

By engaging closely with our internal and external stakeholders, we build strong, trusted relationships that support resilient growth, foster collaboration and innovation, and underpin the long-term success and sustainability of IHG.

Shareholders and investors

Our ability to maintain strong relationships with shareholders and institutional investors is fundamental to our ability to access capital markets and ensure IHG's long-term success.

What impacted them in 2025
- The impact of geopolitical unrest on the hospitality sector in certain regions, which could affect IHG's trading performance and financial results or influence its capital allocation policy.
- Executive remuneration policies, including the potential use of discretion, alignment with workforce pay and talent retention.
- Environmental concerns and wider sustainability issues.

Engagement
- Regular investor meetings and participation at investor conferences by Executive Directors, senior leadership and the Investor Relations team.
- Extensive consultations between the Chair of the Remuneration Committee, the Chair and institutional investors and proxy vote advisers.

Outcomes
- Continued investor confidence in IHG's performance, long-term viability and leadership, as demonstrated through feedback received and across AGM results.
- Enhanced understanding of shareholder and investor focus areas, including in relation to strategy, remuneration policy and environmental, social and governance matters.
- Continued investor confidence in the composition of IHG's Board and Executive Committee.

+ See a description of our dividend policy on page 27, our KPIs on pages 40 to 43, key matters discussed by the Board on pages 124 and 125 and engagement with shareholders relating to Executive Director remuneration on pages 138 to 139 and 142.

+ Visit **ihg.plc/investors** for more information.

Guests

Our ability to offer a wide selection of brands with high-quality stay experiences, great value and loyalty rewards is key to attracting and building trust with IHG's guests, while continuing to drive commercial performance and revenue.

What impacted them in 2025
- Increased demand for travel and access to a broader range of locations and experiences.
- Continued desire to book and stay seamlessly.
- Rising cost of living.
- Increased competition among brands to capture travel demand and brand loyalty.
- Interest in the social and sustainability profiles of companies.

Engagement
- Major partnerships to enable IHG One Rewards members to redeem points in exchange for unique experiences.
- Continued improvement of next-generation mobile app.
- Guest satisfaction surveys.
- New public space and guest room designs.

Outcomes
- Expanded brand portfolio providing more choice for guests and more ways for owners to grow with us.
- Increased choice in growth markets, including Greater China, India, Saudi Arabia, Japan and Germany.
- Strengthened IHG One Rewards programme, providing more ways to earn and redeem points.
- Increased impact of global partnership with Action Against Hunger and continued focus on hotel sustainability practices.

+ See our Guest Love KPI on page 43 and how the Board had regard for guests as part of its consideration of strategic and operational matters on pages 124 to 125.

Hotel owners

IHG's success relies on hotel owners investing in our brands. To remain attractive, we focus on the breadth of our brand portfolio and the effectiveness of our IHG One Rewards loyalty programme and wider enterprise.

What impacted them in 2025
- High operating costs, including energy, food and beverage.
- Labour shortages, supply chain challenges and financial and operational constraints caused by global macro-economic factors.
- Ability to capture and drive high levels of demand for their hotels.
- Rollout of new technology to drive efficiency and revenue.

Engagement
- Direct meetings with CEO and Regional CEOs.
- IHG Owners Association collaboration.
- Portfolio and individual hotel reviews covering operational, strategic and industry trend updates.
- Conferences, training, webinars, regular newsletters and bulletins.
- Hotel lifecycle and finance team support.
- Collaboration with governments and industry to support owners' businesses and sector more broadly.

Outcomes
- Launched and acquired new brands.
- Introduced existing brands to more high-growth markets.
- Continued focus on IHG One Rewards loyalty contribution.
- Continued incorporating energy conservation measures into brand standards to reduce utility bills.
- Introduced or enhanced technology systems to support owners in managing their properties, revenue and guest reservations.
- Expanded procurement services across hotel lifecycle to drive savings.
- Next-generation formats for Holiday Inn Express and Crowne Plaza brand evolution.

+ See Brands Guest and Owners Love on pages 34 to 35.

+ Visit **owners.org** for further information about the IHG Owners Association.

The Company measures engagement effectiveness through KPIs, performance, talent retention, surveys and adherence to policies. It also considers external stakeholders' views to enhance reputation as well as commercial and social awareness.

People

Delivery of our purpose to provide True Hospitality for Good means upholding our Room for You promise and working in a responsible way to cultivate IHG's strong, global culture and respect for all stakeholders.

What impacted them in 2025

- Continued economic uncertainty and cost-of-living pressures; increased focus on total rewards.
- Pressure for hotel and corporate talent, with requirements for flexible roles, skills and new capabilities.
- Increased use of AI technologies with new capabilities required.
- Colleague experience in career development flexibility, voice and increasing people leader expectations.

Engagement

- Continued our 'employee voice' listening interventions and strengthened our Employer Brand.
- Activated changes to our performance and reward approach through our high-performance culture.
- Built clear expectations and tools for our people leaders to embed our high-performance culture.
- Anchored our growth behaviours through introduction of a global feedback campaign to grow capability.

Outcomes

- In 2025, we maintained our global employee engagement score of 87%.
- Reshaped our LTIP and bonus structures to align to our high-performance culture.
- Launched our IHG One Pass employee benefits, expanding access to improve attraction and retention of hotel talent.
- Built strong General Manager pipelines through our 'Journey To' capability programmes.

+ See our employee engagement KPI on page 42, how the Board had regard for people in Board and remuneration decisions on pages 139, 145 and 163. Voice of the Employee disclosure on page 135, and our statement on employee engagement on page 261.

Communities

Our responsible business approach and the commitments we have made to create a better and more sustainable future through our Journey to Tomorrow programme actively involve and support the communities in which we operate.

What impacted them in 2025

- Cost-of-living pressures and rising levels of food insecurity, influenced by ongoing geopolitical tensions.
- Access to business skills development and local employment opportunities.
- The impact of environmental challenges across many of the communities where we operate.
- Natural disasters, including hurricanes in the US and typhoons in South East Asia.

Engagement

- Partner with specialist organisations – from Action Against Hunger on food insecurity, to disaster relief experts CARE International and The International Federation of Red Cross and Red Crescent Societies.
- Work with local education providers and community organisations to offer skills building and training opportunities.
- Run our annual Giving for Good month: offering volunteering and community activities for colleagues.
- Collaboration on human rights, including launching new training on preventing human trafficking developed with industry peers.

Outcomes

- 10.2 million lives improved since 2021 through our collective action and work with charity partners.
- Teamed up with charities to provide skills training and job opportunities through IHG Academy.
- Colleagues worked with over 700 charities across events spanning 88 countries.
- Responded to 22 natural disasters around the world.

+ See the Responsible Business Committee Report on pages 134 and 135.

+ Visit **ihgplc.com/responsible-business** for further information on our community commitments.

Suppliers

Responsible supplier relationships are vital for IHG in driving efficiency and effectiveness throughout our supply chains.

What impacted them in 2025

- Ongoing uncertainty and disruption in supply chains.
- Increased focus on sustainability and integrity within supply chains.
- Increased consumer desire for sustainable goods and services.

Engagement

- Delivered a targeted carbon management webinar, supporting selected suppliers to further develop their decarbonisation strategies.
- In collaboration with Sedex, progressed our supplier audit approach by introducing targeted self-assessment questions for shortlisted hotel suppliers.
- Introduced a supplier financial health outreach programme to enhance visibility of supplier resilience, focusing on critical suppliers.

Outcomes

- Identified alternative solutions with suppliers where supply was impacted across our corporate and hotel estate.
- Remained agile by adjusting our approach to goods and services sourced from affected regions.
- Increased collaboration opportunities with sustainable suppliers and for sustainable goods in alignment with our Journey to Tomorrow ambitions.
- Increased visibility and engagement with critical suppliers to strengthen supply chain resilience and sustainability performance.

+ Further information about how the Board considered supply chain and procurement is on page 57, and our business relationships, including our statement of business relationships with suppliers, customers and others, is on page 262.

+ Visit **ihgplc.com/responsible-business** for further information about our approach to responsible procurement.

Our approach to risk and resilience

Delivering IHG's strategic objectives requires balancing growth opportunities with resilience and agility. Our risk management framework underpins this balance, ensuring decisions are informed, controls are robust and emerging risks anticipated.

How we define and review our risk appetite and risk tolerance

Key accountabilities and activities

The Board, supported by the Audit Committee, Executive Committee and delegated committees, is accountable for:

- maintaining a robust framework of effective controls that enable risks to be managed;
- ongoing consideration of emerging and evolving uncertainties across a wide range of topics and timeframes;
- reviewing the overall levels of risk within the business, our resilience to individual and aggregated uncertainties and implications for strategic decision-making;
- evaluating our risk appetite and tolerance as part of setting strategy, and cascading expectations through:
  - our values and behaviours, reinforcing a risk aware culture;
  - our Code of Conduct, delegations of authority and other key global policies;
  - our goals and targets;
  - frequent leadership communications to guide decisions and set priorities; and
- reviewing policies, initiatives and learnings to determine if they have operated within acceptable risk tolerances where priorities have shifted or additional actions were required to continuously enhance our future resilience.

Key milestones and outcomes

- Executive Committee and Board strategy meetings, considering the level of risk we are willing to take across our strategic priorities.
- Refining and communicating our bold ambitions through our strategic priorities and associated growth behaviours.
- Periodic review of key global policies, including the Delegation of Authority.
- Dedicated Executive Sub-Committee to review our risk financing and insurance strategy.
- Annual mandatory Code of Conduct training to all colleagues.

How we identify, discuss and escalate risks, including emerging factors

Key accountabilities and activities

Management teams across IHG are aware of the challenges our current industry context creates. Risks are identified, discussed and escalated through a variety of steps across our decision-making calendar, including specific interventions facilitated by our global Risk and Assurance team. In 2025, these have included:

- portfolio risk reviews with the full Executive Committee;
- deep-dive discussions of each principal risk with nominated Executive Committee sponsors;
- regional and functional leadership risk conversations on risk prioritisation and preparedness to inform strategic planning and investment decisions across their area of the business;
- ongoing engagement with first-line teams with day-to-day responsibilities for identifying and managing risk within key decisions, programmes and transactions, and escalating where appropriate; and
- targeted discussions of identified emerging topics, including generative AI, supply chain resilience, and social and ethical expectations factors, with external insight where valuable. We think about emerging risks as:
  - new risks, or existing risks in a new context, when the nature and value of the impact are not yet known or understood; and
  - factors with an increasing impact and probability over a longer time horizon.

Key milestones and outcomes

- Risk and Assurance team partnered with the Strategy team to guide regional and functional leadership teams in reviewing their risk profiles as part of 2026 strategic planning and investment requests.
- Refreshed risk profiles for each principal risk, considering trend indicators and key controls, reviewed with Executive Committee sponsors.
- Mid- and full-year Executive Committee principal risk review, reported to the Board.

This section should be read together with the 2025 Board focus areas and activities and its delegated committees, and:

+ Pages 123 to 137 for 2025 focus activities and its delegated committees.

+ Pages 30 to 39 for Our Strategy.

+ Pages 22 and 23 for more detailed discussion of trends impacting our industry.

How we integrate our risk management and internal control framework components within our business processes

Key accountabilities and activities

- Managing risk isn't one dimensional and management teams across IHG apply many levers and routines to anticipate, address and respond to uncertainty as they drive to achieve business objectives.
- To align across the many different operational and functional teams, the Risk and Assurance team describe our risk management and internal control framework using a deliberately simple structure that can be applied to any principal risk area.

Culture and leadership
Leadership/accountability
Policy/standards
Targets/incentives
Communication/training

Processes and controls
Risk assessments for key topics
Specific process/control routines
Specific measurement activities

Monitoring and reporting
Indicators/dashboards
Internal/external reporting

- Elements of the framework are subject to ongoing review and adjustment by management teams, supported by subject matter experts including consideration of how AI can be integrated.
- The Audit Committee reviews the ongoing effectiveness of the risk management and internal control framework.

Key milestones and outcomes

- Review of key controls for each principal risk with relevant Executive Committee sponsors.
- Consideration of confidence in the effectiveness of our controls and resilience to risk with each of the Executive Committee member's leadership team.

The following pages describe examples of our key controls, and we will be reviewing the effectiveness of the most important controls in 2026.

How the Board obtains assurance in our risk management and resilience

Key accountabilities and activities

- Our governance arrangements enable the Board and its delegated committees to receive insight and conclude on the appropriateness of our risk management and overall resilience during the year. These include:
  - risk and control considerations within presentations from executive leadership on strategic delivery and major programmes and technology initiatives, including adoption of AI capabilities;
  - updates on matters potentially impacting our overall resilience, including our increased reliance on third-party suppliers, and our crisis management and business continuity frameworks;
  - briefings on specific risk and control topics from key second-line teams, such as information security, privacy, ethics and compliance, financial governance, operational safety and security, loyalty and System Fund controls;
  - review of our Group insurance arrangements, including cyber;
  - independent third-line internal audit reporting on specific reviews, thematic observations on the effectiveness of the risk management and internal control framework, and trends from confidential disclosure channel reporting and investigations; and
  - updates from Risk and Assurance and the external auditors to the Audit Committee in relation to corporate governance developments.

For further information on how the Board and senior management obtain assurance in our risk management and resilience, see pages 123 to 137, which detail the 2025 focus areas and activities for the Board and its delegated committees.

Key milestones and outcomes

- The Board concludes on the effectiveness of IHG's risk management and internal control framework.
- Annual assessment of Global Internal Audit.

+ Our Risk Factors on pages 264 to 271.

+ Further detail on formal risk appetite and tolerance is provided in this report. For example, our appetite for financial risk is described in note 23 to the Group Financial Statements on pages 220 to 224.

Our principal risks and uncertainties

Like many companies, we continue to face a dynamic environment, which includes multiple factors from outside IHG and other inherent execution risks relating to our own initiatives which have the potential to affect the level of uncertainty in relation to our principal risks.

Each of our principal risks often present opportunity and threat at the same time. We consider all risks to be material in absolute terms with further detail of how they have developed in 2025 shown on the following pages.

Executive management monitors indicators of changes in trends for key uncertainties we face. These are shown for each risk below. We also discuss our existing levels of preparedness and whether we need to evolve our risk management and internal control response, refresh our resilience plans to anticipate threats or position ourselves to exploit opportunities.

Existing and emerging realities for 2026–2028...

- Government policy pivots (tariffs, labour, tax).
- Escalating or spiking geopolitical tensions.
- Market or financial turbulence (including cost of capital, supplier financial stress).
- Evolving cyber-attack methods.
- Variability and uncertainty in regulatory enforcement.
- Litigation and regulatory complaints by pressure and special interest groups.
- Social trends and attitudes – including expectations on franchisors.
- Embedding of high performance culture across IHG teams.

We do not treat artificial intelligence as a standalone principal risk as we consider AI-related scenarios, including those affecting distribution, loyalty, data usage and regulatory compliance, within many of the principal risks described in this section.

Link to our strategy

Our four strategic priorities are core to our success and represented as follows; we consider all principal risks to be interconnected with, and influential to, the successful delivery of all our strategic pillars.

- **Relentless focus on growth**
- **Brands guests and owners love**
- **Leading commercial engine**
- **Care for our people, communities and planet**

For more on our strategy, see pages 30 to 39.

Refreshed principal risks for 2026–2028.

Refreshed principal risks – 2026–2028	Executive risk sponsor	Trend
Guest preferences for, or loyalty to, IHG-branded hotel experiences and channels	– Global Chief Commercial and Marketing Officer	→
Owner preferences for, or ability to invest in, our brands	– Global Chief Commercial and Marketing Officer – Regional CEOs	→
Talent and capability attraction or retention	– Chief Human Resources Officer	→
Data and information usage, storage, security and transfer	– Global Chief Product and Technology Officer – Global Chief Commercial and Marketing Officer – Executive Vice President General Counsel and Company Secretary	↑
Ethical and social expectations	– Executive Vice President General Counsel and Company Secretary – Executive Vice President Global Corporate Affairs – Chief Human Resources Officer – Chief Financial Officer	↑
Legal, regulatory and contractual complexity or litigation exposures	– Executive Vice President General Counsel and Company Secretary	↑
Supply chain efficiency and resilience (including corporate and hotel products and services)	– Chief Financial Officer – Chief Product and Technology Officer – Executive Vice President General Counsel and Company Secretary	↑
Operational resilience to incidents or disruption or control breakdown (including geopolitical, safety and security, cybersecurity, fraud and health-related)	– Executive Vice President General Counsel and Company Secretary – Chief Financial Officer – Chief Product and Technology Officer – Regional CEOs	↑
Our ability to deliver technological or digital performance or innovation (at scale, speed, etc.)	– Chief Product and Technology Officer – Global Chief Commercial and Marketing Officer	→
The impact of climate-related physical and transition risks	– Chief Financial Officer – Executive Vice President Global Corporate Affairs – Executive Vice President General Counsel and Company Secretary	→

Key to trend indicators

↑ **Increasing** (from previous year)

→ **Stable** (from previous year)

↓ **Decreasing** (from previous year)

Guest preferences for, or loyalty to, IHG-branded hotel experiences and channels

Why this uncertainty is important to the achievement of our strategic objectives over the next 1–3 years

Our growth ambitions rely on targeted investment in brand building, loyalty, partnerships and digital platforms, supported by timely insight into evolving guest experiences. Preference and trust in our brands depend on our ability to deliver the fundamentals consistently while meeting rising expectations for personalisation and seamless, cross-channel experiences.

These expectations sit alongside enduring priorities, such as safety and sustainability and scrutiny of environmental impact. As we strengthen our masterbrand, expand new brands and enhance our digital and loyalty propositions, we are making strategic choices that require us to move at pace in areas shaped by changing consumer behaviour.

Failure to manage this uncertainty effectively could erode competitive positioning, slow delivery against our growth agenda and weaken preference among guests and owners.

Example factors discussed with management to monitor trending

- Future consumer travel preferences and megatrends.
- Loyalty proposition, competitiveness and ability to deliver change (including at property level through our business model).
- Brand positioning relative to competitors, as measured by social reviews and guest preference indices.
- Brand awareness and health, including for our masterbrand and loyalty programmes.

Key controls that support our response to this uncertainty

Culture and leadership:
- Brand strategies and standards to define consistent guest experiences.
- Defined accountabilities for individual brands and brand segmentations, including IHG masterbrand and loyalty.
- Targets for brand and loyalty performance guided by a multi-year roadmap.
- Brand, service and loyalty colleague training and educational resources.

Processes and controls:
- Governance processes for the introduction of brand standards, new campaigns and marketing launches, loyalty, technology, and hotel projects.
- Ongoing initiatives to automate benefit delivery and improve consistency.

Monitoring and reporting:
- Measurement of guest experience through social reviews, guest surveys and hotel quality evaluations.
- Executive reporting on key guest-facing metrics.

Examples of how the Board obtained assurance on our risk management and resilience during 2025

- Reviews of brand category and masterbrand awareness, loyalty strategies and responsible business strategies.
- Review of competitor activity analysis.
- Updates on readiness for artificial intelligence-enabled guest experience tools.
- Internal Audit assurance over guest delivery governance processes.

Owner preferences for, or ability to invest in, our brands

Why this uncertainty is important to the achievement of our strategic objectives over the next 1–3 years

Our ability to grow depends on owners seeing clear, enduring value in investing in our brands at a time of economic pressure, inflation and elevated expectations for returns. Confidence in the combined strength of our brands, technology and loyalty platforms influences signings, estate quality and the attractiveness of long-term partnerships.

As we refine service delivery models and advance growth avenues, such as branded residences, we are making choices that involve shifting perceptions of value and support. These changes require careful signalling and execution to maintain advocacy.

Failure to manage these dynamics could reduce owner appetite, affect pipeline momentum and weaken our competitive standing.

Example factors discussed with management to monitor trending

- Owners' financial capacity and investment appetite.
- Confidence in IHG's platforms and technology integrations.
- Estate health indicators (length of ownership, Guest Love scores, social media rankings).
- Feedback from owner relationships and advocacy forums.
- Market trends in loyalty and technology propositions.

Key controls that support our response to this uncertainty

Culture and leadership:
- Clear priorities for brand, loyalty, and technology strategies.
- Governance structures and leadership responsibilities to monitor owner returns and support owner finance.
- Colleague training on drivers of loyalty and owner returns.

Processes and controls:
- Initiatives to reduce opening and operating costs and improve efficiency.
- Controls for technology rollouts, including pre-launch testing.
- Compliance processes such as Guest Love and quality.

Monitoring and reporting:
- Regular tracking of cost to build, open and operate hotels.
- Key Executive Committee metrics on Growth and Enterprise, and Loyalty contribution.
- Measurement of ongoing performance and strategy delivery.

Examples of how the Board obtained assurance on our risk management and resilience during 2025

- Market updates from regional CEOs on owner sentiment and financial capacity.
- Reviews of new brand launches, partnership and owner-facing technology.
- Updates on loyalty programme changes and procurement strategies.
- Update on energy, water and waste initiatives.
- Oversight of branded residence initiatives and service model transitions.
- Internal Audit reviews of capital expenditure and partnership practices.

+ For further information on why hotel owners choose to work with IHG see page 29.

Our principal risks and uncertainties continued

Talent and capability attraction, retention and development

Why this uncertainty is important to the achievement of our strategic objectives over the next 1–3 years

Delivering our strategic ambitions depends on our ability to attract, develop and retain high-quality talent across our hotels, reservations offices and corporate functions. Labour market conditions and evolving policy developments in key markets such as the US, China and India influence talent availability and the pace at which we can build skills and capabilities.

Our ability to sustain attraction, engagement and retention while navigating the introduction of automation and AI and addressing increasing costs will require continued organisational resilience. Continued people-cost pressures heighten the challenge for hotels and owners to attract and retain talent.

Where talent-related responsibilities sit with hotel owners, outcomes are dependent on the effectiveness of their practices as well as our own.

Failure to respond effectively could impair hotel operations, weaken leadership and capability pipelines, and increase exposure to non-compliance or litigation.

Example factors discussed with management to monitor trending

- The competitiveness and attractiveness of our recruitment, learning and talent development offer within the hospitality market as well as alternative industries.
- The health of our internal talent and succession pipeline and development pathways, including the impact of expectations of productivity, agility, and performance.
- Key talent engagement and turnover.
- External macro factors, including evolving expectations on inclusion in the workplace, labour practices, operational practices, remuneration structures, and potential for political and regulatory volatility.

Key controls that support our response to this uncertainty

Culture and leadership:

- Employer brand strategies and policies.
- Defined accountabilities and steering structures for key talent leadership topics, including leadership boards and employee resource groups.
- Short- and long-term incentive programmes, incorporating specific incentives for key teams and colleague travel benefits.
- Training and education resources on people leadership and management skills.

Processes and controls:

- Specific recruitment, hiring onboarding and offboarding processes.
- Compensation and benefits benchmarking, including executive remuneration, competitive offering aligned with budgets and payroll processes.
- Global annual talent and performance cadence, including talent forums and supporting technology.

Monitoring and reporting:

- Ongoing Executive Committee tracking of performance, culture and key people metrics.

Examples of how the Board obtained assurance on our risk management and resilience during 2025

- Review of Executive Committee talent and succession pipeline.
- Review of remuneration and incentive strategies and policies.
- Review of Voice of the Employee feedback.
- Review of Journey to Tomorrow people targets.
- Internal Audit reviewed governance of employee engagement metrics and colleague travel benefits.

+ For further information see Our People pages 62 to 67.

Data and information usage, storage, security and transfer

Why this uncertainty is important to the achievement of our strategic objectives over the next 1–3 years

Data underpins our ability to drive revenue, enhance loyalty and support decision-making. As we transition to cloud-based and third-party platforms, we face increasing dependency on external infrastructure, new governance demands and more complex data flows across regions.

Global divergence in privacy, localisation and consent requirements, together with accelerating AI adoption, creates uncertainty and elevates the importance of data integrity and lifecycle management.

We are building new capabilities and expanding partnerships to support our strategy, which introduces additional points of exposure.

Failure to manage these dynamics could result in operational disruption, financial or reputational harm and reduced stakeholder trust in how we use and protect high-value information assets.

Example factors discussed with management to monitor trending

- Expectations for personalisation, commercialisation and monetisation of data in support of commercial performance.
- Data infrastructure complexity, including relationships with third-party cloud providers, loyalty/customer platforms and hotel systems.
- Cybersecurity threats and trends, including agile threat actors and fraudsters, and growing use of AI tools to perpetrate attacks.
- Developments in regulatory complexity and enforcement, including privacy laws and growing expectations for data integrity.

Key controls that support our response to this uncertainty

Culture and leadership:

- Information governance operating framework.
- Policies for information security and personal data handling, including emerging requirements related to AI and cloud-based platforms.
- Colleague awareness campaigns on phishing, data integrity, and general security education and testing.
- Centralised expertise for information security, privacy and governance.

Processes and controls:

- Privacy and information security risk assessments and horizon scanning, including third-party dependencies.
- IHG privacy framework, including privacy impact assessment process.
- Third-party risk management and threat management programme, including due diligence for key vendors.
- Data tagging and classification processes.

Monitoring and reporting:

- Sarbanes-Oxley Act 2002 (SOX) compliance testing of key data controls.
- Management monitoring of information security issues and privacy programme development.
- Independent assessments of key controls for payment cardholder data and international money and security transfers.

Examples of how the Board obtained assurance on our risk management and resilience during 2025

- Presentations on guest and hotel technology strategy, cyber risks and infrastructure evolution.
- Review of data privacy programme.
- Updates on cyber insurance renewal strategy.
- External cybersecurity assessments on emerging AI-related cyber risks.
- Audit Committee discussion of AI deployment plans and associated control considerations.
- The Internal Audit plan included several independent reviews of processes for verifying and validating key metrics, and programme and configuration governance.

Ethical and social expectations

Why this uncertainty is important to the achievement of our strategic objectives over the next 1–3 years

Operating in more than 100 countries exposes us to rapidly shifting expectations about ethical and responsible business conduct. Scrutiny of corporate values and social positions is intensifying, with local dynamics varying across markets and brand segments.

As a franchisor operating across a varied estate, we must balance influence and accountability while continuing to advance our inclusion and responsible business commitments. Entering new markets, evolving brand propositions and responding to social flashpoints require judgement and adaptability.

Misalignment with stakeholder expectations – or a failure to respond to emerging issues – could undermine trust, constrain growth and create reputational exposure.

Example factors discussed with management to monitor trending

- Interest in our ethical and social performance from the media and investors.
- External stakeholder expectations for IHG to manage and drive ethical and responsible business through our supply chains and across our wider business, including our franchised properties.
- Industry benchmarking, noting the challenging operating environment in many markets to build brands while also considering stakeholder responsibilities.
- Corporate account interest in travel and hospitality ethical and social performance.
- Colleague perceptions of our performance.

Key controls that support our response to this uncertainty

Culture and leadership:

- IHG Code of Conduct supported by individual policies and brand standards on ethical and social topics.
- Formal IHG position statements including Modern Slavery Statement and Approach to Tax.
- Defined accountabilities for key responsible business topic steering and oversight.
- Journey to Tomorrow goals, community strategy, partnerships, and engagement in cross-industry groups.
- Mandatory and support training on responsible business topics.

Processes and controls:

- Periodic risk assessments (anti-bribery, human rights, new country entry).
- Owner and supplier due diligence processes.
- Responsible labour requirements for hotels.

Monitoring and reporting:

- Executive tracking of human rights performance, responsible procurement metrics and confidential disclosure channel reporting trends.
- Tracking of Code of Conduct training levels for key leaders.
- Tracking of supplier code acceptance and monitoring of adverse supplier practices.

Examples of how the Board obtained assurance on our risk management and resilience during 2025

- Review of Code of Conduct.
- Updates on strategies for ethics and compliance, community partnerships, human rights and responsible procurement supported by external perspectives.
- The Internal Audit team maintained oversight of the confidential reporting hotline and supported independent investigations where required.

+ For further information see our Being a responsible business pages 54 to 84.

Legal, regulatory and contractual complexity or litigation exposures

Why this uncertainty is important to the achievement of our strategic objectives over the next 1–3 years

Our growth ambitions and digital transformation expose us to a wide and evolving set of legal, regulatory and contractual requirements across multiple jurisdictions. Rapid legislative change, differing enforcement approaches, sanctions regimes and the rise of litigation, including class actions and joint-employer theories, require ongoing attention.

Our business model depends on complex owner and supplier relationships, including partnerships with major technology providers. These arrangements bring significant opportunity but also increase the importance of contractual clarity, governance discipline and compliance.

Failure to navigate these uncertainties could result in regulatory breaches, monetary or non-monetary penalties, adverse litigation outcomes and reputational harm.

Example factors discussed with management to monitor trending

- The scope and maturity of regulation, encompassing ongoing legislative developments that impact our franchise relationships with hotel owners, our supplier interactions, our obligations to consumers and colleagues, and emerging requirements related to generative AI.
- The frequency and severity of regulatory enforcement, which can vary considerably between territories, and which is subject to political influence. This includes ongoing use of sanctions and countermeasures as foreign policy tools.
- The rapid evolution of litigation and class action lawsuits, including the impact of external funding on both costs and claim volumes.

Key controls that support our response to this uncertainty

Culture and leadership:

- IHG Code of Conduct and Delegation of Authorities supported by individual policies on regulatory matters (anti-bribery, sanctions, anti-trust, etc.) and an overarching policy governance framework.
- Defined legal accountabilities and organisational structures for information governance, safety, privacy and regulatory compliance.
- Education and training resources for first-line colleagues, including hotel general managers, on key legal, regulatory, and contractual requirements.

Processes and controls:

- Risk assessments on specific regulatory matters.
- Specific control processes, including third-party due diligence, franchise disclosure, new country entry, sanctions monitoring, HR procedures and entity management.
- Compliance programmes for safety, anti-bribery, anti-trust and privacy.

Monitoring and reporting:

- Executive-level reporting on operational safety and security, privacy, ethics and compliance, human rights trends and litigation matters.
- Corporate governance and regulatory developments updates.

Examples of how the Board obtained assurance on our risk management and resilience during 2025

- Review of corporate governance, regulatory and corporate affairs developments (including external advice).
- Specific updates on regulatory topics including privacy, tax, fraud and litigation.
- The Internal Audit team assessed governance for compliance with incoming regulatory changes.

Our principal risks and uncertainties continued

Supply chain efficiency and resilience (including corporate and hotel products and services)

Why this uncertainty is important to the achievement of our strategic objectives over the next 1–3 years

Geopolitical fragmentation, regionalisation and shifts in trade policy increase uncertainty in sourcing, input costs and supply continuity. Supporting owners navigating cost pressures and disruption is central to our competitiveness and the resilience of our global estate.

As we broaden our supplier base and integrate more technology-enabled and AI-driven providers, including new entrants to the market, we are expanding the range of capabilities we depend on. This requires clear accountability for performance, security and commercial outcomes.

Failure to adapt effectively could affect hotel openings and renovations, commercial channel performance, margins and overall reputation.

Example factors discussed with management to monitor trending

- The complexity of our corporate supply chain (including partners we work with, marketing investments and outsourced services).
- External geopolitical, economic and environmental instability, including trade, labour and other government policies.
- Key supplier financial health and resilience, including exposures to conflict-affected geographies and the potential for disruption from technology and AI.
- Legislative, regulatory, and code changes, including demands for transparency and due diligence across global supply chains.
- The complexity and competitiveness of the hotel supply chain (including partners we work with, market investments and outsourced services) with increasing regionalisation and deglobalisation trends.

Key controls that support our response to this uncertainty

Culture and leadership:

- Key policies and delegated authorities, supported by training resources, to structure how we engage with suppliers (for example, capital expenditure controls, policies for procurement, information security, supplier conduct).
- Dedicated cross-business forum to review supply chain risk and control matters.

Processes and controls:

- Supplier financial risk ratings, due diligence assessments and certifications, and onboarding and offboarding processes.
- Regular validation of supplier security controls.

Monitoring and reporting:

- Tracking of service level agreements, regular meetings and executive status updates for strategic suppliers.

Examples of how the Board obtained assurance on our risk management and resilience during 2025

- Audit Committee oversight of emerging supply chain risks and governance.
- Procurement considerations within market updates from regional CEOs.
- Review of specific major supplier contracts.
- The Internal Audit plan included independent assurance over procurement processes within a key market.

+ For our approach to Responsible Procurement see pages 57 to 59.

Operational resilience to incidents or disruption or control breakdown (including geopolitical, safety and security, cybersecurity, fraud and health-related)

Why this uncertainty is important to the achievement of our strategic objectives over the next 1–3 years

Operating at global scale exposes us to a wide range of disruptive uncertainties, including geopolitical volatility, cyber threats (amplified by AI), fraud, natural disasters and health-related incidents. Foundational controls for safety, security and resilience must remain robust as we expand into new markets, modernise systems and adopt AI-enabled technologies.

These changes increase the complexity of our operating environment and the risk of control breakdown, particularly where processes become more automated or where dependencies on third parties rise.

Failure to anticipate or respond effectively could disrupt operations, lead to financial loss or claims and reduce stakeholder confidence.

Example factors discussed with management to monitor trending

- Internal and external threat levels linked to geopolitics, cyber-crime, fraud, insider threats, natural catastrophes and extreme weather events.
- Exposure to system and infrastructure failures, including age of key infrastructure and evolving supplier and data ecosystems.
- Potential for human-related control breakdowns caused by organisational change, automation and fatigue.
- Stakeholder expectations of how IHG responds to disruption, including new notification requirements in key territories.
- AI-related risks, including misinformation, vendor risk and litigation exposure.

Key controls that support our response to this uncertainty

Culture and leadership:

- Centralised expertise in resilience, safety and security, threat management and information security, supported by third-party specialists.
- Crisis management framework, supported by training for duty directors and leadership teams on escalation protocols and crisis communications.
- Cross-business fraud oversight and updated Fraud Prevention Policy.
- Targeted awareness campaigns for potential threats (for example, phishing).

Processes and controls:

- Ongoing management risk assessments in executive leadership teams, supported by geopolitical intelligence.
- Contractual provisions for resilience, insurance and information security.
- Specific preventative controls, including privileged access reviews and localised fraud risk strategies.
- Business continuity and disaster recovery planning for key processes and services and supplier relationships.
- Brand Safety Standards, including digital self-assessments for managed hotels.

Monitoring and reporting:

- Periodic external benchmarking of programme maturity (safety, cyber, threat management).
- Compliance reporting to senior management.
- Ongoing control monitoring, including SOX testing (financial, IT controls).

Examples of how the Board obtained assurance on our risk management and resilience during 2025

- Reviews of operational safety and security, serious incidents and threats, financial control and governance, fraud risk management and cybersecurity.
- Specific updates on geopolitical risks, including within regional CEO updates in relation to priority growth markets.
- PwC assurance on SOC1 control reports.
- Internal Audit assessed the Identity and Access Management programme.

Our ability to deliver technological or digital performance or innovation (at scale, speed, etc.)

Why this uncertainty is important to the achievement of our strategic objectives over the next 1–3 years

Technology and digital innovation are central to guest experience, operational efficiency and our competitive position. The pace of development in AI, generative AI and cloud platforms, combined with expanding ecosystem complexity, creates uncertainty in execution, governance and resilience.

Our multi-year roadmap requires us to modernise core platforms, retire technical debt and deliver at pace – often in partnership with third parties. These choices introduce dependencies that must be managed carefully.

Failure to do so could slow the realisation of benefits, impair competitiveness and heighten operational or reputational risks.

Example factors discussed with management to monitor trending

- The current state of our foundational technology infrastructure and applications, and readiness for innovation.
- Status of multi-year investment programmes, particularly where we are reliant on third parties.
- Pace of change in AI and digital behaviours, and implications for guest expectations, owners, suppliers and colleagues.
- Talent and capabilities to deliver change, including partnerships with suppliers, academic institutions and thought leaders.

Key controls that support our response to this uncertainty

Culture and leadership:
- Product and Technology leadership team, including defined senior leadership accountability for AI and technology architecture and accountabilities for product ownership across website, app and loyalty platforms, supported by development teams.
- External networking and thought leadership, including engagement with educational institutions and consultants.
- AI Steering Committee.

Processes and controls:
- Formalised change management processes, including phased rollout roadmaps.
- Centralised agile delivery and portfolio management tools.
- Defined governance processes for generative AI initiatives.
- Colleague training on generative AI tools supported by guidance on responsible use.

Monitoring and reporting:
- Executive-level monitoring of programme execution and technology debt.
- Portfolio confidence metrics and reporting on cross-functional priorities.
- Specific assessments, including analysis of field services and organisational readiness.

Examples of how the Board obtained assurance on our risk management and resilience during 2025

- External benchmarking and strategic planning discussion on AI-related disruption and risk appetite.
- Audit Committee review of spend governance and control of key products.
- Internal Audit reviewed governance for generative artificial intelligence adoption.

The impact of climate-related physical and transition risks

Why this uncertainty is important to the achievement of our strategic objectives over the next 1–3 years

Climate-related physical and transition risks create uncertainty for IHG and the owners who invest behind our brands. While acute physical impacts may materialise beyond the near term, investor and regulatory expectations require credible transition planning and visible progress today.

Exposure varies significantly by geography, asset type and brand positioning, influencing cost, investment needs, reporting obligations and corporate client expectations. Operating across a range of markets means we must navigate differing levels of readiness and regulatory maturity.

Failure to prepare effectively could result in reputational harm, reduced stakeholder confidence and impacts on performance and growth in key markets.

Example factors discussed with management to monitor trending

- Evolving regulatory and fiscal interventions, including reporting requirements on corporates.
- Expectations of investors and ratings agencies.
- Cost implications for owners, for example, to build, convert and renovate hotel assets.
- Corporate client preferences and whether climate considerations influence travel and spending decisions.
- Exposure to acute and chronic physical risks for our open and pipeline hotels over the short, medium and longer term.

Key controls that support our response to this uncertainty

Culture and leadership:
- Definition of planet-related goals and programmes within overall strategy.
- Industry, investor and stakeholder engagement on key topics, including industry standards and financial incentives.
- Steering Committee accountabilities for Journey to Tomorrow and decarbonisation.

Processes and controls:
- Physical and transition risk assessments, supported periodically by external resources.
- Energy reduction processes and resources (including brand standards and e-learning) to help mitigate cost risks for owners.

Monitoring and reporting:
- Hotel energy use reporting via IHG Green Engage tool.
- Executive tracking of TCFD metrics and governance oversight of climate-related reporting and resource allocation.

Examples of how the Board obtained assurance on our risk management and resilience during 2025

- Review of TCFD disclosures and the embedding of climate considerations in strategy, governance, risk management and performance management.
- Review of climate data, including Internal Audit assurance over energy data estimation methodologies and governance of Environmental, Social and Governance metrics.

+ For further information see Our planet pages 70 to 84.

Being a responsible business

JOURNEY TO TOMORROW

Growing responsibly

Our purpose of True Hospitality for Good brings our brands to life, shapes our culture and reflects our commitment to making a positive difference to our people, guests and communities.

Colleagues in the East Asia Pacific sub-region supporting our annual Giving for Good Month.

Our approach to responsible business

Creating a culture of responsibility that permeates every level of our organisation is central to how we operate. Alongside our Journey to Tomorrow plan, this commitment is reflected more widely in our strategy, policies, initiatives and engagement with colleagues, customers, industry and communities.

Our approach to responsible business guides our operations and underpins our performance. We recognise that stakeholders value how we grow and contribute to positive change. To align our work with the most critical responsible business issues, we conduct materiality assessments to understand our impact and set our priorities. These assessments help us stay focused on the issues most relevant to our stakeholders, industry and long-term success. For more details on how we engage with stakeholders, please read pages 44 to 45.

'Care for our people, communities and planet' is one of IHG's four key strategic pillars and our Journey to Tomorrow responsible business plan is a critical element of how we deliver on this. The commitments that sit within this plan build on important work achieved over the years, and at the core of our responsible business commitment is strong leadership. The Board oversees our ethical standards of governance, reinforcing our culture, values and responsible business conduct.

The Responsible Business Committee of the Board oversees the Journey to Tomorrow plan, ensuring our responsible business commitments are embedded within our strategy and regularly reviewed for progress and accountability.

How our Journey to Tomorrow plan supports our strategic priorities:

Relentless focus on growth

Brands guests and owners love

Leading commercial engine

Care for our people, communities and planet

Our people
Champion an inclusive culture where everyone can thrive

Communities
Improve the lives of 30 million people in our communities around the world

Carbon and energy
Reduce our energy use and carbon emissions in line with climate science

Waste
Pioneer the transformation to a minimal-waste hospitality industry

Water
Conserve water and help secure water access in those areas at greatest risk

More on pages 62 to 67.
More on pages 68 to 69.
More on pages 70 to 71.
More on page 72.
More on page 73.

Being a responsible business continued

Our culture

Guiding our approach and purpose

Our culture, shaped by our values and growth behaviours, informs our decisions and how we execute our strategy. Our culture provides the foundation for how we behave responsibly and how we deliver our purpose of True Hospitality for Good.

Our values

- Do the right thing
- Show we care
- Aim higher
- Celebrate difference
- Work better together

Our growth behaviours

- Ambitious
- Dedicated
- Courageous
- Caring

Our structure and governance

The IHG Board has ultimate responsibility for ensuring our culture and ways of working align with our purpose and strategy. Throughout the year, the Board and its Committees review updates and reports on strategic progress through a governance and culture lens.

The Board actively challenges and supports senior leaders, particularly when policies or initiatives need adjustment to maintain alignment between strategy and culture. Day-to-day responsibility for shaping and embedding culture is delegated to the CEO, who, together with the Executive Committee (EC), sets the tone from the top by fostering an open, honest and empowering workplace.

The EC is responsible for executing the Group's strategy and keeping the Board informed on operations and workplace culture.

IHG's hotel development and operations are organised regionally – Americas, EMEAA, and Greater China – supported by global functions including Commercial and Marketing, Product and Technology, Finance, Human Resources, Corporate Affairs, and Business Reputation and Responsibility.

Regional and global leadership teams execute strategic priorities in line with the Group's culture and values.

Decisions on hotel developments and capital expenditure are reviewed by the relevant deal approval and expenditure committees in line with the Group's Global Delegation of Authority Policy, which sets out controls for financial commitments and approvals. Proposals above certain thresholds require approval from the Group's Capital Committee, which reports to the EC.

The Group operates through over 340 subsidiaries worldwide, providing the legal framework to enter into contracts and commitments.

+ Information on the Board's monitoring and assessment of our culture is included on page 125.

Code of Conduct and related policies

IHG's Code of Conduct (Code) sets the standard for how we do business and underpins our commitment to providing True Hospitality for Good. The Code seeks to enable colleagues to make the right decisions, in compliance with the law and IHG's expectations about conduct.

The Board, EC and all colleagues working in IHG corporate offices, reservation centres, and owned & leased and managed hotels must comply with the Code. We expect those we do business with, including our franchisees, to uphold similar principles and standards.

The Code is reviewed and approved by the Board on an annual basis, and is supported by annual e-learning requirements. We monitor and assess how our values are being embedded into our culture through a variety of methods, such as through direct engagement, employee engagement surveys, tracking of e-learning completion and our confidential reporting hotline.

The Code contains an overview of our values and Group-level policies, including those relating to human rights, respect in the workplace, equal opportunities, accurate reporting, information security, anti-bribery and corruption, and the environment. It also provides guidance on how colleagues can raise concerns or seek further help.

Additional detail regarding other areas of the Code, such as our commitment to creating a culture of inclusion, is on pages 62 and 63, and driving respect for human rights is on page 66. Initiatives to respond to legal and regulatory uncertainties and ethical and social expectations are on page 51.

+ IHG's Code of Conduct is available in 14 languages on the Company's intranet and at **ihgplc.com/en/investors/corporategovernance/code-of-conduct**

Speaking up

A core component of our people culture is respect in the workplace. IHG has zero tolerance for any form of discrimination, harassment or bullying, in line with our Respect in the Workplace Policy. While we uphold our responsibility to behave ethically and protect IHG's reputation, it is possible that in limited instances, a colleague may act in a way that conflicts with the principles set out in the Code.

Guidance is given to report concerns directly to line managers, supervisors or local HR representatives. A confidential reporting hotline and online reporting facility are available and globally advertised. Concerns can also be reported to the Head of Risk and Assurance or the General Counsel and Company Secretary. The Board routinely reviews summaries of reported concerns and ensures that processes are in place for investigations and follow-up.

Safety and security

IHG is dedicated to ensuring a safe, secure and healthy environment for all colleagues, guests and visitors. All operations must adhere to relevant health, safety and security laws. In addition to legal compliance, IHG proactively seeks opportunities to enhance the management of safety and security risks, implementing mandatory Brand Safety Standards across all hotels to ensure consistency. Initiatives addressing safety and security risks can be found on page 52.

Bribery and corruption

IHG is committed to operating with integrity. Colleagues are not permitted to engage in bribery or any form of financial crime, including fraud, money laundering, violations or circumvention of economic and trade sanctions and tax evasion or the facilitation of tax evasion. This standard also applies to agents, consultants and other service providers who do work on our behalf.

Our Anti-Bribery Policy sets out our zero-tolerance approach and is applicable to all Directors, EC members, employees and colleagues in owned & leased and managed hotels. It is accompanied by anti-bribery content in our mandatory Code of Conduct e-learning module.

Our Gifts and Entertainment Policy and guidance further support our approach in this area.

Initiatives to respond to legal, regulatory, ethical and compliance risks are more broadly discussed on page 51.

IHG is a member of Transparency International UK's Business Integrity Forum.

TRANSPARENCY INTERNATIONAL UK
fighting corruption worldwide

Handling information responsibly

We are committed to ensuring that guests, loyalty programme members, colleagues, shareholders, owners and other stakeholders trust the way we manage data. As part of our privacy and information security programmes, we have standards, policies and procedures in place to manage how personal data can be used and should be protected. Our e-learning training for employees on handling information responsibly is a mandatory annual requirement and covers topics such as password and email security, using personal data in accordance with our policies and privacy commitments, how to work with vendors and transferring data securely. This year we held tabletop exercises to practise our ability to detect and respond to potential security events, as well as phishing exercises.

We continue to develop our privacy and security programmes to address evolving requirements and take account of developing best practice. The Board regards cybersecurity as a critical business discipline, and it regularly receives updates on the Group's cybersecurity risk management and control arrangements.

+ See page 50 for further detail on uncertainties relating to data and information usage, storage, security and transfer.

Our behaviours

By demonstrating our growth behaviours – ambitious, dedicated, courageous, caring – our leaders and employees create an environment that encourages high performance, while operating responsibly in a way that helps us achieve our strategic priorities and purpose. Our policies, communications, learning programmes and performance management processes reflect these behaviours, ensuring they act as a compass for how we do things and help us create an inclusive culture for all.

Responsible procurement

We grow our business with innovation and sustainability at the core, guided by high standards of conduct. These principles shape how we select and engage with suppliers. We strive to work with suppliers who uphold our ethical standards and share the ethos of our Journey to Tomorrow plan. Our supply chains span hotel and corporate spend. Purchasing of hotel goods and services predominantly occurs locally, as most hotels are independently owned and manage their own supply chains. In key markets, IHG Global Procurement offers procurement programmes for certain goods and services related to building, opening, renovating, and operating hotels, enabling hotels and owners to leverage IHG's scale. Hotel procurement programmes are available in the US, Canada, Mexico, the Caribbean, Greater China, and EMEAA, covering the UK, Germany, France, the United Arab Emirates, Saudi Arabia, India, Australia, New Zealand, Japan and Singapore. Our corporate supply chain encompasses the procurement of technology, office facilities and professional services such as marketing and consultancy.

To manage and monitor this, IHG has implemented a Global Procurement Policy, Centralised Purchase Order Desk, and a Source-to-Pay system to oversee third-party corporate expenditure, while continuing to roll out purchasing systems to support owned & leased, managed and franchised hotels in key markets.

Being a responsible business continued
Our culture continued

1

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Partnering With Suppliers in the Americas and Greater China for Energy Efficient Kitchen Solutions – Demand Based Kitchen Ventilation (DBKV) system procurement solutions have been supported in the Americas region and Greater China, with six new hotels across Greater China adopting the technology. This energy conservation measure reduces energy use in kitchens, including heating and cooling.

Strategic supplier relationships, particularly with global technology and outsourcing providers, are regularly reviewed to ensure alignment with business objectives, to harness innovation, manage risk and drive value realisation.

Global Procurement, supported by our digital solutions and policies (like the Supplier Code of Conduct (SCC) and the Procurement Policy), plays a pivotal role in setting our expectations for suppliers and business stakeholders to conduct business ethically. This involves ensuring that responsible business criteria are incorporated into our supplier selection process. Our Responsible Procurement team offers training and guidance across corporate, managed and franchised teams, including procurement colleagues in our corporate offices. IHG continues to comply with the UK statutory reporting duties on payment practices and performance.

Policy and guidance

We acknowledge the environmental and social impacts associated with our supply chain and expect our suppliers to uphold principles of integrity and respect consistent with our own.

Accordingly, all new corporate suppliers are required to either accept the Supplier Code of Conduct (SCC) during onboarding or demonstrate equivalent policies. In 2025, 100% of new corporate suppliers signed the SCC.

This requirement is reflected in the contractual terms for central procurement programmes accessible to our hotels. While we endeavour to resolve identified issues collaboratively, significant breaches of the SCC may result in contract termination.

We regularly review our key governance documents, and this year we have updated our SCC. Following a comprehensive benchmarking and gap analysis, the SCC now reflects changes in the external environment, including increased geopolitical uncertainties, evolving regulatory requirements, and shifting customer expectations. Key enhancements include clarified expectations for suppliers on human rights due diligence and animal welfare. The updated SCC is now accessible on IHG's website in 14 languages.

To advance our sustainable sourcing efforts and ensure supplier compliance with our standards, contract templates incorporate ethical, social and environmental reporting requirements.

Furthermore, we have refined our Responsible Sourcing Guidance, which is now available to hotels and owners in 12 languages. This resource provides an overview of third-party certifications and commodity-specific information, supporting informed supplier selection and promoting responsible practices within selected supply chains.

To promote responsible procurement across corporate, managed, and franchised teams, we provide an education programme that has been completed more than 27,100 times since its inception in 2019.

As part of this ongoing initiative, the Human Rights Team facilitated a training session focused on identifying and mitigating human rights risks within our supply chains. We also expanded our Global Procurement team's expertise through sessions on Circular Solutions and Renewable Energy, while continuing to provide annual core modules such as legal and contract training and category management for new joiners.

In 2023, IHG co-founded the Hospitality Alliance for Responsible Procurement (HARP), which is facilitated by EcoVadis. This year, EcoVadis hosted carbon management webinars for suppliers invited by HARP member companies.

Due diligence and risk management

The new Enterprise Supplier Management (ESM) team centralises and standardises third-party risk and relationship management for IHG's corporate and hotel procurement programme supply chains. Our goal is to build a strong risk management framework and improve supply chain resilience. We identify key risks, develop strategies and tools to address them, and review sourcing, contract and supplier management procedures to implement the required improvements.

To maintain strong alignment with our Executive Committee's risk agenda and ensure programme relevance to business objectives, our Supply Chain Risk Council fosters robust cross-functional collaboration with senior leaders across the organisation. This systematic approach helps facilitate effective identification and mitigation of enterprise-level supply chain risks.

Additionally, by collaborating with leading industry experts, we aim to anticipate emerging risks that could affect our global supply chain, thereby helping to ensure ongoing resilience and adaptability within an evolving market landscape.

Financial risk

This year, we launched a supplier financial health outreach programme, building on our work to improve due diligence processes. This initiative provides deeper insight into the financial stability of our suppliers by conducting thorough reviews of their financial statements. Through evaluation of default risks and core financial metrics, we adopt a proactive approach to strengthening supply chain resilience, directly engaging with critical suppliers whose financial health may warrant closer attention. In 2025, these efforts encompassed focused engagement with suppliers in the Americas region, as well as selected corporate suppliers.

Social and environmental risk

We assess social and environmental risks in our supply chain in several ways, including through our own scorecard, EcoVadis assessments and audits.

All new corporate and hotel procurement programme suppliers are required to complete a pre-contract questionnaire detailing where goods are sourced and/or manufactured, and the type of service they provide.

Those suppliers operating in higher-risk countries or industries and who have not already received an EcoVadis rating are required to complete additional questions related to the policies and processes they have in place regarding labour practices (covering key human rights risks, including passport retention, payment of recruitment fees and costs, worker accommodation and grievance mechanisms).

As part of our ongoing post-contract due diligence approach, strategic suppliers and certain higher-risk suppliers are asked to complete an EcoVadis assessment, which measures their environmental, human rights, ethics and sustainable procurement risk management capabilities.

Over the past year, we have increased our coverage of suppliers across hotel procurement programmes. In 2025, 93 suppliers were assessed and rated by EcoVadis. This assessment helps us identify risks and work collaboratively with suppliers to improve performance. Those who score below our expected standards receive corrective actions and support resources.

Continuing from 2024, we are collaborating with Sedex, a prominent platform for companies to manage and share site-level audit data, to progress the development of our approach to supplier audits in the Americas and EMEAA, starting with collecting critical site-level information from our highest-risk Tier 1 centralised hotel procurement programme suppliers. So far, 60 suppliers have been invited to complete a Sedex self-assessment questionnaire. We are now working to drive completion by the remaining suppliers and will be analysing results to determine which suppliers will be invited to participate in a Sedex Members Ethical Trade Audit. We will increase the scope over time. This continues to build on the existing on-site supplier audit programme in Greater China.

Supplier engagement

We have teamed up with a leading procurement consultancy to strengthen supplier relationships through two main initiatives.

First, we surveyed over 200 suppliers and conducted 16 follow-up interviews to gather honest feedback and benchmark IHG against competitors, guiding our action plan to become the trusted premier hospitality supply management partner.

Second, we are holding segmentation workshops across hotel and corporate procurement categories in all regions, helping category managers identify strategic suppliers and improve collaboration. These efforts allow us to allocate resources efficiently and build resilient partnerships.

By actively listening to suppliers and thoughtfully segmenting our supply base, we are boosting transparency, accountability and collaboration – essential for sustainable procurement success.

Food and beverage

With millions of meals served weekly in hotels worldwide, we support our hotels in making considered choices about the origins of their food and beverages to help minimise environmental impact. Our guidance and brand standards encourage hotels to offer broad dining options for both business and leisure guests, with a focus on health, wellbeing, and ethical sourcing. For example, certain brand standards require that hotels use locally sourced produce, which can also help to reduce carbon emissions.

We are committed to promoting improved animal welfare standards in our supply chain. Our approach includes focusing on priority categories where we can meaningfully influence welfare outcomes across our brands and regions. We will continue collaborating with suppliers and hotels to responsibly source animal-derived products, adapting to local supply, cost, and availability.

2
Supplier Innovation Across the UK – Driving improved sustainable practices in the UK, our procurement team has been working closely with suppliers to replace plastic-wrapped linen deliveries with reusable crates and fabric bags. Following a successful launch in Scotland last year, the initiative has now expanded to England, with several suppliers adopting the approach.

Being a responsible business continued

Making stays more sustainable

We work closely with our owners to deliver elevated experiences for our guests, engage with them in meaningful ways throughout their stay and meet growing demand from business customers and other stakeholders to minimise the impact of travel on the world around us.

Meeting for Good

In 2025, more than 650 hotels participated in Meeting for Good, a programme that supports our hotels in delivering more sustainable meetings for those who host events at IHG hotels. The programme was named the 2025 Gold Medal winner in Northstar's Stella Awards for the 'Best Sustainability Initiative', supporting meeting and event planners in delivering more sustainable events worldwide.

Making it simple for guests to search for EV charging

Guests can search for hotels with EV charging through the IHG One Rewards app.

Supporting certified sustainable hotels

We partner with leading certification programmes, including Green Key (FEE) and Green Key Global, to help hotels reference sustainability credentials to guests. In 2025, more than 340 hotels had achieved third-party certification.

Hotels engaging in local conservation

Hotels are taking action to preserve nature and engage guests in conservation across our estate.

From coral reef restoration in Bali to rooftop beekeeping at InterContinental London Park Lane, properties are working with local NGOs and community groups to protect biodiversity and wildlife.

+ Read more at **ihgplc.com/en/responsible-business/case-studies**

Greener Stay initiative reducing resource use

Guests can forgo daily housekeeping and reuse linen and towels in return for IHG One Rewards points, helping to cut water and energy consumption.

Journey to Tomorrow

Our goal is to help shape the future of responsible travel together with those who stay, work and partner with us.

We will support our people and make a positive difference to local communities, while preserving our planet's beauty and biodiversity… not just today but long into the future.

Our people

Champion an inclusive culture where everyone can thrive

Our communities

Improve the lives of 30 million people in our communities around the world

Our Planet:

Carbon and energy

Reduce our energy use and carbon emissions in line with climate science

Waste

Pioneer the transformation to a minimal waste hospitality industry

Water

Conserve water and help secure water access in those areas at greatest risk

Empower our people to help shape the future of responsible travel

Our people

Championing an inclusive culture where everyone can thrive

- Cultivate a culture of inclusion for colleagues and owners.
- Support all colleagues to prioritise their wellbeing and the wellbeing of others.
- Drive respect for and advance human rights.

Contributing to the following UN Sustainable Development Goals (SDGs)

3 Good health and well-being
5 Gender equality
10 Reduced inequalities
17 Partnerships for the goals

2025 highlights

87%

employee engagement, placing IHG in the top quartile of most engaged employers.

Employee engagement

Employees can share their thoughts through several forums, including Employee Resource Groups (ERGs), a designated Non-Executive Director for workforce engagement, and Colleague HeartBeat, our employee engagement survey, for colleagues in corporate and reservations offices and owned & leased or managed hotels. The survey allows people to express their views on key aspects of working at IHG.

In our 2025 survey, our overall employee engagement remained at 87%, which maintained our place in the top quartile of most engaged employers, according to Mercer, and reflects strong colleague engagement with our growth strategy.

Embedding our high-performance culture

In 2025, we strengthened our culture and what makes working at IHG so special by sharpening our focus on performance to drive competitive advantage.

To embed our new approach, we engaged corporate colleagues across key areas, including introducing a simple, consistent definition of high performance. We increased the effectiveness of our work together by launching a structured feedback campaign built around our growth behaviours that apply to the work we do every day, and we clarified the expectations of our people leaders by providing tools to build our talent capabilities in support of IHG's growth.

We also strengthened the link between performance and reward for those who are excelling, with greater differentiation across all elements of pay, which is underpinned by a new Annual Performance Plan aimed at driving the growth of the Company and sharing in its success.

An inclusive workplace

Our culture of inclusion is essential to attracting, developing and engaging the talent that drives our growth. At IHG, inclusion means ensuring everyone feels like they belong, are valued for their unique contributions, are empowered to thrive and are connected to the communities we serve. In 2025, we advanced our global approach with a focus on three areas: talent and leadership; culture and experiences; and community and partnerships. This focus guides the steps we take around inclusion both globally and locally, strengthening our culture where everyone can thrive and making a positive difference in the communities we serve.

Our Global Inclusion Board and Regional Inclusion Councils meet quarterly to set priorities, monitor progress and ensure we continue creating an environment where colleagues and owners across our markets can grow. This work is underpinned by our Global Inclusion Policy (**ihgplc.com/en/responsible-business/policies-and-position-statements**).

1
The Story Suite is a colleague advocacy programme which empowers employees as brand ambassadors.

Our 2025 Colleague Heartbeat survey showed nine in 10 colleagues believe IHG has an inclusive culture. To continue strengthening our approach, we expanded our Europe Inclusion Hotel Ambassadors programme to selected hotels in the Americas to support more inclusive guest and colleague experiences.

Our ERGs are central to creating and maintaining IHG's culture. These employee-organised groups are open to all corporate colleagues who want to join and bring together people of various backgrounds, experiences and skills to share perspectives, support personal and professional growth through mentorship, educational and development initiatives, as well as provide ongoing feedback.

We continue to grow our business responsibly, with inclusive community partnerships a key part of our strategy. In Greater China, we signed a three-year partnership with the China Disabled Persons Federation to provide employment, internships and develop skills. In EMEAA, we continued working with Singapore-based charity APSN and created a partnership with the Al Noor Training Centre in Dubai to provide skills development and training for people of disability.

Attracting talent

In 2025, IHG strengthened its position as an employer of choice by enhancing the ways we attract and engage talent for our corporate colleagues and managed hotels[a]. Room for You is our refreshed global Employer Value Proposition (EVP), which sits at the heart of our employer brand and underpins our global careers platform (**careers.ihg.com**).

Our social presence continued to expand, amplifying our brand visibility and reach.

We were also named in the Fortune 100 Best Companies to Work For® 2025 list by Great Place To Work® and Fortune, reflecting our ongoing commitment to enhancing workplace culture and colleague benefits.

IHG won five industry awards in 2025, including accolades for recruitment innovation and in-house marketing excellence. We also launched Leading a New Era, our new podcast series that takes listeners behind the scenes of some of our Luxury & Lifestyle hotels and into the minds of the inspiring GMs who lead them, to help support further growth of our GM talent pipeline.

We also launched 'The Story Suite', a colleague advocacy programme designed to empower colleagues as brand ambassadors.

a. We do not employ colleagues in franchise hotels, nor do we control their day-to-day operations, policies or procedures.

Being a responsible business continued
Our people continued

Our people
Our communities
Carbon and energy
Waste
Water

1
IHG is the only international hotel group in Mainland China recognised by the Top Employer Institute.

2
In 2025, we invested in our hotel learning by expanding IHG University solutions.

1

In addition to strengthening the link between performance and reward as part of our high-performance culture for corporate colleagues, in 2025, we launched our IHG One Pass exclusive colleague travel benefits, which strengthens our employee room rate offering, a key milestone for colleagues and their friends and families.

In 2025, we launched a new AI-powered candidate experience system to transform the way we engage and hire talent for our corporate colleagues and managed hotels. Automating key stages of the hiring journey through our virtual assistant 'Alex', has delivered efficiencies across multiple markets, improving the candidate experience and strengthening our hiring capabilities by enabling us to build and nurture talent pools through our global Candidate Relationship Management (CRM) platform.

Developing and retaining talent

Our hotel business thrives on exceptional leadership, and General Managers (GMs) are the driving force behind operational performance and brand delivery. To sustain and accelerate growth, we've made building a strong hotel GM pipeline a strategic priority for our managed estate, ensuring every property has the leadership needed to maximise revenue and guest satisfaction.

Our Journey to GM dedicated talent programme for managed hotels, which we launched in 2021, is a cornerstone of this strategy. Today, it represents a strong pipeline with many graduates already in GM roles.

Complementing this, our RISE programme, open to colleagues from managed hotels with aspirations of leadership roles, continues to thrive as a global initiative driving development through mentorship, networking and skills acceleration.

To strengthen global talent capability and support future growth, we established the Global Hotel Talent Service Centre in India. This team centralises processes, data, and analytics to improve efficiency and consistency in talent management worldwide.

Alongside global programmes, we deploy targeted regional initiatives to stay agile and meet local market needs.

Investing in our learning offer

IHG University continued to strengthen a culture of learning for owners and hotel colleagues in our managed and franchised hotels, as well as for corporate employees throughout 2025.

During the year, IHG University further expanded its Owner Learning Solutions library with five new solutions addressing critical drivers of hotel success. These focused on equipping owners and owner representatives with insights to fine-tune hotel operations, including elevating quality to drive hotel performance, increasing loyalty engagement and speeding up high-quality renovations.

Supporting our purpose of providing True Hospitality for Good, we are committed to developing hotel leaders who focus not only on what they deliver, but also on how they lead. In 2025, we scaled our Journey To programmes to deliver a structured development pathway that grows talent in our managed and franchised hotels from line-level roles through to GM, building leadership capabilities at every stage of a hotel career.

The Journey to Supervisor curriculum focuses on building foundational supervisory capabilities, while the Journey to Manager programme deepens leadership capability in delegation, coaching, feedback, and performance management. To further strengthen career pathways, Journey to Senior Manager is currently in development and scheduled for launch in 2026.

IHG University continued to play a central role in the opening of new properties through the New Hotels and Conversions learning approach.

We also introduced a customisable model so that hotels can create individual training plans tailored to the unique needs of each opening or conversion.

IHG University also supported the embedding of our high-performance culture across our corporate offices, with sessions focused on role-modelling open and honest feedback conversations, as well as enabling leaders to lead through the performance transformation.

+ Further information on the profile of the Board and Executive Committee is included on pages 118 to 121.

In accordance with UK reporting requirements, information on the Directors and relevant employees is set out below:

As at 31 December 2025	Male	Female	Total
Directors	6	4	10
Executive Committee	6	4	10
Executive Committee direct reports	41	20	61
Senior managers (including subsidiary directors)	82	27	109
All employees[a] (whose costs were borne by the Group or the System Fund)	5,893	7,156	13,049

2

a. All employees figure includes only those employees whose costs were borne by the Group or the System Fund and not those who are reimbursed. For details on reimbursed colleague numbers, please see page 200.

Being a responsible business continued
Our people continued

Our people
Our communities
Carbon and energy
Waste
Water

Driving respect for and advancing human rights

Driving respect for and advancing human rights is integral to our approach to responsible business, and our commitment is set out in our Human Rights Policy.

Our human rights work focuses on our salient human rights issues – those human rights at risk of being the most severely impacted through our business activities or relationships. These are currently identified as: guest welfare; freedom of association and collective bargaining; discrimination and harassment; wages and working hours; health and safety, forced labour and child labour; sex trafficking and sexual exploitation; and environment and community.

While we continue to collaborate with colleagues across the business to better understand and manage issues, our efforts this year focused on addressing risks related to forced labour, sex trafficking and sexual exploitation, and our supply chain. To ensure our actions are consistent, measurable and targeted towards the activities that will have the biggest impact, our approach focuses on the following areas.

Governance and policies

We work to ensure clear accountability for human rights risks and the alignment of relevant policies with international human rights standards across the business. Overall accountability for the programme sits with our Executive Vice President, General Counsel and Company Secretary, who is a member of IHG's Executive Committee. Our Human Rights team is responsible for integrating human rights into the business and works closely with other teams across the organisation to bring our commitments to life.

This year we expanded our brand standard that requires IHG hotel colleagues to complete annual training on preventing human trafficking to have global coverage.

Due diligence

We conduct ongoing human rights due diligence across our business and supply chain through risk and impact assessments, integrating findings and tracking the effectiveness of actions taken. We utilise a wide range of internal and external data to support these efforts and strive to meaningfully engage with rights holders such as workers.

We continue to drive compliance with IHG's Responsible Labour Requirements (RLRs), which set out minimum standards for our managed, owned & leased hotels on ethical recruitment, staff accommodation, worker voice and the use of third parties to source labour. In 2025, we rolled out new digital self-assessments globally, enhancing transparency, monitoring and the quality of corrective actions. Over 92% of hotels completed the self-assessment and generally demonstrated good understanding and alignment with the RLRs.

This year, we have worked on addressing the findings from our on-site assessments conducted across selected hotels in the United Arab Emirates, Saudi Arabia and Kuwait at the end of 2024.

These assessments included focus groups and one-to-one interviews with a range of colleagues, interviews with managers, engagement with selected labour suppliers and tours of different departments and staff accommodation. The on-site assessments generally identified examples of good responsible labour practices across all hotels, demonstrating the ongoing progress being made and the value of the RLRs. However, areas of improvement were noted, particularly in relation to colleagues employed by labour suppliers. We have taken action to address the findings, working with the hotels to drive stronger labour standards across our operations.

For further information on how some of the gaps and adverse impacts identified through the on-site assessment are being addressed, see page 14 of our 2025 Modern Slavery Statement.

1


1
Developing the next generation of hospitality talent through the IHG Internship Programme.

2

2
In 2025, IHG embedded a new approach to high performance.

To help support our franchised hotels' efforts on this topic, this year we made guidance on responsible labour practices available to them.

In 2025, we also continued to strengthen human rights due diligence across our supply chain by progressing our work to trial supplier assessments and audits with Sedex. For further information, please see the Responsible Procurement section on page 57.

Remediation

We work to provide access to reporting channels for anyone whose human rights may have been affected by our business activities or business relationships and provide remedy for those impacts we have caused or contributed towards. This year, we continued to address recommendations from the 2024 review of our confidential reporting channel against the effectiveness criteria set out in the UN Guiding Principles on Business and Human Rights. We made key materials for users available in additional languages and strengthened communication with reporters.

Capabilities and engagement

We drive awareness of human rights through our mandatory Code of Conduct e-learning module and via targeted training for colleagues to understand the commitments and actions relevant to their role.

This includes training for colleagues in owned & leased, managed and franchised hotels on how to identify and report suspected human trafficking activities. This year, in partnership with leading anti-trafficking NGO PACT and industry peers, we updated this training to reflect the latest guidance from experts and insights from survivors. We also continued to drive completion of our responsible labour e-learning for owned & leased and managed hotels and hosted internal learning sessions for colleagues in procurement, legal and corporate responsibility.

We strongly believe that collaboration with experts and peers, both in our industry and beyond, plays an important role in addressing human rights risks through focusing attention and action towards a joint purpose, with the potential of driving systemic change.

For example, IHG is participating in a multi-stakeholder, cross-industry initiative facilitated by Impactt to develop a freely available map of labour migration corridors at higher risk of recruitment fees and related costs. This resource aims to provide companies across all sectors with data on recruitment fees and related costs paid by workers to inform human rights due diligence processes and decisions affecting migrant workers' human rights. Further information on our key human rights partnerships can be found on page 21 of our 2025 Modern Slavery Statement.

Our communities

Improve the lives of 30 million people in our communities around the world

- Drive economic and social change through skills training and innovation.
- Support our communities when natural disasters strike.
- Collaborate to aid those facing food poverty.

Contributing to the following UN SDGs

1 No poverty · 2 Zero hunger · 8 Decent work and economic growth · 17 Partnerships for the goals

2025 highlights

>10.2m[a]

lives improved through our collective action and work with our charity partners since 2021.

22

natural disasters responded to, supporting charities in critical recovery efforts.

1

Sitting at the heart of our work in communities is a pledge to improve the lives of 30 million people through focusing on skills training, disaster response and food security. We do this through direct funding and working in partnership with expert organisations, with our colleagues also sharing their time, skills and passion to address social needs in their communities.

Local action and Giving for Good month

Throughout the year, teams support a wide range of local causes, and each September we amplify this impact through Giving for Good month. Colleagues take part in activities ranging from clean-up events and supporting homeless shelters and food banks, to fundraising for local organisations. Highlights this year included Greater China's Decathlon of Charity, which engaged more than 8,000 colleagues, and Singapore's fourth annual Giving for Good relay, which raised funds for an organisation that provides training and job opportunities for people with learning disabilities.

Our guests are also given the opportunity to show their support to communities by donating their IHG One Rewards points for good. We work with a range of non-profits, from food banks to job-training organisations, where donated points are converted into dollars to support their work.

In total, we have improved over 10.2 million lives through our collective action and work with our charity partners since 2021.

Skills training

The travel and tourism industry plays a vital role in economic growth, accounting for one in 10 jobs worldwide and offering a variety of career pathways. Since 2006, the IHG Academy has supported communities by helping people build the skills, confidence and access needed to pursue meaningful careers in hospitality.

The IHG Academy is structured around three interconnected pillars – Discover, Skills Builder and Career Launcher – designed to engage, educate and inspire talent at every stage of their journey into hospitality. As the programme approaches its 20th anniversary in 2026, it continues to evolve to meet changing industry needs and expand access to opportunity.

Through IHG Discover, we introduce people to the breadth of roles available in hospitality. In 2025, we delivered interactive sessions across countries, engaging participants through schools, NGOs and charities. This included a pilot of Virtual IHG Discover Career Workshops, improving accessibility and broadening our reach to new audiences.

IHG Skills Builder, our free online learning platform, supports learners around the world to develop both hospitality-specific and transferable skills.

a. The methodology IHG uses for 'lives improved' focuses on the number of individuals directly engaged through IHG's community impact programmes, using the Business for Societal Impact (B4SI) framework to assess IHG's community investments, measuring inputs, outputs, outcomes and long-term societal impacts.

In 2025, learners signed up to complete courses and earn digital badges to recognise their progress. The platform was further enhanced through new content, including the launch of Careers in Hospitality e-learning in Arabic and English, alongside increased global awareness through social media campaigns.

Through IHG Career Launcher, we provide structured, on-property opportunities that help individuals transition into employment. In 2025, the programme delivered internships, work placements and apprenticeships across multiple countries, offering practical experience and pathways into long-term careers. This included a new partnership in the UK with The King's Trust, where our events have already resulted in employment opportunities. We also established the IHG Academy alumni talent community, strengthening ongoing engagement with future talent beyond individual programmes.

Together, these initiatives reflect our continued commitment to strengthening communities, fostering inclusive growth and developing the next generation of hotel talent.

Disaster response

Across all our regions, our swift and coordinated responses to natural disasters in 2025 reflect our deep commitment to supporting communities and colleagues. We have supported the response to multiple disasters over the years – including wildfires, tropical storms and flooding – and have a proud record of being there when our communities need us most.

In 2025, we supported 22 disaster relief efforts around the globe, including in the US, China and South East Asia, working closely with charity relief experts such as CARE International and The International Federation of Red Cross and Red Crescent Societies. We activated the IHG Disaster Colleague Assistance Fund to provide financial support for colleagues needing food and secure living conditions following natural disasters.

Collaborating to aid those facing food poverty

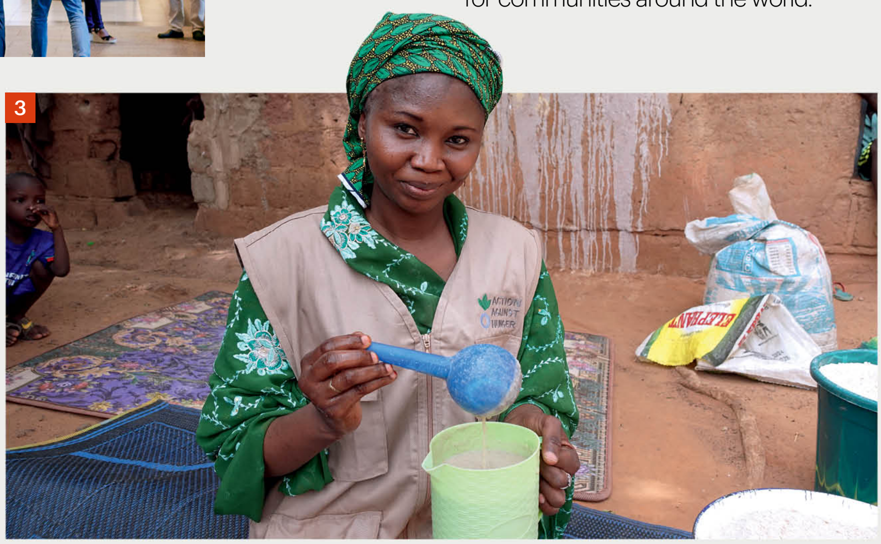
Food insecurity continues to affect billions worldwide, and addressing it remains a key focus. In 2025, we marked the one-year anniversary of our global partnership with Action Against Hunger, supporting its mission to combat hunger and malnutrition globally. From funding nutrition screenings to strengthening local health systems, our partnership delivers both immediate relief and long-term impact, with 5.4 million people supported through our partnership since launch.

Locally, we continue to work with food banks and charities. In the US, a number of hotels are participating in initiatives with surplus food recovery organisations to help support local communities. We supported No Kid Hungry's Taste of the Nation events in Houston and Chicago, which both helped to raise funds to support the organisation's work in addressing childhood hunger. In Australia and New Zealand, 49 hotels took part in our Stay for Good initiative with OzHarvest and KiwiHarvest in which participating guests donated $1 per stay. This resulted in over 140,000 meals being donated to local communities. The programme was also expanded to Singapore, Indonesia, Vietnam and Thailand.

By combining global reach with local action, we are helping reduce food waste, improve access to nutrition and support healthier futures for communities around the world.

2

3



1
Colleagues from the EVEN Hotel Pittsburgh Downtown, US, supporting a community food bank during Giving for Good month.

2
Our Atlanta-based interns embody IHG's commitment to developing the next generation of hospitality leaders and strengthening local communities.

3
Amina, Nutrition Assistant at Action Against Hunger, assisting women in the preparation of tom brown porridge that improves children's health. Bagarawa, Sokoto State, Nigeria.

Being a responsible business continued

Our people
Our communities
Carbon and energy
Waste
Water

Our planet

Carbon and energy: Reduce our energy use and carbon emissions in line with climate science

- **Implement a 2030 science-based target that delivers 46% absolute reduction in carbon dioxide emissions from our franchised, managed and owned & leased hotels.**
- **Target 100% new-build hotels to operate at very low/zero carbon emissions by 2030.**
- **Maximise/optimise the role of renewable energy.**

Contributing to the following UN SDGs

3 Good health and well-being
5 Gender equality
10 Reduced inequalities
17 Partnerships for the goals

Carbon and energy

By taking action on climate change, we can reduce our environmental footprint, strengthen resilience to future risks and meet growing demands from guests, owners, investors and colleagues for action in this area.

Our emissions reduction plan focuses on three key areas based on what IHG can control and influence: implementing energy efficiency measures in hotels; pioneering low-carbon hotels; and supporting hotels to source renewable energy.

Our asset-light business model means that almost all of our hotels are owned by third parties, with just over half of the emissions under our carbon target generated by franchisees who manage and operate their properties independently. We are committed to supporting owners – many of whom are small businesses – to decarbonise and improve operational efficiency by providing a wide range of tools and resources. For example, our Hotel Energy Reduction Opportunities (HERO) tool benchmarks an individual hotel against other IHG hotels of the same brand, region and climate zone and analyses where the hotel's energy is being consumed. It is then able to make customised suggestions on which energy conservation measures (ECMs) are most appropriate for that hotel and provides approximate costs, savings and payback periods to support forward capital planning.

Our 2025 performance

In 2021, we set a target to reduce absolute Scope 1, 2, and 3 (including energy from FERA and franchised hotels) by 46% by 2030 from a 2019 baseline – a goal validated by the Science Based Targets initiative (SBTi).

Our ongoing commitment to actions driving energy reduction and decarbonisation has delivered a 10.2% reduction in energy consumption per available room and a 11.0% reduction in carbon emissions per available room in 2025 compared with 2019. Last year, we reported that we were off track to meet our 2030 target and this continues to be the case in 2025 due to the continued lack of a clean energy infrastructure in many of our markets, alongside the successful opening of more hotels globally. This means total carbon emissions are up 7.7% since 2019.[a]

As we review our future carbon target, we are considering the evolving landscape of sustainability standards, including updates to carbon accounting, target validation criteria from third parties and emerging technologies. Maintaining focus on where IHG can drive and influence decarbonisation will be critical to shaping strategies that remain relevant and effective across all regions and communities we serve. This work will be completed during 2026.

We remain committed to supporting hotel owners in reducing their energy consumption and carbon emissions. While our programmes will take time to scale, the actions we are implementing today will enhance operational efficiency across IHG hotels and position us for accelerated decarbonisation when market conditions become more favourable.

+ See pages 82 to 83 for detailed energy and carbon data, and page 83 for our data methodology statement.

Implementing energy efficiency measures in hotels

In 2025, we continued to integrate ECMs into our brand standards, prioritising those with paybacks under five years and developing additional standards for specific regions and segments. Over the past four years, 18 ECMs have been incorporated, targeting kitchens, heating and cooling, lighting and swimming pools. Almost 95% of our managed, owned & leased hotels have now been upgraded with LED lighting and water-efficient fixtures, including back-of-house areas. By making these replacements in all hotels we are delivering significant energy and water savings without compromising guest experience.

To drive further action, every hotel is also assigned customised annual energy reduction targets, tailored to its brand, region and climate zone, and performance is monitored as part of broader hotel metrics.

a. All figures are restated annually (see page 82 to 83). Given 2025 revisions, performance trends should be assessed using only the restated figures in this report.

Pioneering low-carbon hotels

To support the future development of IHG hotels, we are focused on testing, learning and sharing insights on innovative approaches that can accelerate our efforts and inspire broader adoption of carbon reduction practices across our estate. In 2025, we celebrated one year of our Low Carbon Pioneers programme, which brings together energy-efficient hotels that do not combust fossil fuels on site and are powered by renewable energy. We expanded this network to include hotels across Asia, Europe and the Americas. This provides more sustainable choices for corporate clients and leisure guests, while enabling us to test, learn and share insights on what works in practice. In our Americas region, we are supporting owners that are opening new hotels for select brands by working alongside architects during the design phase to provide low-carbon options of prototypes for hotel designs.

Supporting hotels source renewable energy

Helping hotels access renewable energy can enable them to quickly reduce emissions, particularly in regions with carbon-intensive electricity grids.

While most of our hotels operate under franchise agreements, and therefore purchase their own energy, we strive to help hotels access renewable energy solutions where we can, including connecting them with Community Solar programmes in select US markets.

Where credible renewable energy markets exist, we assist our managed hotels in negotiating renewable electricity contracts.

In addition, several of our global offices, including our headquarters in Windsor in the UK and Atlanta in the US, are procuring 100% renewable electricity.

We continue to explore the delivery of a broader renewable energy programme that can be accessed by a wider range of our hotels. In Greater China, we undertook a feasibility survey this year before launching a number of pilots for renewable energy contracts. In the US, continued efforts have been focused on the development of resources to support hotels interested in exploring on-site solar opportunities.

1
Our Meeting for Good programme was named the 2025 Gold Medal winner in Northstar's Stella Awards for the Best Sustainability Initiative.

2
In partnership with Zeal Hotels and Valor Hospitality, we opened voco Zeal Exeter Science Park in the UK, our first branded hotel designed to reach net zero operational and embodied carbon. The hotel is designed to operate entirely on renewable energy and is part of our Low Carbon Pioneers programme.

Being a responsible business continued
Our planet continued

Our people
Our communities
Carbon and energy
Waste
Water

Waste: Pioneering the transformation to a minimal waste hospitality industry

- Eliminate single-use items, or move to reusable or recyclable alternatives across the guest stay.
- Minimise food going to waste through a 'prevent, donate, divert' plan.
- Collaborate to achieve circular solutions for major hotel commodity items.

Contributing to the following UN SDGs

11 Sustainable cities and communities
12 Responsible consumption and production
14 Life below water
17 Partnerships for the goals

Waste

We recognise the importance of reducing, reusing and recycling wherever possible. Key waste streams in our industry include food service and single-use items, and this year we have continued to advance efforts across our three regions to reduce our impact in these areas.

Eliminating single-use items

Hotels are supported through access to a Single-Use Items Toolkit, which provides guidance on reducing, reusing, replacing and recycling single-use items. This resource is available to our hotels globally and includes brand examples and insights tailored to properties operating with varied waste-management infrastructures.

In our EMEAA hotels, guest-facing communications complement this approach, and certain guest room amenities, such as combs and toothbrushes, are now provided on request rather than placed in every room, helping to reduce unnecessary waste. This approach is further supported in Greater China, where the expansion of our partnership with Ant Forest to nearly 480 hotels enables guests to forgo selected amenities in exchange for green points that contribute to tree-planting programmes.

Brand standards continue to strengthen our approach to reducing plastic waste. This year, standards eliminating plastic water bottles from guestrooms, meetings and events were extended beyond European hotels to properties in Australia, New Zealand, Singapore, Japan, Saudi Arabia and the UAE.

A further brand standard was introduced to remove plastic bin liners from guest bedrooms in our EMEAA region.

Circular solutions

We recognise that products provided to guests staying in our hotels can collectively generate large amounts of waste if not reused or recycled. We therefore aim to embed circular economy principles by procuring products that incorporate recycled content or make sure items can be put to good use once they leave our hotels. Across our regions, hotels partner with innovative organisations to create circular solutions that reduce waste, drawing on a range of approaches tailored to different products, materials and local needs.

In the US, owners can access our Renew, Renovate, Recover (3RE) playbook, which supports the handling of major commodity items during refurbishments and helps identify partners that can refurbish or repurpose equipment. In 2025, for example, more than 100 US hotels participated in a decommissioning programme for packaged terminal air conditioners, with over 2,000 units diverted from landfill upon replacement. Other initiatives across our regions include exploring recycling and reuse options, from coffee-capsule recycling and food-waste diversion to integrating recycled content into products ranging from upholstery to uniforms.

Food waste

To effectively combat food waste, we have implemented a comprehensive approach that focuses on training, monitoring, reducing waste at the source and donating surplus food whenever possible.

Since launching our global food waste e-learning module in 2022, it has been accessed by more than 2,700 hotels with over 85,000 courses completed. This year, we updated it with user experience enhancements, additional context and actionable guidance to further engage and help hotel teams reduce food waste. The refreshed module will be launched in 2026.

In 2025, we continued to transition Holiday Inn Express hotels in the US and Canada to bulk condiments within their Express Start breakfast bars, helping to reduce the number of single-use plastic items and limit food waste.

Additionally, we focus on supporting our hotels to divert surplus food from going to waste. In the US, several hotels have piloted initiatives with surplus-food recovery organisations to support local communities through waste-diversion efforts, and in EMEAA we launched new guidance for hotels on donating and diverting surplus food. We also continued our collaboration with the Too Good To Go app across more than 100 hotels in the UK, saving over 110,000 meals from going to waste. In Greater China, more than 50 hotels now work with the third-party platform Xishi Magic Bag, connecting them with customers who purchase unsold food and helping to avoid more than 12 tonnes of food waste, with additional hotels expected to join soon.

+ For more details on how we support our communities through food redistribution initiatives, please see page 69.

Water: Conserving water and helping secure water access in those areas at greatest risk

- **Implement tools to reduce the water footprint of our hotels.**
- **Mitigate water risk through stakeholder collaboration to deliver water stewardship at basin level.**
- **Collaborate to ensure adequate water, sanitation and hygiene (WASH) conditions for our operating communities.**

Contributing to the following UN SDGs

Water

Running our hotels can require significant volumes of water, so it's critical we support them to use water efficiently, particularly those hotels located in areas experiencing high water stress or drought risk.

Since 2019, we have been part of the UN CEO Water Mandate, which represents a commitment to six principles aimed at mobilising business leaders around water, sanitation and the UN SDGs. As part of our involvement, we remained members of the Water Resilience Coalition, which seeks to prioritise global water stress on the corporate agenda and preserve the world's freshwater resources through collaborative efforts.

Mitigating water risks

To assess water risks at all hotel locations based on usage-to-supply ratios, we use the World Resources Institute Aqueduct Water Risk Atlas. We disclose this information in accordance with the Sustainability Accounting Standards Board framework, which includes details on water use in regions facing extreme and high water scarcity.

Reducing water use

We have continued to drive installation of high-efficiency aerated showerheads and taps across our hotels. Almost 95% of our managed, owned & leased hotels this year have now adopted these measures to reduce water use.

Our Greener Stay Initiative allows guests to forgo daily housekeeping and reuse linen and towels in return for IHG One Rewards points, which helps to reduce water and energy consumption.

This year we launched a new water conservation guidebook for hotels in both our Americas and EMEAA regions. The guidebook provides advice on establishing a culture of water conservation within a hotel, as well as understanding the utilities and billing structure. The guidebook also shares operational best practices and enhancements that drive water efficiency across different areas of the hotel, encompassing: plumbing; food and beverage; housekeeping and laundry; pool and heating; and cooling systems and landscaping.

In our Americas region, we have also been developing resources, running pilots and gathering case studies on water-saving technologies to support engagement with hotels.

In 2025, our water intensity (m^3 of water use per available room) decreased by 1.7% compared with 2019. We anticipate that as we implement water efficiency brand standards across our hotels, this improvement in water efficiency will continue to grow. For detailed water data, please refer to page 7 of our 2025 ESG Databook.

At the local level, hotels across our estate are also taking action to conserve water and engage with local conservation charities. For more on the other ways we support our communities, see page 68.

1
Our voco Brussels City North hotel in Belgium has installed an innovative system that collects and treats shower water from guestrooms, helping the hotel reduce water use and associated costs.

Our people
Our communities
Carbon and energy
Waste
Water

How IHG is helping hotels reduce their environmental impact

We are committed to working closely with our owners, many of whom are small business owners, to support their efforts in reducing their environmental impacts, decarbonising their properties and improving operational efficiency.

Choosing to partner with IHG offers our hotel owners access to the following tools and resources to build their knowledge, skills and awareness of ways to reduce their hotel energy consumption and reduce water and waste.

Tools and resources to help our owners

Environmental management platform and data collection

Every IHG hotel has access to our IHG Green Engage system, which enables hotel teams to measure and report energy, water and waste data. Hotels are set annual energy reduction targets, and we continue to invest in data acquisition solutions, including centralised utility data feeds developed with specialist partners, which send usage data directly into Green Engage to improve accuracy and strengthen hotels' ability to respond to client information requests.

Energy and carbon reduction training, tools and incentives

IHG provides resources to help hotels identify and implement energy-efficiency measures. E-learning modules outline practical actions to reduce consumption, and the HERO tool gives building-specific recommendations for energy conservation measures, including indicative costs, savings and payback periods, supported by guides and case studies. Hotels are also supported to identify financial incentives, including tax-incentive and utility-rebate reports in the Americas and an 'energy-efficiency-as-a-service' option that finances and installs energy conservation measures with shared savings.

Water and waste reduction resources

Food waste training modules and supporting materials, such as tracking tools and surplus food rescue guidance, help teams apply practical steps aligned with our "Prevent, Donate, Divert" approach. Hotels in several regions have access to guidance to reduce water use and associated costs.

Helping communicate sustainability to guests

Hotels receive practical support to make their sustainability work visible to guests. Resources include support for achieving green certifications, with guidance on requirements and discounted fees through partnerships with Green Key and Green Key Global. Step-by-step instructions help hotels enrol in Meeting for Good, our sustainable meetings programme, and communication toolkits and an online advisory tool enable hotels to communicate initiatives confidently. Engagement is further reinforced through networks of hotel-based champions.

Community impact resources

Hotels can draw on a range of practical resources to deliver community initiatives. These include the Action Against Hunger partnership toolkit, the Community Tracker guide for consistent reporting of volunteering and donations, and "Activities in a Box" materials that help teams run impactful, locally relevant projects.

2025 Transition Plan

Our ambition

In 2021, we set an ambition to reduce absolute Scope 1, 2, and 3 emissions (including those from FERA and franchised hotels) by 46% by 2030 from a 2019 base year. This target received validation from the Science Based Targets initiative (SBTi) to align with climate science. Please see the carbon and energy section on page 70 for an overview of our performance against this target.

Reducing our emissions

While programmes will take time to scale and achieving our target relies on the adoption of clean energy infrastructure in many of our markets, actions are underway to improve hotel operational efficiency and position IHG for accelerated decarbonisation when market conditions allow. Since setting our target, we have mapped what it would take to achieve it, identified key initiatives and focused on areas we can control and influence.

Integrating governance and performance

Oversight sits with the Chief Sustainability Officer, who reports to the Executive Committee and the Responsible Business Committee.

We embed accountability by integrating annual energy reduction targets into hotel performance, tailored by region, brand and climate zone. These are supported by compliance expectations and a focus on verifiable data to strengthen transparency. We also reinforce our commitments by incorporating carbon measures into the LTIP for Executive Directors and senior leaders. Together, these elements create a coherent approach that seeks to drive meaningful change across the business.

Our Transition Plan

2019 – Short-term – Mid-term – 2030

Primary decarbonisation levers	Plan	Act	Scale
1 Implementing energy efficiency measures in hotels	– Energy and carbon modelling to identify decarbonisation pathways and that integrate business growth plans. – Return on investment analysis of energy efficiency measures, considering regional market variations.	– Implementing energy conservation measures in all existing and new-build hotels, prioritising those requiring minimal resources or with a return on investment under five years, supported by brand standards, hotel-level energy metric and LTIP remuneration targets for Executive Directors and senior leaders. – Investing in tools and training, such as the HERO tool and the Green Engage platform, to help owners with decarbonisation initiatives.	– Continue to increase hotel adoption of ECMs. – Partner with organisations that can incentivise hotel owners to adopt ECMs with longer payback periods. Explore innovative new ECMs and adopt as and when the technology becomes available.
2 Pioneering low-carbon hotels	– Develop a definition of a very low or zero operational carbon building to guide development of future IHG hotels.	– Development of our Low Carbon Pioneers programme to increase the number of hotels that operate at very low or zero carbon to help us test, learn and share findings on carbon reduction measures.	– Test, learn and share findings to promote the wider adoption of carbon reduction practices, and increase the number of hotels operating at very low or zero carbon.
3 Supporting hotels to source renewable energy	– Understanding availability of renewable energy at scale.	– Transitioning to renewable energy through mechanisms such as green tariffs, community solar and on-site renewable generation, where commercially viable. – Identifying financial mechanisms to support widespread adoption of on-site and off-site renewables.	– Scale access and adoption of renewable energy as markets deregulate.

Being a responsible business continued
2025 Transition Plan continued

The external landscape

As a global leader in the hospitality industry, IHG is committed to driving sustainability and decarbonisation efforts across our operations. Reducing energy use and carbon emissions is important to supporting our strategy, enhancing resilience and meeting the expectations of guests, investors and wider stakeholders.

Our fee-based, asset-light business model enables the rapid growth of our hotel estate and delivers higher returns with lower economic risk. However, it also means we have limited direct control over many of the emissions generated across our business.

We engage owners and key external stakeholders, supporting hotels to reduce operational costs, improve performance and meet evolving sustainability expectations. This includes working with industry bodies such as the World Sustainable Hospitality Alliance (WSHA), the Global Business Travel Association (GBTA) and the World Travel & Tourism Council (WTTC) to help shape shared standards and accelerate decarbonisation across the sector. For example, IHG has supported the WSHA with developing the industry's Pathway to Net Positive Hospitality and tools for measuring sustainability.

IHG is also a founding member of the HARP, which aims to improve supplier sustainability by fostering collaboration with trading partners, increasing transparency and scaling positive impact across the industry's value chains, underpinned by appropriate governance and compliance controls.

Many of the countries in which we operate do not have national net-zero policies, which are critical for providing the infrastructure, incentives and regulatory certainty needed to support progress towards our decarbonisation target. The key external macro- and industry-level factors influencing the pace at which IHG can decarbonise are outlined below.

Macro factors

Energy infrastructure

Energy costs and electricity price differentials influence how attractive energy-efficiency improvements are, and determine the viability speed and payback period of hotel electrification.

Availability of renewable energy sources and grid capacity for clean energy adoption impact decarbonisation.

National regulations

National and local environmental laws, taxes and standards can have a significant impact on the pace and scope of the achievement of our carbon reduction commitments.

Economic outlook

Spend by consumers on travel continues to be an area of resilient discretionary spending, and is dependent on the global macro-economic outlook. Hotel owners' willingness to invest in initiatives is impacted by growth conditions in the global hotel industry.

Industry factors

High cost of retrofits

Retrofitting buildings for energy efficiency (such as through heating, ventilation and air conditioning (HVAC), lighting or insulation upgrades or on-site renewable energy installations) can be costly and disruptive, slowing decarbonisation efforts.

Carbon accounting standards

Current lack of clarity and confidence in future carbon accounting and certification rules, such as the use of market-based solutions like Renewable Energy Certificates, inhibits effective business planning.

Employee turnover

The hotel industry faces high employee turnover, making it harder to maintain consistent sustainability practices with high levels of retraining required.

Value chain factors

Franchise business model

Many hotel franchisees are small business owners with limited resources and access to credit, making it harder to invest in costly decarbonisation efforts. They might not face the same regulatory or investor expectations concerning carbon performance as IHG does.

Owner investment decisions

Even within the franchise model, the pace of decarbonisation depends heavily on whether individual property owners choose to invest in energy efficiency upgrades. These decisions are influenced by local economics, access to finance and competing priorities, and IHG can only encourage rather than mandate them.

Market demand

Guest preferences for sustainable practices and eco-friendly products and services can impact the pace at which a business decarbonises.

Managing climate risks and opportunities

Compliance with Listing Rule 6.6.6R(8)

Our Task Force on Climate-related Financial Disclosures (TCFD) reporting for 2025 is integrated into our Annual Report, and is consistent with the Companies Act 2006 requirements s414CA and 414CB and the London Stock Exchange Listing Rule 6.6.6R(8). This includes consistency with all 11 TCFD recommendations and with the Guidance for All Sectors.

The disclosures are supplemented by additional content within the 2025 ESG Databook.

Governance

Board oversight of climate-related risks and opportunities

The Board retains ultimate responsibility for the Group's strategy, including decarbonisation, and ensures effective controls and risk management systems are in place. Management is accountable for identifying and addressing climate-related risks and opportunities, as well as for delivering on climate targets. Climate-related matters are reviewed quarterly by the Board and its Committees, and are embedded in annual strategy sessions, risk reviews and budget planning. These discussions include updates on progress against carbon reduction commitments, climate risks and opportunities, and implications for financial resilience and capital allocation, where applicable.

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. The Board's overall effectiveness considers Board composition, including knowledge, experience and competencies, and succession planning (see page 127).

Details of Board and Committee membership and attendance for 2025 are provided on page 117. Individual Board reports, outlining key duties, Committee roles, focus areas and activities during the year, can be found on pages 128 to 139. We recognise the importance of stakeholder perspectives in Board decision-making, and further information on how Directors have had regard to these, is provided in the Section 172 statement (pages 124 to 125) and in our stakeholder engagement disclosures (pages 44 to 45).

Climate-related responsibilities are integrated across all Board Committees:

- **Audit Committee:** Oversees climate-related risks as part of the annual risk cycle, monitors assurance and data integrity for financial and non-financial disclosures and considers the potential impact of climate change on financial position.
- **Responsible Business Committee:** Advises on responsible business strategy, including climate change, and monitors progress against our Journey to Tomorrow goals and Transition Plan. Provides recommendations and reports on carbon-related LTIP measures to the Remuneration Committee.
- **Remuneration Committee:** Embeds climate accountability at senior levels through LTIP measures linked to carbon targets.
- **Nomination Committee:** In line with UK corporate governance principles, the Committee reviews the composition of the Board and its Principal Committees, evaluating the balance of skills, experience, independence and knowledge.

Management's role in assessing and managing climate-related risks and opportunities

IHG's governance structure embeds climate-related risks and opportunities, including decarbonisation as a key mitigation strategy, into strategic planning and risk management processes.

- **Executive Committee:** Holds overall responsibility for managing climate-related risks and opportunities within IHG's strategic objectives and risk framework, including oversight of our decarbonisation strategy.

  Accountability is reinforced through Executive Committee Sponsors, the CFO and EVP of Global Corporate Affairs, who sponsor the principal risk relating to climate change, receive updates twice a year and report to the Board as required.
- **ESG Risk & Reporting Steering Committee:** Senior leaders from finance, legal, risk and corporate responsibility oversee identification and assessment of climate-related risks and opportunities, integrate scenario analysis into planning and monitor progress against climate risk objectives. The Committee meets quarterly and reports to the Executive Committee as needed.
- **Regional Environment Steering Committees:** These committees tailor decarbonisation and environmental strategies to regional contexts and oversee implementation across operations. They meet quarterly.

Strategy

IHG's long-term success relies on the sustainability of our operations, the resilience of our supply chain and effective management of risks that could impact our business model and performance, including those related to climate change. As a major global hospitality company, we recognise the important role we play in addressing climate-related impacts.

Overview of climate-related risks and opportunities

IHG has identified a range of climate-related risks and opportunities across short-, medium- and long-term horizons that could potentially have a material impact on IHG. Key risks include transition risks associated with decarbonisation expectations and changing consumer preferences, as well as physical risks from acute weather events and chronic changes in climate patterns. Potential opportunities include enhancing operational efficiency, strengthening reputation and providing carbon efficient hotels aligned with a low-carbon economy. See table on page 79 to 80 for more details on these risks and opportunities.

Being a responsible business continued
Managing climate risks and opportunities continued

To determine which climate-related risks and opportunities could have a material financial impact on IHG, we follow a process aligned with our principal risk management framework (see pages 46 to 48 for more details). This includes:

1. horizon scanning of regulatory trends, stakeholder expectations and market developments;
2. financial materiality screening, which constitutes a holistic assessment based on the potential impact across the following parameters: operating profit impact, reputational impact, operational impact, and impact to investment-grade credit rating; and
3. regular review and governance oversight, with updates provided to senior leadership and the Board as part of our principal risk reporting cycle.

This process ensures that climate-related risks and opportunities are prioritised based on their likelihood, potential impact and relevance to IHG's long-term value creation.

Impacts of climate-related risks and opportunities

Climate-related risks and opportunities could affect IHG's business model, strategic priorities and financial planning, if unmitigated. Transition risks may impact reputation, and operational efficiency, while physical risks could disrupt hotel operations, supply chains and resource availability. These factors could influence long term shareholder value, requiring ongoing adaptation of our strategy, investment in decarbonisation and mitigation measures, and integration into capital allocation.

Based on current analysis, these risks are not assessed as material to IHG's financial performance at present; however, they could become material over the long-term if unmitigated. We recognise that certainty over the scale and timing of these impacts is inherently challenging, and therefore integrate these considerations into our strategic planning and risk management. Our management strategies aim to proactively address these risks and opportunities as circumstances evolve.

To see how IHG integrates this information into key decision making, see 'Integration into overall risk management' on page 81 and 'Management of climate-related risks and opportunities' on page 80.

Given our asset-light model, we believe our strategic approach is well suited to address these challenges and maximise associated opportunities. 'Care for our people, communities and planet' is one of IHG's four key strategic pillars and is delivered through our Journey to Tomorrow responsible business plan. Within this, our Transition Plan (see pages 75 to 76) sets out practical actions to advance our decarbonisation goals, including improving energy efficiency, supporting hotels to source renewable energy and expanding our Low Carbon Pioneers programme. It also recognises external challenges, such as evolving regulations, market dynamics and infrastructure availability, that influence the pace at which we can achieve our targets. For 2025 performance and progress against the target, see pages 70 to 71.

Resilience of IHG's strategy to climate-related risks and opportunities

IHG's strategy is tested for resilience under a range of climate scenarios.

In accordance with TCFD recommendations, we've assessed climate risks and opportunities against (1) transition risks: related to the transition to a low-carbon economy, and (2) physical risks: related to the physical impacts of climate change in our three regions (Americas, EMEAA and Greater China).

To assess potential transition impacts, we have used the International Institute for Applied Systems Analysis' Shared Socioeconomic Pathways to capture how societal, economic and technological trends could evolve under three selected temperature rise scenarios.

To assess potential physical impacts, we have aligned the temperature rise scenarios in our analysis with the Intergovernmental Panel on Climate Change's 1.5°C, 2°C and 4°C aligned Representative Concentration Pathways (RCPs) 2.6, 4.5 and 8.5, respectively.

These scenarios were selected to capture a range of plausible futures, from ambitious global decarbonisation (1.5°C and 2°C) to higher physical climate risk (4°C), enabling IHG to assess the resilience of its strategy under both transition and physical risk conditions relevant to our global operations and stakeholder expectations. The analysis uses the same boundaries, definitions and calculation methods as our GHG reporting methodology (see page 83), ensuring assumptions and estimates are consistent, transparent and based on verified data.

Our strategy is designed to remain resilient under both transition and physical risks, with adaptive measures and ongoing review ensuring we can respond effectively to a 2°C-or-lower scenario and to increased physical climate-related risks. See the table on pages 79-80 for more details on how we build resilience to address each climate-related risk and opportunity. We have considered these over the short, medium and long term.

Climate risk time horizons	Description
Short (1–5 years)	Our short-term horizon encompasses our financial going concern and viability statement assessments, along with our budget-setting timeline. Our hotel energy performance targets are also aligned to this timeframe.
Medium (6–15 years)	Our medium-term time horizon reflects the Group Long Range Plan time horizon from a strategic planning perspective.
Long (16–30 years)	A long-term time horizon of up to 30 years aligns with national government policy and regulatory timeframes: For example, the UK's 2050 net-zero target and global climate agreements. It also reflects the longer-term nature of the contracts we sign with our owners.

IHG's climate-related risks and opportunities, if unmitigated

Unmitigated potential risks and opportunities

IHG's risk management and strategic response to build business resilience

Risk/opportunity 1:
IHG's ability to decarbonise in line with stakeholder expectations
Potential short-term (1–5 years) impact under a 1.5°C scenario, if unmitigated

Failure to decarbonise in line with stakeholder expectations could create reputational risk, especially under a 1.5°C scenario, and extend into the medium/long term if progress lags competitors. Under a 4°C scenario, the reputational risk diminishes as broader failure to meet targets becomes more common.

Market: Stakeholder perceptions may influence investor decisions, potentially impacting our inclusion in sustainability indices and therefore overall attractiveness to investors, and access to certain financing. It's possible that some franchisees might be less willing to partner with us, which could lead to lower system growth over the long term.

Based on current investor feedback, and performance in sustainability indices, we are not seeing a material reputational impact at the Group level. However, we continue to listen closely to owners and operational teams to understand how this risk may manifest in our communities at a regional or local level, and take appropriate action to mitigate its impact.

Policy and legal: The ability of governments to implement policies and plans to implement their climate commitments significantly influences the pace at which IHG can decarbonise.

Current regulatory frameworks are not fully aligned to support business decarbonisation, which is negatively impacting progress against our target. Given this is outside our direct control, we are not seeing it result in a negative reputational impact for our business, but we remain committed to supporting hotel owners in reducing energy consumption and carbon emissions, and continue to engage with policymakers and industry partners to help drive alignment and accelerate progress.

By taking action to decarbonise and reduce our environmental impact, we help our hotel owners manage rising operational costs, create more secure supply chains and reduce financial risks linked to climate change, while strengthening IHG's reputation. Our predominantly asset-light business model means that the majority of our hotels are owned by third parties, so we work closely with hotel owners and their teams to lower energy use and carbon emissions. These efforts are embedded within IHG's strategic priority to 'Care for our people, communities and planet'.

We actively engage with our stakeholders, maintain transparency in our reporting and provide a wide range of resources, guidance and training to support our hotels in reducing their carbon emissions. Our programmes will require time to scale, the actions we are taking today will improve operational efficiency of our buildings and prepare us for accelerated decarbonisation once local market factors, such as renewable energy support for electricity grids, are more favourable. We continue to track stakeholder perceptions in this area.

+ Our decarbonisation strategy and Transition Plan, outlined on pages 75 to 76, detail our actions, dependencies and progress towards our decarbonisation target.

Risk/opportunity 2:
Changing consumer preferences towards sustainable travel
Potential short-term (1–5 years) impact under a 1.5°C scenario, if unmitigated

Market: Growing demand for sustainable travel could affect IHG's financial performance positively or negatively, depending on our ability to adapt. The impact is likely greater under a 1.5°C scenario, which assumes faster, stricter decarbonisation measures and stronger consumer expectations and regulatory pressure than 2°C or 4°C pathways.

Our analysis of potential financial impacts considers how travel behaviour could change across different business segments. It indicates that our corporate customer segment may be most exposed if business travel is included in customer carbon reduction targets. Using publicly available data, we modelled how demand for business travel could be affected under different climate pathways, based on the carbon reduction commitments of companies that use our hotels. While this is a useful indicator, we cannot form a direct correlation to future travel behaviour as sustainability is one of many factors that influence travel decisions, and it is not possible to isolate the impact that each one has individually. We do not have sufficient evidence to suggest that corporate clients are actively reducing travel in a meaningful way to meet emissions goals, and it is not yet clear what role carbon offsets will play in individual strategies. Given IHG's asset-light, fee-based business model, we do not see a material impact from this risk at the Group level at present. We will continue to monitor this risk as market behaviours and regulations evolve.

Understanding guest preferences and expectations is central to IHG's long-term success. To meet evolving expectations for sustainable travel, we are committed to reducing the environmental impact of our hotels by providing training, tools and resources, alongside fostering innovation through cross-industry partnerships. We work closely with owners to ensure guests are informed about sustainability initiatives and can make choices that align with their values. In 2025 we continued to expand our Low Carbon Pioneers programme, promoted our Greener Stay initiative, supported hotels with third-party sustainability certifications and advanced our award-winning Meeting for Good programme to address demand for sustainable options. We track corporate customer requests for sustainability related information.

We acknowledge the need to analyse other components of this risk to determine its overall materiality, including corporate and leisure consumer preferences for sustainable stays. While we cannot discount the risk of leisure travellers making more sustainable travel choices, there is currently insufficient evidence to suggest that this is a significant factor in decision-making. As more external data becomes available, we will explore other components of this risk and continue to refine our assumptions and modelling of the medium- and long-term risk.

+ See page 71 for more on our Low Carbon Pioneer programme.

Being a responsible business continued
Managing climate risks and opportunities continued

Unmitigated potential risks and opportunities

IHG's risk management and strategic response to build business resilience

Risk 3:
Increased frequency and severity of extreme weather events
Potential long-term (16–30 years) impact under a 2°C and 4°C scenario, if unmitigated

Acute: Rising global temperatures and the resulting increase in the frequency and severity of extreme weather events creates an inherent risk of disruption to IHG hotel operations, worsening under a 4°C scenario. Disruptions from such events could impact hotel revenues (and the fee income received by IHG), potentially reducing the appeal of the hotel industry to owners in specific locations. Additionally, IHG may face reputational risks if we do not respond effectively to these events or provide adequate support to affected owners and communities.

In 2025, we completed further analysis to understand how certain acute physical risks might change in the future and how they could impact our operations. Hotel-level analysis indicates that there could be significant increases in incidences of severe storms in the US, China and Southeast Asia by 2050. While these could impact revenue and owner returns at individual hotels, our preliminary financial analysis to date suggests that our asset-light franchise model and global footprint means that, on an aggregated basis, this risk is unlikely to have a material financial impact to IHG at the Group level.

We are proud to support our communities in times of need. With the increasing impacts of climate change being felt globally, we continue to work with humanitarian aid partners to assist with relief and recovery efforts. Our enterprise-wide approach to business resilience planning includes identifying risks, ensuring readiness, responding effectively and facilitating recovery from operational disruptions. We support hotels and surrounding communities in the aftermath of natural disasters through our humanitarian aid partners, the Disaster Colleague Assistance Fund and natural disaster guides. We also track in-year trading impacts from extreme weather events to inform planning and response.

+ For more information on our disaster response efforts, see page 69.

Risk 4:
Significant changes in long-term weather patterns
Potential long-term (16–30 years) impact under a 2°C and 4°C scenario, if unmitigated

Chronic: As global temperatures rise, chronic physical risks, such as persistent changes in weather patterns, are expected to intensify, particularly under higher temperature scenarios. These changes could lead to higher operating costs for hotel owners, shifts in customer travel patterns and disruptions in resource availability due to population migration and supply chain disruption.

In 2025 we updated our analysis to improve our understanding of the significance of this chronic risk. We have focused on the potential impact of long-term temperature change on energy usage in hotels through increased and/or cooling demands. Our analysis identified that IHG's hotel locations are more exposed to long-term persistent chronic climate risks than to short-term acute shocks. Significant risks include heat stress in Southeast Asia, the UAE, China and India, and water stress in regions such as the US, China, Australia, Mexico and Saudi Arabia. Extreme temperature, prolonged heatwaves and heavy rainfall are expected to increase under a 4°C scenario (RCP 8.5) to 2030 and 2050. While this could impact revenue and owner returns at individual hotels, our financial analysis to date suggests that our asset-light franchise model and global footprint means that, on an aggregated basis, this risk is unlikely to have a material financial impact to IHG at the Group level.

We support our hotel owners in implementing efficient building practices, including energy and water efficiency and the use of renewable energy sources, to reduce reliance on resources and strengthen hotel resilience. In water management, we guide owners on adhering to brand standards for efficiency, such as installing low-flow fixtures. In drought-affected areas, hotels are bound by local water restrictions, with examples of hotels implementing desalination and working with local conservation charities and communities.

We monitor and report on water withdrawal in water-stressed areas, and our regional teams incorporate their understanding of local water stress into hotel engagement, using these insights to tailor water-conservation guidance and help properties respond to associated water-management challenges.

+ See pages 73 for more details on our Journey to Tomorrow water commitments and 2025 ESG Databook for water data.

Risk management

Identifying and assessing IHG's climate-related risks and opportunities

We identify climate-related risks and opportunities through regular horizon scanning of regulatory trends, stakeholder engagement, benchmarking against peers and scenario analysis.

Risks are assessed for their potential to materially affect IHG's revenue, costs or reputation across short-, medium- and long-term horizons.

Climate risks are assessed using the same criteria as other enterprise risks, with definitions aligned to our enterprise risk management standards. A key part of this process is determining their relative significance compared to other principal risks, including consideration of existing and emerging regulatory requirements.

Management of climate-related risks and opportunities

We manage climate-related risks through mitigation (e.g., decarbonisation initiatives, operational efficiency improvements), transfer (e.g., insurance), acceptance (where risks are immaterial or unavoidable), and control (e.g., regulatory compliance).

Decisions on whether to mitigate, transfer, accept or control climate-related risks are informed by scenario analysis and financial materiality screening, considering potential impacts on revenue, costs and operations across short-, medium- and long-term horizons. Both transition risks (such as regulatory changes and carbon pricing) and physical risks (such as extreme weather and chronic climate shifts) are assessed using consistent criteria within our risk management framework. Prioritisation considers likelihood, potential financial impact and strategic relevance, with oversight by the ESG Risk & Reporting Committee.

We continually review these risks and update our assessment as circumstances evolve to ensure effective management.

Integration into overall risk management

Climate change is one of IHG's 10 principal risks, and our processes for identifying, assessing and managing these risks are fully integrated into our principal risk management framework. This ensures climate risks are considered alongside other principal risks in strategic planning, capital allocation and operational decisions.

Oversight of this process rests with the Executive Committee and the Board. Risk reviews are conducted by the Executive Committee and management teams, supported by our Risk and Assurance team, which holds regular meetings with leaders responsible for assessing and managing risks. These discussions consider uncertainties such as the effect of climate change on hospitality and steps being taken to reduce exposure. We also regularly review and update our risk management processes to reflect emerging best practices, regulatory developments and stakeholder expectations.

Pages 79 and 80 outline our current management response to the four potentially material climate risks and opportunities. See page 193 for critical accounting policies and the use of judgements, estimates and assumptions regarding climate change. See the forward-looking statements on page 293.

Metrics and targets

To help us manage our climate-related risks and opportunities, we have developed metrics and targets in line with TCFD recommended disclosures. Where determination of supplemental metrics and targets are still in progress, or we do not consider the category to be relevant to IHG, we have provided details.

GHG emissions and progress against SBT

IHG has a Science Based Targets initiative (SBTi)-approved carbon reduction target, with GHG emissions performance reported as a key KPI within this Annual Report (see page 43). We use our carbon footprint – calculated as absolute GHG emissions using the GHG Protocol Corporate Accounting and Reporting Standard – to track progress against this target and our decarbonisation strategy (see pages 70 to 71 for details of the target and progress). Our Transition Plan on pages 75 and 76 outlines the actions, challenges and dependencies involved in meeting this target.

+ A breakdown of our GHG emissions, intensity metrics and methodology can be found on pages 82 and 83 in our Streamlined Energy and Carbon Reporting (SECR).

Remuneration

To support our broader growth strategy, as well as our decarbonisation strategy and transition opportunities, we have embedded carbon-related metrics that focus on supporting owners to reduce energy costs and drive better hotel performance into executive remuneration under the Directors' Remuneration Policy. Our Executive Directors and other senior leaders LTIP include targets relating to the integration of ECMs into brand standards across new-build and existing hotels. We track these measures during the cycle, and we report on achievement in our Directors' Remuneration Report at the end of each cycle.

+ Remuneration Policy see **ihgplc.com/investors/corporate-governance/directors-remuneration-policy**

+ See pages 138 to 161 for more on our Directors' Remuneration Report.

Capital deployment

Given the asset-light nature of our business model, we do not consider IHG capital deployment to be a material lever for managing our climate-related risks and opportunities, or for implementing our Transition Plan. For our owned & leased hotels, costs for energy efficiency and carbon reduction are factored into our five-year capital plan.

Internal carbon pricing

Given that a large portion of our emissions stem from our franchised hotels, where our control is limited, we have determined that a conventional internal carbon price would not be the most impactful decarbonisation mechanism. Consequently, our efforts are directed toward more suitable mechanisms, as outlined in our Transition Plan on pages 75 to 76.

External carbon price

Our revenue-based fee structure largely insulates us from exposure to carbon pricing legislation. However, we recognise that hotel owners may bear a substantial proportion of any potential carbon costs. To help maintain the long-term appeal of their hotels as investments, we actively support them in decarbonisation efforts.

Transition risk and opportunities

We track the year-on-year performance of our GHG emissions as our key metric and manage these risks using our carbon reduction target and associated decarbonisation strategy as outlined on pages 75 and 76 of our Transition Plan.

We also use bespoke hotel-level energy reduction metrics and targets, as well as our remuneration targets, to drive the uptake of ECMs across our hotels.

Other environmental indicators help us to assess our performance against peers, including energy, renewables and water and waste data.

As our risk profile evolves, we will review and adapt our metrics to ensure they remain relevant and effective in monitoring and managing climate-related risks and opportunities. Any new metrics will be disclosed when appropriate.

+ See our environmental performance data in our 2025 ESG Databook on the IHG plc website.

Physical risks

We have conducted detailed analysis of acute and chronic physical climate risks across IHG's hotel portfolio, including hotel-level modelling of future extreme weather events and long-term climate shifts. We track operational impacts from severe weather, and our financial analysis indicates these risks are not currently material at Group level, but we continue to refine our metrics and monitoring processes.

+ See risk table on page 80 for details of the physical risks IHG is most exposed to.

Streamlined Energy and Carbon Reporting (SECR)

The following table shows our annual GHG performance and accounts for both our GHG emissions and energy use in the UK and globally, in accordance with the Streamlined Energy and Carbon Reporting (SECR) requirements.

Every IHG hotel is required to report their monthly energy consumption, and each one is assigned an annual energy reduction target, which is integrated into hotel-level metrics and key performance indicators.

This year, we celebrated one year of our Low Carbon Pioneers programme, an industry-first initiative that brings together energy-efficient hotels that do not combust fossil fuels on site and are backed by renewable energy. We continued to embed energy efficiency measures into our brand standards in areas such as kitchens, heating and cooling, and swimming pools.

More details of our global actions to reduce carbon and energy can be found in our Transition Plan on pages 75 to 76 alongside our carbon performance.

Global energy use (MWh)[a]		2025	2024	2019
Managed and owned & leased hotels and corporate offices	Fuel from boilers, furnaces and generators	**1,910,881**	1,967,349	1,845,772
	Electricity, heat steam and cooling (from non-renewable sources)	**4,578,687**	4,499,587	3,703,294
	Validated renewable electricity[b]	**127,372**	38,580	5,114
Franchised hotels	Fuel from boilers, furnaces and generators	**3,398,480**	3,381,307	3,521,279
	Electricity, heat steam and cooling (from non-renewable sources)	**5,626,020**	5,443,206	5,292,981
	Validated renewable electricity[b]	**12,944**	8,324	2,367
Global	Total energy use	**15,654,384**	15,338,353	14,370,807
UK energy consumption		**616,052**	609,292	684,588

a. Figures are restated annually (see page 83 for our restatement methodology). 2025 updates include incorporation of historic data from all conversion properties opened after 2019, some of which had previously been excluded, a correction to the available-room denominator used in intensity metrics, and updates to fuel to energy conversions. Performance trends should be assessed using only the restated figures in this report, rather than figures from previous reports. Our underlying methodology remains unchanged.

b. Renewable energy purchased or generated by hotels or corporate offices which have provided evidence of a Renewable Energy Certificate. Note: renewable energy use from hotels that do not provide evidence will not be accounted for as renewable.

Global GHG emissions (tCO_2e)[a]			2025	2024	2019 (baseline)
Managed and owned & leased hotels and corporate offices	Scope 1 (fuel from boilers, furnaces and generators)		**412,325**	430,458	408,063
	Scope 2 (electricity, heat, steam and cooling)	market-based	**2,207,061**	2,125,689	1,885,864
	Scope 2 (electricity, heat, steam and cooling)	location-based	**2,199,728**	2,111,563	1,879,253
	Scope 3 FERA (fuel and energy-related activities)		**598,128**	581,817	503,267
Franchised hotels	Scope 3 Franchise		**2,913,383**	2,855,817	2,846,396
	Scope 3 Franchise FERA		**592,662**	577,542	601,482
Global	Total market-based GHG emissions		**6,723,559**	6,571,323	6,245,072
UK share of Scope 1 & 2 emissions			**10,839**	7,745	17,619

a. Figures are restated annually (see page 83 for our restatement methodology). 2025 updates include incorporation of historic data from all conversion properties opened after 2019, some of which had previously been excluded, a correction to the available-room denominator used in intensity metrics, and updates to fuel to energy conversions. Performance trends should be assessed using only the restated figures in this report, rather than figures from previous reports. Our underlying methodology remains unchanged.

Global GHG intensity metrics (tCO_2e)[a]		2025	2024	2019
Managed and owned & leased hotels and corporate offices	Total gross revenue ($bn)[b]	**13.0**	12.2	12.0
	Scope 1 + 2 (market-based) emissions per $1,000 of total gross revenue[b]	**0.2015**	0.2095	0.1912
	Scope 1 + 2 (market-based) emissions per available room night	**0.0258**	0.0262	0.0297
Franchised hotels[c]	Scope 3 Franchise emissions per available room night	**0.0112**	0.0112	0.0128
Global[d]	Total GHG emissions per available room night	**0.0186**	0.0187	0.0209

a. Figures are restated annually (see page 83 for our restatement methodology). 2025 updates include incorporation of historic data from all conversion properties opened after 2019, some of which had previously been excluded, a correction to the available-room denominator used in intensity metrics, and updates to fuel to energy conversions. Performance trends should be assessed using only the restated figures in this report, rather than figures from previous reports. Our underlying methodology remains unchanged.

b. Denominator is total gross revenue (TGR) associated with our managed hotels and owned & leased hotels only (figure also provided on page 91).

c. Excludes FERA emissions.

d. Global emissions include all GHG emissions aligned to SBT (incl. Managed FERA and Franchised FERA emissions).

Statement of data methodology

Reporting period

The data reported covers 1 January 2025 to 31 December 2025 and is aligned with IHG's financial reporting cycle.

Scope and boundary approach

IHG's environmental data reporting methodology follows the Greenhouse Gas (GHG) Protocol Corporate Accounting and Reporting Standard which guide how we define organisational and operational boundaries, calculate emissions and apply reporting principles. This supports consistent, transparent and accurate reporting across the Group, providing a reliable basis for performance tracking, verification and disclosure.

IHG applies the operational control approach to define the organisational boundary, covering all subsidiaries and facilities over which IHG has operational control.

Scope 1 and 2 emissions cover hotels and offices under IHG's operational control, specifically managed and owned & leased properties and corporate offices. Scope 3 includes indirect emissions from franchised hotels (Category 14: Franchises) and upstream energy-related activities (Category 3: Fuel and Energy-Related Activities).

This scope selection aligns with Science Based Targets initiative (SBTi) criteria by focusing on the most material emissions sources and ensuring at least 67% of total Scope 3 emissions are covered.

Exclusive partnerships (e.g. Iberostar) are excluded from all reporting scopes.

Data collection and reporting

All IHG hotels, including managed, franchised and conversion properties, and corporate offices are required to enter monthly energy data into IHG Green Engage™, the Group's environmental data management system.

Where consumption data is unavailable or lacks reliable supporting evidence, data is estimated using (i) the hotel's own valid historical data, or (ii) representative averages from comparable hotels, based on factors such as brand and region/climate characteristics.

Renewable electricity is recognised only where verified contractual instruments are in place (such as Renewable Energy Certificates, Power Purchase Agreements or certified green energy contracts).

To calculate GHG emissions (CO_2, N_2O, CH_4, HFCs), the most recent emissions factors are used from recognised sources including IEA, USEPA, and DESNZ[a], with all emissions reported in metric tonnes of carbon dioxide equivalent (tCO_2e).

Restatement methodology

Baseline and historical data are reviewed and restated annually to reflect improvements in data quality, updated emission factors, methodological enhancements and portfolio movements (including removing exited hotels and estimating data for relevant conversion properties).

Out-of-cycle restatements may be required where a material change is identified, defined as a deviation of 5% or more at Group level for key data points, or where multiple smaller changes collectively have an equivalent impact.

Data assurance and verification

Energy and carbon data undergo independent limited assurance. The data is verified to ISO 14064-3. The verification statement, available on IHG's corporate website, confirms no material misstatements were identified for the 2025 reporting year at **ihgplc.com/responsible-business**.

a. IEA: International Energy Agency, USEPA: United States Environmental Protection Agency, DESNZ: Department for Energy Security and Net Zero (UK).

Being a responsible business continued

Section 172 statement

Details of how the Directors have had regard to the matters set forth in Section 172(1)(a) to (f) of the Companies Act 2006 are provided in the Section 172 statement on pages 124 to 125.

Further details can be found throughout the Strategic and Governance Reports, including in our key stakeholder engagement disclosures on pages 44 and 45.

Non-financial and sustainability information statement

Non-financial and sustainability information, produced to comply with sections 414CA and 414CB of the Companies Act 2006, including a description of policies, due diligence processes, outcomes and risks and opportunities, can be found as set out below. Internal verification and disclosure controls apply to all information covered in these areas.

- Impact of the Company's activities on the environment on pages 70 to 83.
- Social matters on pages 66 to 69.
- Anti-corruption and anti-bribery matters on page 57.
- Employee matters on pages 62 to 67, 125, 139, 145 to 147 and 159.
- Respect for human rights on page 66 and 67.
- A description of the Group's business model on pages 24 to 29.
- The Group's principal risks on pages 48 to 53.
- The Group's KPIs on pages 40 to 43.

+ See our relevant policies at **ihgplc.com/responsible-business**

Climate-related financial disclosures

In accordance with Section 414CB of the UK Companies Act 2006, the required climate-related financial information disclosures can be found integrated throughout the Strategic Report, primarily in the TCFD report on pages 77 to 81.

Reporting requirements

	Page
a) Group's governance for assessing and managing climate-related risks and opportunities	77 and 122
b) How climate-related risks and opportunities are identified, assessed and managed	80 and 81
c) How processes for identifying, assessing and managing climate-related risks are integrated into the overall Group Risk Management	46 to 48, 53, 80 and 81
d) Description of climate-related risks and opportunities, and time periods over which they are assessed	78
e) Impact of the climate-related risks and opportunities on the Group's business model and strategy	78 to 80
f) Analysis of the resilience of the Group's business model and strategy (climate-related scenarios)	77 and 78
g) Targets used by the Group to manage climate-related risks and to realise climate-related opportunities	75
h) Key performance indicators (including basis of calculating) used to assess progress against targets identified under (g)	43 and 83

Chief Financial Officer's review

"The power of our enterprise and operating model delivered our growth algorithm, further reinforcing our track record of driving shareholder returns."

Michael Glover
Chief Financial Officer

In 2025, the revenue increase was driven by a combination of RevPAR growth, the further broadening of our global estate and the expansion of ancillary fee streams. Our asset-light model and focus on cost efficiencies, while continuing to invest for future growth, contributed to strong fee margin and operating profit. Our well-established cash-generative business model and robust balance sheet enabled us to return over $1.1bn to shareholders.

Trading performance

We reinforced our commitment to enhance the guest experience and drive owner returns through continued investment in our brand portfolio, the markets we operate in, and loyalty and technology platforms.

Business, Groups and Leisure demand supported global RevPAR growth of 1.5%, driven by increases in both average daily rate and occupancy. Performance by region varied, although this highlighted the strength of our global footprint: RevPAR in the Americas and EMEAA increased compared to 2024, while Greater China decreased overall but returned to growth in the fourth quarter.

RevPAR, together with system and ancillary revenue growth, drove 7% increase in fee business revenue.

System growth

We achieved the milestone of surpassing one million open rooms globally, reflecting the scale and strength of our broad brand portfolio.

Gross openings in the year grew by 6.6% and included the acquisition and rollout of our 20th brand, Ruby.

Our continued focus on the quality and consistency of our estate resulted in a removals rate of 2.6%.

Combined, these resulted in net system size growth of 4.0% year-on-year.

After adjusting for the impact of removing 7,092 rooms previously affiliated with The Venetian Resort Las Vegas, our removals rate was 1.9% and net system size increased by 4.7%.

Signings of 102.1k rooms included 6.7k Ruby rooms, of which 5.7k rooms were part of the initial agreement. Conversions represented around half of openings.

Operating profit

Operating profit increased to $1,198m compared to $1,041m in 2024. Operating profit from reportable segments[a] increased from the prior year by $141m to $1,265m. The combination of strong revenue growth and ongoing cost productivity resulted in a 3.6%pts increase in fee margin[a] to 64.8%.

The growth in operating profit was achieved while continuing to reinvest in the business to support future growth.

Cash generation and liquidity

We generated net cash from operating activities of $898m, and adjusted free cash flow[a] increased by $238m to $893m, compared to the prior year.

During 2025, we returned over $1.1bn to shareholders through a combination of ordinary dividends and share buybacks.

We secured a new $1,500m syndicated credit facility and successfully removed the financial covenants associated with the previous facility.

Our net debt:adjusted EBITDA ratio at the end of the year finished at 2.5x, within the 2.5–3.0x range we aim to maintain.

The Board has proposed a final dividend of 125.9¢, +10% vs 2024, taking the dividend for the year to 184.5¢. The Board has also approved a further share buyback programme to return an additional $950m to shareholders.

Our uses of cash remain unchanged: ensuring the business is appropriately invested in to optimise growth; funding a sustainably growing dividend; and then returning excess funds to shareholders.

Future growth and 2026 priorities

We remain confident in the long-term structural drivers that underpin our industry.

We are committed to the ongoing investments in our brands, technology, loyalty and hotel operations. These investments in turn further strengthen our enterprise and support our growth algorithm, to drive sustained value creation and additional shareholder returns.

Michael Glover
Chief Financial Officer

a. Use of Non-GAAP measures: In addition to performance measures directly observable in the Group Financial Statements (IFRS measures), additional financial measures (described as Non-GAAP) are presented that are used internally by management as key measures to assess performance. Non-GAAP measures are either not defined under IFRS or are adjusted IFRS figures. Further explanation in relation to these measures can be found on pages 107 to 112, and reconciliations to IFRS figures, where they have been adjusted, are on pages 250 to 256.

Performance
Group

Group Income Statement summary

	2025 $m	2024 Re-presented[a] $m	2025 vs 2024 % change	2023 Re-presented[a] $m	2024 vs 2023 % change
					12 months ended 31 December
Revenue[b]					
Americas	**1,129**	1,141	(1.1)	1,105	3.3
EMEAA	**811**	748	8.4	677	10.5
Greater China	**165**	161	2.5	161	–
Central	**363**	262	38.5	221	18.6
Revenue from reportable segments[c]	**2,468**	2,312	6.7	2,164	6.8
System Fund and reimbursable revenues	**2,721**	2,611	4.2	2,460	6.1
Total revenue	**5,189**	4,923	5.4	4,624	6.5
Operating profit[b]					
Americas	**836**	828	1.0	815	1.6
EMEAA	**303**	270	12.2	215	25.6
Greater China	**99**	98	1.0	96	2.1
Central	**27**	(72)	NM[d]	(107)	(32.7)
Operating profit from reportable segments[c]	**1,265**	1,124	12.5	1,019	10.3
Analysed as:					
Fee business	**1,231**	1,085	13.5	992	9.4
Owned & leased	**43**	45	(4.4)	29	55.2
Insurance activities	**(9)**	(6)	50.0	(2)	200.0
System Fund and reimbursable result	**(46)**	(83)	(44.6)	19	NM[d]
Operating profit before exceptional items	**1,219**	1,041	17.1	1,038	0.3
Operating exceptional items	**(21)**	–	NM[d]	28	NM[d]
Operating profit	**1,198**	1,041	15.1	1,066	(2.3)
Net financial expenses	**(153)**	(115)	33.0	(87)	32.2
Analysed as:					
Adjusted interest expense[c]	**(200)**	(165)	21.2	(131)	26.0
System Fund interest	**47**	50	(6.0)	44	13.6
Foreign exchange gains/(losses)	**37**	(25)	NM[d]	35	NM[d]
Remeasurement of contingent purchase consideration	**(8)**	(4)	100.0	(4)	–
Profit before tax	**1,074**	897	19.7	1,010	(11.2)
Tax	**(315)**	(269)	17.1	(260)	3.5
Analysed as:					
Adjusted tax[c]	**(290)**	(262)	10.7	(253)	3.6
Tax attributable to System Fund	**(9)**	(4)	125.0	(3)	33.3
Tax on foreign exchange gains/(losses)	**–**	(3)	NM[d]	3	NM[d]
Tax exceptional items	**(16)**	–	NM[d]	(7)	NM[d]
Profit for the year	**759**	628	20.9	750	(16.3)
Adjusted earnings[e]	**774**	697	11.0	635	9.8
Basic weighted average number of ordinary shares (millions)	**154.4**	161.2	(4.2)	169.0	(4.6)
Earnings per ordinary share					
Basic	**490.9¢**	389.6¢	26.0	443.8¢	(12.2)
Adjusted[c]	**501.3¢**	432.4¢	15.9	375.7¢	15.1
Dividend per share	**184.5¢**	167.6¢	10.1	152.3¢	10.0
Average US dollar to sterling exchange rate	**$1:£0.76**	$1:£0.78	(2.6)	$1: £0.80	(2.5)

a. Re-presented to present foreign exchange gains/(losses) on a separate line which was previously presented within 'Net financial expenses'.
b. Americas and EMEAA include revenue and operating profit before exceptional items from both fee business and owned & leased hotels. Greater China includes revenue and operating profit before exceptional items from fee business.
c. Definitions for Non-GAAP measures can be found in the 'Key performance measures and Non-GAAP measures' section on pages 107 to 112 along with reconciliations of these measures to the most directly comparable line items within the Group Financial Statements which can be found on pages 250 to 256.
d. Percentage change considered not meaningful, such as where a positive balance in the latest period is comparable to a negative or zero balance in the prior period.
e. Adjusted earnings as used with adjusted earnings per share, a Non-GAAP measure. Excludes $1m profit attributable to non-controlling interest.

Highlights for the year ended 31 December 2025

Trading varied across our global footprint. The Americas saw growth in the first quarter, with the rest of the year impacted by economic uncertainties, with the fourth quarter further affected by tough prior year comparatives. There was strong demand in EMEAA, with RevPAR growth in all quarters of 2025 for this varied region. Greater China saw sequential quarterly improvement through the year, with RevPAR growth in the fourth quarter.

Revenue

RevPAR increased year-on-year by 3.3% in the first quarter, 0.3% in the second quarter, 0.1% in the third quarter, 1.6% in the fourth quarter and 1.5% in the full year. Compared to 2024, average daily rate increased by 0.8% and occupancy was 0.5%pts higher.

Our other key driver of revenue, net system size, increased by 4.0% year-on-year to 1,026,177 rooms on a reported basis, or 4.7% after adjusting for the impact of removing 7,092 rooms previously affiliated with The Venetian Resort Las Vegas.

Total revenue increased by $266m (5.4%) to $5,189m, including a $110m increase in System Fund and reimbursable revenue. Revenue from reportable segments[a] increased by $156m (6.7%) to $2,468m, driven by the combination of system and RevPAR growth, together with incremental fees from previous changes in the arrangements related to the US co-brand credit card arrangements and from the sale of certain loyalty points (together with certain other ancillary revenues). These revenue streams achieved the expected ~$40m and ~$25m step-changes within IHG's results from reportable segments[a] in 2025, along with additional underlying growth. Underlying revenue[a] increased by $133m (5.7%) to $2,454m, with underlying fee revenue[a] increasing by $110m (6.2%) to $1,890m. Owned & leased revenue increased by $29m (5.6%) to $544m.

Operating profit and margin

Operating profit increased by $157m from $1,041m to $1,198m, including $21m operating exceptional costs in relation to the global efficiency programme and to commercial litigation and disputes, compared to operating exceptional items of $nil recorded in the prior year. The reported System Fund and reimbursable result improved by $37m in the year, as the loss reduced from $83m in 2024 to $46m in 2025.

Operating profit from reportable segments[a] increased by $141m (12.5%) to $1,265m. Fee business operating profit increased by $146m (13.5%) to $1,231m, due to RevPAR and system growth which drove a $12m increase in incentive management fees to $190m, combined with incremental ancillary fee revenue. Owned & leased operating profit declined from $45m to $43m. Underlying operating profit[a] increased by $135m (12.0%) to $1,264m.

Fee margin[a] increased by 3.6%pts over the prior year to 64.8%. Around 2.3%pts was driven by operational leverage and cost efficiencies from the global efficiency programme. A further ~1.3%pts was due to incremental fees from the US co-brand credit card agreements and from the sale of certain loyalty points, together with certain other ancillary revenues.

The impact of the movement in average USD exchange rates for 2024 compared to 2025 netted to a $nil impact on operating profit from reportable segments[a] when calculated as restating 2024 figures at 2025 exchange rates, and benefitted operating profit from reportable segments[a] by $1m when applying 2024 rates to 2025 figures.

If the average exchange rate during January 2026 had existed throughout 2025, the 2025 operating profit from reportable segments[a] would have been $6m higher.

System Fund and reimbursable result

The Group operates a System Fund to collect and administer assessments from hotel owners for specified purposes of use, including marketing, reservations, certain hotel services and the Group's loyalty programme, IHG One Rewards. The System Fund also benefits from certain proceeds from the sale of loyalty points under third-party co-branding arrangements and the sale of points directly to members and other third parties. The Fund is not managed to generate a surplus or deficit for IHG over the longer term, but is managed for the benefit of hotels in the IHG system with the objective of driving revenues for the hotels in the system.

The growth in the IHG One Rewards programme means that, although assessments are received from hotels upfront when a member earns points, more revenue is deferred each year than is recognised in the System Fund. This can lead to accounting losses in the System Fund each year as the deferred revenue balance grows which do not necessarily reflect the Fund's position and the Group's capacity to invest.

Reimbursable revenues represent reimbursements of expenses incurred on behalf of managed and franchised properties and relate, predominantly, to payroll costs at managed properties where IHG is the employer. As IHG records reimbursable expenses based upon costs incurred with no added mark-up, this revenue and related expenses have no impact on either operating profit or net profit for the year.

In the year to 31 December 2025, System Fund and reimbursable revenues increased $110m (4.2%) to $2,721m. This was driven by the growth in System Fund revenue driven by the continued increase in net system size compounded by year-over-year RevPAR growth.

The reported System Fund and reimbursable result improved from a loss of $83m to a loss of $46m, primarily due to the System Fund revenue growth mentioned above and the impact of our global efficiency programme, partially offset by increased investments in marketing and loyalty.

Operating exceptional items

Exceptional items are identified by virtue of their size, nature or incidence and are excluded from the calculation of adjusted earnings per ordinary share[a] as well as other Non-GAAP measures in order to allow a better understanding of the underlying trading performance and trends of the Group and its reportable segments. Examples of exceptional items can include, but are not restricted to, gains and losses on the disposal of assets, impairment charges and reversals, the costs of individually significant legal cases or commercial disputes and reorganisation costs.

a. Definitions for Non-GAAP measures can be found on pages 107 to 112. Reconciliations of these measures to the most directly comparable line items within the Group Financial Statements can be found on pages 250 to 256.

Performance continued
Group continued

Operating exceptional items for the year to 31 December 2025 were $21m (2024: $nil), comprising costs of $12m relating to a global efficiency programme and $9m relating to litigation and commercial disputes.

Further information on exceptional items can be found in note 6 to the Group Financial Statements.

Net financial expenses

Net financial expenses increased to $153m from $115m. Net financial expenses include total interest costs on public bonds, which are fixed rate debt, of $153m (2024: $123m) and interest expense on lease liabilities of $30m (2024: $30m). In 2025, foreign exchange gains/(losses) have been presented on a separate line of the Group income statement. The 2024 and 2023 amounts were previously presented within net financial expenses.

Adjusted interest[a], which adds back interest attributable to the System Fund, increased by $35m to an expense of $200m, driven by the increase in net debt and average interest rates on bond debt.

Foreign exchange gains and losses

Foreign exchange gains of $37m (2024: losses of $25m) are predominantly due to translation of intra-group US dollar monetary assets and liabilities held by subsidiaries with a sterling functional currency.

Remeasurement losses on contingent purchase consideration

Contingent purchase consideration arose on the acquisition of Regent, and from 2025, the acquisition of the Ruby brand. The loss of $8m (2024: $4m loss) is principally the unwind of the discount due to the passage of time. The total contingent purchase consideration liability at 31 December 2025 is $98m (2024: $73m).

Taxation

The adjusted tax rate[a] for 2025 was 27.2% (2024: 27.3%). The total tax charge includes a net exceptional charge of $16m (2024: $nil), comprising a charge of $21m following the completion of an intra-group restructuring transaction offset by the tax impacts of the operating exceptional items.

Tax paid in 2025 totalled $307m (2024 $309m), including exceptional tax paid of $34m related to the settlement of a tax liability which originally arose as a result of the acquisition of Holiday Inn in 1990.

IHG pursues an approach to tax that is consistent with its business strategy and its overall business conduct principles. The approach seeks to ensure full compliance with all tax filing, payment and reporting obligations on the basis of communicative and transparent relationships with tax authorities. The IHG Audit Committee reviews IHG's approach to tax annually, including consideration of the Group's current tax profile. Further information on tax can be found in note 8 to the Group Financial Statements.

+ IHG's Approach to Tax policy is available at **ihgplc.com/responsible-business** under policies.

Earnings per ordinary share

The Group's basic earnings per ordinary share is 490.9¢ (2024: 389.6¢). Adjusted earnings per ordinary share[a] increased by 68.9¢ (15.9%) to 501.3¢.

Dividends and returns

The Board is proposing a final dividend of 125.9¢ in respect of 2025, an increase of 10% on 2024. With the interim dividend of 58.6¢ paid in October 2025, the total dividend for the year would therefore be 184.5¢, representing an increase of 10% on 2024. The ex-dividend date for ordinary shares is Thursday 9 April 2026 and the record date is Friday 10 April 2026. The corresponding dividend amount in pence sterling per ordinary share will be announced on Monday 27 April 2026, calculated based on the average of the market exchange rates for the three working days commencing 22 April 2026. Subject to shareholder approval at the AGM on Thursday 7 May 2026, the dividend will be paid on Thursday 14 May 2026.

The dividend payments in 2025 have returned $270m to IHG's shareholders. An additional $892m of surplus capital was returned to shareholders through a share buyback programme that concluded in December 2025. This repurchased 7,585,264 shares at an average price of £88.50 per share and reduced the total number of voting rights in the Company by 4.8%.

The Board has approved a further share buyback programme to return an additional $950m to shareholders in 2026.

Share price and market capitalisation

The IHG share price closed at £104.60 on Wednesday 31 December 2025, up 5.1% from £99.54 on 31 December 2024. The market capitalisation of the Group at the year-end was £15.9bn.

For a discussion of 2024 results, and the changes compared to 2023, refer to the 2024 Annual Report and Form 20-F.

+ **ihgplc.com/investors** under Annual Report.

Accounting principles

The Group results are prepared under International Financial Reporting Standards (IFRS) as described on page 183 of the Group Financial Statements. The application of IFRS requires management to make judgement, estimates and assumptions, and those considered critical to the preparation of the Group results are set out on page 184.

The Group discloses certain financial information both including and excluding exceptional items. For comparability of the periods presented, some of the performance indicators in this performance review are calculated after eliminating these exceptional items. An analysis of exceptional items is included in note 6.

a. Definitions for Non-GAAP measures can be found on pages 107 to 112. Reconciliations of these measures to the most directly comparable line items within the Group Financial Statements can be found on pages 250 to 256.

Adjusted EBITDA[a] reconciliation

	12 months ended 31 December				
	2025 $m	2024 $m	2025 vs 2024 $m change	2023 $m	2024 vs 2023 $m change
Cash flow from operations	**1,361**	1,149		1,219	
Cash flows relating to operating exceptional items	**23**	(8)		29	
Impairment (loss)/reversal on financial assets	**(21)**	(16)		1	
Other impairment charges	**(2)**	(6)		–	
Other non-cash adjustments to operating profit	**(93)**	(77)		(60)	
System Fund and reimbursable result	**46**	83		(19)	
System Fund depreciation and amortisation	**(79)**	(80)		(83)	
Other non-cash adjustments to System Fund result	**(46)**	(37)		(23)	
Working capital and other adjustments	**(36)**	(56)		(79)	
Capital expenditure: contract acquisition costs net of repayments	**179**	237		101	
Adjusted EBITDA[a]	**1,332**	1,189	143	1,086	103

Group Cash Flow summary

	12 months ended 31 December				
	2025 $m	2024 $m	2025 vs 2024 $m change	2023 $m	2024 vs 2023 $m change
Adjusted EBITDA[a]	**1,332**	1,189	143	1,086	103
Working capital and other adjustments	**36**	56		79	
Repayments/(payments) related to investments supporting the Group's insurance activities	**3**	5		(11)	
Impairment loss/(reversal) on financial assets	**21**	16		(1)	
Other impairment charges	**2**	6		–	
Other non-cash adjustments to operating profit	**93**	77		60	
System Fund and reimbursable result	**(46)**	(83)		19	
Non-cash adjustments to System Fund result	**125**	117		106	
Capital expenditure: key money contract acquisition costs, net of repayments	**(177)**	(206)		(101)	
Capital expenditure: gross maintenance	**(31)**	(31)		(38)	
Net interest paid	**(156)**	(113)		(83)	
Tax paid[b]	**(273)**	(309)		(243)	
Principal element of lease payments, net of finance lease receipts	**(26)**	(42)		(28)	
Purchase of own shares by employee share trusts	**(10)**	(27)		(8)	
Adjusted free cash flow[a]	**893**	655	238	837	(182)
Cash flows relating to exceptional items[b]	**(57)**	8		(29)	
Capital expenditure: gross recyclable investments	**(16)**	(68)		(50)	
Capital expenditure: gross System Fund capital investments	**(43)**	(45)		(46)	
Purchase of brands	**(120)**	–		–	
Deferred purchase consideration paid	**–**	(13)		–	
Disposals and repayments, including proceeds from other financial assets	**11**	15		8	
Repurchase of shares, including transaction costs	**(897)**	(804)		(790)	
Dividends paid to shareholders	**(270)**	(259)		(245)	
Dividends paid to non-controlling interest	**–**	–		(3)	
Other financing cash flows	**6**	–		–	
Net cash flow before other net debt[a] movements	**(493)**	(511)	18	(318)	(193)
Add back principal element of lease repayments	**30**	46		28	
Exchange and other non-cash adjustments	**(88)**	(45)		(131)	
Increase in net debt[a]	**(551)**	(510)	(41)	(421)	(89)
Net debt[a] at the beginning of the year	**(2,782)**	(2,272)		(1,851)	
Net debt[a] at the end of the year	**(3,333)**	(2,782)	(551)	(2,272)	(510)

a. Definitions for Non-GAAP measures can be found in the 'Key performance measures and Non-GAAP measures' section on pages 107 to 112. Reconciliations of these measures to the most directly comparable line items within the Group Financial Statements can be found on pages 250 to 256.

b. In 2025 'Tax paid' excludes, and 'Cash flows relating to exceptional items' includes, $34m of exceptional tax paid.

Performance continued
Group continued

Cash flow from operations

For the year ended 31 December 2025, cash flow from operations was $1,361m, an increase of $212m on the previous year. This was predominantly due to the higher operating profit from reportable segments[a], lower contract acquisition costs and an improvement in the System Fund and reimbursable result. Cash flow from operations is the principal source of cash used to fund interest and tax payments, capital expenditure, ordinary dividend payments and additional returns of capital to shareholders.

Adjusted free cash flow[a]

Adjusted free cash flow[a] was an inflow of $893m, an increase of $238m on the prior year. Adjusted EBITDA[a] increased by $143m due to the improvement in trading and growth in ancillary fee streams. The System Fund and reimbursable result improved by $37m, reflecting System Fund revenue growth and the impact of the global efficiency programme, partly offset by increased investments in marketing and loyalty. Key money contract acquisition costs net of repayments reduced by $29m, and tax payments (excluding exceptional items) were $36m lower due to US tax reforms. These movements were partly offset by a $43m increase in net interest paid reflecting the increase in average net debt. Working capital and other adjustments of $36m includes $107m of cash inflow related to deferred revenue, driven primarily by $74m related to the loyalty programme and $37m of upfront cash flows associated with the new US co-brand credit card agreements.

Net and gross capital expenditure[a]

Net capital expenditure[a] was $185m (2024: $253m) and gross capital expenditure[a] was $269m (2024: $350m). Gross capital expenditure[a] comprised: $179m of key money contract acquisition costs; $31m of maintenance; $16m gross recyclable investments; and $43m System Fund capital investments. Net capital expenditure[a] includes key money repayments of $2m and offsets from other disposals and repayments of $4m, and $78m System Fund depreciation and amortisation.

Net debt[a]

Net debt[a] increased by $551m from $2,782m at 31 December 2024 to $3,333m at 31 December 2025. During the year, the Group invested $120m to purchase the Ruby brand and there were $1,167m of payments related to ordinary dividends and the share buyback programmes, including transaction costs. The change in net debt[a] includes adverse net foreign exchange impacts of $69m and $19m of other non-cash adjustments.

Cash and borrowings

Net debt[a] of $3,333m (2024: $2,782m) is analysed by currency as follows:

	2025 $m	2024 $m
Borrowings		
Sterling*	1,175	1,473
US dollar*	3,257	2,290
Euros*	5	3
Other	25	24
Cash and cash equivalents		
Sterling	(549)	(462)
US dollar	(442)	(369)
Euros	(14)	(26)
Chinese renminbi	(69)	(99)
Other	(55)	(52)
Net debt[a]	3,333	2,782
Average net debt level	3,139	2,639

* Including the impact of derivative financial instruments.

Cash and cash equivalents includes $4m (2024: $2m) that is not available for use by the Group due to local exchange controls, $17m (2024: $15m) which is restricted for use on capital expenditure under hotel lease agreements and $6m (2024: $5m) subject to contractual and regulatory restrictions.

+ Information on the maturity profile and interest structure of borrowings is included in notes 21 to 23 to the Group Financial Statements.

Borrowings included bank overdrafts of $3m (2024: $17m), which were matched by an equivalent amount of cash and cash equivalents under the Group's cash pooling arrangements.

Under these arrangements, each pool contains a number of bank accounts with the same financial institution, and the Group pays interest on net overdraft balances within each pool.

Overseas subsidiaries are typically in a cash-positive position, and the matching overdrafts are held by the Group's central treasury company in the UK.

+ Information on the Group's approach to allocation of capital resources can be found on pages 26 and 27.

Sources of liquidity

As at 31 December 2025, the Group had total liquidity of $2,599m (31 December 2024: $2,319m), comprising $1,500m of undrawn bank facilities and $1,099m of cash and cash equivalents (net of overdrafts and restricted cash). The increase in total liquidity from December 2024 of $280m is primarily due to net additional bond funding of $587m and $150m from the increase in the new bank revolving credit facility, offset by net cash outflows of $493m[b].

The Group currently has $4,198m of sterling and euro bonds outstanding. The bonds mature in August 2026 (£350m), May 2027 (€500m), October 2028 (£400m), November 2029 (€600m), September 2030 (€850m) and September 2031 (€750m). There are currency swaps in place on the euro bonds, fixing the May 2027 bond at £436m, the November 2029 bond at $657m, the September 2030 bond at $990m and the September 2031 bond at $834m. The Group currently has senior unsecured long-term credit ratings of BBB from S&P and Baa2 from Moody's.

In December 2025, the Group entered into a new $1,500m syndicated bank revolving credit facility (RCF), and the previous $1,350m facility was cancelled on the same day. The new five-year RCF matures in December 2030. There are two one-year extension options that are at the lenders' discretion. There are no financial covenants in the RCF.

The RCF was undrawn at 31 December 2025.

It is management's opinion that the current working capital levels and available facilities are sufficient for the Group's present liquidity requirements.

a. Definitions for Non-GAAP measures can be found on pages 107 to 112. Reconciliations of these measures to the most directly comparable line items within the Group Financial Statements can be found on pages 250 to 256.

b. As shown in the Cash Flow summary on page 89.

Off-balance sheet arrangements

At 31 December 2025, the Group had no off-balance sheet arrangements that have, or are reasonably likely to have, a current or future material effect on the Group's financial condition, revenues or expenses, results of operations, liquidity, capital expenditures or capital resources.

Contingent liabilities and financial guarantees

The Group has given financial guarantees over loans made to facilitate third-party ownership of hotels of up to $26m. The carrying amount of these guarantees was $nil. See note 18 to the Group Financial Statements for further details.

The Group may be exposed to additional liabilities resulting from litigation. See note 29 to the Group Financial Statements for further details.

Future cash requirements from contractual obligations

The Group's future cash flows arising from contractual commitments relating to long-term debt obligations (including interest payable), derivatives, lease liabilities and other financial liabilities are analysed in note 23 to the Group Financial Statements.

Other cash requirements relate to future pension scheme contributions (see note 26 to the Group Financial Statements) and capital commitments (see note 29 to the Group Financial Statements).

The Group also has future commitments for key money payments which are contingent upon future events and may reverse.

Disaggregation of total gross revenue in IHG's system

Total gross revenue provides a measure of the overall strength of the Group's brands. It comprises total rooms revenue from franchised hotels and total hotel revenue from managed, exclusive partner and owned & leased hotels and excludes revenue from the System Fund and reimbursement of costs. Other than owned & leased hotels, total gross revenue is not revenue attributable to IHG as it is derived from hotels owned by third parties. The definition of this key performance measure can be found on page 107.

	12 months ended 31 December		
	2025 $bn	2024 $bn	% change[a]
Analysed by brand			
InterContinental	**5.6**	5.3	5.6
Kimpton	**1.5**	1.4	5.9
Hotel Indigo	**1.1**	1.0	14.0
Crowne Plaza	**3.7**	3.7	(1.3)
Holiday Inn Express	**9.7**	9.6	1.4
Holiday Inn	**6.1**	6.0	1.3
Staybridge Suites	**1.4**	1.3	4.1
Candlewood Suites	**1.0**	0.9	5.3
Other	**5.1**	4.2	24.0
Total	**35.2**	33.4	5.3
Analysed by ownership type			
Franchised[b] (revenue not attributable to IHG)	**22.2**	21.2	5.1
Managed (revenue not attributable to IHG)	**12.5**	11.7	5.6
Owned & leased (revenue recognised in Group income statement)	**0.5**	0.5	5.4
Total	**35.2**	33.4	5.3

Total gross revenue in IHG's system increased by 5.3% (4.7% increase at constant currency) to $35.2bn, driven by the combination of RevPAR growth and the increase in the number of hotels in our system.

a. Year-on-year percentage movement calculated from unrounded source figures to provide more precise growth indicators for these figures which are presented in billions of dollars.

b. Includes exclusive partner hotels.

Performance continued
Group continued

Group hotel and room count

At 31 December	Hotels 2025	Hotels Change over 2024	Rooms 2025	Rooms Change over 2024
Analysed by brand				
Six Senses	27	–	2,067	117
Regent	11	–	3,212	–
InterContinental	242	15	77,027	3,243
Vignette Collection	31	11	7,256	3,291
Kimpton	85	8	16,208	2,177
Hotel Indigo	191	22	25,676	2,883
voco	124	37	25,227	4,851
Ruby	17	17	2,952	2,952
HUALUXE	24	2	6,426	424
Crowne Plaza	424	9	113,887	263
EVEN Hotels	46	13	6,896	1,814
Holiday Inn Express	3,292	55	351,400	7,443
Holiday Inn	1,247	(2)	225,926	594
Garner	89	66	8,501	6,101
avid hotels	87	11	7,677	875
Atwell Suites	9	3	928	372
Staybridge Suites	350	15	38,287	1,764
Holiday Inn Club Vacations	26	(4)	9,138	(730)
Candlewood Suites	423	31	37,552	2,735
Iberostar Beachfront Resorts	62	7	21,001	1,415
Other	156	18	38,933	(3,532)
Total	6,963	334	1,026,177	39,052
Analysed by ownership type				
Franchised[a]	5,886	290	748,178	29,961
Managed	1,060	43	273,808	8,936
Owned & leased	17	1	4,191	155
Total	6,963	334	1,026,177	39,052

a. Includes exclusive partner hotels.

During the year, a record 443 hotels (65,078 rooms) opened, representing a 72 hotels (5,961 rooms) increase from 2024.

Openings included the first 2,952 rooms (17 hotels) as part of the initial Ruby agreement. Other openings included 20,338 rooms (133 hotels) in the Holiday Inn Brand Family, the debut of Atwell in Greater China and the continued international momentum of Garner. Conversions represented around half of all openings.

In 2025, 26,026 rooms (109 hotels) left the IHG system, reflecting our continued focus on the quality of our estate.

Net system size increased by 4.0% year-on-year to 1,026,177.

After adjusting for the impact of removing 7,092 rooms previously affiliated with The Venetian Resort Las Vegas, removals increased by 739 rooms (two hotels) compared to 2024, with a removals rate of 1.9%, and net system size increased by 4.7%.

Total number of hotels

6,963

2024: 6,629

Total number of rooms

1,026,177

2024: 987,125

Group pipeline

At 31 December	Hotels 2025	Hotels Change over 2024	Rooms 2025	Rooms Change over 2024
Analysed by brand				
Six Senses	39	1	2,946	51
Regent	12	3	2,210	223
InterContinental	104	3	26,734	1,042
Vignette Collection	45	10	7,087	698
Kimpton	69	8	13,288	1,155
Hotel Indigo	131	1	20,885	1,454
voco	108	18	21,453	5,825
Ruby	19	19	3,789	3,789
HUALUXE	23	(1)	6,040	(253)
Crowne Plaza	154	14	38,232	2,963
EVEN Hotels	26	(6)	4,861	(706)
Holiday Inn Express	655	18	81,358	2,136
Holiday Inn	295	29	53,559	1,882
Garner	77	(17)	6,953	(1,814)
avid hotels	116	(21)	8,676	(1,973)
Atwell Suites	56	2	5,822	362
Staybridge Suites	150	(7)	16,618	(697)
Candlewood Suites	194	11	14,465	166
Iberostar Beachfront Resorts	5	(2)	2,415	(32)
Other	14	(1)	2,135	(1,997)
Total	2,292	82	339,526	14,274
Analysed by ownership type				
Franchised[a]	1,635	37	198,623	7,018
Managed	657	46	140,903	7,411
Owned & leased	–	(1)	–	(155)
Total	2,292	82	339,526	14,274

a. Includes exclusive partner hotels.

The global pipeline totalled 339,526 rooms (2,292 hotels) at the end of 2025, an increase of 14,274 rooms (82 hotels) from the prior year, as signings outpaced openings and terminations.

Group signings of 102,054 rooms (694 hotels) included 6,741 Ruby rooms (36 hotels), 5,718 rooms (30 hotels) as part of the initial agreement.

Signings in 2025 represented a 4,188 rooms (20 hotels) decrease from the prior year, which included 17,703 rooms (119 hotels) as part of the initial NOVUM Hospitality agreement.

Total number of hotels in the pipeline

2,292

2024: 2,210

Total number of rooms in the pipeline

339,526

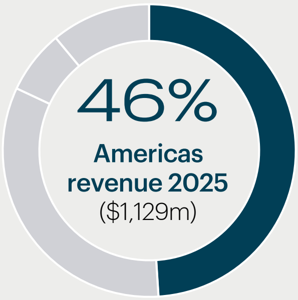
2024: 325,252

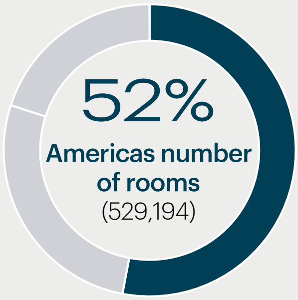
Performance continued

Americas

"We accelerated our enterprise delivery for both guests and owners, and delivered strong growth momentum in 2025."

Jolyon Bulley
Chief Executive Officer, Americas





Comparable RevPAR movement on previous year

(12 months ended 31 December 2025)

Fee business	
InterContinental	4.6%
Kimpton	1.3%
Hotel Indigo	0.3%
Crowne Plaza	0.5%
EVEN Hotels	(1.2)%
Holiday Inn Express	0.2%
Holiday Inn	(0.7)%
avid hotels	(1.2)%
Staybridge Suites	0.3%
Candlewood Suites	(0.6)%
All brands	0.3%

Owned & leased	
All brands	1.6%

InterContinental Real Lima Miraflores, Peru.

"In 2025, we continued our strong growth momentum through hotel openings and new deals entering our development pipeline. Our established position in the Essentials and Suites category, together with growth across our Lifestyle & Luxury and Premium brands, provided our guests with more choice, and our owners a compelling IHG brand portfolio. Performance across our brands accelerated in 2025 driven by the implementation of new technology platforms, growth in our loyalty delivery, and focus on the guest experience and owner returns."

Industry performance in 2025

Industry RevPAR in the Americas grew by 1.2% year-on-year, driven by a 2.1% increase in average daily rate, while occupancy declined by 0.5%pts.

US lodging industry RevPAR declined 0.3% year-on-year, as a 0.8%pts decrease in occupancy was only partly offset by a 0.9% increase in average daily rate, significantly trailing the rate of inflation. Room demand was behind 2024 levels, due to broader economic uncertainty and a reduction in international inbound travel. Notably, group demand saw declines for nine consecutive months, while outbound travel from the US grew by over 2%. Room supply increased by 0.7%, with conversion activity also increasing year-on-year.

RevPAR in the US upper midscale chain scale, where Holiday Inn and Holiday Inn Express operate, declined by 1.5%.

RevPAR increased by 11.7% in Latin America. Caribbean growth of 2.2% was driven by average daily rate.

RevPAR in Mexico increased by 5.7% and in Canada RevPAR grew by 4.2%.

IHG's regional performance in 2025

IHG's comparable RevPAR in the Americas grew by 0.3% compared to 2024, driven by a 0.5% increase in average daily rate and a 0.1%pts decrease in occupancy.

The region is predominantly represented by the US, where comparable RevPAR fell slightly by 0.1% year-on-year, and where we are most weighted towards our upper midscale brands, Holiday Inn and Holiday Inn Express. US RevPAR for the Holiday Inn brand fell by 1.5%, while the Holiday Inn Express brand decreased by 0.2%.

Comparable RevPAR in Mexico grew by 5.8%, while Canada increased by 2.2%.

Americas results

	12 months ended 31 December				
	2025	2024	2025 vs 2024	2023	2024 vs 2023
	$m	$m	% change	$m	% change
Revenue from the reportable segment[a]					
Fee business	**963**	979	(1.6)	957	2.3
Owned & leased	**166**	162	2.5	148	9.5
Total	**1,129**	1,141	(1.1)	1,105	3.3
Operating profit from the reportable segment[a]					
Fee business	**804**	795	1.1	787	1.0
Owned & leased	**32**	33	(3.0)	28	17.9
	836	828	1.0	815	1.6
Operating exceptional items	**(2)**	4	NM[b]	27	(85.2)
Operating profit	**834**	832	0.2	842	(1.2)

Review of the year ended 31 December 2025

With 529,194 rooms (4,603 hotels), the Americas represented 52% of IHG's room count. The key profit-generating market is the US, and the Group is also represented in Latin America, Canada, Mexico and the Caribbean. In the region, 93% of rooms are operated under the franchised business model, primarily under our brands in the upper midscale segment (including the Holiday Inn Brand Family). Of IHG's 20 hotel brands, 18 are represented in the Americas.

RevPAR performance in the first quarter was strongest. From the second quarter, certain types of business and leisure travel were impacted by broader factors, such as lower international inbound demand and less government travel. The fourth quarter also faced tough comparables as certain locations in the prior year saw increased hurricane related demand. Compared to the prior year, Business demand increased while Groups and Leisure declined.

Americas comparable RevPAR improved by 3.5% in the first quarter then decreased 0.5% in the second quarter, 0.9% in the third quarter, 1.4% in the fourth quarter and increased 0.3% in the full year, all compared to 2024. RevPAR in the US decreased by 0.1% in the year.

Across our US franchised estate, which is weighted to domestic demand in upper midscale hotels, full-year RevPAR decreased 0.3% year-on-year. The US managed estate, weighted to upper upscale and luxury hotels in urban locations, saw RevPAR increase by 2.0% in the full year compared to 2024.

Revenue from the reportable segment[a] decreased by $12m (1.1%) to $1,129m. Operating profit increased by $2m to $834m, including a $2m exceptional cost in relation to the global efficiency programme, compared to an exceptional income of $4m in the prior year. Operating profit from the reportable segment[a] increased by $8m (1.0%) to $836m.

Revenue and operating profit from the reportable segment[a] are further analysed by fee business and owned & leased hotels.

Fee business revenue[a] decreased by $16m (1.6%) to $963m as comparable RevPAR growth was offset by lower revenue from a number of non-comparable hotels including those exiting the system and others undergoing renovation, small reductions in certain other fee revenue areas, adverse currency movements and one fewer trading day from the leap-year impact. There were $20m of incentive management fees earned (2024: $21m). Fee business operating profit[a] increased by $9m (1.1%) to $804m, supported by system growth and cost efficiencies. This led to fee margin[a] growing to 83.4%, compared to 81.2% in 2024.

Owned & leased revenue increased by $4m (2.5%) to $166m, with comparable RevPAR up 1.6% compared to 2024, reflecting the specific trading environments related to this small portfolio of just four hotels. Owned & leased operating profit decreased by $1m (3.0%) to $32m.

a. Definitions for non-GAAP measures can be found on pages 107 to 112. Reconciliations of these measures to the most directly comparable line items within the Group Financial Statements can be found on pages 250 to 256.

b. Percentage change considered not meaningful, such as where a positive balance in the latest period is comparable to a negative or zero balance in the prior period.

For discussion of 2024 results, and the changes compared to 2023, refer to the 2024 Annual Report and Form 20-F.

More details online:
ihgplc.com/investors under Annual Report.

Performance continued
Americas continued

Americas hotel and room count

At 31 December	Hotels 2025	Hotels Change over 2024	Rooms 2025	Rooms Change over 2024
Analysed by brand				
Six Senses	2	–	81	–
Regent	1	–	167	–
InterContinental	48	3	17,055	783
Vignette Collection	3	1	805	214
Kimpton	62	1	11,289	206
Hotel Indigo	82	7	10,944	816
voco	28	9	2,993	928
Crowne Plaza	101	(3)	25,020	(1,336)
EVEN Hotels	27	5	3,586	464
Holiday Inn Express	2,542	16	232,517	1,768
Holiday Inn	661	(16)	106,181	(3,345)
Garner	33	23	2,687	1,932
avid hotels	87	11	7,677	875
Atwell Suites	8	2	754	198
Staybridge Suites	327	15	34,474	1,701
Holiday Inn Club Vacations	26	(4)	9,138	(730)
Candlewood Suites	417	25	36,921	2,104
Iberostar Beachfront Resorts	26	2	9,443	176
Other	122	15	17,462	(5,554)
Total	4,603	112	529,194	1,200
Analysed by ownership type				
Franchised[a]	4,432	113	493,389	1,883
Managed	167	(1)	34,468	(683)
Owned & leased	4	–	1,337	–
Total	4,603	112	529,194	1,200

a. Includes exclusive partner hotels.

Gross system size growth was 3.6% year-on-year. Openings increased by 1,944 rooms (38 hotels) year-on-year to 18,776 rooms (178 hotels), with around a third in our Holiday Inn Brand Family. Openings also included 11 avid hotels, nine voco properties and 23 Garner hotels, taking the brand to 33 properties since it became franchise-ready in the US in September 2023.

During the year, 17,576 rooms (66 hotels) were removed, including 7,092 rooms previously affiliated with The Venetian Resort Las Vegas, representing a removal rate of 3.3%.

Net system size growth was 0.2% year-on-year.

Excluding the impact of The Venetian Resort Las Vegas, net system size growth was 1.6% and the removal rate was 2.0%.

Total number of hotels

4,603

2024: 4,491

Total number of rooms

529,194

2024: 527,994

Americas pipeline

At 31 December	Hotels 2025	Hotels Change over 2024	Rooms 2025	Rooms Change over 2024
Analysed by brand				
Six Senses	9	–	649	(11)
InterContinental	9	(2)	2,229	(557)
Vignette Collection	4	–	282	(193)
Kimpton	30	–	5,522	(163)
Hotel Indigo	24	(3)	3,071	(167)
voco	27	4	3,539	927
Crowne Plaza	6	–	1,127	83
EVEN Hotels	4	(4)	483	(466)
Holiday Inn Express	336	(1)	31,478	(550)
Holiday Inn	65	–	7,744	(46)
Garner	50	7	4,145	650
avid hotels	116	(21)	8,676	(1,973)
Atwell Suites	50	(2)	4,968	(254)
Staybridge Suites	135	(7)	14,007	(967)
Candlewood Suites	184	9	13,175	(24)
Iberostar Beachfront Resorts	4	(2)	2,144	(32)
Other	14	–	2,135	(217)
Total	1,067	(22)	105,374	(3,960)
Analysed by ownership type				
Franchised[a]	1,023	(20)	98,598	(3,477)
Managed	44	(2)	6,776	(483)
Total	1,067	(22)	105,374	(3,960)

a. Includes exclusive partner hotels.

At 31 December 2025, the pipeline totalled 105,374 rooms (1,067 hotels), representing 20% of the region's system size.

Signings increased by 74 rooms, but decreased by 15 hotels year-on-year to 26,626 rooms (268 hotels). The majority of signings were in our midscale and upper midscale brands, including the Holiday Inn Brand Family (9,022 rooms, 88 hotels), Staybridge Suites (3,127 rooms, 31 hotels), Candlewood Suites (2,881 rooms, 44 hotels) and Garner (2,773 rooms, 32 hotels).

11,810 rooms (112 hotels) were removed from the pipeline, compared to 9,550 rooms (94 hotels) in the prior year.

Total number of hotels in the pipeline

1,067

2024: 1,089

Total number of rooms in the pipeline

105,374

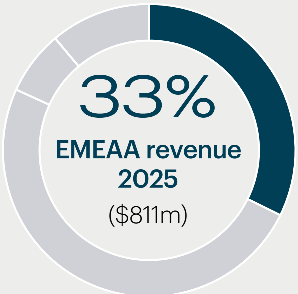
2024: 109,334

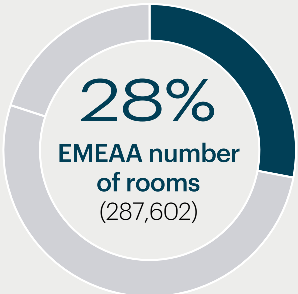
Performance continued

EMEAA

"We continued to build momentum in 2025, through the strength and breadth of our enterprise."

Kenneth Macpherson
Chief Executive Officer, EMEAA





Comparable RevPAR movement on previous year

(12 months ended 31 December 2025)

Fee business	
Six Senses	16.4%
InterContinental	7.0%
Hotel Indigo	3.4%
voco	6.7%
Crowne Plaza	5.4%
Holiday Inn Express	1.4%
Holiday Inn	2.4%
Staybridge Suites	3.3%
All brands	4.7%

Owned & leased	
All brands	2.1%

Ruby Lucy Hotel, London, UK.

"We continued to build momentum in 2025, with strong signings and openings across the region reflecting the long-term investments in our priority markets and platforms, and our ongoing commitment to place our guests and owners at the heart of everything we do. Our brand offering in EMEAA continues to expand, with the launch of EVEN Hotels into the region and the exciting acquisition of Ruby hotels complementing our portfolio and providing further opportunity for growth. The strength and breadth of our enterprise and our strong market teams provide real confidence for 2026 and beyond."

Industry performance in 2025

Industry RevPAR in EMEAA increased by 6.1% year-on-year, driven by markets including Japan, Spain and Turkey, and underpinned by increases in both average daily rate and occupancy of 4.7% and 0.9%pts, respectively. In the UK, industry RevPAR increased by 1.0% year-on-year. In Germany, RevPAR declined by 0.7%, reflecting challenging comparables following significant one-off events in 2024. RevPAR increased by 13.2% in the Middle East, supported by a slowdown in supply growth and robust Leisure demand.

Elsewhere in EMEAA, East Asia & Pacific increased by 7.5% year-on-year, led by double-digit growth in Vietnam and Japan of 18.0% and 13.5%, respectively, driven by strong inbound tourism and events, such as the World Expo in Osaka.

IHG's regional performance in 2025

EMEAA comparable RevPAR increased by 4.6% year-on-year, driven by a 2.4% increase in average daily rate and a 1.6%pts increase in occupancy. In the UK, the region's largest market, RevPAR increased by 1.1% compared to 2024. Germany, the region's second largest market, saw a RevPAR decrease of 2.1% and France grew by 5.1%.

RevPAR in the Middle East and India increased by 8.8% and 4.6%, respectively.

Elsewhere in EMEAA, RevPAR increased by 5.5% in East Asia & Pacific, with Vietnam and Japan increasing by 27.1% and 7.2%, respectively.

EMEAA results

	12 months ended 31 December				
	2025	2024	2025 vs 2024	2023	2024 vs 2023
	$m	$m	% change	$m	% change
Revenue from the reportable segment[a]					
Fee business	**433**	395	9.6	354	11.6
Owned & leased	**378**	353	7.1	323	9.3
Total	**811**	748	8.4	677	10.5
Operating profit from the reportable segment[a]					
Fee business	**292**	258	13.2	214	20.6
Owned & leased	**11**	12	(8.3)	1	NM[b]
	303	270	12.2	215	25.6
Operating exceptional items	**(13)**	(4)	225.0	1	NM[b]
Operating profit	**290**	266	9.0	216	23.1

Review of the year ended 31 December 2025

Comprising 287,602 rooms (1,478 hotels) at the end of 2025, EMEAA represented 28% of IHG's room count. Revenues are largely generated from hotels in the UK, Middle East, Asia and gateway cities in continental Europe.

The largest proportion of rooms in the UK and continental Europe are operated under the franchised business model, primarily under our upper-midscale brands Holiday Inn and Holiday Inn Express. The majority of hotels in markets outside of Europe are operated under the managed business model.

RevPAR grew in each quarter in 2025, with this varied region benefitting from growth in both average daily rate and occupancy. Business, Leisure and Groups demand increased when compared to 2024 levels.

EMEAA comparable RevPAR increased year-on-year by 5.0% in the first quarter, 3.0% in the second quarter, 2.8% in the third quarter, 7.1% in the fourth quarter and 4.6% in the full year, driven broadly evenly by increases in occupancy and average daily rate.

Revenue from the reportable segment[a] increased by $63m (8.4%) to $811m. Operating profit increased by $24m to $290m, including a $13m exceptional cost in relation to the global efficiency programme and commercial litigation and disputes. Operating profit from the reportable segment[a] increased by $33m (12.2%) to $303m.

Revenue and operating profit from the reportable segment[a] are further analysed by fee business and owned & leased hotels.

Fee business revenue[a] increased by $38m (9.6%) to $433m, driven by RevPAR and the fees added from net system growth.

Incentive management fees earned improved to $134m (2024: $118m). Fee business operating profit[a] increased to $292m from $258m in the prior year. Fee margin[a] increased to 67.4% in 2025, compared to 65.3% in 2024, with positive operating leverage driven by the trading performance, system growth and cost efficiencies.

Owned & leased revenue increased by $25m (+7.1%) to $378m, with RevPAR up 2.1%. Reflecting the trading conditions, cost bases and variable rent structures of this largely urban-centred portfolio of 13 hotels, an operating profit of $11m was achieved compared to $12m in 2024. Excluding the results of one Kimpton hotel in 2025 (being the year of lease commencement) and one Regent hotel in 2024 (being the year of lease expiration), revenue increased by $26m and operating profit was in line with the prior year.

a. Definitions for Non-GAAP measures can be found on pages 107 to 112. Reconciliations of these measures to the most directly comparable line items within the Group Financial Statements can be found on pages 250 to 256.

b. Percentage change considered not meaningful, such as where a positive balance in the latest period is comparable to a negative or zero balance in the prior period.

For discussion of 2024 results, and the changes compared to 2023, refer to the 2024 Annual Report and Form 20-F.

More details online:
ihgplc.com/investors under Annual Report.

Performance continued

EMEAA continued

EMEAA hotel and room count

At 31 December	Hotels 2025	Hotels Change over 2024	Rooms 2025	Rooms Change over 2024
Analysed by brand				
Six Senses	24	–	1,856	117
Regent	4	–	991	–
InterContinental	128	7	35,341	1,396
Vignette Collection	21	8	4,666	2,557
Kimpton	18	5	3,685	1,187
Hotel Indigo	74	8	9,037	833
voco	68	17	16,862	2,254
Ruby	17	17	2,952	2,952
Crowne Plaza	185	4	43,796	(94)
Holiday Inn Express	363	3	53,601	766
Holiday Inn	426	1	78,097	702
Garner	56	43	5,814	4,169
Staybridge Suites	23	–	3,813	63
Candlewood Suites	6	6	631	631
Iberostar Beachfront Resorts	36	5	11,558	1,239
Other	29	5	14,902	2,356
Total	1,478	129	287,602	21,128
Analysed by ownership type				
Franchised[a]	1,025	94	170,049	13,511
Managed	440	34	114,699	7,462
Owned & leased	13	1	2,854	155
Total	1,478	129	287,602	21,128

a. Includes exclusive partner hotels.

Gross system size growth was 9.0% year-on-year. In 2025, 24,107 rooms (147 hotels) opened, representing an increase of 487 rooms (13 hotels) compared to 2024.

Openings included 2,952 rooms (17 hotels) as part of the initial Ruby agreement and a further 3,802 rooms (38 hotels) relating to our initial agreement with NOVUM Hospitality.

Accelerated by the NOVUM Hospitality agreement, Garner opened 4,169 rooms (43 hotels). Other notable openings included 17 voco properties, marking the brand's entry in Thailand, 15 hotels in the Holiday Inn Brand Family and five Kimpton hotels, including the brand's debut in Germany.

In 2025, 2,979 rooms (18 hotels) were removed compared to 4,413 rooms (22 hotels) in the prior year.

Net system size increased 7.9% year-on-year.

Total number of hotels

1,478

2024: 1,349

Total number of rooms

287,602

2024: 266,474

EMEAA pipeline

At 31 December	Hotels 2025	Hotels Change over 2024	Rooms 2025	Rooms Change over 2024
Analysed by brand				
Six Senses	29	1	2,225	44
Regent	10	3	1,683	223
InterContinental	64	4	15,694	1,168
Vignette Collection	32	7	4,494	115
Kimpton	21	6	3,550	1,296
Hotel Indigo	54	5	9,185	1,977
voco	59	9	12,463	3,047
Ruby	19	19	3,789	3,789
Crowne Plaza	73	14	17,202	3,181
EVEN Hotels	2	2	555	555
Holiday Inn Express	100	11	15,699	1,360
Holiday Inn	127	13	23,347	528
Garner	27	(24)	2,808	(2,464)
Staybridge Suites	15	–	2,611	270
Candlewood Suites	10	2	1,290	190
Iberostar Beachfront Resorts	1	–	271	–
Other	–	(1)	–	(1,780)
Total	643	71	116,866	13,499
Analysed by ownership type				
Franchised[a]	289	25	42,730	5,158
Managed	354	47	74,136	8,496
Owned & leased	–	(1)	–	(155)
Total	643	71	116,866	13,499

a. Includes exclusive partner hotels.

At 31 December 2025, the EMEAA pipeline totalled 116,866 rooms (643 hotels), representing 41% of the region's system size.

In 2025, 43,409 rooms (248 hotels) were signed, including 5,718 (30 hotels) as part of the initial Ruby agreement. Signings declined by 6,866 rooms (23 hotels) year-on-year, as 2024 included 17,703 rooms (119 hotels) as part of the NOVUM Hospitality agreement.

Over a quarter of signings were in our Luxury & Lifestyle brands, including 13 InterContinental properties, four Regent hotels and two Six Senses properties. Signings also included 19 Garner hotels marking the brand's debut in India, Thailand and Italy, and 14 Kimpton properties, including the first for the brand in the UAE, Morocco and Austria.

In 2025, 5,803 rooms (30 hotels) were removed from the pipeline, compared to 5,514 rooms (34 hotels) in the prior year.

Total number of hotels in the pipeline

643

2024: 572

Total number of rooms in the pipeline

116,866

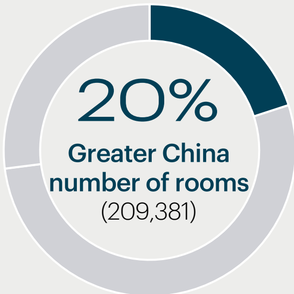
2024: 103,367

Performance continued

Greater China

"Trading performance sequentially improved through 2025, and we achieved record signings and openings."

Daniel Aylmer
Chief Executive Officer, Greater China



Comparable RevPAR movement on previous year

(12 months ended 31 December 2025)

Fee business	
Regent	19.1%
InterContinental	(2.0)%
Hotel Indigo	5.1%
HUALUXE	(1.6)%
Crowne Plaza	(2.9)%
Holiday Inn Express	(6.5)%
Holiday Inn	(4.9)%
All brands	(1.6)%

Atwell Suites, Shanghai Wuning, China.

"Trading performance has shown sequential improvement through 2025, with resilient domestic demand and the return of international guests. We achieved record signings and openings, including Kimpton Tsim Sha Tsui in Hong Kong and the first Atwell in Shanghai. Powered by our brand portfolio and digital-enabled enterprise delivery, we are set to scale our growth across segments and elevate the quality of our estate and owner returns."

Industry performance in 2025

Greater China industry RevPAR declined in the first eight months before recovering in the remainder of the year. For the full year, industry RevPAR decreased by 2.0%, impacted by occupancy declines amid strong supply growth, while average daily rate remained broadly flat.

RevPAR declined year-on-year in all tiers in Mainland China: Tier 1 decreased by 0.8% as supply expanded faster than demand; Tier 2 declined 4.6% as demand contracted while supply increased; Tier 3 reported the sharpest decline at 5.3%, as significant supply growth impacted occupancy; and Tier 4 decreased 2.6%, as supply growth outweighed otherwise solid demand growth.

The supply-led occupancy compression across Tiers 1-4 was partially offset by strong performance in Hong Kong SAR where RevPAR grew by 5.4%.

IHG's regional performance in 2025

IHG's comparable RevPAR in Greater China declined by 1.6% year-on-year, as occupancy growth of 0.5%pts was offset by a 2.4% decline in average daily rate.

In Mainland China, RevPAR decreased by 3.0%. Tier 1 cities declined by 0.3% and Tier 2–4 cities decreased by 4.4%. RevPAR in Hong Kong SAR increased by 10.1%.

Greater China results

12 months ended 31 December	2025 $m	2024 $m	2025 vs 2024 % change	2023 $m	2024 vs 2023 % change
Revenue from the reportable segment[a]					
Fee business	**165**	161	2.5	161	–
Total	**165**	161	2.5	161	–
Operating profit from the reportable segment[a]					
Fee business	**99**	98	1.0	96	2.1
Operating profit	**99**	98	1.0	96	2.1

Review of the year ended 31 December 2025

Comprising 209,381 rooms (882 hotels) at 31 December 2025, Greater China represented 20% of the Group's room count. Historically, the Greater China region has predominantly been a managed market. Following increased franchised openings in 2025, franchised hotels now account for 40% of open rooms and around half of the region's pipeline.

Compared to 2024, overall Greater China RevPAR decreased 3.5% in the first quarter, 3.0% in the second quarter, 1.8% in the third quarter and then increased 1.1% in the fourth quarter, with a decline of 1.6% in the full year.

Overall, Business and Leisure demand was broadly flat year-on-year, while Groups declined.

Revenue from the reportable segment[a] in 2025 of $165m represented a $4m increase from the prior year, with incremental revenue from system growth more than offsetting the effect of RevPAR decline in the comparable estate and lower fee streams on reduced non-room revenue. Incentive management fees decreased from $39m in 2024 to $36m in 2025.

Fee margin[a] reduced to 60.0% compared to 60.9% in 2024, reflecting strategic one-off cost investments during the year and the reduction in incentive management fees. Despite these temporary headwinds, supported by the benefits of our increasing scale and cost efficiencies in the region, operating profit increased by $1m (1.0%) to $99m, underscoring the resilience of the region's operating model.

a. Definitions for non-GAAP measures can be found on pages 107 to 112. Reconciliations of these measures to the most directly comparable line items within the Group Financial Statements can be found on pages 250 to 256.

For discussion of 2024 results, and the changes compared to 2023, refer to the 2024 Annual Report and Form 20-F.

More details online:
ihgplc.com/investors under Annual Report.

Performance continued
Greater China continued

Greater China hotel and room count

At 31 December	Hotels 2025	Hotels Change over 2024	Rooms 2025	Rooms Change over 2024
Analysed by brand				
Six Senses	1	–	130	–
Regent	6	–	2,054	–
InterContinental	66	5	24,631	1,064
Vignette Collection	7	2	1,785	520
Kimpton	5	2	1,234	784
Hotel Indigo	35	7	5,695	1,234
voco	28	11	5,372	1,669
HUALUXE	24	2	6,426	424
Crowne Plaza	138	8	45,071	1,693
EVEN Hotels	19	8	3,310	1,350
Holiday Inn Express	387	36	65,282	4,909
Holiday Inn	160	13	41,648	3,237
Atwell Suites	1	1	174	174
Other	5	(2)	6,569	(334)
Total	882	93	209,381	16,724
Analysed by ownership type				
Franchised	429	83	84,740	14,567
Managed	453	10	124,641	2,157
Total	882	93	209,381	16,724

Gross system size growth was 11.5% year-on-year, with a record level of 118 hotels (22,195 rooms) added to our system in 2025.

During 2025, we celebrated our 800th opening and IHG's 50th anniversary in Greater China, and the milestone of 200,000 rooms open in the region.

Openings were mainly in our Holiday Inn Brand Family (11,686 rooms, 67 hotels). Other openings included the debut of Atwell in the region, 11 voco properties, eight EVEN Hotels and two Kimpton properties.

Removals included 5,471 rooms (25 hotels) in the year, representing a removal rate of 2.8%.

Net system size growth was 8.7% year-on-year.

Total number of hotels

882

2024: 789

Total number of rooms

209,381

2024: 192,657

Greater China pipeline

At 31 December	Hotels 2025	Hotels Change over 2024	Rooms 2025	Rooms Change over 2024
Analysed by brand				
Six Senses	**1**	–	**72**	18
Regent	**2**	–	**527**	–
InterContinental	**31**	1	**8,811**	431
Vignette Collection	**9**	3	**2,311**	776
Kimpton	**18**	2	**4,216**	22
Hotel Indigo	**53**	(1)	**8,629**	(356)
voco	**22**	5	**5,451**	1,851
HUALUXE	**23**	(1)	**6,040**	(253)
Crowne Plaza	**75**	–	**19,903**	(301)
EVEN Hotels	**20**	(4)	**3,823**	(795)
Holiday Inn Express	**219**	8	**34,181**	1,326
Holiday Inn	**103**	16	**22,468**	1,400
Atwell Suites	**6**	4	**854**	616
Total	**582**	33	**117,286**	4,735
Analysed by ownership type				
Franchised	**323**	32	**57,295**	5,337
Managed	**259**	1	**59,991**	(602)
Total	**582**	33	**117,286**	4,735

As at 31 December 2025, the pipeline totalled 117,286 rooms (582 hotels), representing 56% of the region's system size.

Signings of 32,019 rooms represented a record 178 hotels, and were ahead of last year by 2,604 rooms (18 hotels). More than half of signings were in our Holiday Inn Brand Family. Other notable signings included 16 voco hotels, five Atwell and four Vignette Collection properties in the region.

Total number of hotels in the pipeline

582

2024: 549

Total number of rooms in the pipeline

117,286

2024: 112,551

Performance continued

Central

Central results

	2025 $m	2024 $m	2025 vs 2024 % change	2023 $m	2024 vs 2023 % change
			12 months ended 31 December		
Revenue from the reportable segment[a]					
Fee business	**336**	239	40.6	200	19.5
Insurance activities	**27**	23	17.4	21	9.5
Total	**363**	262	38.5	221	18.6
Gross costs					
Fee business	**(300)**	(305)	(1.6)	(305)	–
Insurance activities	**(36)**	(29)	24.1	(23)	26.1
Total	**(336)**	(334)	0.6	(328)	1.8
Operating profit/(loss) from the reportable segment[a]					
Fee business	**36**	(66)	NM[b]	(105)	(37.1)
Insurance activities	**(9)**	(6)	50.0	(2)	200.0
	27	(72)	NM[b]	(107)	(32.7)
Operating exceptional items	**(6)**	–	NM[b]	–	NM[b]
Operating profit/(loss)	**21**	(72)	NM[b]	(107)	(32.7)

a. Definitions for Non-GAAP measures can be found on pages 107 to 112. Reconciliations of these measures to the most directly comparable line items within the Group Financial Statements can be found on pages 250 to 256.

b. Percentage change considered not meaningful, such as where a positive balance in the latest period is comparable to a negative or zero balance in the prior period.

Review of the year ended 31 December 2025

Central fee business revenue is mainly comprised of technology fee income, co-brand licensing fees and a portion of revenue from the consumption of certain IHG One Rewards points. Central revenue additionally includes revenue recognised from insurance activities relating to the managed hotel insurance programme.

Central revenue increased by $101m (38.5%) to $363m. This was primarily due to incremental fees from previous changes in the arrangements related to the US co-brand credit card agreements and from the sale of certain loyalty points (together with certain other ancillary revenues). These revenue streams were anticipated to contribute within IHG's results from reportable segments[a] an incremental ~$40m and ~$25m, respectively, with these step-changes achieved in 2025, along with additional underlying growth.

Gross costs increased by $2m (0.6%) year on year, driven by significant individual claims in the insurance programme, which were partially offset by lower costs in the fee business driven by our ongoing focus on efficiencies.

The resulting $27m operating profit from the reportable segment[a] was an increase of $99m year-on-year. Operating profit of $21m included a $6m exceptional cost in relation to the global efficiency programme (further information on exceptional items can be found in note 6 to the Financial Statements).

Key performance measures and non-GAAP measures

The Annual Report and Form 20-F presents certain financial measures when discussing the Group's performance which are not measures of financial performance or liquidity under International Financial Reporting Standards (IFRS).

In management's view, these measures provide investors and other stakeholders with an enhanced understanding of IHG's operating performance, profitability, financial strength and funding requirements.

These measures do not have standardised meanings under IFRS, and companies do not necessarily calculate these in the same way. As these measures exclude certain items (for example, the costs of individually significant legal cases or commercial disputes), they may be materially different to the measures prescribed by IFRS and may result in a more favourable view of performance. Accordingly, they should be viewed as complementary to, and not as a substitute for, the measures prescribed by IFRS and as included in the Group Financial Statements (see pages 250 to 256).

Linkage of performance measures to Directors' remuneration and KPIs

A Annual Performance Plan

LT Long Term Incentive Plan

KPI Key Performance Indicators

+ See pages 138 to 161 for more information on Directors' remuneration and pages 40 to 43 for more information on KPIs.

Measure	Commentary
Global revenue per available room (RevPAR) growth KPI RevPAR, average daily rate and occupancy statistics are disclosed on pages 257 to 259.	RevPAR is the primary metric used by management to track hotel performance across regions and brands. RevPAR is also a commonly used performance measure in the hotel industry. RevPAR comprises IHG's System (see Glossary, page 299) rooms revenue divided by the number of room nights available and can be derived from occupancy rate multiplied by the average daily rate. Average daily rate is rooms revenue divided by the number of room nights sold. References to RevPAR, occupancy and average daily rate are presented on a comparable basis, comprising groupings of hotels that have traded in all months in both the current and comparable year. The principal exclusions in deriving this measure are new hotels (including those acquired), hotels closed for major refurbishment and hotels sold in either of the comparable years. RevPAR and average daily rate are quoted at a constant US$ exchange rate, in order to allow a better understanding of the comparable year-on-year trading performance excluding distortions created by fluctuations in currency movements.
Total gross revenue from hotels in IHG's system KPI Owned & leased revenue as recorded in the Group Financial Statements is reconciled to total gross revenue on page 91.	Total gross revenue is revenue not wholly attributable to IHG; however, management believes this measure is meaningful to investors and other stakeholders as it provides a measure of system performance, giving an indication of the strength of IHG's brands and the combined impact of IHG's growth strategy and RevPAR performance. Total gross revenue refers to revenue which IHG has a role in driving and from which IHG derives an income stream. IHG's business model is described on pages 24 to 29. Total gross revenue comprises: – Total rooms revenue from franchised hotels; – Total hotel revenue from managed and exclusive partner hotels including food and beverage, meetings and other revenues, reflecting the value driven by IHG and the base upon which fees are typically earned; and – Total hotel revenue from owned & leased hotels. Other than total hotel revenue from owned & leased hotels, total gross revenue is not revenue attributable to IHG, as these managed, franchised and exclusive partner hotels are owned by third parties. Total gross revenue is used to describe this measure as it aligns with terms used in the Group's management, franchise and exclusive partner agreements and, therefore, is well understood by owners and other stakeholders.

Performance continued
Key performance measures and non-GAAP measures continued

Measure	Commentary
Revenue and operating profit measures The reconciliation of the most directly comparable line item within the Group Financial Statements (i.e. total revenue and operating profit, accordingly) to the non-IFRS revenue and operating profit measures is included on pages 250 to 256.	Revenue and operating profit from (1) fee business, (2) owned & leased hotels, and (3) insurance activities are described as 'revenue from reportable segments' and 'operating profit from reportable segments', respectively, within note 2 to the Group Financial Statements. These measures are presented insofar as they relate to each of the Group's regions and its Central functions. Management believes revenue and operating profit from reportable segments are meaningful to investors and other stakeholders as they exclude the following elements and reflect how management monitors the business: – System Fund and reimbursables – the System Fund is not managed to generate a surplus or deficit for IHG over the longer term; it is managed for the benefit of the hotels within the IHG system. As described within the Group's accounting policies (page 184), the System Fund is operated to collect and administer cash assessments from hotel owners for specific purposes of use including marketing, the Guest Reservation System, certain hotel services and the Group's loyalty programme. As described within the Group's accounting policies (page 186) there is a cost equal to reimbursable revenues so there is no profit impact. Cost reimbursements are not applicable to all hotels, and growth in these revenues is not reflective of growth in the performance of the Group. As such, management does not include these revenues in their analysis of results. – Exceptional items – these are identified by virtue of their size, nature or incidence with consideration given to consistency of treatment with prior years (including items that impact more than one reporting period) and between gains and losses. Examples of exceptional items include, but are not restricted to, gains and losses on the disposal of assets, impairment charges and reversals, the costs of individually significant legal cases or commercial disputes and reorganisation costs. As each item is different in nature and scope, there will be little continuity in the detailed composition and size of the reported amounts which affect performance in successive periods. Separate disclosure of these amounts facilitates the understanding of performance including and excluding such items. The Group's accounting policy for exceptional items and further detail of those items presented as such are included in the Group Financial Statements (see pages 187 and 201). In further discussing the Group's performance in respect of revenue and operating profit, additional non-IFRS measures are used and explained further below: – Underlying revenue; – Underlying operating profit; – Underlying fee revenue; and – Fee margin. Operating profit measures are, by their nature, before interest and tax. The Group's reported operating profit additionally excludes remeasurement gains/losses on contingent purchase consideration, which relates to financing of acquisitions. Management believes such measures are useful for investors and other stakeholders when comparing performance across different companies as interest and tax can vary widely across different industries or among companies within the same industry. For example, interest expense can be highly dependent on a company's capital structure, debt levels and credit ratings. In addition, the tax positions of companies can vary because of their differing abilities to take advantage of tax benefits and because of the tax policies of the various jurisdictions in which they operate. Although management believes these measures are useful to investors and other stakeholders in assessing the Group's ongoing financial performance and provide improved comparability between periods, there are limitations in their use as compared to measures of financial performance under IFRS. As such, they should not be considered in isolation or viewed as a substitute for IFRS measures. In addition, these measures may not necessarily be comparable to other similarly titled measures of other companies due to potential inconsistencies in the methods of calculation.
Underlying revenue and underlying operating profit	These measures adjust revenue from reportable segments and operating profit from reportable segments, respectively, to exclude revenue and operating profit generated by owned & leased hotels which have been disposed, and significant liquidated damages, which are not comparable year-on-year and are not indicative of the Group's ongoing profitability. The revenue and operating profit of current year acquisitions are also excluded as these obscure underlying business results and trends when comparing to the prior year. In addition, in order to remove the impact of fluctuations in foreign exchange, which would distort the comparability of the Group's operating performance, prior year measures are restated at constant currency using current year exchange rates. Management believes these are meaningful to investors and other stakeholders to better understand comparable year-on-year trading and enable assessment of the underlying trends in the Group's financial performance.

Measure	Commentary
Revenue and operating profit measures continued **Underlying fee revenue growth** KPI	Underlying fee revenue is used to calculate underlying fee revenue growth. Underlying fee revenue is calculated on the same basis as underlying revenue as described above but for the fee business only. Management believes underlying fee revenue is meaningful to investors and other stakeholders as an indicator of IHG's ability to grow the core fee-based business, aligned to IHG's asset-light strategy.
Fee margin KPI	Fee margin is presented at actual exchange rates and is a measure of the profit arising from fee revenue. Fee margin is calculated by dividing fee operating profit by fee revenue. Fee revenue and fee operating profit are calculated from revenue from reportable segments and operating profit from reportable segments, as defined above, adjusted to exclude revenue and operating profit from the Group's owned & leased hotels as well as from insurance activities and significant liquidated damages. Management believes fee margin is meaningful to investors and other stakeholders as an indicator of the sustainable long-term growth in the profitability of IHG's core fee-based business, as the scale of IHG's operations increases with growth in IHG's system size.
Adjusted interest Financial income and financial expenses as recorded in the Group Financial Statements is reconciled to adjusted interest on page 255.	Adjusted interest is presented before exceptional items and the following items of interest which are recorded within the System Fund: – Interest income is recorded in the System Fund on the outstanding cash balance relating to the IHG loyalty programme. These interest payments are recognised as interest expense for IHG. – Other components of System Fund interest income and expense, including capitalised interest, lease interest expense and interest income on overdue receivables. Given results related to the System Fund are excluded from adjusted measures used by management, these are excluded from adjusted interest and adjusted earnings per ordinary share (see below). Management believes adjusted interest is a meaningful measure for investors and other stakeholders as it provides an indication of the comparable year-on-year expense associated with financing the business including the interest on any balance held on behalf of the System Fund.
Adjusted tax The tax expense and the tax rate as recorded in the Group Financial Statements are reconciled to adjusted tax and the adjusted tax rate on page 256.	Adjusted tax excludes the impact of foreign exchange gains/losses, exceptional items, the System Fund and remeasurement gains/losses on contingent consideration. Foreign exchange gains/losses vary year on year depending on the movement in exchange rates, and remeasurement gains/losses on contingent consideration and exceptional items also vary year on year. These can impact the current year's tax charge. The System Fund (including interest and tax) is not managed to a surplus or deficit for IHG over the longer term and is, in general, not subject to tax. Management believes removing these from both profit and tax provides a better view of the Group's underlying tax rate on ordinary operations and aids comparability year on year, thus providing a more meaningful understanding of the Group's ongoing tax charge.
Adjusted earnings per ordinary share KPI Profit available for equity holders is reconciled to adjusted earnings per ordinary share on page 256.	Adjusted earnings per ordinary share adjusts the profit available for equity holders used in the calculation of basic earnings per share to remove the System Fund and reimbursable result, interest attributable to the System Fund and foreign exchange gains/losses, change in remeasurement gains/losses on contingent purchase consideration, exceptional items, and the related tax impacts of such adjustments and exceptional tax. Management believes that adjusted earnings per share is a meaningful measure for investors and other stakeholders as it provides a more comparable earnings per share measure aligned with how management monitors the business.

Performance continued

Key performance measures and non-GAAP measures continued

Measure	Commentary
Net debt Net debt is included in note 22 to the Group Financial Statements.	Net debt is used in the monitoring of the Group's liquidity and capital structure and is used by management in the calculation of the leverage ratios with the objective of maintaining an investment grade credit rating. Net debt is used by investors and other stakeholders to evaluate the financial strength of the business. Net debt comprises loans and other borrowings, lease liabilities, the principal amounts payable and receivable on maturity of derivatives swapping debt values, less cash and cash equivalents. A summary of the composition of net debt is included in note 22 to the Group Financial Statements.
Adjusted EBITDA Cash from operations as recorded in the Group Financial Statements is reconciled to adjusted EBITDA on page 89.	One of the key measures used by the Group in monitoring its debt and capital structure is the net debt: adjusted EBITDA ratio, which is managed with the objective of maintaining an investment-grade credit rating. The Group has a stated aim of targeting this ratio at 2.5-3.0x. Adjusted EBITDA is defined as cash flow from operations, excluding cash flows relating to exceptional items, cash flows arising from the System Fund and reimbursable result, other non-cash adjustments to operating profit or loss, working capital and other adjustments, and contract acquisition costs. Adjusted EBITDA is useful to investors as an approximation of operational cash flow generation.
Adjusted free cash flow, gross capital expenditure, net capital expenditure The reconciliation of the Group's statement of cash flows (i.e. net cash from investing activities, net cash from operating activities, accordingly) to the non-IFRS cash flow measures and capital expenditure is included on pages 254 to 255.	These measures have limitations as they omit certain components of the overall cash flow statement. They are not intended to represent IHG's residual cash flow available for discretionary expenditures, nor do they reflect the Group's future capital commitments. These measures are used by many companies, but there can be differences in how each company defines the terms, limiting their usefulness as a comparative measure. Therefore, it is important to view these measures only as a complement to the Group statement of cash flows.
Adjusted free cash flow LT KPI	Adjusted free cash flow is net cash from operating activities adjusted for: (1) the inclusion of the cash outflow arising from the purchase of shares by employee share trusts reflecting the requirement to satisfy incentive schemes which are linked to operating performance; (2) the inclusion of gross maintenance capital expenditure; (3) the exclusion of cash flows relating to exceptional items; and (4) where cash flows are split between categories in the Group statement of cash flows, cash flows from investing or financing activities may be included or excluded in adjusted free cash flow to maintain consistency of the measure. This includes: (a) the inclusion of the principal element of lease payments; (b) the exclusion of payments of deferred or contingent purchase consideration included within net cash from operating activities; (c) the exclusion of interest receipts related to owner loans within net cash from operating activities (d) the exclusion of recyclable investments in contract acquisition costs within net cash from operating activities; (e) the inclusion of payments and repayments related to investments supporting the Group's insurance activities; (f) the inclusion of finance lease income relating to sub-leases where payments on the headlease are included in (a); (g) the exclusion of any lease incentives recorded within operating activities. Management believes adjusted free cash flow is a useful measure for investors and other stakeholders as it represents the cash available to invest back into the business to drive future growth and pay the ordinary dividend, with any surplus being available for additional returns to shareholders. It is a key component in measuring the ongoing viability of our business and is a key reference point to our investment case.

Measure	Commentary
Adjusted free cash flow, gross capital expenditure, net capital expenditure continued **Gross capital expenditure**	Gross capital expenditure represents the consolidated capital expenditure of IHG inclusive of System Fund capital investments (see page 27 for a description of System Fund capital investments and recent examples). Gross capital expenditure is defined as net cash from investing activities, adjusted to include contract acquisition costs and to exclude payments and repayments related to investments supporting the Group's insurance activities and changes in bank accounts pledged as security. In order to demonstrate the capital outflow of the Group, cash flow receipts such as those arising from disposals and distributions from associates and joint ventures, and finance lease income, are excluded. Lease incentives and similar contributions received are included in gross capital expenditure as they directly reduce the Group's outlay. The measure also excludes any material investments made in acquiring businesses (including brands), including any subsequent payments of deferred or contingent purchase consideration included within investing activities, which represent ongoing payments for acquisitions. Gross capital expenditure is reported as key money, maintenance, recyclable or System Fund. Contract acquisition costs are defined as either key money or recyclable, depending on whether they form part of other recyclable investments, such as any difference between the face and market value of an owner loan on inception. This disaggregation provides useful information as it enables users to distinguish between: – Key money, which reflects amounts paid to owners to secure management and franchise agreements; – Maintenance capital expenditure, which reflects investments to maintain our systems, corporate offices and owned & leased hotels; – System Fund capital investments which are strategic investments to drive growth at hotel level; and – Recyclable investments, such as all investments in associates and joint ventures and any loans to facilitate third-party ownership of hotel assets, which are generally intended to be recoverable in the medium term and are to drive growth of the Group's brands and expansion in primary markets. Management believes gross capital expenditure is a useful measure as it illustrates how the Group continues to invest in the business to drive growth. It also allows for comparison year-on-year.
Net capital expenditure	Net capital expenditure provides an indicator of the capital intensity of IHG's business model. Net capital expenditure is derived from net cash from investing activities, which includes receipts such as those arising from disposals and distributions from associates and joint ventures, adjusted to include contract acquisition costs (net of repayments) and interest receipts from owner loans, and to exclude payments and repayments related to investments supporting the Group's insurance activities, changes in bank accounts pledged as security, finance lease income and any material investments made in acquiring businesses (including brands), including any subsequent payments of deferred or contingent purchase consideration included within investing activities which are typically non-recurring in nature. In addition, System Fund depreciation and amortisation relating to property, plant and equipment and intangible assets, respectively, is added back, reducing the overall cash outflow. This reflects the way in which System Funded capital investments are recovered from the System Fund, over the life of the asset (see page 27). Management believes net capital expenditure is a useful measure as it illustrates the net capital investment by IHG, after taking into account capital recycling through asset disposal and the funding of strategic investments by the System Fund. It provides investors and other stakeholders with visibility of the cash flows which are allocated to long-term investments to drive the Group's strategy.

Performance continued
Key performance measures and non-GAAP measures continued

Changes in definitions to the 2024 Annual Report and Accounts

The definition of 'Adjusted interest' has been updated and prior year reconciliations re-presented. An adjustment was previously made to remove foreign exchange gains and losses, but these are now reported separately in the Group Income Statement. This change does not affect total adjusted interest.

Other changes seek to add clarity to the definitions and reconciliations by aligning with terminology used in the Group financial statements.

Change in terminology

The descriptor 'Owned, leased and managed lease' has been renamed to 'Owned & leased' for brevity. The definition remains unchanged and reflects hotels operated by IHG where IHG is, or effectively acts as, the owner, with responsibility for assets, employees and running costs. The entire revenue and profit of the hotels are recorded in IHG's financial statements.

+ The performance review should be read in conjunction with the Non-GAAP reconciliations on pages 250 to 256 and the Glossary on pages 297 to 299.

Crowne Plaza Manila, Philippines.

Viability statement

The Directors have determined that a three-year period ending 31 December 2028 is appropriate for the viability statement. The Group's annual financial planning process prepares a three-year plan that incorporates principal risks, strategic priorities, and prevailing market conditions. This plan is reviewed by the Directors and provides the overarching framework for strategic and longer-term decision-making across the business.

Viability scenarios and assumptions

Trading and profitability improved in 2025 reflecting the continued growth in travel demand and our increase in net system size. Our efficient operating model resulted in Group adjusted free cash flow[a] of $893m during 2025 and net debt[a] increased by $551m, after $1,167m of ordinary dividends and the share buyback. The Group's business model is discussed in more detail on pages 24 to 29.

There is a range of possible planning scenarios over the three-year period considered in this review due to macro uncertainties and geopolitical risks affecting markets in each of our regions. In assessing the viability of the Group, the Directors have reviewed a number of scenarios, weighting downside risks that would threaten the business model, future performance, solvency and liquidity of the Group more heavily than opportunities.

In performing the viability analysis, the Directors have considered a 'Base Case' which assumes that global RevPAR in 2026 to 2028 continues to grow in line with market expectations in each of our regions.

The assumptions applied in the viability assessment are consistent with those used for Group planning purposes, the going concern assessment, for impairment testing and for assessing recoverability of deferred tax assets (see further detail on page 183).

The Directors have also reviewed a 'Severe Downside Case' reflecting a severe but plausible scenario equivalent to the market conditions experienced through the 2008-09 global financial crisis, in which RevPAR declines by 17% in 2026 before recovering by 5% in both 2027 and 2028.

A 'Combined Scenario' has also been considered, modelling the Severe Downside Case in conjunction with a significant cash flow impact from a one-off event, such as a cybersecurity incident.

The viability assessment has been undertaken by evaluating the Base Case, Severe Downside Case and Combined Scenario with reference to the Group's available liquidity.

Principal risks

The relative strength and resilience of the IHG business model to severe shocks has been proven by performance through the Covid-19 pandemic, with positive cash flows being generated through one of the most challenging periods of trading in the history of the industry. In assessing the viability of the Group, the Directors have considered the impact of the principal risks as outlined on pages 48 to 53. The discussion on those pages includes a description of why these risks are important to the achievement of our objectives and how the Group manages these risks.

We have considered which principal risks could have the most significant and direct impact to the viability of the Group during the three-year period of assessment and they are shown below, alongside the scenario that is used to model those risks.

Scenarios modelled	Related to principal risks
Severe Downside Case This models a prolonged decrease in RevPAR, which may be driven by external or internal factors.	– Operational resilience to incidents or disruption or control breakdown (including geopolitical, safety and security, cybersecurity, fraud and health-related). – Guest preferences for, or loyalty to, IHG-branded hotel experiences and channels. – Talent and capability attraction, retention and development. – Our ability to deliver technological or digital performance or innovation (at scale, speed etc). – Owner preferences for or ability to invest in our brands.
Combined Scenario This models the Severe Downside Case and the impact of a specific material incident, which could relate to cybersecurity or an alternative material impact on the cash flow statement.	All of the risks above, and – Data and information usage, storage and transfer. – Legal, regulatory and contractual complexity or litigation exposures.

a. Definitions for Non-GAAP measures can be found on pages 107 to 112. Reconciliations of these measures to the most directly comparable line items within the Group Financial Statements can be found on pages 250 to 256.

Viability statement continued

We have also considered the principal risks that may impact the viability of the Group over a longer period; for example, the impact of climate-related physical and transition risks. The physical and transition climate risks to which IHG is most exposed are discussed in the TCFD statement on pages 77 to 81. Physical risks are not considered material to the long-term viability of the Group, and transition risks present both opportunities and risks. While some transition risks have been assessed as being potentially material to the Group over the next one to five years under a 1.5°C scenario, this scenario is not considered a likely outcome, leading to the probability of a material impact on the Group's viability assessment through 31 December 2028 as low.

Funding

The Group's revolving credit facility (RCF) was refinanced in December 2025 with a new $1,500m facility. The facility has an initial five-year term, maturing in December 2030, with two additional one-year extension options. There are no financial covenants in the new facility. See note 23 to the Group Financial Statements for further details.

In September 2025, the Group issued a five-year €850m bond. There are three bond maturities in the period under consideration: £350m in August 2026, €500m in May 2027 and £400m in October 2028. It has been assumed that there is an annual bond issuance up to one year in advance of maturities.

We continue to plan to maintain an investment-grade credit rating, which provides good access to the debt capital markets.

Viability assessment

The Group enters the assessment period with substantial liquidity at 31 December 2025 of $2,599m, comprising cash and cash equivalents (net of overdrafts and restricted cash) of $1,099m plus an undrawn bank facility of $1,500m.

Under the Base Case, Severe Downside Case and Combined Scenario, the Group is forecast to generate positive free cash flow over the 2026–28 period. The principal risks that could be applicable have been considered and are able to be absorbed within the liquidity available.

The Directors reviewed a number of actions that could be taken if required to reduce discretionary spend, creating substantial additional liquidity.

The Directors reviewed a reverse stress test scenario to determine what would be required to exhaust the liquidity in the Combined Scenario. This included modelling no refinancing available during the period of assessment. The Directors concluded that it was very unlikely that a single risk or combination of the risks considered could create the sustained impact required to threaten the viability of the Group.

Conclusion

The Directors have assessed the viability of the Group over the three-year period to 31 December 2028, taking account of the Group's current position, the Group's strategy and the principal risks documented in the Strategic Report. Based on this assessment, the Directors have a reasonable expectation that the Group will be able to continue in operation and meet its liabilities as they fall due over the period to 31 December 2028.

See also our business model on pages 24 to 29 the going concern assessment on page 183 and the impact of the principal risks on pages 48 to 53.

For and on behalf of the Board

Elie Maalouf
Chief Executive Officer
16 February 2026

Michael Glover
Chief Financial Officer
16 February 2026