

Our key performance indicators (KPIs)

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 28). 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 2024 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 175.

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


- 30% was linked to Total Shareholder Return.
- 40% was linked to relative net system size growth.
- 30% was linked to cash flow generation.


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**

Net rooms supply

Net 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 30).

2024	987,125
2023	946,203
2022	911,627
2021	880,327
2020	886,036

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 30).

2024	106,242
2023	79,220
2022	80,338
2021	68,870
2020	56,146

A



2024 status

- Net system size increased by 4.3%, with gross system growth of 6.2% and a removals rate of 1.9%. Total rooms supply was 987,125.
- Significant increase in the level of signings with 106,242 rooms (714 hotels). Total pipeline of 325,252 rooms increased by 9.5% compared to 2023, with more than 40% under construction.
- Continued strength of the Holiday Inn Brand Family with 29,053 rooms opened and 44,528 rooms signed, representing more than 40% of our total rooms signings.
- Signed 17,703 rooms as part of the initial NOVUM Hospitality agreement, with the first 10,186 rooms opened.

- Further momentum of our Luxury & Lifestyle portfolio with 7,741 rooms opened and 16,238 rooms signed.
- Expansion of Iberostar Beachfront Resorts with 1,986 rooms opened and 2,193 rooms signed in 2024.
- Continued growth of our recently launched brands with:
 - voco growing to 87 hotels open and a further 90 properties in the pipeline across more than 25 countries;
 - 17 Atwell Suites signed, taking the pipeline to 54 properties, including its debut in Greater China;
 - Vignette Collection growing to 20 open and 35 pipeline hotels since its launch in 2022;

- avid hotels adding nine openings and 22 signings, taking the estate to 76 hotels open with a further 137 in the pipeline; and
- the continued global expansion of Garner since its launch in 2023 to 23 properties open across the US, UK, Germany and Japan, and a further 94 properties in the pipeline.

2025 priorities

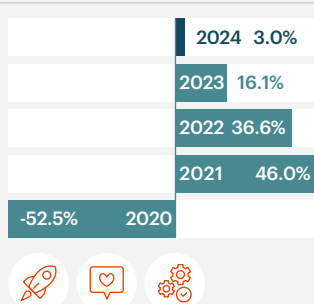
- Continue to invest and focus on our brands in the largest markets and segments to deliver strong net system size growth.
- Extend the reach of the Holiday Inn Brand Family in major markets.
- Accelerate the expansion of avid hotels in the US, and further scale Atwell Suites, Garner and voco internationally.
- Further strengthen our Luxury & Lifestyle offer and capabilities, including branded residences.

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 103 to 108, and reconciliations to IFRS figures, where they have been adjusted, are on pages 266 to 272.

Global RevPAR growth

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

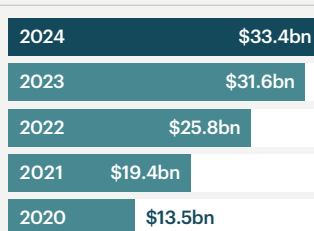
RevPAR growth indicates the increased value guests ascribe to our brands in the markets in which we operate and is a key measure widely used in our industry (see page 18). Definition of this key performance measure can be found on page 103.



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 and managed lease hotels. Other than for owned, leased and managed lease hotels, it is not revenue wholly attributable to IHG, as it is mainly derived from hotels owned by third parties.

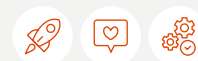
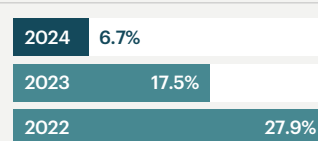
The growth in gross revenue from IHG's system illustrates the value of our overall system to our owners (see page 23). Definition of this key performance measure can be found on page 103.



Growth in underlying fee revenues^a

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

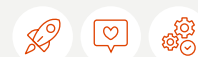
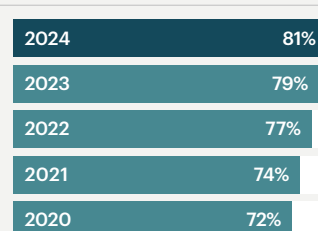
Underlying fee revenue growth demonstrates the continued attractiveness to owners and guests of IHG's franchised and managed business (see page 23).



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 34).



2024 status

- RevPAR growth in 2024 was driven by both rate and occupancy, as Groups, Business and Leisure demand continued to strengthen.
- Through 2024 we remained committed to supporting our owners to optimise returns as we:
 - generated incremental value for owners from the up-sell of unique room attributes and guest-stay extras through our industry-leading Guest Reservation System;
 - lowered the standard loyalty assessment fee owners pay into the System Fund and increased certain Reward Night reimbursements to improve owner economics;
 - rolled out the new cloud-based Revenue Management System (RMS) to around 3,500 hotels which utilises leading data science and forecasting tools to deliver advance insights and recommendations to owners;
 - initiated work on next-generation PMS, a cloud-based platform enabling deployment of efficient enhancements;
 - continued to focus on design and build, operation and renovation, including localised supply chains in key growth markets for Essentials and Suites brands and the rollout of WeChat mobile commerce platform for construction materials in Greater China;

- improved enterprise contribution to 81% in 2024, with strong growth across IHG mobile app and other mobile channels that account for two-thirds of all digital bookings;
- strengthened our IHG Hotels & Resorts masterbrand to further promote our portfolio of brands;
- increased the IHG One Rewards programme to more than 145 million members, demonstrating strong member engagement and driving owner returns; and
- secured new co-brand credit card agreements in the US, creating more opportunities for guests to engage with IHG One Rewards and more value for our owners.

2025 priorities

- Continue to evolve and utilise data-driven insights to enhance owner returns and enhance the guest experience.
- Further utilise our Guest Reservation System capabilities to generate more room up-sell opportunities and also stay enhancements through the cross-sell of non-room extras, maximising revenue generation to owners by leveraging the unique attributes of their inventory.
- Further scale and invest in IHG One Rewards to support the growth and engagement of loyalty members.
- Continue to evolve quality, design and hotel format innovation to optimise owner returns and meet guest needs.
- Increase contribution from IHG One Rewards members by driving direct booking through our mobile and digital channels.
- Further rollout of the RMS, enabling data and forecasting insights to owners and evolving the revenue services offer.
- Continue to deploy our next-generation PMS to enable efficient enhancements.
- Continue to grow the co-brand credit cards programme in the US, and explore potential for launch in other markets.

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Our key performance indicators continued

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 32 for details).

2024	81.5%
2023	80.3%
2022	78.6%
2021	78.9%
2020	81.6%



2024 status

- Guest satisfaction of 81.5% improved compared to the prior year, reflecting increases in quality and investment in the guest experience.
- Externally measured Guest Satisfaction Index achieved scores over 100, outperforming our competitors, 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.

2025 priorities

- Continue to improve the guest experience and elevate brand performance by prioritising quality and experience across areas such as loyalty recognition, digital engagement, food and beverage, service, public spaces and amenities.
- Utilise strategies such as training programmes, data-driven insights, improvement plans and renovations to minimise the number of underperforming properties within the portfolio.
- Incorporate GenAI to deliver actionable guest insights that drive strategic decision-making and empower actions to enhance the brand and hotel experience.

Fee margin^a

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

2024	61.2%
2023	59.3%
2022	55.9%
2021	49.5%



Our fee margin indicates the profitability of our fee revenue and the benefit of our asset-light business model (see page 22).

2024 status

- Fee margin increased by 1.9%pts to 61.2%, driven by strong trading together with new and growing ancillary fee streams.
- Around 1.3%pts was driven by operational leverage and a further 0.6%pts was from the sale of certain loyalty points, together with certain other ancillary revenues, now being reported within IHG's results from reportable segments.

2025 priorities

- Maintain our cost and efficiency focus.
- Leverage technology applications and process enhancements to achieve operational efficiencies.
- Continue to reinvest in the business to drive growth and further expand margin over the long term.

IHG® Academy^b

The number of participants in our in-person IHG Academy programmes and the number of registered users on the IHG Skills Builder platform.

2024	43,285
2023	35,021
2022	8,909
2021	16,577
2020	3,277

Sustained or increased participation in these areas reflects our progress in fostering career-building opportunities and strengthening engagement within the communities we serve (refer to page 58 for further analysis).



2024 status

- Activated our refreshed IHG Academy offering within managed and franchised hotels.
- Continued to offer internships and work experience placements across hotels and corporate functions.
- Improved the user onboarding experience for our IHG Skills Builder platform.
- Increased our IHG Skills Builder registrations by more than 23,000.

2025 priorities

- Continue to embed our refreshed IHG Academy offering in our hotels and increase activation within their local communities.
- Introduce updated tracking tool for hotels to capture internship participation data.
- Design, test and launch a virtual offering for our IHG Discover programme.

Employee engagement survey scores^c

Colleague HeartBeat survey, completed by IHG employees or colleagues employed at owned, leased or managed leased hotels and managed hotels.

2024	87%
2023	87%
2022	86%
2021	85%



We measure employee engagement to monitor risks relating to talent (see page 48) and to help us understand the issues that are relevant to our people as we build an inclusive culture (see page 37).

2024 status

- Our score of 87% in 2024 is 9%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.

2025 priorities

- Further drive effectiveness in our technology and processes to improve speed of decision making and innovation.
- Continue to foster our inclusive culture through leadership development and colleague lifecycle activities.
- Continued focus on our Luxury & Lifestyle and General Manager capability and talent pipelines.
- Expand our HR technology to service more of our hotel estate and increase technology capabilities in our corporate offices.

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b. 2021, 2022 and 2023 figures have been restated due to improvements in data collection and reporting.

c. The 2020 Colleague HeartBeat engagement index is not comparable to 2021 onwards. Due to the pandemic, employees in corporate offices and reservation centres, and managed hotel general managers were invited to participate in a shortened survey.

Adjusted free cash flow^{a,b}

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 24). It is a key component in measuring the ongoing viability of our business (see page 109).

2024	\$655m
2023	\$837m
2022	\$615m
2021	\$589m
2020	\$125m



2024 status

- Adjusted free cash flow decreased by \$182m to \$655m as growth in operating profit from reportable segments^a was offset by a decrease in the System Fund and reimbursable result, increased contract acquisition costs, and higher interest and tax payments.

2025 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.

Greenhouse gas emissions

Total market-based GHG emissions (measured in tonnes of CO₂e) across our corporate offices, franchised estate, owned, leased and managed lease hotels. For further details on our carbon footprint methodology, please refer to pages 75 to 76.

Our target is to achieve a 46% reduction in absolute Scope 1, 2, and Scope 3 (including energy from FERA and franchised hotels) GHG emissions by 2030, from a 2019 baseline. This target is validated by the Science Based Targets initiative (SBTi).

2024	6.5 tCO ₂ e
2023	6.2 tCO ₂ e
2022	5.6 tCO ₂ e
2021	5.4 tCO ₂ e
2020	4.7 tCO ₂ e
2019	6.1 tCO ₂ e



2024 status

- Our ongoing commitment to decarbonisation has driven an 11.5% reduction in carbon emissions per available room and a 9.4% reduction in energy per available room in 2024 compared to 2019.
- However, the lack of a clean energy infrastructure in our markets, alongside the opening of more hotels around the world, means that total carbon emissions are up 7.2% since 2019. As a result, despite our ongoing efforts, we are not on track to meet our 2030 target.
- 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.

2025 priorities

- Continue implementing our decarbonisation roadmap focusing on energy efficiency measures in the existing estate, transitioning to renewable energy and developing new-build hotels operating with very low or zero carbon emissions.
- Using our global scale, we will continue to actively engage with external stakeholders to support hotel owners to reduce operational costs, boost revenue, and meet industry standards for sustainability, ultimately benefiting both the industry and our communities.

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b. Re-presented to reflect the updated definition of adjusted free cash flow (see pages 107 to 108).