IHG HOTELS & RESORTS

Holiday Inn Glendale, Arizona, United States

2021 Full Year Results

22nd February 2022

This presentation may contain projections and forward looking-statements. The words “believe”, “expect”, “anticipate”, “intend” and “plan” and similar expressions identify forward-looking statements. All statements other than statements of historical facts included in this presentation, including, without limitation, those regarding the Company’s financial position, potential business strategy, potential plans and potential objectives, are forward-looking statements. Such forward-looking statements involve known and unknown risks, uncertainties and other factors which may cause the Company’s actual results, performance or achievements to be materially different from any future results, performance or achievements expressed or implied by such forward-looking statements. Such forward-looking statements are based on numerous assumptions regarding the Company’s present and future business strategies and the environment in which the Company will operate in the future. Further, certain forward-looking statements are based upon assumptions of future events which may not prove to be accurate. The forward-looking statements in this document speak only as at the date of this presentation and the Company assumes no obligation to update or provide any additional information in relation to such forward-looking statements.

The merits or suitability of investing in any securities previously issued or issued in future by the Company for any investor’s particular situation should be independently determined by such investor. Any such determination should involve, inter alia, an assessment of the legal, tax, accounting, regulatory, financial, credit and other related aspects of the transaction in question.

Keith Barr

Chief Executive Officer

2021: excellent progress

RevPAR & Rooms

- +46% Global RevPAR vs 2020; (29.8)% vs 2019, with Q4 (17.1)%
- Further sequential improvement in US, with RevPAR ahead of 2019 levels in December
- System 880k rooms (5,991 hotels); +5.0% gross openings; (0.6)% net YOY
- Opened 291 hotels; signed 437 hotels, +23%

Results

- $534m operating profit from reportable segments, +144% vs 2020
- $75m of recurring cost savings delivered
- $571m adjusted free cash flow
- Net debt:adjusted EBITDA 3.0x
- Dividend reinstatement: 85.9¢ proposed

Laying the foundations for future growth

- Strengthened digital booking experience
- Transforming our loyalty offer
- New mobile app to be launched in 2022
- Ongoing operational support to our owners
- Underpinned by our commitment to operate a responsible business

Further brand developments

- Launch of Vignette Collection brand
- Recent brands rapidly reaching scale – voco >50; avid >200
- Review of Holiday Inn and Crowne Plaza estate completed; lower removals going forward
- Pipeline >30% of current system size; 40%+ under construction

Emerging from the pandemic a better, stronger business

Raised the quality and consistency of the estate

Stronger and more efficient operating model

More rounded brand portfolio, with increased focus on Premium and Luxury & Lifestyle

Leading technology offering for guests and owners

Significant investment in loyalty to drive further competitive advantage

Launch of ambitious 2030 responsible business commitments

Paul Edgecliffe-Johnson

Chief Financial Officer & Group Head of Strategy

FY 2021 Financial Review

IHG HOTELS & RESORTS

Financial performance overview

Results from reportable segments[1]	Reported					Underlying[2]	
	FY 2021	FY 2020		FY 2019		FY 2020	FY 2019
	$m	$m	% change vs FY 2021	$m	% change vs FY 2021	% change	% change
Revenue	$1,390m	$992m	+40%	$2,083m	(33)%	+39%	(32)%
Operating profit	$534m	$219m	+144%	$865m	(38)%	+138%	(38)%
Revenue from fee business	$1,153m	$823m	+40%	$1,510m	(24)%	+38%	(23)%
Operating profit from fee business	$570m	$278m	+105%	$813m	(30)%	+104%	(30)%
Fee margin[3]	49.6%	34.1%	+15.5%pts	54.1%	(4.5)%pts		
Adjusted interest[4]	$(142)m	$(130)m	+9%	$(133)m	+7%		
Reported tax rate[5]	(31)%	(38)%	(7)%pts	(24)%	+7%pts		
Adjusted EPS[6]	147.0¢	31.3¢	+370%	303.3¢	(52)%		
Dividend for the year	85.9¢	-	NM	39.9¢	+115%		

[1] Reportable segments excludes System Fund results, hotel cost reimbursements and exceptional items. [2] Reportable segment results excluding significant liquidated damages, current and prior year owned asset disposals and stated at constant FY 2021 exchange rates (CER). [3] Excludes owned, leased and managed lease hotels, significant liquidated damages and the results of the Group's captive insurance company. [4] Adjusted interest adds back $3m (FY 2020: $4m; FY 2019: $18m) of interest charges attributable to the System Fund and excludes exceptional items. [5] The Group's reported effective tax rate, before exceptional items and System Fund results. [6] Calculated using results from Reportable Segments, adjusted interest, and related tax and excluding changes in fair value of contingent purchase consideration (and related tax) and earnings attributable to non-controlling interest

IHG HOTELS & RESORTS

Fee-based business model shows relative resilience as demand returns

FY 2021 fee revenue: $1,153m, down 24%[1] and 23% underlying[2] (vs 2019)

RevPAR

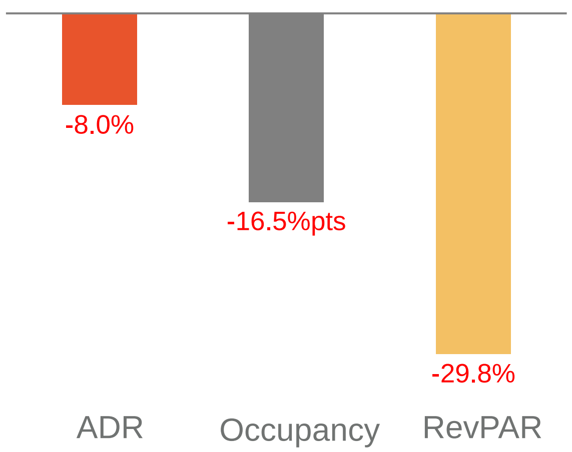
X

Rooms

X

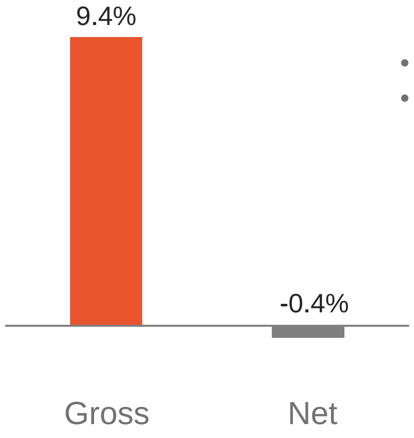
Royalty Rate

FY 2021 Group comparable RevPAR growth (vs 2019)



(31.8)% Total RevPAR decline[3]

FY 2021 Group system growth (vs 2019)



- 44.0k rooms opened in FY
- 49.7k rooms removed in FY

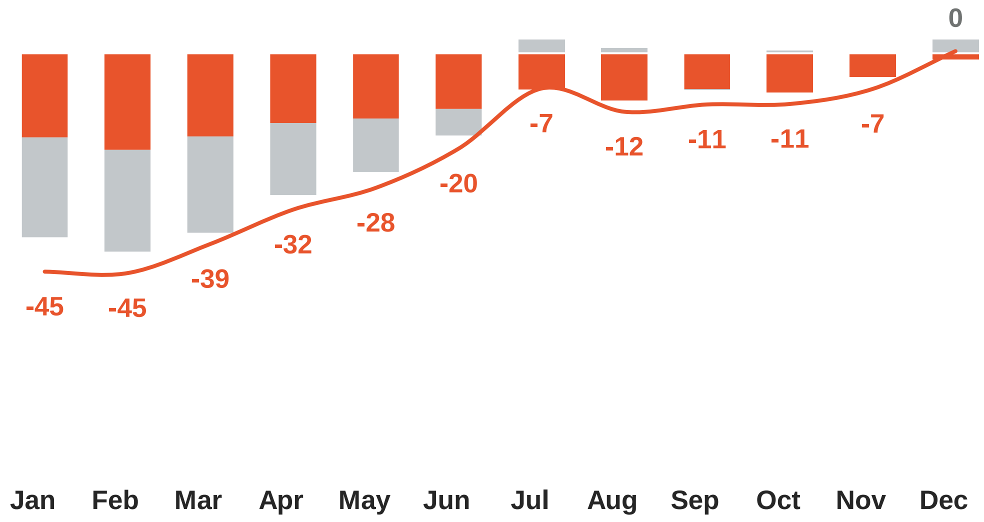
+5.9% growth in available rooms[3]

- Underlying fee revenue benefitting from stronger performance in Franchise business (-24.2%[4]) than overall Group RevPAR (-29.8%[4]), which includes weaker Owned, Leased and Managed Lease estate (-57.9%[4])

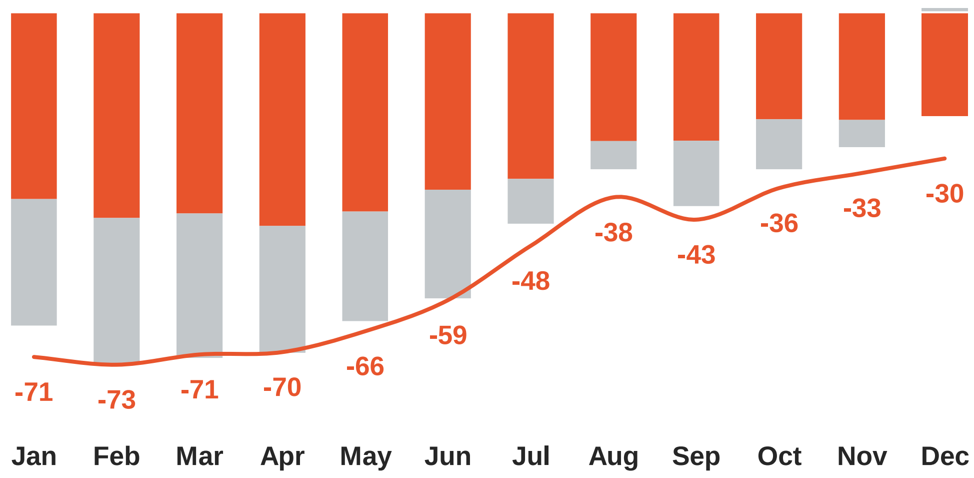
[1] Growth stated at AER. [2] Underlying fee revenue excludes current and prior year owned, leased and managed lease hotels, significant liquidated damages, owned asset disposals and stated at constant FY 2021 exchange rates (CER). [3] Growth stated for underlying fee business excluding the SVC portfolio termination of 16.7k rooms (102 hotels) in Q4 2020 (see appendix for more detail).[4] RevPAR in comparable estate vs 2019, at CER.

Regional variations in RevPAR with strong ADR recovery in all regions

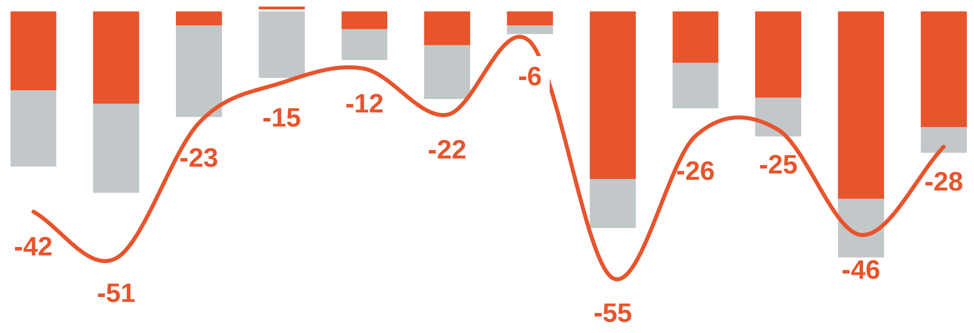
Americas monthly RevPAR, Occupancy and ADR (vs 2019)



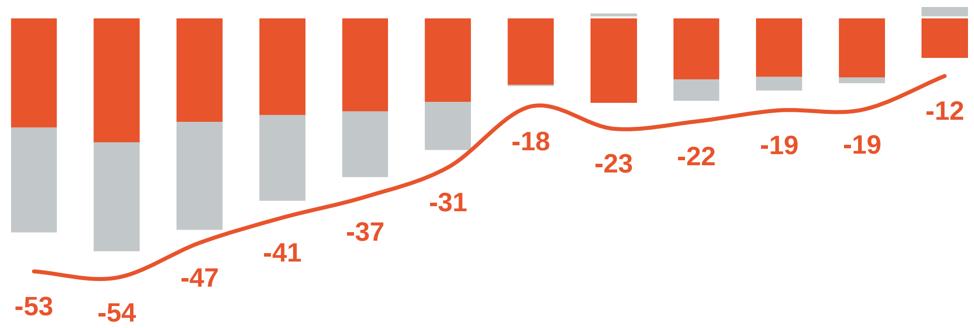
EMEAA monthly RevPAR, Occupancy and ADR (vs 2019)



Greater China monthly RevPAR, Occupancy and ADR (vs 2019)



IHG Group monthly RevPAR, Occupancy and ADR (vs 2019)



RevPAR (%) Occupancy (% Pts) ADR (%)

IHG HOTELS & RESORTS

Americas
Strength across US franchise estate in Q4

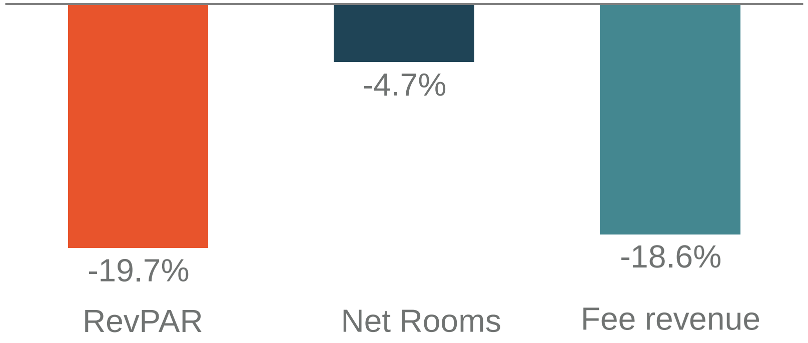
- FY RevPAR up 54% (down 20% vs 2019); US up 54% (down 17% vs 2019)
- Q4 US RevPAR up 76% (down 5% vs 2019)
  - Driven by demand in non-urban and leisure markets
  - Franchised estate down 2% and Managed estate down 23% (vs 2019)
  - Midscale/Upper Midscale and Extended Stay most resilient segments

- YoY net rooms down 2.9% (down 4.9% vs 2019); gross up 3.1% (up 6.2% vs 2019)
  - Ground breaks accelerated to 30 in Q4, 79 for the year

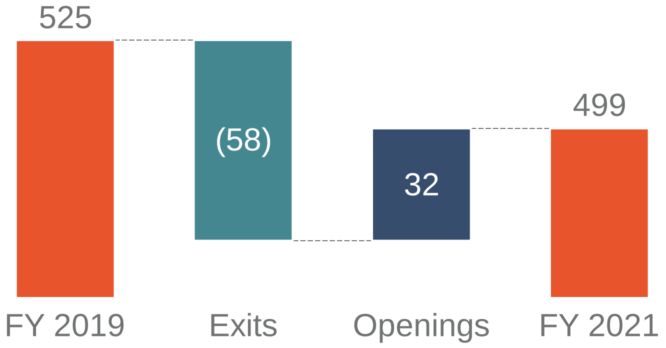
- Underlying fee revenue[1] up 51% to $691m (down 19% vs 2019)
- Underlying fee operating profit[2] up 75% to $568m (down 14% vs 2019):
  - vs 2020: benefit from improved demand
  - vs 2019: impacted by $5m lower incentive management fees and continued tough trading in US-urban and non-US markets; partly offset by $11m payroll tax credit benefit and delivery of sustainable cost savings
- Owned, leased and managed lease operating profit up $18m to a loss of $9m (down $46m vs 2019):
  - vs 2019: impacted by weighting of distribution to US-urban and non-US markets

- Pipeline: 97k rooms; 17.6k signed in FY
- Signings include 62 Holiday Inn Express, 30 Candlewood Suites and 13 avid hotels

FY 2021 growth in fee revenue drivers[1]
(vs 2019)

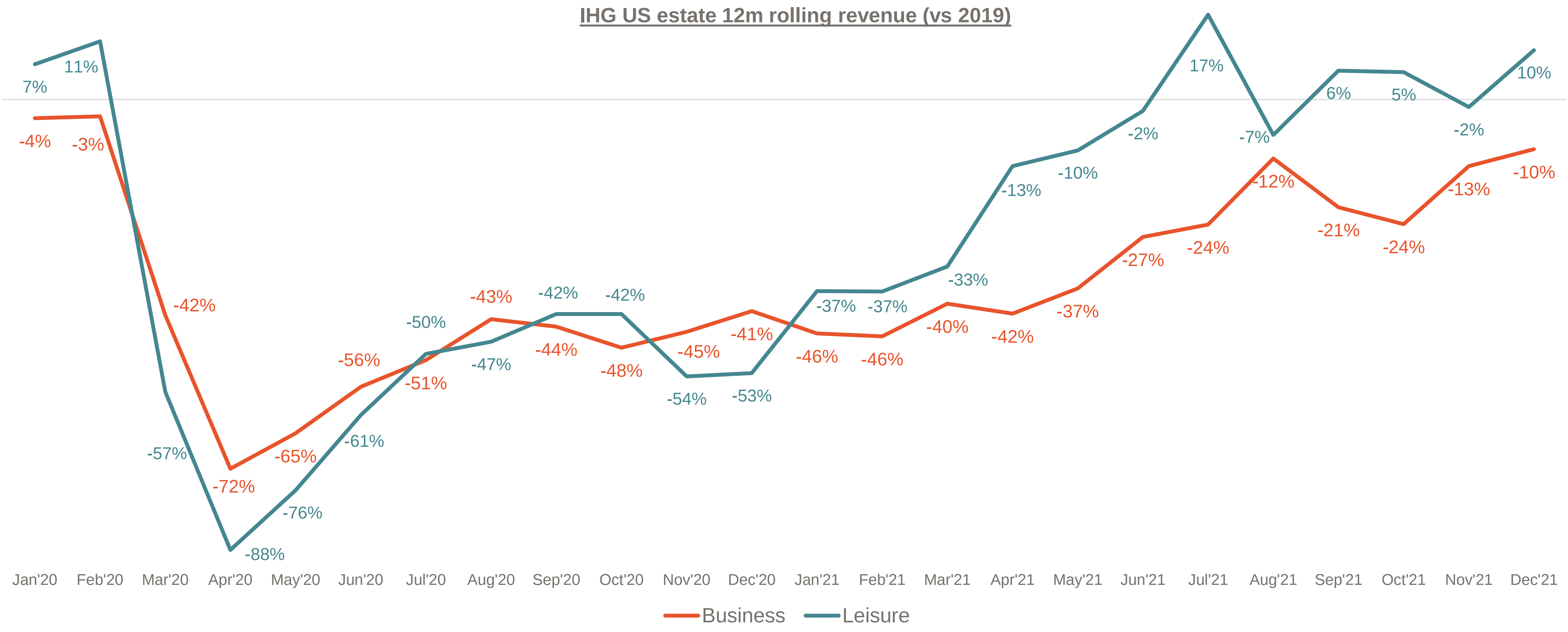


FY 2021 net rooms growth ('000s)
(vs 2019)



[1] Underlying fee revenue excludes significant liquidated damages, current year disposals and stated at constant FY 2021 exchange rates (CER). [2] Underlying fee operating profit excludes significant liquidated damages and current year disposals at CER.

Americas
Ongoing strength of Leisure with improvement in Business demand



Europe, Middle East, Asia & Africa
Improved trading in markets where travel restrictions have lifted

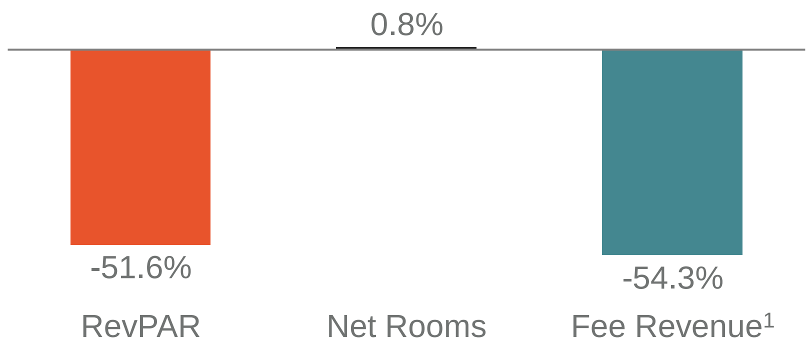
- FY RevPAR up 35% (down 52% vs 2019); Q4 up 118% (down 33% vs 2019)
- Q4 impacted by differing levels of government-mandated lockdown measures, particularly Continental Europe (down 40% vs 2019); Japan (down 56% vs 2019) and South East Asia and Korea (down 59% vs 2019); less restrictive markets such as UK (down 16% vs 2019) and Middle East performed better (down 10% vs 2019)

- YoY net rooms down 1.6% (up 0.4% vs 2019); gross up 4.5% (up 9.6% vs 2019)

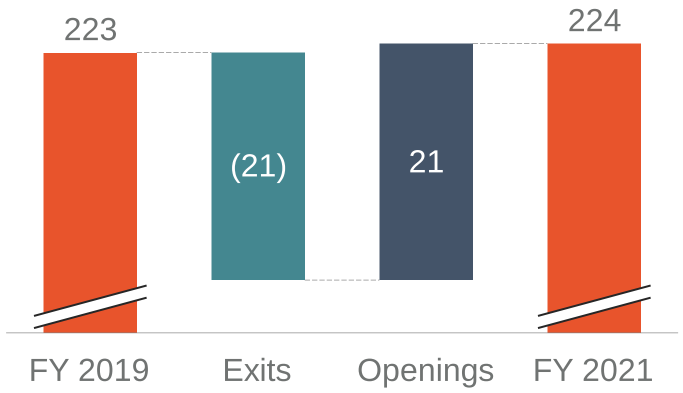
- Underlying fee revenue[1] up 37% to $149m (down 54% vs 2019)
- Underlying fee operating profit[2] up $51m to $32m (down 84% vs 2019):
    - vs 2020: improved demand and $15m higher incentive management fees
    - vs 2019: impacted by $61m lower incentive management fees and continued tough trading in a number of markets, partly offset by cost savings
- Owned, leased and managed lease operating loss of $27m (up $5m vs 2020, down $42m vs 2019)
    - Impacted by weak demand where these hotels are located, predominately in urban markets in Europe (FY RevPAR down 69% vs 2019)

- Pipeline: 81k rooms; 20.4k signed; significant pick up in signing pace in Q4
- Signings include 5 Six Senses, 15 InterContinental hotels, 6 Vignette Collection hotels and 10 voco hotels

FY 2021 growth in fee revenue drivers[1] (vs 2019)



FY 2021 net rooms growth ('000s) (vs 2019)



[1] Underlying fee revenue excludes significant liquidated damages, current year disposals and stated at constant FY 2021 exchange rates (CER). [2] Underlying fee operating profit excludes significant liquidated damages and current year disposals at CER.

IHG HOTELS & RESORTS

Greater China
Impacted by localised lockdowns

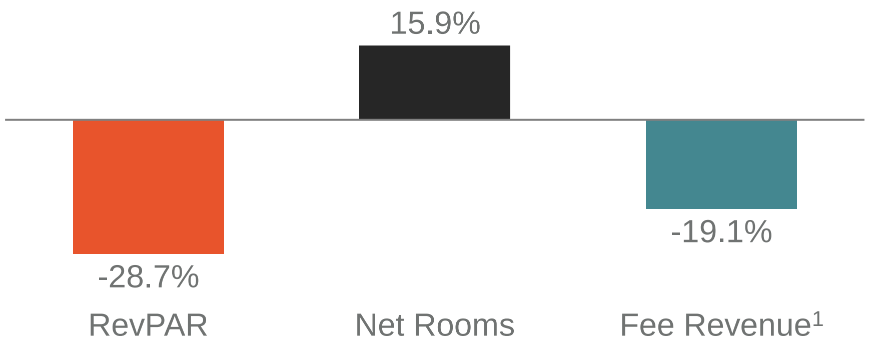
- FY RevPAR up 21% (down 29% vs 2019); Q4 down 17% (down 33% vs 2019)
  - Mainland China up 20% (down 25% vs 2019); Q4 down 21% (down 33% vs 2019)
    - Tier 1 RevPAR up 26% (down 35% vs 2019); Q4 down 15% (down 40% vs 2019)
    - Tier 2-4 RevPAR up 17% (down 19% vs 2019); Q4 down 23% (down 29% vs 2019)
  - Hong Kong SAR up 81% (down 61% vs 2019); Q4 up 84% (down 12% vs 2019)

- YoY net rooms up 8.9% (up 15.9% vs 2019); gross 12.5% (up 21.7% vs 2019)

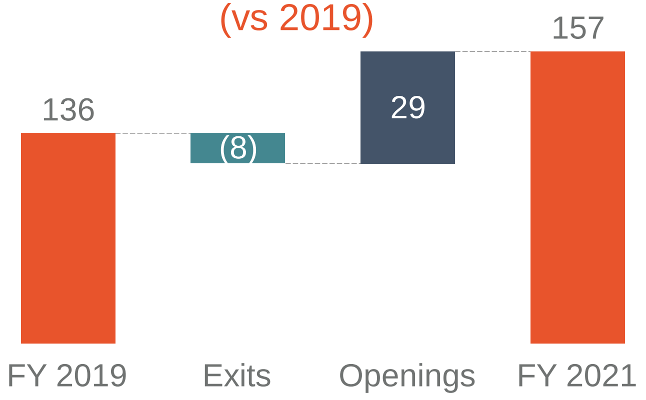
- Underlying fee revenue[1] up 34% to $110m (down 19% vs 2019)
- Underlying operating profit[2] up 44% to $52m (down 32% vs 2019):
  - vs 2020: driven by improved trading, $9m higher incentive management fees, and $6m significant liquidated damages
  - vs 2019: impacted by $23m lower incentive management fees

- Pipeline: 93k rooms; 30.8k rooms signed
  - 80 franchise agreements signed, including 50 for Holiday Inn Express
  - Over 1,000 open and pipeline hotels

FY 2021 growth in fee revenue drivers[1] (vs 2019)



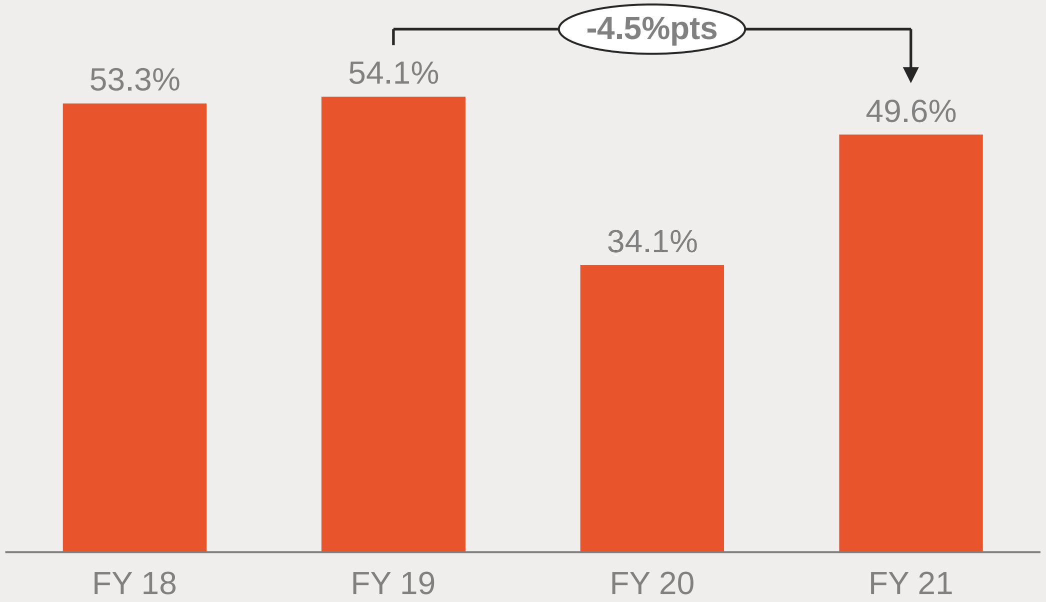
FY 2021 net rooms growth ('000s) (vs 2019)



[1] Underlying fee revenue excludes significant liquidated damages, current year disposals and stated at constant FY 2021 exchange rates (CER). [2] Underlying fee operating profit excludes significant liquidated damages and current year disposals at CER.

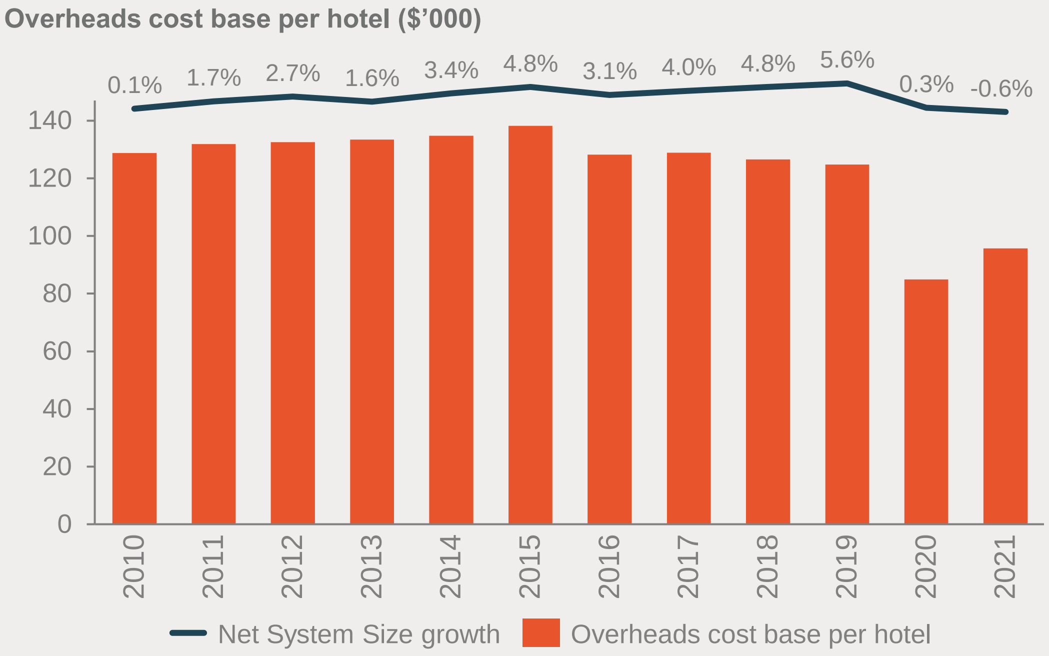
Delivered $75m of recurring fee business cost savings in FY 2021

Progression in fee margin[1]



- Fee margin down 4.5%pts at AER relative to FY19 with RevPAR down 30% vs 2019
- $75m in recurring annual cost savings delivered
- $25m of additional temporary cost savings in 2021 from elevated vacancy rates and lower travel expenditure

Efficient cost base



- A platform business with a well invested cost base
- Limited increases in overheads required to support growth in system size
- Overheads cost base per hotel 27% lower than a decade ago

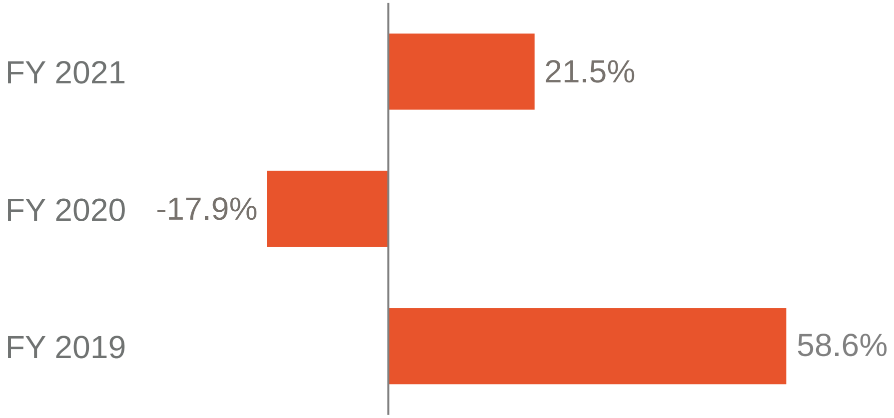
Continued strong focus on cost efficiency and operating leverage will drive further fee margin progression

[1] Fee margin stated at AER

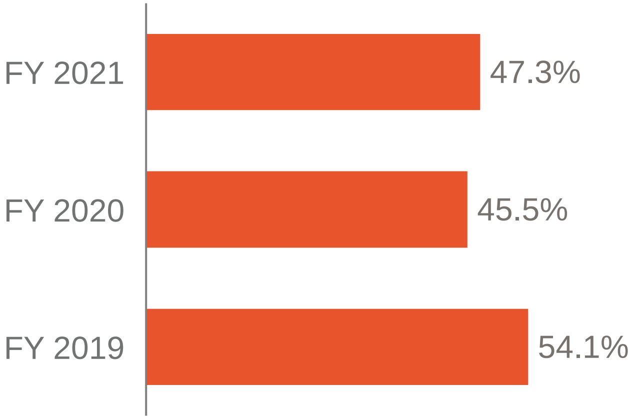
Fee margin[1] by region

Americas

Europe, Middle East, Asia and Africa



Greater China



Total IHG

[1] Fee margin excludes owned, leased and managed lease hotels, significant liquidated damages and the results of the Group's captive insurance company; is stated at AER.
For Americas, consists of fee business revenue and operating profit of $691m (2020: $457m, 2019: $853m) and $568m (2020: $323m, 2019: $663m) respectively. For Europe, Middle East, Asia and Africa consists of fee business revenue and operating profit (adjusted for significant liquidated damages) of $149m (2020: $106m, 2019: $326m) and $32m (2020: $(19)m, 2019: $192m) respectively. For Greater China, consists of fee business revenue and operating profit (adjusted for significant liquidated damages) of $110m (2020: $77m, 2019: $135m) and $52m (2020: $35m, 2019: $73m) respectively.

Conclusion of Holiday Inn and Crowne Plaza review

151 hotels have left the system

Holiday Inn

108 hotels exited[1]

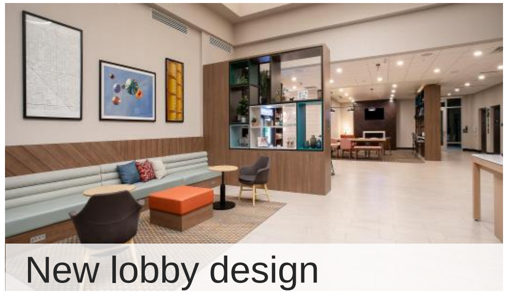
CROWNE PLAZA®
HOTELS & RESORTS

43 hotels exited[1]

83 hotels with significant investment commitment from owners

71 hotels retained[2]


Pre-renovation lobby


New lobby design

12 hotels retained[2]


Pre-renovation room


New guest room design

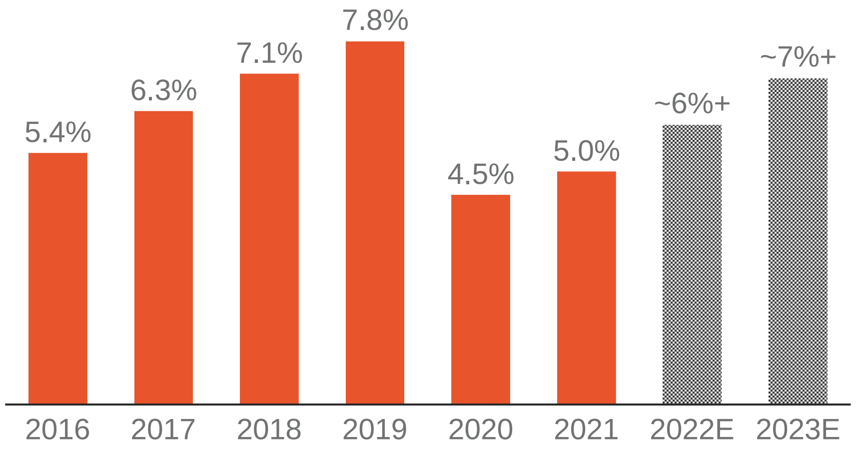
Addressed the consistency and quality of the estate

- ~80% of removals in the Americas were in the bottom quartile for metrics including RevPAR, RGI, Guest Love and quality scores
- **66% of Holiday Inn** estate[2] and **73% of Crowne Plaza** estate[2] in Americas will have recently been updated or due to undergo renovation

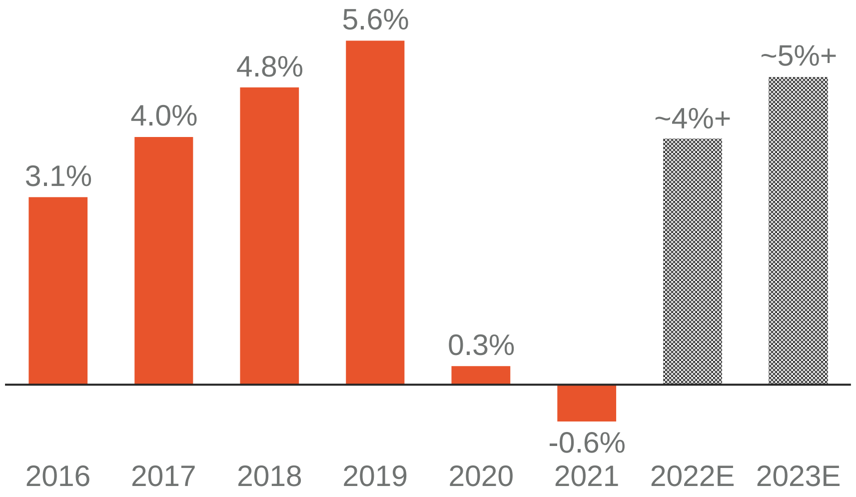
[1] Total removal across the global estate
[2] Committed to improvement plans or scopes of work, reflecting significant investment by owners across Americas and EMEAA

Delivering an industry leading level of net system size growth

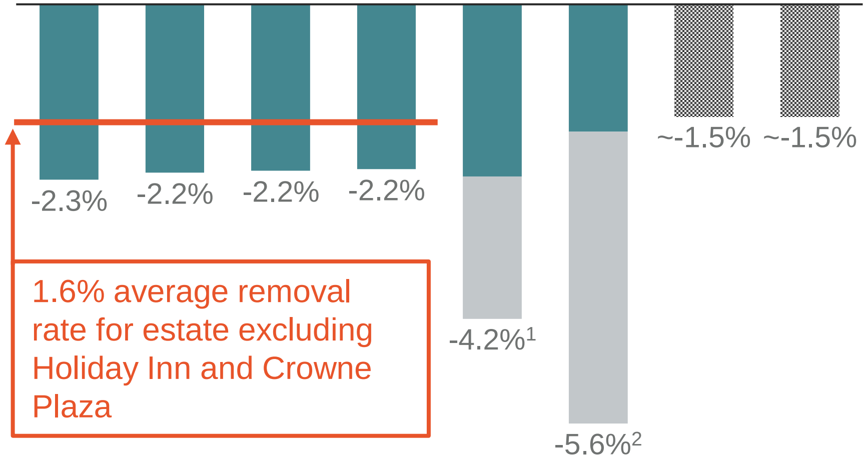
Acceleration in gross openings…



…will lead to stronger net system size growth



…combined with structurally lower removals



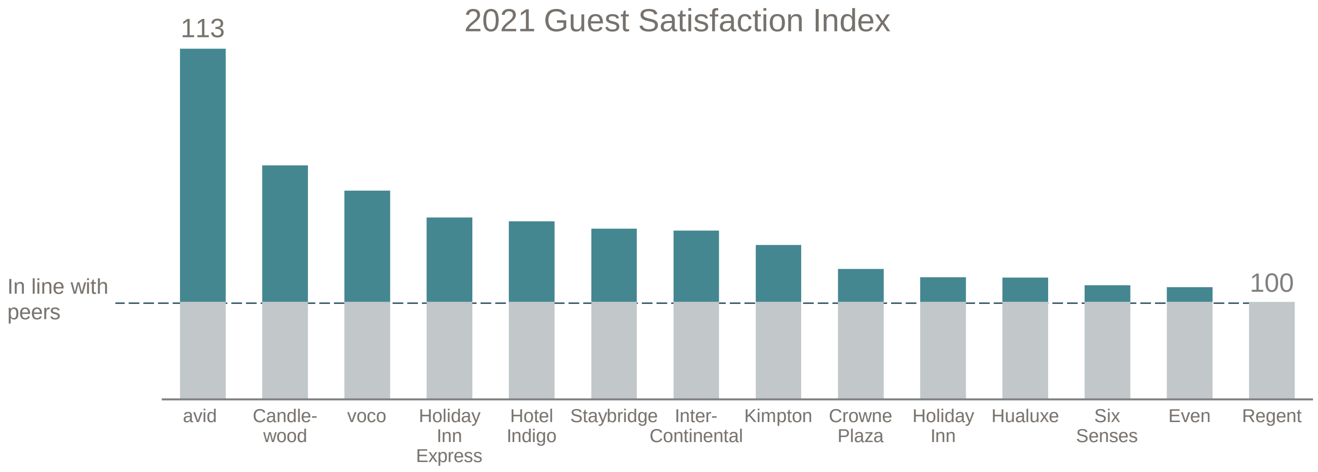
Confidence underpinned by:

- >40% pipeline under construction
- Healthy volume of deal discussions across regions
- Compelling owner offer with a complete brand portfolio across chainscales and global reach

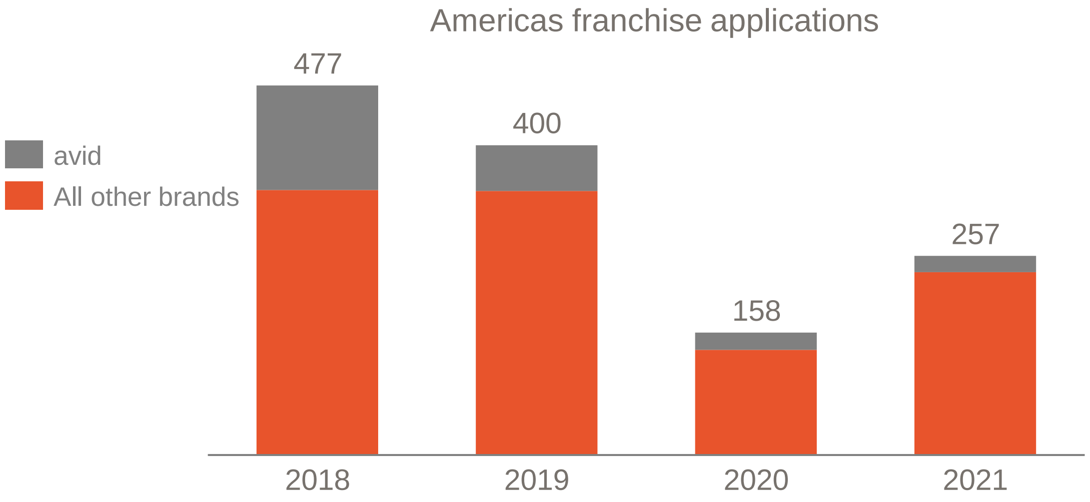
[1] 2.3% excluding 1.9%pt impact from termination of certain hotels by SVC
[2] 1.7% excluding 3.9%pt impact from removal of Holiday Inn and Crowne Plaza hotels across the Group

Improvement in development activity

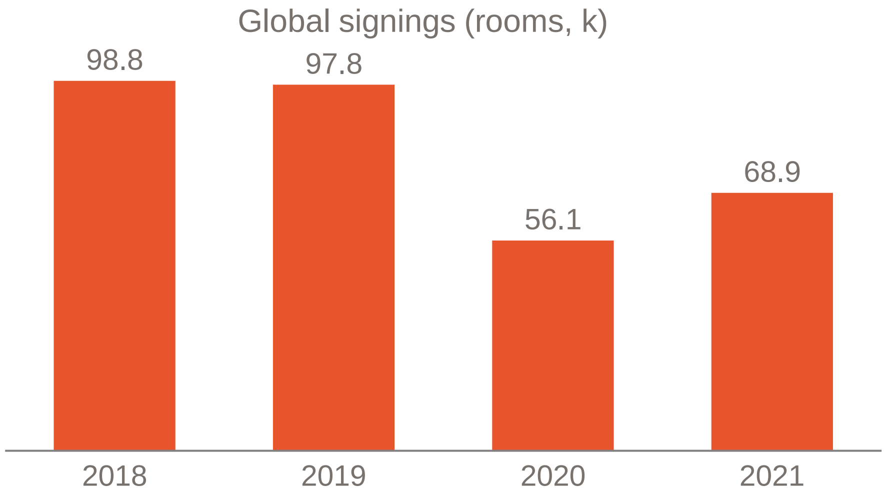
IHG brands outperforming peers



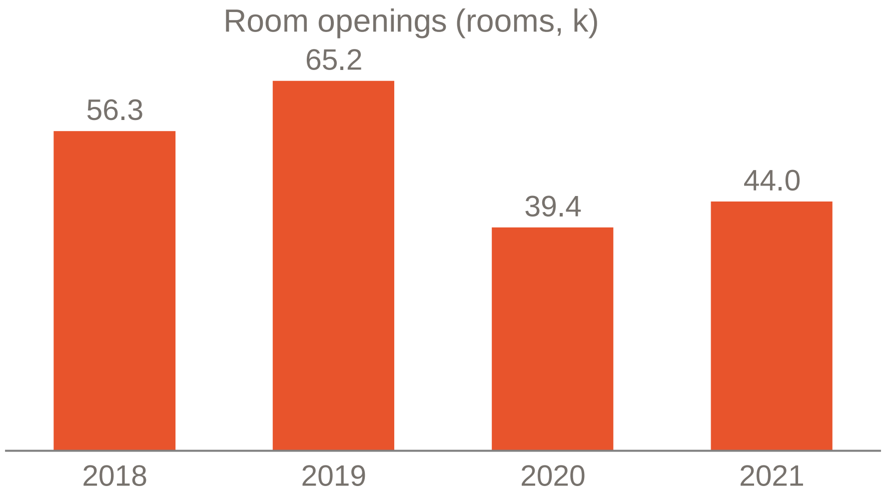
Increase in franchise applications…



…supporting an improvement in signings



Further progression in gross openings



Targeted capital expenditure to drive growth

Maintenance capex, key money and selective investments

$m	FY 2021	FY 2020
Maintenance capex	(33)	(43)
Key money[1]	(42)	(64)
Total	(75)	(107)

- Maintenance: relates to owned, leased and managed lease hotels and corporate infrastructure
- Key money: used to secure hotel signings

Recyclable investments

$m	FY 2021	FY 2020
Gross out	(5)	(6)
Gross in	58	23
Net total	53	17

- Investment behind growth initiatives
- Profile can vary year to year, but expected to be broadly neutral over time

System Fund capital investments

$m	FY 2021	FY 2020
Gross out	(19)	(35)
Gross in[2]	91	58
Net total	72	23

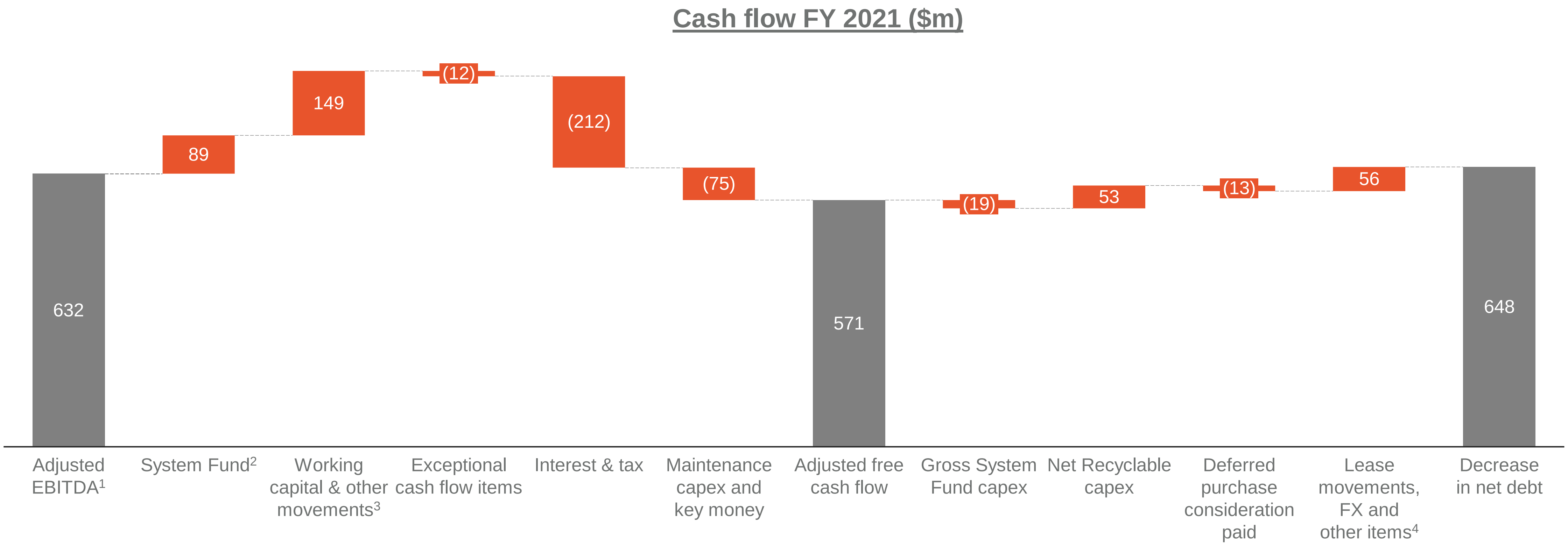
- Invested into projects that benefit our hotel network
- Repaid when depreciation charged to System Fund e.g. GRS

Total capital investments

Gross total[3]	(100)	(148)
Net total	50	(67)

[1] Key money presented net of repayments of $1m in FY 2021 (FY 2020: nil); [2] Consists of depreciation and amortisation of $94m in FY 2021 (FY 2020: $62m), adjusted to exclude depreciation for right of use assets of $3m (FY 2020: $4m). [3] Includes gross key money payments of $43m in FY 2021 (FY 2020: $64m)

Strong cash conversion



- Increase in adjusted free cash flow to $571m (2020: $29m), driven by strong cash conversion and System Fund swing to inflow on improved trading and higher depreciation

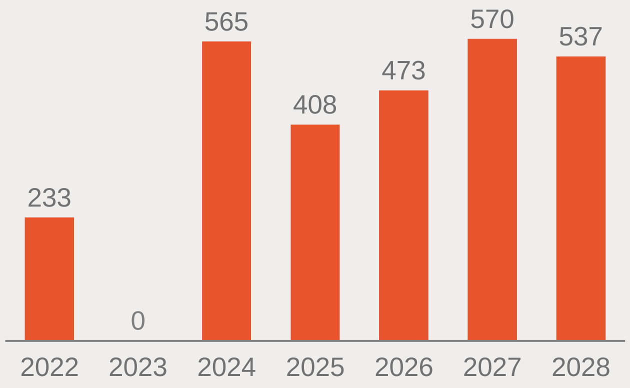
[1] Before exceptional items and System Fund result. [2] System Fund inflow reflects $(11)m in-year deficit adding back $94m of depreciation and amortisation and $6m of other non-cash adjustments to System Fund result; working capital movements related to the System Fund, including movements in deferred revenue, are included within the Group's overall working capital & other movements. [3] Includes working capital and other adjustments ($110m), and other non-cash adjustments to operating profit/loss ($71m) less principal element of lease payments ($32m). [4] Includes principal element of lease repayments ($32m) and favourable exchange and other non-cash adjustments ($24m)

Significant reduction in leverage

Bond maturity profile

- 2022 maturity expected to be funded through cash balances
- **No significant bond maturity** until 2024

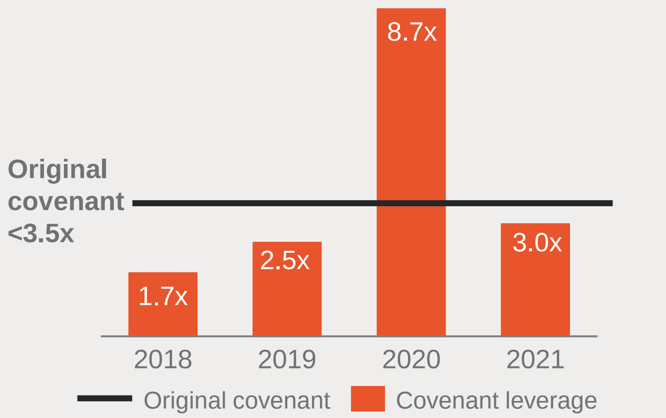
Bond maturity ($m)



Leverage

- Reduction in net debt : adjusted EBITDA driven by recovery in profitability and strong cash generation
- **Leverage within target** of 2.5-3.0x net debt/adjusted EBITDA

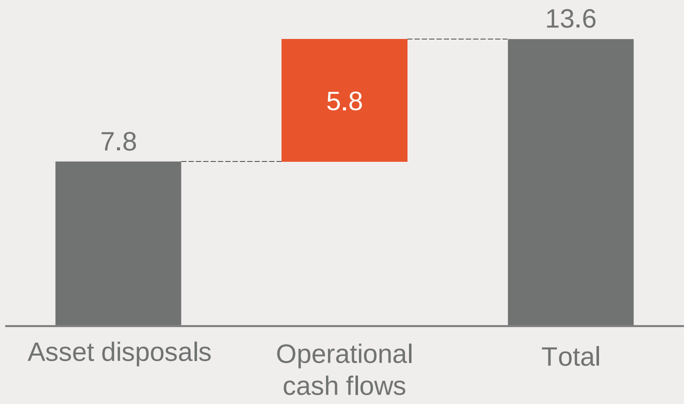
net debt : adjusted EBITDA (covenant basis)[1]



Shareholder returns

- **2021 final dividend of 85.9¢** proposed, equivalent to the withdrawn 2019 final dividend
- Track record of strong shareholder returns with $13.6bn returned to shareholders since 2003

Shareholder returns 2003-2019 ($bn)



[1] The leverage ratio uses a Covenant EBITDA and Covenant Net debt measure which are detailed in Note 10 of the Group's Preliminary Financial statements

Our strategy for uses of cash remains unchanged

Invest in the business to drive growth

Sustainably grow the ordinary dividend

Return surplus funds to shareholders

Objective of maintaining an investment grade credit rating

2.5x – 3.0x Net Debt : Adjusted EBITDA under normalised conditions

Keith Barr

Chief Executive Officer

Update on strategic priorities

An evolving and dynamic industry

Desire to travel and experience; build connections

Rapid return of demand as vaccination rates increase and restrictions are lifted

Sustainability informing guest preferences

IHG HOTELS & RESORTS

Independent hotels looking for enterprise capability of branded system

Technology becoming more integral to the guest journey

Combination of business and leisure trips

Focus on industry-leading net rooms growth, underpinned by our strategic priorities

Our Purpose: True Hospitality for Good

Ambition: to deliver industry-leading net rooms growth

Our Priorities:

Build loved and trusted brands

- Strengthening positioning and further growth potential of existing brands
- Accelerating scale and growth of newer brands
- Launch of new Luxury & Lifestyle collection brand
- Investment in development resources

Customer centric in all we do

- Supporting our owners to alleviate operational challenges
- Focusing marketing on key demographics to drive more demand
- Supporting the return of business travel, groups and events
- Enhancing our loyalty offer

Create digital advantage

- Enabling attribute pricing and selection of stay enhancements
- Simplification of room rates enhancing customer booking experience
- Next generation IHG mobile app under development and piloting

Care for our people, communities and planet

- Workstreams underway to meet upgraded 2030 science-based target
- Miniature bathroom amenities being removed
- Strengthened DE&I programmes
- Human rights focus

Build loved and trusted brands
- More opportunities for guests and owners with IHG

	Existing brands	Newer brands	Portfolio evolution
Luxury & Lifestyle	InterContinental Hotels & Resorts; Kimpton Hotels & Restaurants; Hotel Indigo	Six Senses Hotels Resorts Spas; Regent	**Six Senses** and **Regent:** acquisitions to expand IHG's luxury presence
		Vignette Collection	Organic development of new Luxury & Lifestyle collection brand
Premium	Crowne Plaza Hotels & Resorts; Hualuxe Hotels and Resorts 華邑酒店及度假村; EVEN Hotels	voco an IHG hotel	**voco hotels:** organic development targeting global conversion opportunity
Essentials	Holiday Inn; Holiday Inn Express	avid an IHG hotel	**avid hotels:** organic development to create additional midscale growth engine
Suites	Candlewood Suites; Staybridge Suites	Atwell Suites	**Atwell Suites:** organic development to capture further growth for longer stays

Build loved and trusted brands
- Breadth of brand portfolio enabling multi-property deals

Grand Hotel Wien, Austria – signed as a Vignette Collection hotel

Penina Resort & Golf, Portugal – signed as a Vignette Collection hotel

Dona Filipa Hotel, Portugal – signed as a Vignette Collection hotel

voco Algarve, Portugal – Conversion of the Formosa Park Apartments

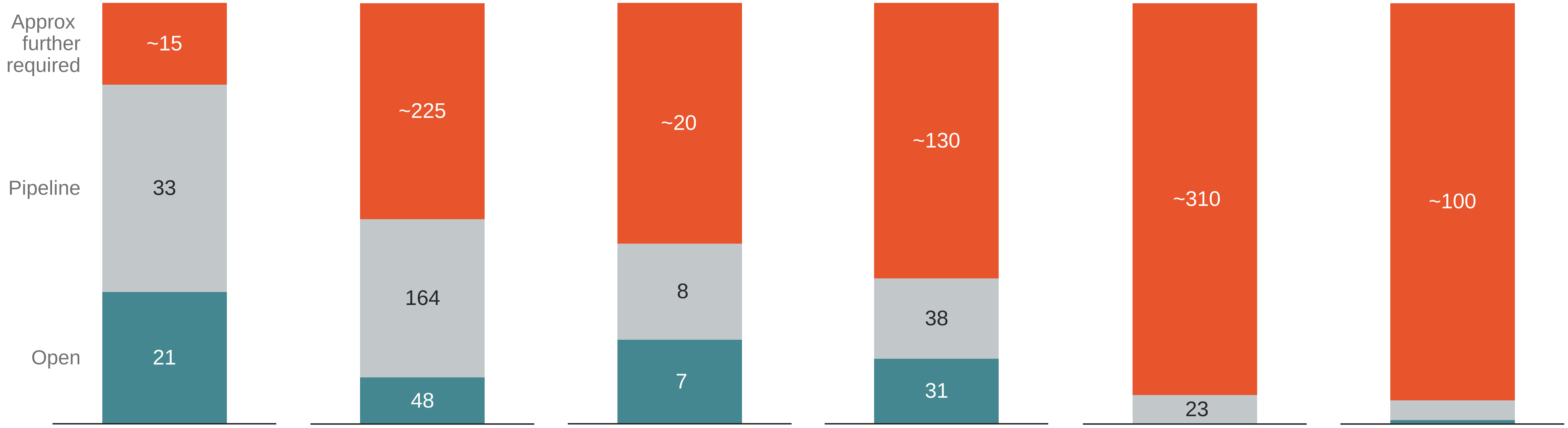
Build loved and trusted brands
- Portfolio of two Holiday Inn Resorts, a voco and a Crowne Plaza with strategic partner

Exterior view of Ba Na Hills Entertainment Complex (Phase Two) - due to open in 2026

Build loved and trusted brands
- New brands offer significant fee growth opportunity

Date launched/ acquired	Six Senses Hotels Resorts Spas	avid an IHG hotel	Regent	voco an IHG hotel	Atwell Suites	Vignette Collection
	2019	2017	2018	2018	2019	2021

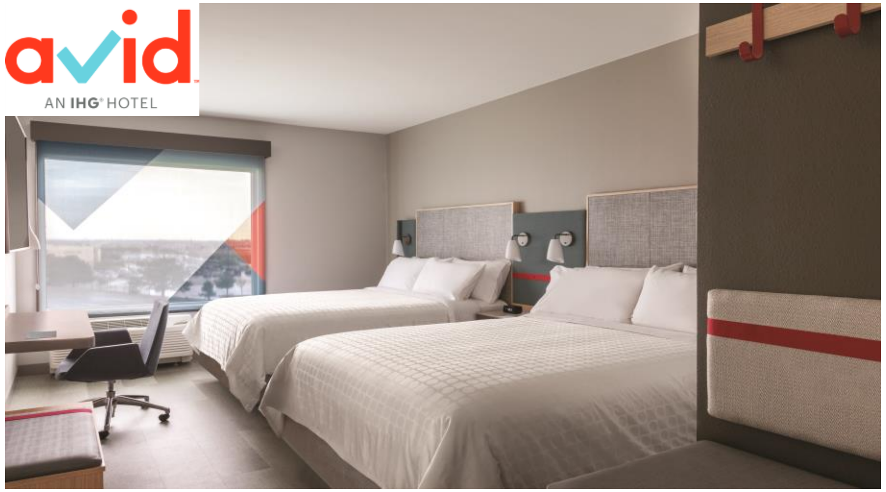
Targeting annual fees of at least $50m each; potential to drive aggregate $300m+ in annual fee income



Average fee income/hotel[1]	~$750k-$1m	~$115k	~$1.5m	~$250k	~$150k	~$450k

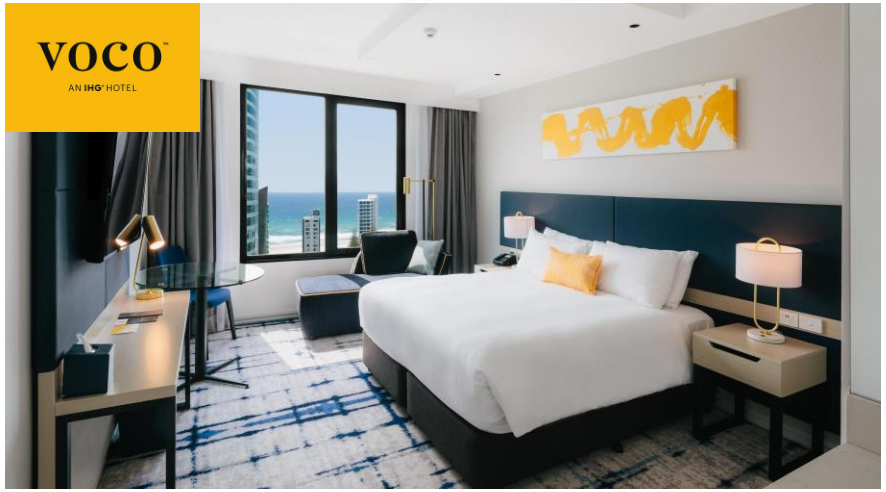
[1]: Represents average annualised fee income per hotel, once hotel reaches maturity

Build loved and trusted brands
- Early successes with avid and voco



avid hotels – delivering on guest and owner needs

- The basics done exceptionally well
- Clear and simple booking
- Focused high-quality breakfast
- Attractive owner returns enabled by an efficient build and operating model
- Significant outperformance of peers in Guest Satisfaction Index



voco hotels – broad appeal for owners and guests

- Strong traction in both urban and leisure markets with resort signings in Algarve, Vietnam and Southern France
- Key flagship properties added in New York, Singapore and Dubai
- Provides owners with rapid access to IHG systems and revenue delivery
- Ranks at top of competitive set across Guest Satisfaction Index and named “Leading Premium Brand” at World, Europe & Middle East level at the World Travel Awards

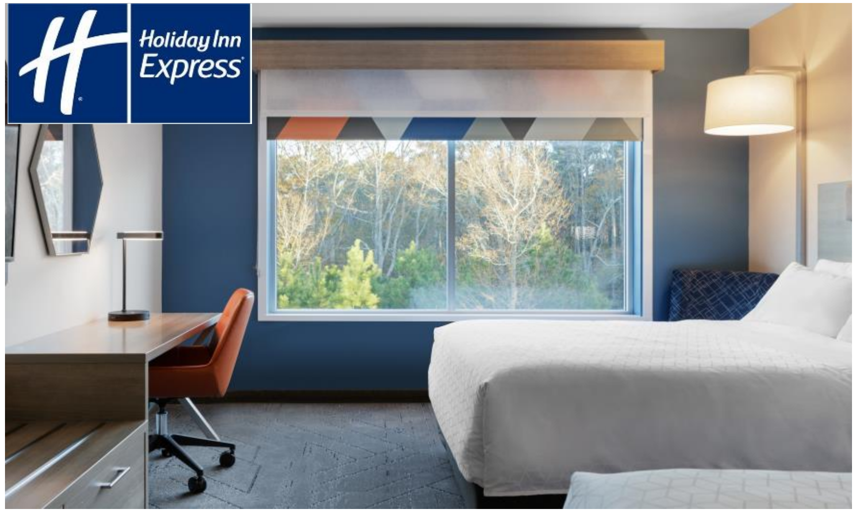
Build loved and trusted brands
- Places to interact and connect

- Key signature features of Atwell Suites include spaces to connect and collaborate
- Guests can create personalised environments with more flexible meeting spaces
- Attractive returns for owners in a fast growing segment, leading to accelerated signings pace in 2021

- Open Lobby product now installed/committed across more than 90% of the estate in Europe
- Driving uplifts in guest satisfaction and Food & Beverage revenue
- Attractive returns for owners, with typical payback in 3-5 years

- Refreshed brand design, including updated room layout and lobby design conducive to co-working
- Approximately 50% of global estate recently renovated or committed to near-term renovation. This includes two-thirds of hotels in the Americas region
- Renovated hotels continue to see improvement in financial performance and guest satisfaction

Build loved and trusted brands
- Holiday Inn Express: Category leadership

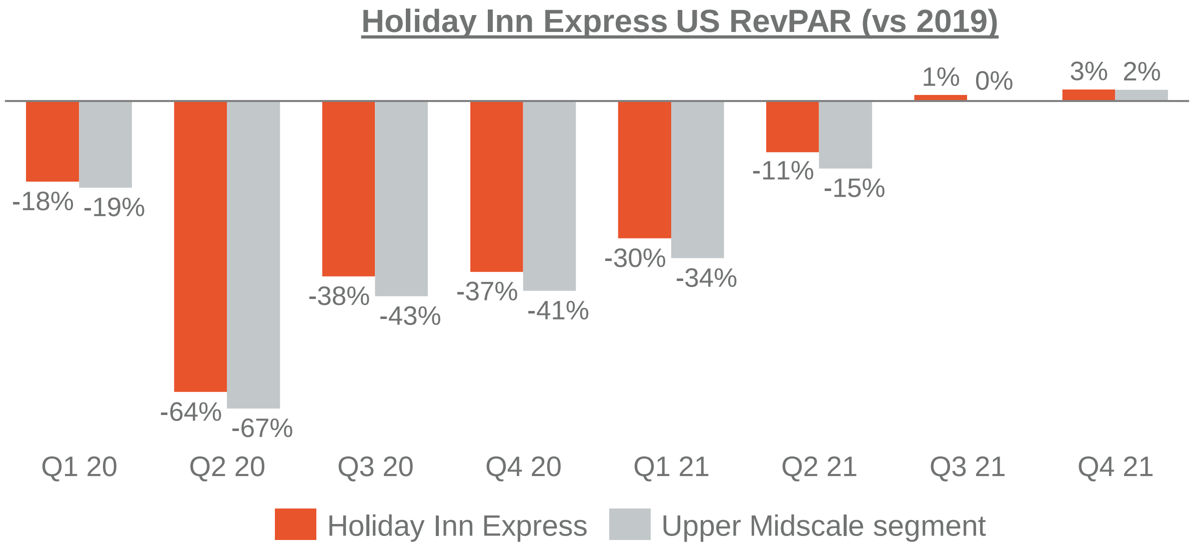


>3,000 Holiday Inn Express hotels; single largest global brand in the industry

Holiday Inn Express: Formula Blue

- Next generation hotel room and public area designs launched in 2014
- Have continually updated Formula Blue guestroom and public space designs
- On track for ~70% adoption across US and Canada by end of 2022
- Delivering ~10% cost saving for owners and 5%pt premium in Guest Satisfaction scores

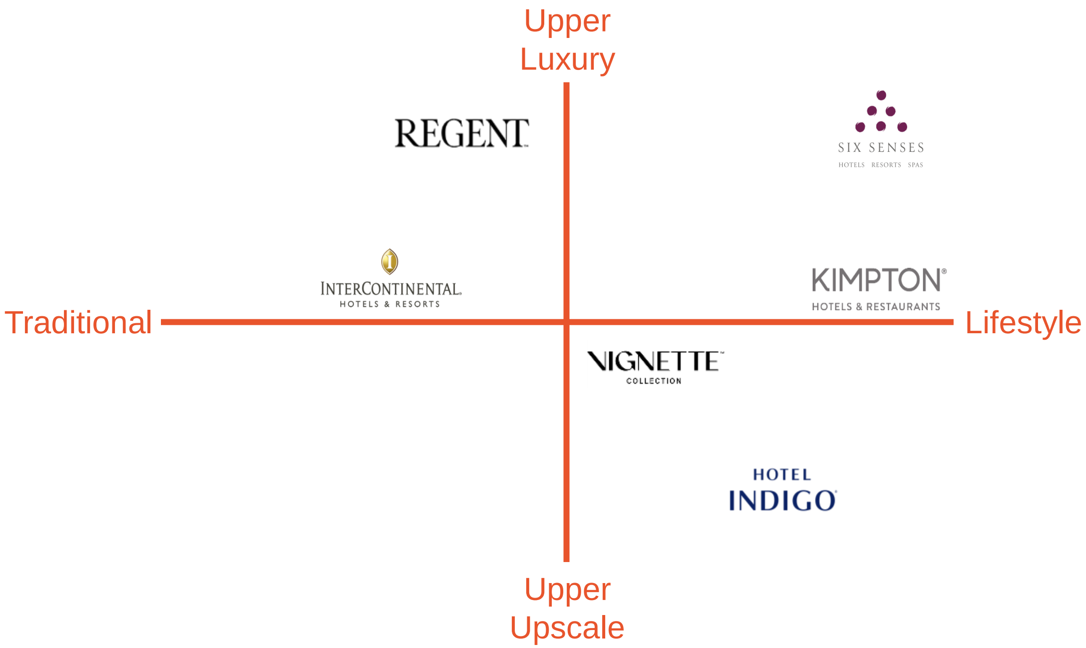
Strong RevPAR recovery during 2021



Source: STR

Build loved and trusted brands
- Increased weight of Luxury & Lifestyle

IHG has developed a well balanced consumer offer across Luxury & Lifestyle

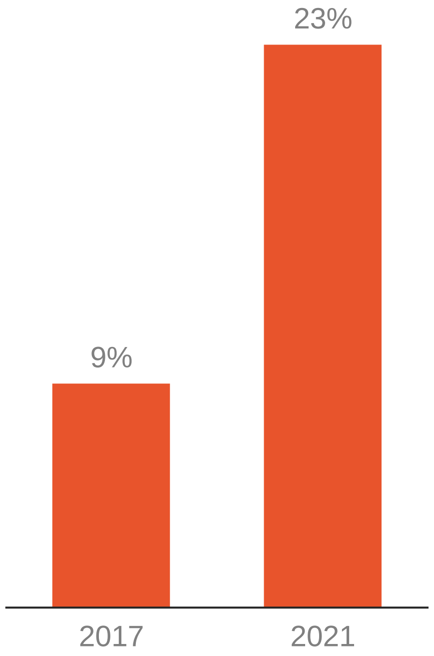


Nearly 200 years of Luxury expertise across our brands

- Built upon the heritage of InterContinental Hotels & Resorts, the world's single largest luxury hotel brand
- Addition of Kimpton Hotels & Restaurants brought luxury F&B expertise
- Sustainable tourism, Spa and wellness capabilities enhanced with Six Senses
- Upper Luxury knowhow from Regent

Proportion of signings from higher value Luxury & Lifestyle hotels is up by 2.5x

% of signings from Luxury & Lifestyle



IHG HOTELS & RESORTS

Build loved and trusted brands
- Further developments in Luxury & Lifestyle

REGENT

- Completed rebranding plan to reinvigorate Regent's brand identity, design aesthetic, service culture and visual image
- Transformation of InterContinental Hong Kong to Regent on track to be completed in 2022
- Opening of Regent Phu Quoc, Vietnam in 2022
- 7 open Regent hotels and 8 in pipeline


Regent Sanya Haitang Bay and Hotel Indigo Sanya Haitang Bay *(due to open in 2026)*

KIMPTON
HOTELS & RESTAURANTS

- Continued international expansion of Kimpton after first opening outside US in 2017
- Footprint rapidly grown with openings from Paris to Koh Samui, signings in Australia; new resort locations include Mallorca
- First Kimpton hotel in Mainland China in Suzhou expected to open in 2022
- 75 open Kimpton hotels and 35 in pipeline


Kimpton Mallorca *(due to open in 2022)*

Customer centric in all we do
- Supporting owners to maximise ROI

Focus on efficient design and cost management

New cost effective prototype with a 15% reduction in building size

In its latest format, now achieving a ~10% reduction in cost per key across furniture, fixtures and equipment

New prototypes with more efficient and flexible base plans

Holiday Inn Express Lumberton, NC, US

Faster ramp up of new hotel openings

- Upweighting commercial support through opening process
- Provide broader procurement programmes to owners
- Significant acceleration in ramp up time across a number of brands through 2021

Staybridge Suites Temecula, CA, US

Customer centric in all we do – Transforming loyalty

100m+
members and growing

~50%
of room nights consumed by members

20%
more spend than non-members

9x
more likely to book direct

~15%
less points required to book[1]

IHG® REWARDS

More Value

Strong Benefits

Exceptional Choice

[1] achieved through Reward Night Dynamic pricing

Create digital advantage
- Leveraging technology to drive profits and performance

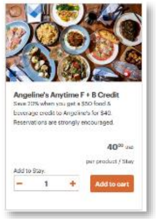
- Completed **room inventory reset** across ~95%[1] hotels
- Carried out **rate simplification** and **rate parity** initiatives, including centralisation of wholesale distribution
- Enables the ability of **attribute pricing**, allowing guests to choose rooms based on specific characteristics
- Addition of non-room **stay enhancements** gives even greater opportunity for **upsell and cross-sell**
- Owners can **unlock value** through optimising dynamic pricing for most desirable attributes and enhancements
- Guests fully able to **customise their stay**
- **Initial results from our pilot have been positive** in delivering improved guest experience and bringing valuable hotel stay options to life
- Full options only available to guests who book **direct through IHG channels**
- Further functionality to be rolled out in 2022 with **launch of next generation IHG mobile app**

Attribute choice

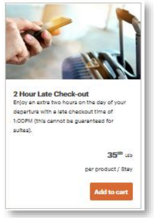
ROOM NO.	ATTRIBUTE							INV. TYPE
						...		
901	✓	✓	✓				✓	H45L
902	✓		✓	✓	✓	✓	✓	P84C
903		✓	✓	✓		✓	✓	N76U
201	✓	✓	✓					R12K
202	✓		✓	✓	✓	✓		B76T
203	✓		✓	✓	✓	✓		B76T
204	✓	✓		✓	✓	✓		X89R

Stay enhancements

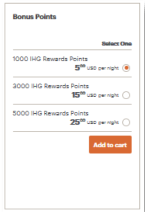
F&B offers



Late/early vheck-in/out



Bonus points



Parking

Amenities in room

Other examples
- Rollaway beds
- Club access
- Spa offers
- Attractions
- Local curated experiences

[1]: As at February 2022

Care for our people, communities and planet - 2030 Responsible Business ambitions and commitments

Champion a diverse culture where everyone can thrive

- Corporate employees completed >10,000 hours of Conscious Inclusion training that will be extended to hotel leadership in 2022
- Expanded Employee Networks with more than 1,300 members globally; represent groups including ethnic minorities and LGBT+
- Named a Global Best Employer by Kincentric

KINCENTRIC Best Employers

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

- Further evolved our IHG Academy programme with the launch of IHG Skills Academy
- 40,000 colleagues volunteered to help more than 350,000 people during IHG's Giving for Good month in September 2021
- Supported multiple relief efforts

IHG® Skills Academy

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

- Upgraded our 2030 science-based target to 1.5ºC that delivers:
  - 46% absolute reduction in CO_2 from our owned, leased, managed and franchise hotels
- Every single hotel globally has its own energy metric
- Maximise / optimise the role of renewable energy

RACE TO ZERO

Pioneer the transformation to a minimal waste hospitality industry

- Bulk bathroom amenities in place or agreed for all brands and markets globally
- Targeting elimination of single use-items across the guest stay
- Global food waste training
- Pilot project with WRAP in the UK, allowing learnings to be rolled out globally

wrap

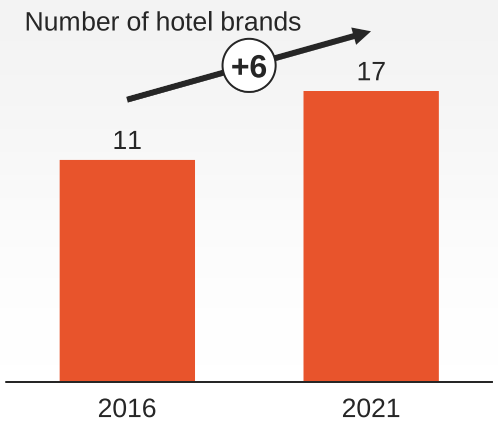
Conserve water and help secure water access in those areas at greatest risk

- Completed hotel level risk mapping to inform future strategy
- Water stewardship projects underway including in Greater China and Australia
- WASH: pilots to support water.org projects helping to reach 15,000 people gain access to clean water in India, Indonesia and Mexico

ALLIANCE FOR WATER STEWARDSHIP

Our multi-year journey to a better, stronger company
- Supporting confidence in industry-leading net system growth

Rounded out brand ladder



Enhancing established brands and global reach

- Creating an industry leading Luxury & Lifestyle offer (13% of system size and 19% of pipeline)
- Over 1,200 hotels with Holiday Inn Express next generation guest room designs across North America estate since launch in 2014
- New Holiday Inn public space and guest rooms designs in the US now present or committed to in >250 hotels since 2017
- Extended lead in China; highly successful internationalisation of brands

Delivering a stronger connection with guests

- **Improved booking experience:** development of easy to book stay enhancements and next generation mobile app
- **Loyalty:** transforming the IHG Rewards programme
- **Journey to Tomorrow:** launch of ambitious 2030 Responsible Business Commitments
- **Guest Satisfaction:** outperforming peers with index at or above 100 for all brands while driving quality and consistency of estate

Driving returns for owners

- **Superior technology platforms:** IHG Concerto recognised as the industry leader in supporting how owners assess property performance through real time insights and analytics
- **Increased enterprise capability:** cost effective distribution for owners
- **Strengthened procurement:** delivered net year-on-year savings of more than 10% for owners across the $1.3bn of spend managed by IHG

Conclusions
- Confident on future growth prospects and our strategic priorities

- Strong financial performance with operating profit from reportable segments more than doubling and net debt substantially reducing
- Emerging from the pandemic a stronger and more agile business
- Hotel development environment strengthening: 291 hotel openings and 437 signings, a sizeable increase
- Executing against our strategic priorities and well placed to achieve our ambition of industry-leading net rooms growth in the years ahead
- Actions taken over last two years position us well to exceed pre-pandemic levels of growth and profitability
- Confidence in the strength of IHG's enterprise, market positioning and ability to drive attractive levels of long-term, sustainable growth

2021 Full Year Results

Q&A

IHG HOTELS & RESORTS

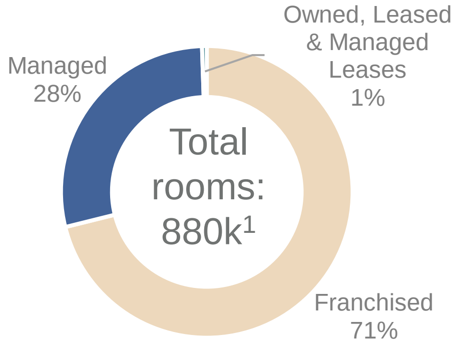

Hotel X, Vignette Collection, Brisbane, Australia

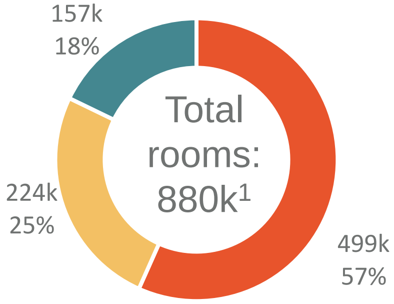
Appendices

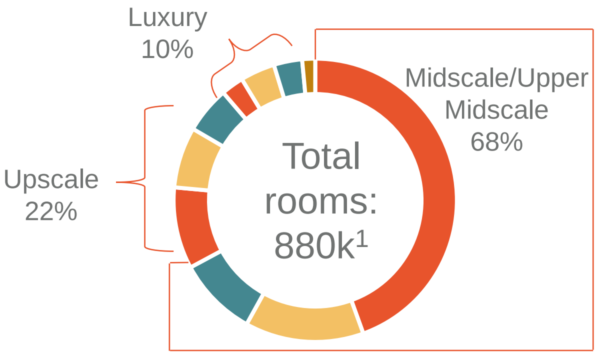
Strong portfolio of preferred brands, geographically diverse and asset light

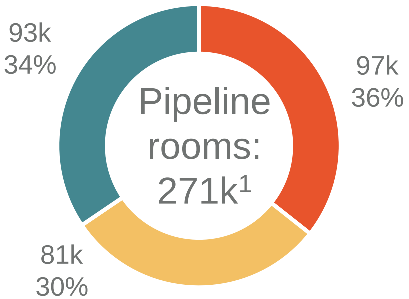
	Suites	Essentials	Premium	Luxury & Lifestyle
Strong portfolio of brands				

Asset light and geographically diverse









Americas
EMEAA
Greater China

High quality fee stream

~90% of profits from fee business fees
~80% of fee revenue linked to hotel revenues
~10% of fee revenue linked to hotel profits

[1] Rooms as at 31 December 2021

IHG HOTELS & RESORTS

Build loved and trusted brands
- Continued resilience across Essentials and Suites

	Essentials			Suites		
	Holiday Inn Express	Holiday Inn	avid	Staybridge Suites	Candlewood Suites	Atwell Suites
System[1]	3,016	1,190	48	315	361	-
Pipeline[1]	645	244	164	156	93	23
Chain scale[2]	Upper Midscale	Upper Midscale	Midscale	Upscale	Midscale	Midscale

Holiday Inn Express

- ~60% occupancy in Q4
- Outperformance on Guest Satisfaction Index and up YoY
- Formula Blue 2.0 in Americas delivering ~10% cost savings for owners

Holiday Inn

- Two-thirds of Americas estate recently/ committed to renovation
- Open Lobby adopted in nearly entire estate in Europe

avid

- Outperformance across Guest Satisfaction Index (GSI)
- 105 hotels under construction or with plans approved/ submitted

Suites

- >70% occupancy in Q4 across Extended Stay brands; ahead of 2019 levels
- Signed 68 properties across Suites brands in FY21
- New prototype design with lower cost-to-build; open/committed in >170 **Candlewood Suites** and >160 **Staybridge Suites**
- Construction underway for 3 **Atwell Suites** with first property in Miami on track to open in Q1; continued positive response from owners and interest in conversion opportunities

[1] Hotels as at 31 December 2021; [2] STR classification

Build loved and trusted brands
- Expanding our Premium and Luxury & Lifestyle offerings

	Premium				Luxury & Lifestyle					
	voco	Crowne Plaza Hotels & Resorts	EVEN Hotels	HUALUXE Hotels and Resorts 華邑酒店及度假村	Six Senses Hotels Resorts Spas	Regent	InterContinental Hotels & Resorts	Vignette Collection	Kimpton Hotels & Restaurants	Hotel Indigo
System[1]	31	404	21	16	21	7	204	1	75	130
Pipeline[1]	38	96	29	23	33	8	79	5	35	114
Chain scale[2]	Upscale	Upscale	Upscale	Upscale	Luxury	Luxury	Luxury	Luxury	Upper Upscale	Upper Upscale

- Strong momentum across Premium brands
- voco hotels: good momentum with ~70 hotels signed since launch; open hotels delivering strong commercial performance
- Crowne Plaza Hotels & Resorts: review completed; three-quarters of Americas estate updated, committed or undergoing renovation
- EVEN hotels: seven further signings in Greater China, taking pipeline in the region to 19
- HUALUXE: eleven openings and signings during 2021 including Hualuxe Suzhou Bay Hot Spring Resort

- Guest Satisfaction Index at 100 or above across all brands
- Six Senses Hotels Resorts Spas: iconic openings in Brazil, Ibiza and Israel
- Regent: development of the Regent Spa; Regent Hong Kong on track for opening in 2022
- InterContinental Hotels: 23 signings in the year; significant capital outlay on renovation by owners to further elevate brand
- Vignette Collection: six hotels signed following launch in August
- Kimpton Hotels & Restaurants: continued internationalisation of brand; New resort properties expected to open in Bali and Mallorca during 2022
- Hotel Indigo: on track to double estate over next 3-5 years

[1] Hotels as at 31 December 2021; [2] STR classification

Care for our people, communities and planet - 2030 Responsible Business ambitions and commitments

Champion a diverse culture where everyone can thrive

- Drive gender balance and a doubling of under-represented groups across our leadership
- Cultivate an inclusive culture for our colleagues, owners and suppliers
- Support all colleagues to prioritise their wellbeing and the wellbeing of others
- Drive respect for and advance human rights

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

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

- Implement a 2030 science based target that delivers:
  - 46% absolution reduction in GHG emissions across scope 1, 2, and scope 3 from a 2019 base year
- Target 100% new build hotels to operate at very low / zero carbon emissions by 2030
- Maximise / optimise the role of renewable energy

Pioneer 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

Conserve water and help 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

Revenue and operating profit FY 2019-21

Actual US$ (m)	Total revenue Full Year			Total operating profit[1] Full Year		
	2021	2020	2019	2021	2020	2019
Franchise and base management fees	683	452	840	-	-	-
Incentive management fees	8	5	13	-	-	-
Fee Business	691	457	853	568	323	663
Owned, Leased & Managed Leases	83	55	187	(9)	(27)	37
Total Americas	**774**	**512**	**1,040**	**559**	**296**	**700**
Franchise and base management fees	120	93	247	-	-	-
Incentive management fees	29	14	90	-	-	-
Fee Business	149	107	337	32	(18)	202
Owned, Leased & Managed Leases	154	114	386	(27)	(32)	15
Total EMEAA	**303**	**221**	**723**	**5**	**(50)**	**217**
Franchise and base management fees	91	61	87	-	-	-
Incentive management fees	25	16	48	-	-	-
Fee Business	116	77	135	58	35	73
Total Greater China	**116**	**77**	**135**	**58**	**35**	**73**
Central Results	197	182	185	(88)	(62)	(125)
Total Reportable Segments	**1,390**	**992**	**2,083**	**534**	**219**	**865**
Reimbursement of Costs	589	637	1,171	-	-	-
System Fund	928	765	1,373	(11)	(102)	(49)
Total IHG	**2,907**	**2,394**	**4,627**	**523**	**117**	**816**

[1] Before exceptional items

Fee Business growth rate analysis vs 2020

FY 2021	RevPAR growth % Comparable	 Total[2]	Net rooms growth % YoY	 Available[2]	Underlying Fee Revenue[1] Growth %	Comments
	Hotels that have traded in all months being compared (i.e. steady state)	All hotels that were open in FY 2021 and FY 2020 (incl hotels that are ramping up)	31 December 2021 vs 2020	Aggregate number of rooms available for sale in FY 2021 vs FY 2020		
Americas	53.8%	55.3%	(2.8)%	0.1%	51.2%	
EMEAA	34.8%	35.4%	1.5%	1.6%	36.7%	
Greater China	20.6%	18.4%	8.9%	8.8%	34.1%	• Fee revenue growth benefited from higher levels of incentive management fee income
Total Fee Business	**45.9%**	**45.6%**	**(0.6)%**	**1.9%**	**37.7%**	• Group Fee revenue growth impacted by lower rate of growth in Central revenues

[1] Underlying fee revenue and excludes owned, leased and managed lease hotels, significant liquidated damages, current year disposals, System Fund results and hotel cost reimbursements at constant FY 2021 exchange rates (CER).
[2] Underlying fee business total RevPAR and available rooms excluding the SVC portfolio termination of 16.7k rooms (102 hotels) in Q4 2020

Fee Business growth rate analysis vs 2019

FY 2021	RevPAR growth % Comparable	RevPAR growth % Total[2]	Net rooms growth % YoY	Net rooms growth % Available[2]	Underlying Fee Revenue[1] Growth %	Comments
	Hotels that have traded in all months being compared (i.e. steady state)	All hotels that were open in FY 2021 and FY 2019 (incl hotels that are ramping up)	31 December 2021 vs 2019	Aggregate number of rooms available for sale in FY 2021 vs FY 2019		
Americas	(19.7)%	(20.0)%	(4.7)%	2.6%	(18.6)%	
EMEAA	(51.6)%	(52.9)%	0.8%	4.7%	(54.3)%	
Greater China	(28.7)%	(32.8)%	15.9%	21.3%	(19.1)%	• Fee revenue growth impacted by lower levels of incentive management fee income
Total Fee Business	**(29.6)%**	**(31.8)%**	**(0.2)%**	**5.9%**	**(23.3)%**	• Fee revenue growth impacted by lower levels of incentive management fee income

[1] Underlying fee revenue and excludes owned, leased and managed lease hotels, significant liquidated damages, current year disposals, System Fund results and hotel cost reimbursements at constant FY 2021 exchange rates (CER).
[2] Underlying fee business Total RevPAR and available rooms excluding the SVC portfolio termination of 16.7k rooms (102 hotels) in Q4 2020

2021 notable items

Significant items		FY 2021	FY 2022
Payroll tax credit	Americas	$11m	$1m
Operating loss from three disposed Owned hotels[1]	Americas	$(3)m	$-
Individually significant Liquidated Damages	Greater China	$6m	-

[1] In 2019, the results of three disposed owned hotels were $2m of income

IHG HOTELS & RESORTS

Currency translation

Region[1]	Reportable Segments Reported FY 2021 vs FY 2020 at FY 2020 rates[2]		Reportable Segments FY 2021 at average Jan 2022 rate vs reported FY 2021[3]	
	Revenue	EBIT	Revenue	EBIT
Americas	-	$2m	-	-
EMEAA	$8m	$(1)m	$(4)m	$1m
Greater China	$5m	$1m	$2m	$1m
Central Overheads	$3m	$(2)m	-	$2m
Total IHG	**$16m**	**-**	**$(2)m**	**$5m**

[1] Major non-USD currency exposure by region (**Americas:** Canadian Dollar, Mexican Peso; **EMEAA:** British Pound, Euro, Russian Rouble, Japanese Yen, Singapore Dollar; **Greater China:** Chinese Renminbi; **Central:** British Pound). [2] Based on monthly average exchange rates each year. [3] Based on Jan 22 average rates: 0.74 USD:GBP; 0.88 USD:EUR.

FY 2019 underlying fee business revenue and operating profit non-GAAP reconciliations

	Americas		EMEAA		Greater China		Central		Total IHG	
	Revenue	Operating Profit	Revenue	Operating Profit	Revenue	Operating Profit	Revenue	Operating Loss	Revenue	Operating Profit
	$m	$m	$m	$m	$m	$m	$m	$m	$m	$m
Per FY 2019 financial statements	1,040	700	723	217	135	73	185	(125)	2,083	865
Reportable segments analysed as:										
Fee business	853	663	337	202	135	73	185	(125)	1,510	813
Owned, leased and managed lease	187	37	386	15	-	-	-	-	573	52
	1,040	700	723	217	135	73	185	(125)	2,083	865
Reportable segments (see above)	1,040	700	723	217	135	73	185	(125)	2,083	865
Significant liquidated damages	-	-	(11)	(11)	-	-	-	-	(11)	(11)
Owned asset disposal[1]	(41)	(6)	(25)	(1)	-	-	-	-	(66)	(7)
Currency impact[2]	(5)	-	5	7	1	4	(1)	(6)	-	5
Underlying revenue and underlying operating profit	994	694	692	212	136	77	184	(131)	2006	852
Owned, leased and managed lease included in the above	(145)	(31)	(366)	(14)	-	-	-	-	(511)	(45)
Underlying fee business	849	663	326	198	136	77	184	(131)	1,495	807

[1] Americas: The revenue and operating profit/loss of InterContinental San Juan has been removed in 2019 (disposed in 2020) along with the operating profit/loss of three EVEN hotels (disposed in 2021) to determine underlying growth; EMEAA: The results of InterContinental Nairobi (disposed 2021) and Holiday Inn Melbourne Airport (disposed 2020) have been removed to determine underlying growth. [2] Stated at constant FY 2021 exchange rates (CER).

Ordinary shares

Number of shares	At 31 December 2021	At 31 December 2020
Opening balance at 1 January	187.7	187.7
Closing balance at 31 December	**187.7**	**187.7**
Basic weighted average shares	183.0	182.5
Dilutive potential ordinary shares[1]	1.1	-
Basic diluted average shares	**184.1**	**182.5**

1. The effect of the notional exercise of outstanding ordinary share awards was anti-dilutive in 2020 and therefore was not included in the diluted earnings per share calculation.

Note: The total number of shares held as treasury shares at 31 December 2021 was 3.7m (2020 5.1m).

This presentation may contain projections and forward looking-statements. The words “believe”, “expect”, “anticipate”, “intend” and “plan” and similar expressions identify forward-looking statements. All statements other than statements of historical facts included in this presentation, including, without limitation, those regarding the Company’s financial position, potential business strategy, potential plans and potential objectives, are forward-looking statements. Such forward-looking statements involve known and unknown risks, uncertainties and other factors which may cause the Company’s actual results, performance or achievements to be materially different from any future results, performance or achievements expressed or implied by such forward-looking statements. Such forward-looking statements are based on numerous assumptions regarding the Company’s present and future business strategies and the environment in which the Company will operate in the future. Further, certain forward-looking statements are based upon assumptions of future events which may not prove to be accurate. The forward-looking statements in this document speak only as at the date of this presentation and the Company assumes no obligation to update or provide any additional information in relation to such forward-looking statements.

The merits or suitability of investing in any securities previously issued or issued in future by the Company for any investor’s particular situation should be independently determined by such investor. Any such determination should involve, inter alia, an assessment of the legal, tax, accounting, regulatory, financial, credit and other related aspects of the transaction in question.