



FAQ | Low Carbon Pioneers programme

What is the Low Carbon Pioneers programme (LCP)?

A new and exciting next step for IHG is the launch of our Low Carbon Pioneers programme, which brings together energy efficient hotels that have no fossil fuels combusted on-site* and are backed by renewable energy. The first community of its kind in the industry, this group of low operational carbon hotels will help us test, learn and share findings on sustainability measures. The ambition is to inspire other properties to join the programme and also help encourage wider adoption of carbon reduction practices across IHG's estate.

*Except for backup generators that fall below 5% of the hotel's total annual energy consumption.

What makes a hotel eligible for Low Carbon Pioneers status?

For a hotel to be included in the Low Carbon Pioneers programme, it must meet the following criteria:

- **Energy efficient:** Hotels must show they have a credible level of energy efficiency. Please see here for the full programme requirements on ihgplc.com.
- **Zero fossil fuels combusted on site:** No fossil fuels are permitted on site except for backup generators that fall below 5% of the hotel's total annual energy consumption. Bioenergy is permitted for smaller items (e.g., charcoal stoves or fire pits).
- Renewable energy
 - 3a. Low Carbon Hotel Backed by renewable energy: All energy used by the hotel must come from onsite renewable energy and/or be backed by energy attribution certificates
 - 3b. Low Carbon Ready Hotel Optimised onsite renewables: These hotels operate in countries or districts where it is not currently possible to fully back all energy with renewables.
- Globally recognised sustainability certification: Hotels part of the Low Carbon Pioneers
 programme must have an operational certification from a programme recognised by the Global
 Sustainable Tourism Council, such as Green Key. Sustainable building certifications such as
 LEED, BREEAM or EDGE are also allowed. In addition, hotels should ensure that certain
 operational practices are in place, including no single use water bottles in guestrooms and
 meetings and waste segregation. New hotels will have 12 months to certify from when they open.
- **Complete and verifiable energy data:** Hotels must enter all their energy data into IHG Green Engage, backed up by invoices monthly within 3 months of opening.

It is important to recognise that the criteria will continue to evolve over time in line with standards and best practice.

Note: These hotels are classified as low carbon, not zero carbon, as they will still generate carbon in their construction and through their purchased goods and services.

How many hotels are in the programme? Which hotels are in the programme?

Our first Low Carbon Pioneers include the Holiday Inn Express Madrid Airport and Iberostar Waves Cristina, both in Spain, and the Kimpton BEM Budapest in Hungary, with more properties to follow globally. You can find out more about these hotels here:

- Holiday Inn Express Madrid Airport, Spain
- Iberostar Waves Cristina, Spain
- Kimpton BEM Budapest, Hungary

How will consumers know that a hotel is part of the Low Carbon Pioneers programme?

Guests seeking more sustainable stays will find our Low Carbon Pioneer hotels clearly marketed as low carbon or low carbon ready across IHG's booking channels to make it clear which ones are energy efficient, have no fossil fuels combusted on-site* and are backed by renewable energy.





These hotels will also be listed here - https://www.ihgplc.com/en/responsible-business/carbon-and-energy/low-carbon-pioneers

*Except for backup generators that fall below 5% of the hotel's total annual energy consumption.

Is there a difference in rate with hotels that are part of the programme?

Rate is set by the hotel's third-party owner and is impacted by variables such as supply and demand.

How do you intend to expand the programme?

The first community of its kind in the industry, this group of low operational carbon hotels will help IHG test, learn and share findings on sustainability measures. The ambition is to inspire other properties to join the programme and also help encourage wider adoption of carbon reduction practices across IHG's estate.

We're working with our owners to explain the benefits of future proofing their businesses. We are also committed to collaborating closely with governments and industry bodies to enhance access to renewable energy and help reduce the cost of essential technologies.

Additional properties will join the programme across IHG's regions. As part of the programme, we are also developing a low-carbon ready group of hotels in preparation for when it becomes possible to fully back all energy with renewables in countries or districts where this is not currently available.

Is this programme available in all markets?

Yes. However, the immediate primary focus is in EMEAA, where owners can see regulation and carbon pricing policies coming faster.

Will the programme criteria become standard for all new build hotels?

This group of low operational carbon hotels will help us test, learn and share findings on sustainability measures. The ambition is to inspire other properties to join the programme and also help encourage wider adoption of carbon reduction practices across IHG's estate. It is important to recognise that the criteria will continue to evolve over time in line with standards and best practice.

The programme is an important next step for IHG and its sustainability journey, but we know it remains one of many we need to take with our owners. An acceleration at scale for both IHG and the wider industry also relies on broader support from governments ranging from greater access to renewable energy and incentives for owners, to a reduction in the cost of technology that speeds up the industry's transition to a greener, more resilient future. IHG is committed to working across industry bodies and with governments to help achieve this, alongside working with more owners to become Low Carbon Pioneers and encouraging others across IHG's estate to adopt carbon reduction practices.

This programme will allow IHG to build a strong commercial case for low carbon hotels, allowing us to showcase the value to current and future owners.

Can existing hotels join the Low Carbon Pioneers programme?

Yes, existing hotels can join the programme if they meet the requirements. Hotels that do not meet the conditions will be supported and encouraged by our teams to help them make changes to their hotel if they wish to meet the criteria of the programme or become more environmentally friendly through the adoption of carbon reduction practices.

How does the Low Carbon Pioneers programme differ from Green Key Global operational carbon?

The main difference is the additional requirements that our programme has. Green Key does not require hotels to be all electric, have renewable energy in place or meet specific energy efficiency targets, whereas all Low Carbon Pioneer hotels within the programme need to be:

Energy efficient





- Zero fossil fuels combusted on site (Except for backup generators that fall below 5% of the hotel's total annual energy consumption)
- Backed by 100% renewable energy
- Have a globally recognised sustainability certification (New hotels will have 12 months to certify from when they open)
- · Complete and verifiable energy data

What incentives are in place to encourage hotels to join the Low Carbon Pioneers programme?

We believe there is a strong case for owners to make their hotels very low operational carbon over time to future-proof their business. There are three potential key drivers to the business case:

- 1. Guest demand: Guests seeking more sustainable stays will find hotels clearly marketed as low carbon or low carbon ready across IHG's booking channels to make it clear which ones are energy efficient, have no fossil fuels combusted on-site* and are backed by renewable energy. With almost all IHG's top global corporate accounts setting net-zero or carbon-neutral targets, these hotels will be attractive to corporate clients looking to meet their own sustainable travel commitments.
- 2. **Future proofing the asset**: Operationally, these properties are more energy efficient and can provide greater alignment with environmental regulatory changes. As it is much more expensive to retrofit energy efficiency measures, future proofing assets at new build makes long term financial sense.
- 3. **Financing costs**: Some European banks are providing preferential finance rates for owners developing certified low carbon hotels.

*Except for backup generators that fall below 5% of the hotel's total annual energy consumption.

What is the initial step for hotels interested in joining the Low Carbon Pioneers programme? Open IHG hotels interested in joining the programme can email crteam@ihg.com. Owners interested in developing a Low Carbon Pioneer with IHG can contact us here.

What ongoing support is provided to hotels that are Low Carbon Pioneers?

Low Carbon Pioneers will be marketed as low carbon or low carbon ready on our app and website (in due course) and will be promoted to key corporate clients with corporate reduction goals. In addition, they will be provided with their own marketing toolkit to enable them to do their own promotion.

Are there existing sustainability brand standards that IHG hotels are required to meet? All IHG hotels should comply with brand standards, including the installation of LEDs, high-efficiency showerheads, and high-efficiency faucets. These requirements are continuously evolving, particularly those related to reducing energy consumption.

Who do I contact if I am interested in opening a Low Carbon Pioneer hotel?

You can contact your regional Development team or your Operations point of contact. Hotels can email crteam@ihg.com to find out more about the programme and enrolment.