



IHG[®]
HOTELS & RESORTS

True Hospitality for Good

RESPONSIBLE BUSINESS REPORT
2022

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About this report

With hotels in thousands of communities all over the world, our business and brands touch the lives of millions of people every day. By caring for our guests and colleagues, working together with our hotel owners, protecting the environment and giving back to our communities, we deliver our purpose of True Hospitality for Good.

Our actions are shaped by a culture of strong governance and policies, and a series of ambitious commitments set out in our Journey to Tomorrow 2030 responsible business plan.

In this report, we will share our approach, progress and plans on how we will continue to shape the future of responsible travel. This will include an overview of IHG's responsible business strategy and environmental, social and governance (ESG) performance for 1 January to 31 December 2022 (referred to as 'this year'), focusing mainly on the activities of our operations across the world. Where we have access to wider data sets from across our value chain, we have indicated the change in scope. We obtain third-party assurance over selected data disclosed in this report, as indicated in our 2022 assurance statements.

In addition to the information found in this report and on our website, we externally report in our Annual Report.

→ See our assurance statements for carbon and water and our full ESG databook at: <https://www.ihgplc.com/en/responsible-business/reporting>

→ See our Annual Report at <https://www.ihgplc.com/en/investors/annual-report>



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CHAIR'S STATEMENT



Our Chair's Statement

Welcome to IHG® Hotels & Resorts' Responsible Business Report, which outlines our commitment to operate and grow in ways that support our people, drive positive change in our communities, and look after the world around us.

I have joined IHG at a time when there is great focus on the environmental and social impact of businesses, and in particular an ability to help build a more resilient and healthy society and planet. IHG understands this and has put meaningful, relevant and ambitious commitments in place to operate and grow in the right way for all stakeholders, aligned to its purpose of True Hospitality for Good and driven by a clear focus on action, change and measurement.

Expectations of companies are always changing – whether it's a new generation of travellers connecting with brands in different ways or pushing to see businesses operate more responsibly; investors increasing focus on environmental, social and governance topics; or people wanting to work for a company that cares about them and the world around them.

Our approach to responsible business

IHG's commitment to responsible business starts at the top. A clear part of the Board's agenda is to ensure the highest ethical standards of governance are maintained to support our culture, values and commitment to conducting business responsibly; and our CEO, Executive Committee and Senior Leaders make sure governance is embedded, measured and upheld on a daily basis, adapting policies and initiatives if necessary to ensure continued alignment of strategy and culture.

Aligned to the UN Sustainable Development Goals (SDGs), Journey to Tomorrow – our 10-year action plan of clear responsible business commitments for our people, communities and planet – sets out a dedicated response in critical areas to our Company, growth aspirations and our stakeholders.

Our Responsible Business Committee is in place to specifically monitor progress against these 2030 commitments, including those relating to carbon and energy reduction, community

impact, diversity, equity and inclusion, and the incorporation of climate-related financial risks and opportunities into IHG's strategy and risk processes, in line with the recommendations of the Task Force on Climate-related Financial Disclosures (TCFD).

Part of my role as Chair is to encourage Board development and oversee changes that build and add new expertise and insights in recognition of the evolving nature of our business and stakeholder expectations. To this end, I review the training and development needs with each Director on a regular basis, with Board and Committee meetings regularly used to update Directors on developments in the environment in which the business operates. In 2022, these sessions included detailed discussions on the socio-political and economic outlook against the backdrop of war in Ukraine, labour market challenges, China's Covid policy and the move to a more decarbonised economy.

Delivering our plans

Ultimately, our ability to match words with robust plans and actions is what counts. In 2022, we made important progress in a several areas, including increasing the diversity of senior leadership in the US and UK and celebrating 90 graduations from our Rise programme, which focuses on increasing the number of women in General Manager and other senior positions in our managed hotels. In our communities, progress included supporting charities providing aid to people in need following natural disasters and war in Ukraine, and time has been spent mapping how we reach and measure our commitment to improve the lives of 30 million people by 2030. For our environmental commitments, we have launched a range of tools and metrics to support our hotels in reducing their carbon, waste and water impacts.

Collaboration is critical to our progress. Given our asset-light, largely franchised business model, many of our commitments require thoughtful ways of working with our hotel owners, including close communication with the IHG Owners Association, which represents thousands of our owners globally. To go further and faster against our ambitions, we have also built partnerships with expert organisations – whether it's energy efficient building specialists or international aid organisations that can help us achieve our commitments on a global scale. This year, we celebrated our 10-year partnership with CARE International, whom we have supported in providing a lifeline to vulnerable people in times of need, including through a range of humanitarian response efforts over the past decade.

The nature of having meaningful commitments that stretch to 2030 means IHG is on a journey that requires significant planning and consistent steps each year towards our goals. The progress made to date has put us on the right path and is testament to the strength of our leadership, colleagues, owners and partnerships.

In my first six months as Chair, I have seen first-hand the desire and diligence required to succeed. As a Board, we will focus on ensuring this continues to be matched with measurable progress and agility, and that it is ingrained within IHG's strategy and culture.

I would like to thank colleagues, owners and partners for their continued collaboration and hard work for the greater good.

Deanna Oppenheimer
IHG Chair



CEO'S STATEMENT



Our CEO's Statement

We have made more important strides together with our hotel teams and owners, partners and industry bodies against a stretching set of responsible business commitments that are helping IHG operate and grow in ways that look after our people, communities and planet.

What's critical to our success as a business is how it is achieved. At IHG Hotels & Resorts, we believe profit and growth are intrinsically linked with doing the right thing, and as we have evolved as a business, so has our ambition. Today, we measure growth in multiple ways, from our scale, brand portfolio, guest satisfaction, loyalty programme, market share and business reputation, to how we operate with purpose and in responsible and sustainable ways.

Our stakeholders and society as a whole expect this more rounded approach and to ensure it is embedded within our culture and operations, one of four priorities in our strategy is to care for our people, communities and planet. This is underpinned by our 10-year Journey to Tomorrow responsible business plan, which sets out commitments designed to have a positive impact on our business and the world around us.

Strategic progress

There is a lot to achieve by 2030, but I feel great pride in seeing our Company move forward in so many areas. This year, where we were again proud to be named a Kincentric Global Best Employer, we have made important progress with our diversity, equity and inclusion (DE&I) agenda. Today, 21% of our global leaders are ethnically diverse, representing 20 nationalities, and 34% of our leaders working at Vice President level and above are female.

To ensure we continue making progress, we hold important conversations around DE&I, including leader-led talks and the expansion of our Employee Resource Groups (ERGs), and we have extended conscious inclusion training to frontline hotel teams. Furthermore, we were named a Best Place to Work for LGBTQ+ Equality, earning a 100% score on the Human Rights Campaign Foundation's Corporate Equality Index for the eighth year running.

We also launched minimum core requirements for responsible labour practices in accordance with IHG's Human Rights Policy across our owned, leased and managed hotels.

As a global business, we're proud to be a part of thousands of communities and are focused on improving the lives of 30 million people through supporting disaster relief, tackling food poverty and by providing skills training that helps drives social and economic change. This year's Giving for Good campaign saw colleagues volunteer in different ways to help more than 100,000 people and we have launched a new network of Community Champions to increase our impact. Our free IHG Skills Academy virtual learning platform has expanded internationally to offer more people access to learning and development opportunities that improve employment prospects, and in the US we have partnered with Historically Black Colleges and Universities to develop a more diverse and inclusive early careers pipeline in what is our largest market.

Our work with charities is also critical to how we can make an impact among our communities, and in 2022 we supported organisations responding to numerous natural disasters around the world, as well as those providing aid, shelter and supplies to people impacted by the war in Ukraine. We also worked with the Tent Partnership for Refugees to train and hire refugees in some of our hotels in the US.

Sustainable future

When it comes to sustainability, there is a clear opportunity for the industry to adopt new practices, with progress requiring close collaboration with our hotel owners, suppliers, industry associations and government. To achieve our decarbonisation target alongside our growth ambitions, we are driving adoption of energy reduction measures in our hotels that prioritise both a positive environmental impact

and return on investment for our owners. We've also stepped up the use of technology that makes sustainability more seamless, action-orientated and insight-led, and in 2022 we developed our first community solar initiative for our hotels located in Maryland in the US. All of this has helped us to reduce carbon emissions on a occupied room basis by 5.8% from 2019.

With more than 1,800 hotels in our global pipeline, we recognise the importance of developing zero or very low carbon hotel prototype designs for future generations. Once again, collaboration with governments, peers and trade bodies will be crucial to supporting owners and the industry. Reaching our target will require the decarbonisation of electricity grids and a policy framework that supports businesses accordingly. In 2022, we helped to secure a tax credit for commercial buildings included in the Inflation Reduction Act in the US. This legislation reduces costs for owners associated with implementing energy efficiency measures for their properties.

Other important steps during the year included updating the sustainability credentials of our guest bathroom supplies, launching global food waste training for hotels, and expanding initiatives with food rescue organisations to minimise waste.

This all sets us up for an exciting year ahead, where we will continue advancing our talent and diversity agenda, being there for our communities in times of need, and investing significantly in the global cause to cut carbon emissions and waste. I want to thank our incredibly dedicated colleagues, owners and partners for keeping responsible business at the heart of what we do and striving to make IHG the best company it can be.



Keith Barr
Chief Executive Officer



INTRODUCTION

About IHG Hotels & Resorts



IHG Hotels & Resorts is a leading global hospitality company, with 18 hotel brands and IHG® One Rewards, one of the industry’s largest loyalty programmes. We have over 6,000 open hotels in more than 100 countries, and a further 1,800 hotels in the development pipeline, and our purpose of **True Hospitality for Good**, we strive to make a **difference every day** to our colleagues, guests, communities and the world around us.

911,627
total rooms in the IHG system

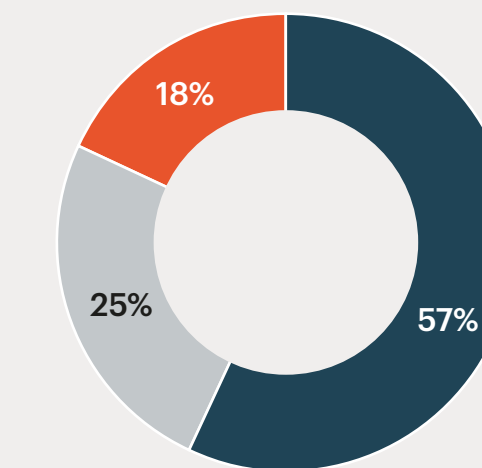
281,468
total rooms in the pipeline

72%
franchised rooms*

28%
managed rooms

<1%
owned, leased and
managed lease rooms

Total system size
by region



Americas	57%
EMEAA	25%
Greater China	18%

* Includes rooms in IHG’s system that have been added through the Iberostar Beachfront Resort commercial agreement

Our business model

We focus on offering guests great choices, rewards and experiences, while continuously developing and investing in our people, operations, sustainability, technology and design, in order to drive performance, demand and returns for our owners. IHG is an asset-light business, and our focus is on growing fee revenues and fee margins, which we can do with limited capital investment. This enables us to grow and invest in our business while generating high returns on invested capital and strong cash flow.

We generally franchise or manage hotels, with the decision largely driven by market maturity, owner preference and, in certain cases, the particular brand. Hotels in the Essentials category tend to be franchised, while Luxury & Lifestyle hotels are, more often than not, managed.

→ For definitions of our three main models, see page 48 in our Appendix.



Key differences between our three main models

Business model	Hotel ownership	IHG capital intensity	Employees	Brand ownership, marketing and distribution
Franchised*	Third party	Low	Third party	IHG
Managed	Third party	Low	IHG and third party	IHG
Owned, leased and managed lease	IHG	High	IHG	IHG

* Includes the Iberostar Beachfront Resorts commercial agreement

Our brands

IHG[®]
HOTELS & RESORTS

IHG ONE REWARDS

Our strategy

Our purpose

True Hospitality for Good

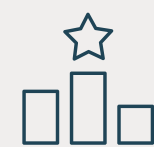
Our ambition

To deliver industry-leading growth in our scale, enterprise platform and performance, doing so sustainably for all stakeholders, including our hotel owners, guests and society as a whole.

Our strategy

Use our scale and expertise to create the exceptional guest experiences and owner returns needed to grow our brands in the industry's most valuable markets and segments. Delivered through a culture that retains and attracts the best people and embraces opportunities to positively impact the world around us.

Our priorities



Build loved and trusted brands



Customer-centric in all we do



Create digital advantage



Care for our people, communities and planet

Recognising the importance of growing successfully and sustainably, the fourth priority of our strategy is underpinned by a series of commitments to 2030.

Our 2030 responsible business plan

Being a responsible business

Aligned to our purpose of True Hospitality for Good and building on years of important progress, Journey to Tomorrow puts IHG on a longer-term path to positive change for our people, communities and planet.



Our people

Champion a diverse culture where everyone can thrive

→ [Find out more](#)



Communities

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

→ [Find out more](#)



Carbon & energy

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

→ [Find out more](#)



Waste

Pioneer the transformation to a minimal waste hospitality industry

→ [Find out more](#)



Water

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

→ [Find out more](#)

KEY PROGRESS

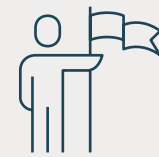
2022 highlights



People



Overall employee engagement at 86% (+1% on 2021), placing IHG as a Kincentric Global Best Employer.



21% of our global leaders are ethnically diverse, representing 20 nationalities.



Globally, 34% of our leaders working at Vice President level and above are female, and we are one of the few large global businesses to have a gender-balanced all-employee population, of which 58% is female.



After providing corporate colleagues and General Managers with conscious inclusion training in 2021, we extended this in 2022 to include frontline colleagues.



Recognised as Best Place to Work for LGBTQ+ Equality in the Human Rights Campaign Foundation's Corporate Equality Index in the US for the eighth year in a row, as well as in Mexico for the first time.



Launched minimum core requirements for responsible labour practices for IHG-owned, leased and managed hotels.

Communities



Responded to 10 relief efforts alongside our charity partners around the world.



Our IHG Academy Programme trained and mentored more than 7,400 people in 2022.



Colleagues dedicated more than 57,000 hours to making a positive difference to over 100,000 people during Giving for Good month.



Diversified early careers pipeline through development of a new programme with Historically Black Colleges and Universities in the US.



Teamed up with Tent Partnership for Refugees in the US to provide refugees with skills and jobs.



Helped launch the VietHarvest and JapanHarvest food rescue programmes through funding and colleague participation.

Planet



Introduced new energy metrics for hotels to accelerate decarbonisation.



Rolled out our Hotel Energy Reduction Opportunities (HERO) tool and decarbonisation training to improve energy efficiency in our hotels.



Secured bulk bathroom amenity supplier for more than 4,000 Essentials and Suites hotels to ensure the removal of bathroom miniatures, while developing a toolkit for hotels in EMEAA to reduce single-use plastics.



Launched our global food waste training e-learning module in 13 languages and made it part of the General Managers training programme in support of food waste measurement and reduction.



Helped secure a tax credit for owners making their properties more energy efficient through our work with the US government.



Launched our first community solar initiative for hotels in Maryland, US.

SECTION 2

Our approach to responsible business

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Our approach to responsible business



Our approach to responsible business shapes our operations and the strategic investments we're making to drive performance and strengthen our enterprise, recognising that how we grow and create positive change for the greater good is being followed more than ever by our stakeholders.

Key to delivering our strategic priority to care for our people, communities and planet is our Journey to Tomorrow plan. This is underpinned by commitments to our purpose, values, behaviours, workplace culture, risk appetite, and strong governance and accountability.

Stakeholder engagement

The relationship we build with our stakeholders is critical to informing our business decisions and delivering on our purpose of providing True Hospitality for Good. It provides a foundation and understanding against which we measure ourselves, protect our reputation and develop our commercial and social awareness.

We engage with our stakeholders at all levels of the business, from the Board, through the Executive Committee, Senior Leadership and corporate functions, to frontline operations, working towards common goals to create shared value for all.

→ See information on our engagement with key stakeholders in our Appendix on pages [44 and 45](#) and in our Section 172 statement in our [2022 Annual Report](#), pages 90 and 91.

The effectiveness of our engagement methods is measured through a range of metrics, including our KPIs (such as signings and pipeline), performance, ability to attract and retain talent, employee engagement survey results, adherence to the policies covered by our Code of Conduct, and AGM results. The views and interests of other stakeholders, such as regulators and industry bodies, are also taken into consideration.

OUR APPROACH TO RESPONSIBLE BUSINESS CONTINUED

Materiality

To guide our work and ensure that we can plan and prioritise our impact, we regularly conduct materiality assessments of ESG issues, which helps to align our focus with the most material issues to society, our industry and the long-term success of IHG.

Our 2020 materiality assessment played a key role in shaping the creation of our 2030 Journey to Tomorrow plan, which focuses on driving positive change for IHG and the world around us. Conscious of the rapidly evolving ESG landscape, in 2022, we worked with a third party to ensure our work continues to address key areas and identify where we can leverage our expertise and skills to make the biggest impact.



IHG is a Founding Partner of the Global Business Travel Association (GBTA) sustainability programme and is also a representative on GBTA's Sustainability Leadership Council.

The scope of the assessment covered all areas of our business model, while taking into account our asset-light structure and principal risks.

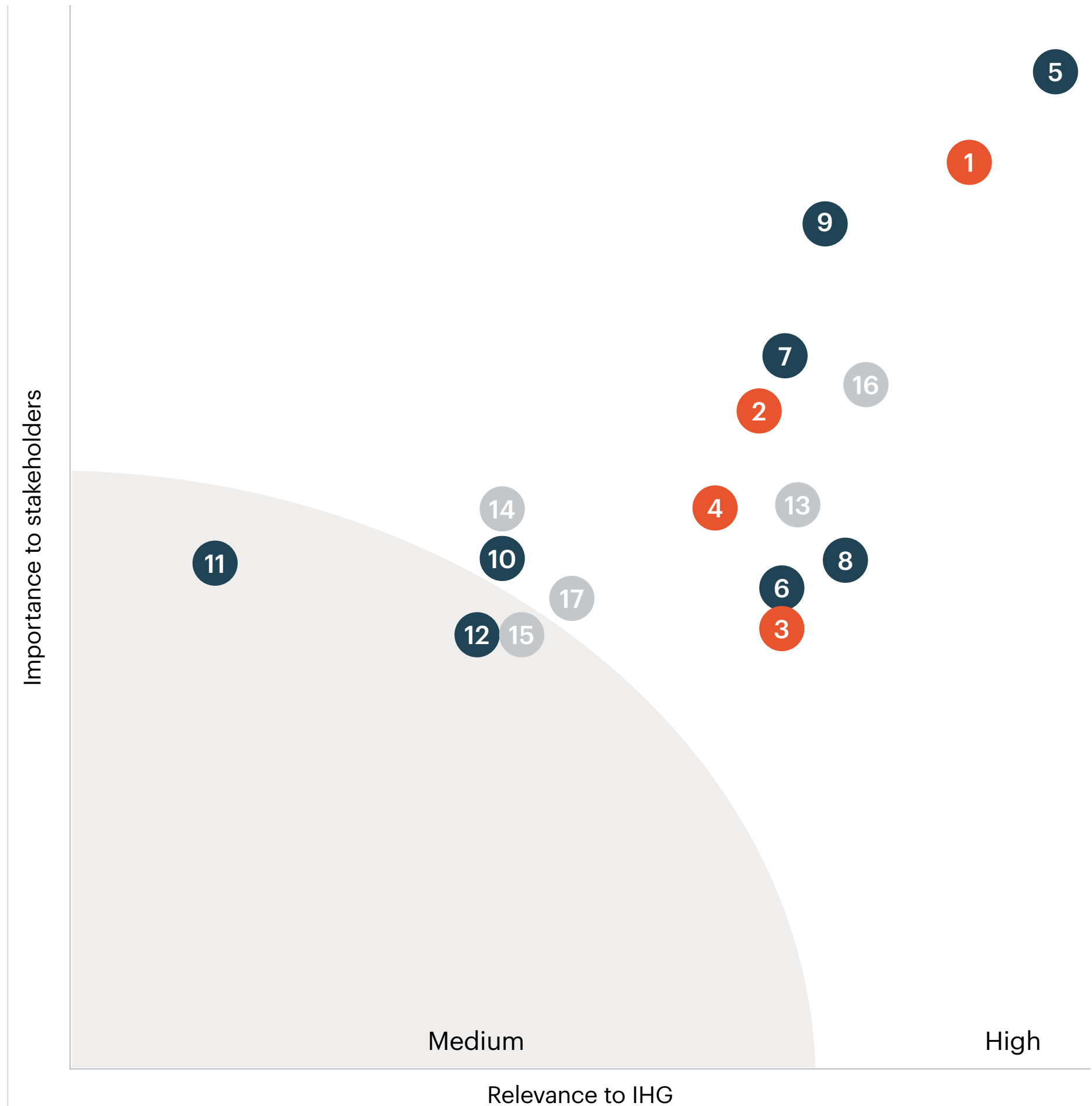
A total of 17 material ESG issues were identified as being both relevant to IHG and important to our stakeholders – having the potential to create both risks and opportunities for our business. From a reporting perspective, we only cover issues that are deemed to be of a medium to high importance to our business. Each issue is covered within this report.

The outcome of this work demonstrated that our stakeholders increasingly measure profit, growth and success in relation to how companies operate responsibly across the ESG agenda. Our commitments set out in our Journey to Tomorrow plan continue to create a roadmap for positive change that includes careful consideration of our responsibilities to all stakeholders.



We are committed to ensuring our actions contribute to the UN SDGs and have aligned our Journey to Tomorrow programme to those goals where we feel we can have most impact.

→ [Read more in the Appendix on pages 46 and 47.](#)



Culture	People and communities	Planet
1 Cybersecurity and information governance	5 Safety and security	13 Energy management
2 Ethical business practices	6 Training and development	14 Climate change
3 Policy engagement & advocacy	7 Diversity, equity & inclusion	15 Waste management & circular economy
4 Responsible procurement	8 Employee wellbeing	16 Water management
	9 Human rights	17 Biodiversity
	10 Socio-economic impact (including disaster relief)	
	11 Respecting local cultures	
	12 Community activities	

ESG performance

We participate in numerous ESG questionnaires and rating indices, including the S&P SAM Global (DJSI), CDP, MSCI, Sustainalytics, FTSE4Good, Institutional Shareholder Services (ISS) ESG and WDI.

Our reporting integrates the recommendations of the Sustainability Accounting Standards Board (SASB) and Global Reporting Initiative (GRI).

→ See our [ESG Databook](#) for our reporting standards accounting



The degree to which our value is exposed to material financial impacts from ESG factors has been rated 'low' by Sustainalytics.



In 2022, IHG received an AA rating (on a scale of AAA-CCC).



For the sixth consecutive year, IHG was proud to have been listed in the S&P Dow Jones Sustainability World Index and S&P Dow Jones Sustainability Europe Index.



IHG is listed as a constituent of the FTSE4Good Index.



IHG scored B for climate and B for water in the 2022 CDP climate and water disclosures.



IHG participates in the Workforce Disclosure Initiative (WDI) to disclose our workplace practices and performance and increased our score to 81% in 2022 (against a sector average of 66%).



IHG was ranked 'best-in-class' in the ISS Environmental & Social Disclosure QualityScore and achieved an overall ISS ESG Corporate Prime Rating of C+ (as of 15 November 2022).

Governance



Our commitment to responsible business starts at the top. Our Board is focused on ensuring we maintain the highest ethical standards of governance to support our culture, values and commitment to conducting business responsibly. Our CEO, Executive Committee and Senior Leaders make sure governance is embedded, measured and upheld on a day-to-day basis.

The Board is supported by its principal committees in overseeing the delivery of strategic objectives and driving sustainable value for shareholders while considering the impacts on, and interests of, other stakeholders.

The Board's Responsible Business Committee reviews IHG's responsible business objectives and strategy, including the impact on environmental, social, community and human rights issues; IHG's strategic approach to sustainable development and responsible procurement; and how IHG engages with stakeholders. Key considerations and recommendations are then shared with the Group Board.

This year, Jill McDonald retired from the IHG Board as Non-Executive Director and Chair of the Responsible Business Committee. Effective 28 February 2023, it concluded her nine-year term on IHG's Board. Senior Independent Non-Executive Director Graham Allan replaces her as Chair of the Responsible Business Committee.

In 2022, the Responsible Business Committee focused on monitoring progress against the Group's 2030 responsible business commitments set out in our Journey to Tomorrow plan. This included TCFD reporting and reviewing the Group's responsible procurement programme, its human rights programme and Modern Slavery Statement,

plus considering the inclusion of an ESG metric in the Long Term Incentive Plan (LTIP) for Executive Directors.

Supporting our Board and Executive Committee is the internal Responsible Business Governance Committee, which meets quarterly and includes Senior Leaders from departments across the business, such as Procurement, Human Resources, Legal, Operations, Corporate Responsibility, and Cybersecurity and Information Security. Overseeing our day-to-day responsible business activities, in 2022 it continued driving the implementation of the Group's 2030 Journey to Tomorrow commitments, and our strategic priorities in the short to medium term.

We regularly review our policies and implementation procedures to ensure we continue to meet best practice in these areas.

- [For more on our governance structure, see pages 90-104 of our **2022 Annual Report**.](#)
- [For more on our Responsible Business Committee, including membership and attendance at meetings, see pages 110 and 111 of our **2022 Annual Report**.](#)

GOVERNANCE CONTINUED

Responsible behaviours and ethics

Underlying our behaviours is our Code of Conduct and related policies, all of which influence how we interact with our stakeholders. By role modelling our behaviours, IHG's leaders create an environment that encourages rapid decision making and supports our growth aspirations within a framework of due diligence and assurance processes that ensures we continue to operate responsibly.

IHG's Code of Conduct is the framework for how we do business at IHG, and underpins our strategy and commitment to providing True Hospitality for Good. Our key principles and policies are included in the Code, which enables employees and colleagues working in IHG corporate offices, reservation centres, managed, owned, leased, and managed lease hotels to make the right decisions, in compliance with the law and IHG's ethical standards.

The Code of Conduct is reviewed and approved by the Board on an annual basis. In 2022, we developed and launched a new Code e-learning module to support updates to the Code.

- [Read more on our Code of Conduct, on pages 41 and 42 of our 2022 Annual Report.](#)
- [Initiatives to respond to legal, regulatory and ethical compliance risks, including bribery and corruption, are on page 49 of our 2022 Annual Report.](#)
- [See our website for more on our responsible business-related policies and position statements.](#)



Speaking up

It is important that our colleagues and any person who has a relationship with IHG, including our suppliers and their workers, feel comfortable reporting ethical concerns. To facilitate this, we have a confidential reporting channel through which ethical concerns or breaches of the IHG Code of Conduct can be reported, including those in relation to human rights and modern slavery. IHG's Code of Conduct is available in 14 languages on our website at ihgplc.com/responsible-business and on the Company intranet.

- [See pages 40–42 of our 2022 Annual Report for more on our culture.](#)

Safety and security

IHG is committed to providing a safe, secure and healthy environment for all our colleagues, guests and visitors. All operations must comply with all applicable health, safety and security laws. Beyond compliance with the law, IHG works to identify further improvements to the way safety and security risk is managed within our hotels and offices and has mandatory Brand Safety Standards in place for all hotels globally to drive consistency in this area.

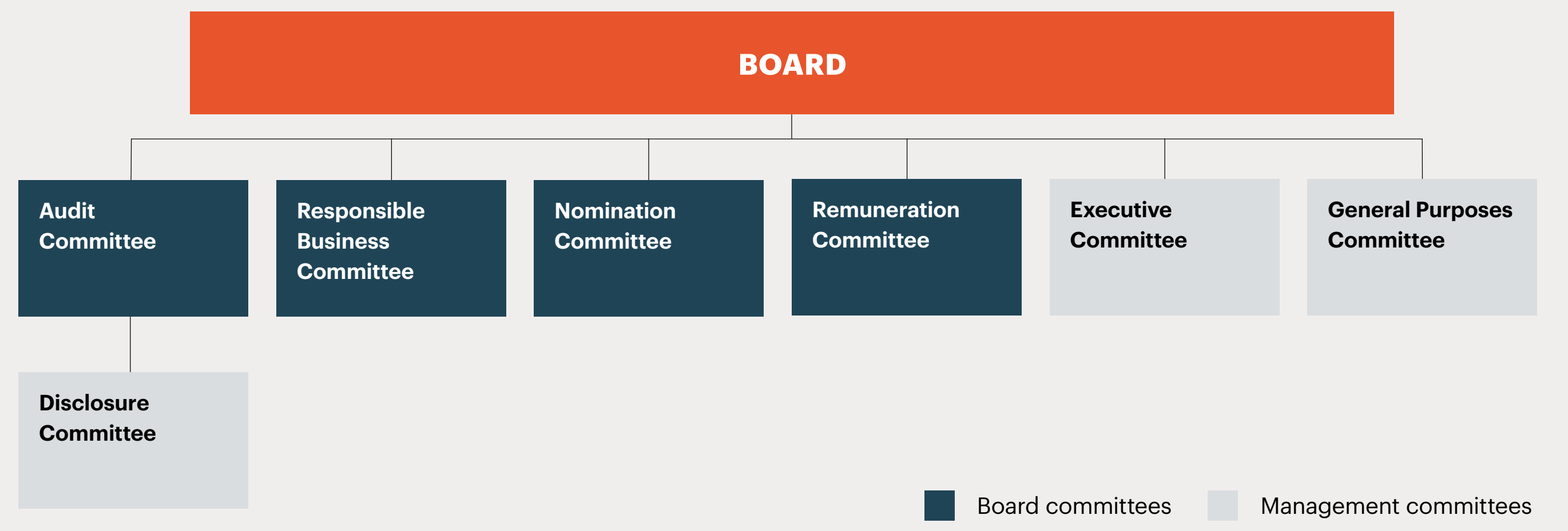
- [See page 51 of our 2022 Annual Report for more information on IHG initiatives to respond to safety and security risks.](#)

Handling information responsibly

We are committed to ensuring that guests, members of our loyalty programmes, 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 must be protected.

- [See more on cybersecurity and information governance risks on page 47 of our 2022 Annual Report.](#)

Our Board and Committee governance structure



Managing risk



Our Board and management, supported by the Risk and Assurance team, focus on assessing and managing the levels of risk in the business, including balancing opportunities for strategic advantage and efficiency with building resilience.

Managing IHG's resilience

The Board is ultimately accountable for establishing a framework of prudent and effective controls, which enable risk to be assessed and managed, and is supported by the Audit Committee, Executive Committee and delegated committees.

The delivery of IHG's individual strategic objectives and overall ambition requires us to continuously balance opportunities for strategic advantage or efficiency with the need to remain resilient and agile in the short and longer term. The Board considers and defines its risk appetite and tolerance as an active part of determining and monitoring our strategic priorities.

→ For more on the Board's approach to risk appetite, see page 41 of our [2022 Annual Report](#).

ESG factors

We are committed to monitoring and ensuring the continued effectiveness of our human rights approach, our social responsibility and environmental performance, and also recognise that expectations are increasing for us to manage and drive responsible business through our supply chains and across our wider business, including with our franchisees.

Our 2030 Journey to Tomorrow responsible business plan plays a central role in this regard, ensuring we continue to drive positive change for IHG and the world around us in line with these evolving expectations.

→ For more, see pages 49 and 51 of our [2022 Annual Report](#).

MANAGING RISK CONTINUED

The impact of climate change on the hospitality industry

As a global business, IHG faces uncertainties from physical and transition risks relating to climate change. Our business model means that we share these threats and opportunities with our owners, including our dependency on their capacity to invest in the short and long term.

The potential impact of climate change-related uncertainties is evaluated as an integral part of other principal risks; however, if we fail to manage physical and transition risks effectively overall, this has the potential to impact performance and growth in key markets. Our management of these risks is also subject to scrutiny from a wide range of stakeholders, including regulators and investor groups, corporate clients, guests and colleagues.

It is important that we continue to meet the evolving expectations of our stakeholders, while capitalising on the sectoral opportunities associated with transitioning to a lower carbon industry, as well as assessing the aggregate impact of climate change on our business.

46%

targeted reduction across franchised, managed, owned, leased and managed lease hotels by 2030 from 2019.

Having made a formal commitment to support the recommendations of the TCFD in 2020, this year we refreshed our scenario analysis in line with our updated science-based target to reduce absolute Scope 1, 2 and 3 (from fuel and energy-related activities (FERA) and franchise estate) greenhouse gas emissions by 46% by 2030 (from a 2019 base year).

Refreshing our scenario analysis has allowed us to reassess our varying levels of exposure to a range of potentially material opportunities and risks, including regulatory challenges as markets transition to lower carbon sources of energy.

Recognising that climate change represents a multi-faceted challenge requiring collaboration across different areas of the business, we're embedding resilience into our existing processes. This includes ensuring the results of our climate-related scenarios are incorporated into our long-term planning and other strategic initiatives, as well as considering the consequences of climate change to our guests, owners, investors and other strategic initiatives; and integrating these scenarios into future Board Strategy sessions.

→ [Our full TCFD disclosure can be found in our 2022 Annual Report on pages 54–61.](#)

Our climate transition plan

We are aware that transitioning to a low-carbon economy requires global coordination and the support of our hotel owners. The franchised nature of our business model means that we do not have direct control over a large proportion of the emissions produced by the vast majority of our hotels. However, we can mandate certain interventions to hotel owners via our brand standards, as well as supporting them to implement their own decarbonisation initiatives through resources and tools and working with governments to advocate policies that make it easier for them to do so. In many markets in

which we operate there is less urgency and limited market or regulatory pressure on the owners themselves to decarbonise, such as deregulated markets in the US, and in China, where the country's net-zero target extends to 2060. Developing a business case for building electrification is more challenging with owners in western markets such as the UK and US where the relative cost of electricity and gas is high.

Our transition plan helps us to align the Group's climate strategy with the wider business strategy to ensure we deliver on our carbon ambitions while continuing to grow the system competitively.

→ [For details of our climate transition plan and our mitigation strategies for all other identified physical and transition risks, please refer to pages 56–60 of our 2022 Annual Report.](#)

Supply chain risks

We also recognise the potential environmental and social impacts of our supply chain and the need for our suppliers to operate with the same integrity and respect as we do. To ensure this, IHG requires new corporate suppliers to confirm their acceptance of the Supplier Code of Conduct (Supplier Code) at the onboarding stage (or demonstrate that they have equivalent policies in place). It is a contractual requirement for centrally negotiated programmes in which our hotels can purchase, while recommended guidance is also provided to managed and franchised hotels when purchasing locally.

These standards are applicable within suppliers' businesses, and across their supply chains. Under the Supplier Code, they are expected to support the protection of labour practices through their business activities concerning forced labour and human trafficking, as well as



standards relating to the environment and diversity and inclusion – aligned to IHG's responsible procurement agenda.

While we aim to work with suppliers to resolve any issues identified, material breaches of the Supplier Code may lead to the termination of a supplier's contract with IHG. New suppliers being onboarded are also required to complete our IHG Sustainable Supplier Questionnaire to increase collaboration with sustainable suppliers and ensure alignment with our Journey to Tomorrow ambitions.

At the end of 2022, 100% of new suppliers had signed the Supplier Code. A review of the Supplier Code commenced in 2022, informed by a benchmarking exercise, and an updated Supplier Code will be implemented in 2023. To see our Supplier Code and for more on our supply chain, see pages 17–19.

As part of our supplier due diligence process, we continue to incorporate pre-contract criteria, which include questions on where products are sourced and/or manufactured to help evolve our understanding of our supply chains. For new suppliers of higher-risk products or services, we ask additional responsible procurement due diligence questions around labour practices, which cover recruitment fees and costs, worker accommodation and grievance mechanisms.

We also run a third-party financial monitoring report on new suppliers to assess financial and commercial risk in our supply chains.

In 2022, we continued to build our risk programmes and worked with Procurement leadership teams across regions to develop risk profiles based on IHG's material supply chain risks. This has helped identify control mechanisms and mitigate risks. Recognising that the impact of supply chain risk is not only an issue for Procurement but also for management agendas across IHG, we have reviewed and refreshed the objectives of our Supply Chain Risk Council. They focus on ensuring cross-functional collaboration, reviewing IHG's profile of supply chain risks and corresponding methodology, and identifying emerging threats.

This year, we have implemented several digital solutions to support responsible procurement, which have been integrated into our spend intelligence tool to provide better visibility of IHG's focus areas, including labour practices, sustainability performance and financial risk. These are helping identify new opportunities, including diverse suppliers, and assisting the management and mitigation of supply chain disruptions. In 2023, we are looking to pilot additional risk intelligence tools.



Collaborating with our suppliers



We work with suppliers who share our commitment to operating responsibly and adopt ethical work practices that positively impact the planet, our people and our communities. Empowered by our procurement platforms, our Procurement teams play a crucial role in performing due diligence checks on suppliers.

About our supply chain

Our corporate supply chains cover categories such as technology, office building and facilities management, and professional services, including marketing and communications, HR and management consultancy.

Furthermore, several global technology and outsourcing providers have been identified as strategic supplier relationships due to the critical nature of their services. IHG engages with these suppliers to harness innovation, provide customer service, manage risk, and promote value realisation. We annually review our list of strategic suppliers and their delivery of our business objectives.

Procurement of hotel goods and services required for building, opening, renovating and operating a hotel, such as energy, operating supplies and equipment, uniforms, food and beverage, furniture, fixtures and fittings and maintenance services, predominantly occurs at a local hotel level and are purchased by our franchisees.

In some key markets, the IHG Procurement team has created procurement programmes for certain key goods and services. Hotel owners and IHG-branded hotels can purchase from suppliers under centrally negotiated contracts in these markets, leveraging IHG's system-wide scale. IHG provides procurement programmes in the US, Canada, Mexico, Latin America, the Caribbean and Greater China and has been expanding this support in the EMEAA region in countries such as the UK, Ireland, France, Germany, Belgium, the Netherlands, Luxembourg, the UAE, Australia, New Zealand, Japan, Thailand, Singapore and Vietnam.

Our Global Procurement function, empowered by our digital solutions and policies (such as the Supplier Code and Procurement Policy), plays a crucial role in establishing our expectations of our suppliers and business stakeholders to conduct business responsibly. This includes ensuring responsible business criteria are included in our supplier selection framework.

COLLABORATING WITH OUR SUPPLIERS CONTINUED

Our global Procurement Excellence team ensures a robust approach to responsible procurement. It provides training and guidance for our colleagues, including our procurement managers within our corporate offices and managed hotels. For example, this year, we delivered training to the Global Procurement team, showcasing our responsible procurement dashboards and enabling our colleagues to gain better visibility of our suppliers and leverage the tools to identify new opportunities. In 2023, we will roll out our updated Procurement Policy, which will include additional guidance on our commitment to sustainability and diversity in our supply chain.

Diversity and inclusion in our supply chain

In 2022, we continued to focus on driving inclusion in our US supply chain in support of the People and Community pillars of Journey to Tomorrow. We introduced EPIC (Engaging Partnerships through Inclusion and Collaboration), our Supplier Diversity Programme, at the 2022 Americas Investors & Leadership Conference. We also recognised our diverse suppliers and our 'EPIC Allies' – suppliers with a verifiable Supplier Diversity Programme who are working with us to identify diverse suppliers in their respective supply chains.

In 2022, IHG gained exposure to more diverse business entities and saw our qualified diverse spending double in the US since 2021. Our spend with diverse suppliers this year was \$81.6 million and the top three highest spend diversity categories were small businesses, women-owned businesses and minority-owned businesses.

In 2023, we intend to expand this programme to the UK, with the market featuring a good selection of diverse suppliers and development councils.

Following the findings of a workplace gender analysis carried out in factories within our linen supply chain in India in 2021, this year we worked with CARE International UK to create a more gender-inclusive workplace. This included hosting an interactive workshop with internal stakeholders to review the findings and recommended actions, which we will continue to implement in 2023.

Responsible procurement

Our IHG Sustainable Supplier Questionnaire is mandatory for all new suppliers at the request for proposal (RFP) stage, helping us assess their environmental credentials. The questionnaire features sustainability-related questions regarding raw materials, manufacturing methods, transportation, and the product lifecycle, in addition to understanding practices surrounding carbon and energy, waste and water.



An analysis of environmental criteria is fully embedded into sourcing processes, which empowers Procurement teams to make informed decisions. This year, 982 suppliers completed the questionnaire, with 41% of business awarded to IHG Green suppliers.



TAKING ACTION

Purpose-driven procurement – supporting indigenous populations

As part of our global efforts to drive social impact and work with local suppliers in our supply chain, we have leveraged our partnership with Foodbuy, a Group Purchasing Organisation, to gain access to suppliers that make a difference by supporting indigenous communities in Australia. This includes stationery supplier Muru, a native nursery focusing on youth employment and protection of endangered species, with IHG's spend to date contributing to the employment of two full-time staff.

“We are proud that our great partnership with Foodbuy enables us to access national benefits programmes like Muru, which makes a difference by supporting indigenous communities.”

Matt Tripolone, Managing Director, IHG Hotels & Resorts Australasia & Pacific

Procurement plays a key role in implementing key Journey to Tomorrow initiatives by working with internal stakeholders to identify the required supply chain solutions. For example, Procurement has provided critical support in selecting suppliers that can deliver energy conservation measures for existing and new-build hotels.

Supplier engagement

In 2022, we partnered with EcoVadis, a global leader in business sustainability ratings, to assess supplier risk and sustainability performance. To date, we have requested 92 suppliers globally to participate in the EcoVadis ESG risk assessment. Insights will be used to understand supplier performance, drive improved scores and identify ESG risks in our supply chain. In 2023, we will explore how EcoVadis assessments can be incorporated into our due diligence processes for new suppliers.

Following the launch of Journey to Tomorrow in 2021, we sent out a survey to understand the sustainability priorities of our key suppliers and how they can help us achieve our commitments. Building on this in 2022, we engaged with high-performing suppliers in sustainability and the circular economy that provide carpeting, showers, furniture, bedding, mattresses, flooring and air travel to our hotels and corporate functions. This helped our Procurement team gain valuable insights into the sustainability journey of our suppliers, discuss future opportunities for collaboration, and build stronger relationships with our top-performing suppliers.

COLLABORATING WITH OUR SUPPLIERS CONTINUED

Food and beverage

With millions of meals served daily in our hotels worldwide, we must carefully consider the way in which we source our food and beverage items, so that we minimise our impact wherever possible. Whether our guests are travelling for business or leisure, we understand the need to offer a variety of meal options, while also considering health, wellbeing and ethical sourcing, such as sustainable seafood and animal welfare. For example, some of our brand standards require hotels to offer locally sourced food with a lower carbon footprint. Our Responsible Sourcing Principles also guide selecting suppliers with well-respected third-party accreditation for sustainably sourced products and/or welfare-supporting practices, such as Fair Trade.



At the O2 InterContinental London Chefs grow their own produce on the roof of the hotel.



TAKING ACTION

Responsible procurement at our new Windsor Head Office

Where possible we try to work with innovative suppliers to ensure we source responsibly. For example, at our Windsor HQ, a leading British furniture manufacturer has supplied a range of tables, chairs and cabinets. Carbon neutral certified, the supplier embeds sustainability throughout its value chain by using water-based paints which are EU Ecolabel certified and low VOC emitting lacquers. For example, The Mix table is made in the UK using 100% renewable electricity and is FSC certified. The lino top is made using 27.5% postindustrial recycled content and 97% renewable materials, which reduces waste and conserves raw materials. The supplier has also partnered with an organisation to plant a tree with every 10 items supplied, contributing to reforestation projects.

Cage-free egg reporting

We work closely with our suppliers to source cage-free eggs across our estate, focusing primarily on the IHG brands with a significant presence in the US, so that we can make the most significant difference. Although the impact of the avian influenza outbreak in the US and supply conditions have proven challenging, we continue to progress the use of cage-free eggs in brands and geographies where available. We have continued to source cage-free eggs and have increased the percentage of hotels globally with a cage-free egg brand standard. We also provide training around cage-free sourcing to all colleagues globally.

Percentage of hotels with cage-free egg brand standards

As at 31 December	2022*
United States	88%
Canada	5%
Europe	23%
Other EMEAA	3%
Global**	59%

Notes

* Figures reflective of hotels with a cage-free brand standard, a free-range egg brand standard, hotels that operate in markets that have a cage-free egg government regulation, accounts for any cage-free or free-range egg offering (liquid or whole egg).

** 2022 figure accounts for 99.5% of our system size. Data is not currently available for the remaining 0.5%. This aligns with the ESG Databook scope of reporting.

TAKING ACTION

Crowne Plaza uniform

We are working with a leading workwear supplier to refresh our Crowne Plaza® Hotels & Resorts uniforms across our managed and franchised estate throughout Europe. As well as eliminating unnecessary packaging and using recycled materials, the garments are transported by sea where possible to reduce emissions created by air travel. To further reduce waste, the range has been standardised for front-of-house roles, and uniforms are designed to be flexible, allowing colleagues to interchange roles when operating with a skeleton staff model or if a dual role is required. At the same time, the supplier has teamed up with another organisation to ensure the uniforms can be responsibly recycled or donated at the end of their lifecycle.



>18,000

the number of colleagues who have completed our responsible procurement e-learning training

Embedding best practice across the business

We continue to expand our education programme to promote responsible procurement best practices for corporate, managed and franchise colleagues. So far, it's been completed more than 18,000 times since its launch in 2019.

For our corporate colleagues, we have developed a new e-learning procurement training that includes a module on responsible procurement, which is aligned with our risk, sustainability and supplier diversity programmes and will be launched in 2023. We also provide managed and franchised hotels with Responsible Sourcing Principles to help our hotels make responsible purchasing decisions.

Supporting small businesses

IHG complies with statutory reporting duties on payment practices and performance and is committed to supporting smaller suppliers – striving to pay those with fewer than 50 employees within 30 days, where centrally accounted for across our UK corporate, managed, owned, leased and managed leased hotels.

Creating a great place to work



At IHG, we foster a culture of open and honest engagement and feedback through a range of forums, including our engagement survey, management-led performance updates and a designated Non-Executive Director who oversees workforce engagement. These forums allow us to talk to employees about IHG’s performance, key metrics, values, and diversity, equity and inclusion initiatives.

People engagement

We have several forums available for employees to share their thoughts, including employee resource groups (ERGs), a designated Non-Executive Director for workforce engagement and our employee engagement survey, known as Colleague HeartBeat, which allows people to express their views on key aspects of working at IHG.

In our 2022 survey, our overall employee engagement stood at 86%, a 1% improvement on last year, which once again saw IHG accredited as a Kincentric Global Best Employer. The survey highlighted areas that we can strengthen further, including enabling infrastructure and technology, a continued focus on rapid and high-quality decision making, plus ensuring that inclusion remains a key focus for the business. Actions taken during 2022 on talent and staffing saw a significant improvement in scores in these particular areas. These areas will remain a priority for 2023.

Developing and retaining talent

To achieve our ambitions, we know we need to develop and retain a diverse and talented workforce, which involves creating an open and inclusive culture that promotes career development and equal opportunity, and this year we developed more tools and resources we need as individuals and as a business to be successful. Our growth as individuals and as a company is encapsulated in our employee brand. Celebrating the inclusive culture we create at IHG, it incorporates our promise to support employees on every step of their career journey by giving them Room to Belong, Room to Grow and Room to Make a Difference. To support this, in 2022 we launched Room to Grow Week, a series of events and resources to champion personal and professional development.

We also ensure our people managers are well-equipped to support our performance and development processes through offering simplified resources and delivering masterclasses to bring our processes and practices to life.

CREATING A GREAT PLACE TO WORK CONTINUED

As part of our focus on developing talent, managers have continued to hold quarterly check-ins with employees to support them in achieving their professional goals, helping them connect their own role and purpose with the overall vision for IHG.

For our hotels, Journey to GM (our new General Manager talent acceleration programme) aims to provide a pipeline of talent that both matches our growth ambitions and fulfils the aspirations of our employees wishing to build long and successful careers at IHG. In its first year, we saw 10 Journey to GM participants move into their first General Manager role across our EMEA and Americas regions. We also continued to develop our hotel talent management system to provide us with greater insights into the talent we have and the critical gaps we need to fill.

Attracting talent

To address the challenges the industry is facing in attracting talent, we have invested in our careers website, refreshed our employer brand and marketing materials, and increased social and paid media activity to improve visibility of vacancies.

The majority of people who work at IHG-branded hotels are not employed by IHG and are referred to in this report as colleagues. When we refer to our employees in this document, it is those that IHG directly employ in our corporate offices, reservation centres and managed, owned, leased and managed lease hotels.

This has resulted in more than 80,000 visits per month to the careers website, and a significant rise in applications across job platforms. We have continued to embed inclusive hiring practices throughout the recruitment process to attract people from a wide range of backgrounds. We have strengthened our recruitment materials, such as translating our interview guides into more languages, and integrated our franchise job portal into WeChat in Greater China to reach new talent.

To support the growth of Luxury & Lifestyle brands, we have set up a team dedicated to attracting and developing GMs within the segment and launched a recruitment campaign showcasing the great career opportunities on offer across our brands.

Recognising the importance in attracting and developing talent whatever their backgrounds, circumstances or abilities, we are working with organisations across our regions to diversify our early careers pipeline, from Historically Black Colleges and Universities (HBCUs) in the US and the Leonard Cheshire Disability charity in the UK to special education schools in Asia. To find out more, see our Communities section on pages 27-31.

Reward culture

IHG's reward strategy aims to attract, retain, motivate and engage top talent. It is supported by a robust governance approach that ensures our reward and recognition practices are fair and consistent across our employee and colleague population, regardless of gender and other aspects of diversity, and there is alignment between the wider direct workforce and executive remuneration.

Our approach is regularly reviewed against external comparators and ensures we meet the needs of employees by offering market-driven reward packages. In 2022, we continued our focus on pay by ensuring our people were paid fairly through additional budget in the pay review process to target those employees whose job value had increased significantly in the market.

We made further improvements in supporting one of our three-year HR priorities 'Champion a diverse culture where colleagues can thrive'. We were pleased to enhance our UK healthcare cover to include IVF and infertility treatment. Additionally, we introduced cover for gender dysphoria investigations including mental health therapy, surgery and follow-up.

Recognition is a key element of the IHG reward approach. This year, we were pleased to relaunch our Bravo! scheme, which allows colleagues to recognise their teams and individuals for their great work, support and leadership. We've also made it easier for colleagues to redeem their Bravo! awards against IHG One Rewards points by lowering the redemption cost, which has seen us align our recognition scheme with our core business in an exciting and attractive way.

The Colleague Share Plan is available to around 96% of our corporate employees below the senior/mid-management level (who receive LTIP and/or Restricted Stock Unit awards). Participation in the 2022 cycle was 53% of the eligible population. The 2020 plan cycle has now vested, and the company awarded matching shares to more than 2,000 participating colleagues.

TAKING ACTION

Investing in our HR technology and learning

In 2022, we invested in our core HR and learning technology platforms and our learning offer. These areas are critical to creating the engaging, high-performance culture we champion at IHG, each providing the tools and resources we need to be successful.

Delivering a more streamlined, intuitive user experience for employees and colleagues, our HR system features self-service capabilities to enable line managers to initiate a range of core HR transactions themselves.

The new platform also provides an end-to-end onboarding experience and consolidates HR support into one easy-to-navigate portal.

Our new learning platform will provide our corporate offices, company-managed and franchise hotels with access to flexible training in a way that enables people to address specific needs and personalise their learning experience to strengthen opportunities for career development and growth.



SECTION 3

Journey to Tomorrow

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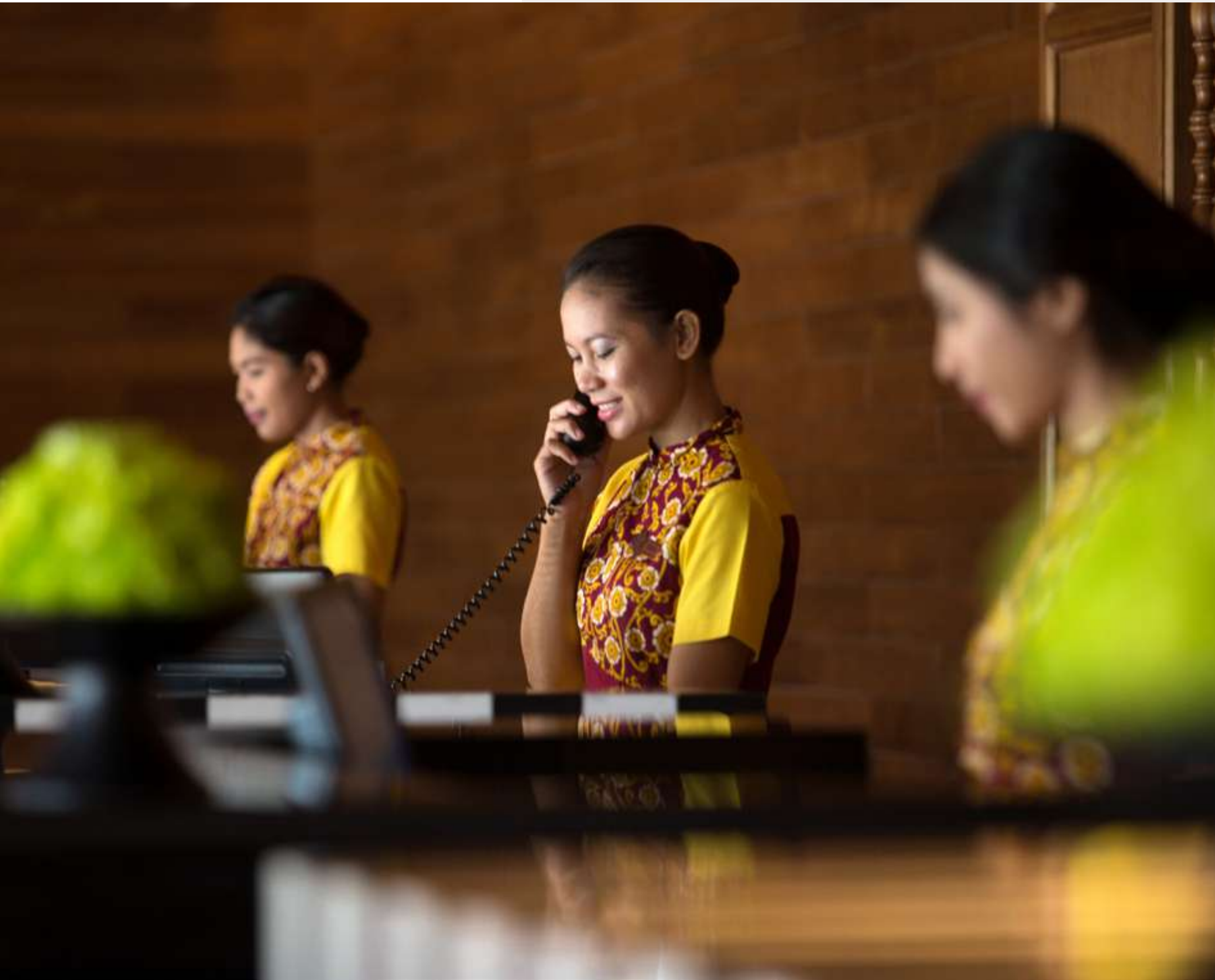


Key to delivering our strategic priority to care for our people, communities and planet is our Journey to Tomorrow plan, which sets out a series of stretching commitments to 2030.

On the following pages, we outline our progress against these commitments in 2022.

JOURNEY TO TOMORROW






Our people



We are proud of the culture we have in place at IHG, which underpins our purpose to provide True Hospitality for Good, and is crucial to who we are, how we work together and how we grow our business. That is why one of our key Journey to Tomorrow commitments is to champion a diverse culture where everyone can thrive.

A cornerstone of our culture is our passion and commitment to DE&I. It's not just crucial to who we are, but also to how we work together and grow our business, and to the sense of belonging colleagues feel at IHG and the freedom to be themselves. We know this is also something increasingly valued by millions of guests staying in our hotels, thousands of owners investing with us, and the talent of tomorrow who choose to join our team.

Our values

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



Champion a diverse culture where everyone can thrive.

Our 2030 commitments:

- 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

Supporting the UN SDGs:



OUR PEOPLE CONTINUED

Our commitment starts at the top, but we know we can't have a one-size-fits-all approach when it comes to DE&I as the focus of each of our markets is unique. Our six regional DE&I councils – connected to our Global DE&I Board – are chaired by an increasingly diverse leadership to prioritise local agendas and focus on what makes the biggest difference to the people around them.

Every member of IHG's Executive Committee (EC) has a DE&I-focused goal. Together with their leadership teams, they review talent with a specific focus on diversity. For instance, in the UK, we have formed a steering group comprising EC, Human Resources (HR) and ERG representatives to educate leaders on ethnic diversity and creating a more inclusive workplace, alongside action plans to drive change.

Our commitment is emphasised through our global hiring guidelines and initiatives and is backed up by our [Global Diversity, Equity, Inclusion & Equal Opportunities Policy found on our website](#).

With our hotel estate being predominantly franchised, the majority of people who work at IHG-branded hotels are not employed by IHG. In franchised hotels, we do not control day-to-day operations, including employment policies, practices, terms and conditions. However, both IHG and its third-party hotel owners are committed to delivering a consistent brand experience and conducting business responsibly.

Creating an inclusive and inspiring culture for all our people

At IHG, inclusion means creating a culture that truly values having colleagues from a wide variety of backgrounds and provides them with a positive and welcoming environment in which they can thrive.

Having already rolled out conscious inclusion training for GMs and corporate colleagues in key markets in 2021, this year we built on this foundation by extending the programme to frontline hotel colleagues.

Our ERGs are central to the conversations we have around DE&I within the business and are continuing to grow, supporting diverse employees and their allies and driving change. We now have 1,300 members and allies in 24 chapters worldwide, which represent a broad demographic of employees including race and ethnicity (Somos US, Path US, BERG US, EMbrace Europe, IMEA), gender (Lean In – global), LGBTQ+ (Out and Open, US and UK), disabilities (DAWN US and UK), generational diversity (BBX US, HYPE Greater China, US, SEAK and UK), Veterans (Serve US) and virtual workers (Fave US).

Our ERGs also play a leading role in bringing leaders and employees together to deepen their understanding of the value of inclusion at regular touchpoints throughout the year, by organising activities around globally recognised DE&I celebrations, including International Women's Day, International Day of Persons with Disabilities and Pride Month.

Employee listening sessions and insights from our inclusion index are also among the ways we are keeping track of our progress and identifying areas where we need to keep improving. In 2022, the index showed that

nine out of 10 employees feel IHG has an inclusive culture.

We were proud to be recognised as a Best Place to Work for LGBTQ+ and Equality in the Human Rights Campaign's Corporate Equality Index in the US for the eighth year in a row, as well as in Mexico for the first time. Reflecting the inclusive culture we work hard to create within the business, we saw our internal efforts in the LGBTQ+ space extend into the communities in which we operate, when we sponsored Pride in London's 50th anniversary, became members of Pride Connection in Mexico and Latin America, and continued to be a valued sponsor of Atlanta Pride in the US.

Driving gender balance globally

We have made significant progress towards achieving gender balance at IHG over the past decade and regularly feature in the Top 20 of the FTSE female leaders list. Globally, 34% of our leaders working at Vice President level and above are female, and we are one of the few large global businesses to have a gender-balanced all-employee population, of which 58% is female.

As part of our commitment to achieving gender balance in our corporate and hotel leadership teams by 2030, we are focusing on how we attract more women into functions that have been historically less gender balanced, such as Commercial & Technology, Operations and Development. We are also identifying and removing potential barriers to increase the number of female GMs across our estate, including through our global network of Lean In circles, which empower our female colleagues to realise their ambitions by supporting one another through small peer groups that meet regularly.



Two students celebrate graduating in Bali following participation in our Global Rise mentoring initiative, which aims to increase the number of female leaders across our hotels.

We want all women at IHG to be able to consider opportunities that encourage career growth, and which help them fulfil their potential. To that end our Flexible Working Policy encourages corporate colleagues to organise their time in the best way for them and IHG. We are proudly sharing the success stories of those it is helping to prosper at work, while hotel colleagues are also benefiting through initiatives like myFlex in Australia, where they can work across any hotels in the country's managed estate. Underlining our commitment to help all parents and carers in our teams find the right work/life balance, we have market-specific family policies and continue to evaluate them to ensure they support our people to be at their best.

Gender Balance

As at 31 December 2022	Male	Female	Total
Directors	7	6	13
Executive Committee	7	3	10
Executive Committee direct reports	34	25	59
Senior managers (including subsidiary directors)	69	29	98
All employees (whose costs were borne by the Group or the System Fund)	5,405	7,494	12,899

OUR PEOPLE
CONTINUED

58%
of employee population is female.

34%
of leaders at Vice President level and above are female.

Addressing under-representation in our leadership

We are committed to having leaders who represent the truly diverse global nature of our business and drive our commitment to DE&I in all our markets.

Today, 21% of our global leaders are ethnically diverse, representing 20 nationalities. We want to increase the ethnic diversity of leaders across our markets and have set clear targets in the US and UK – where we have our largest populations of corporate colleagues. Our aim is to increase ethnic minority leadership representation in the US where we are at 20% in 2022 to 26% by 2025, and in the UK where we are at 6% with the aim of getting to 20% by 2027. To help us



IHG proudly showing its support as the first hospitality sponsor of UK Black Pride, Europe's largest celebration for LGBTQ+ people of African, Asian, Caribbean, Latin American and Middle Eastern descent.

achieve this, we are developing action plans and initiatives supported by a range of stakeholders, including our Americas and Europe regional DE&I councils, and several ERGs.

In the Americas, we evolved our Ascend programme to nurture not only Black leadership talent but also multiracial leaders too, so a wider pool of talent can acquire the skills they need to take on more senior positions. Our successful Rise programme, which is focused on increasing the number of women in GM and other senior positions in our managed hotels, saw another 90 employees graduate.

In the UK, we ran cross-organisational programmes for manager-level employees with The Network of Networks (TNON), a DE&I partnership that has delivered our Ethnic Minority Manager programme, while non-manager level employees enrolled on the Women in Hospitality and Leisure (WiHTL) Ethnic Future Leader Programme. With 30 of IHG's leaders acting as sponsors across both programmes, we were proud to see all 10 employees on the TNON programme graduate and engage in their career-planning conversations, while participants on the WiHTL's programme are expected to graduate in March 2023, with one of them invited to join the WiHTL board.

90
women graduated from the Rise programme in 2022.

Wellbeing

In March 2022, we launched myWellbeing – a framework to support employees across a range of important areas, including their health, lifestyle and workplace. The myWellbeing suite of resources, which includes an employee wellbeing handbook, wellbeing guidelines for people managers and financial education materials, has been designed to provide a holistic wellbeing offering, which employees can access quickly and easily.

During the year, we established regular touchpoints to encourage employees to take care of their mental health. We marked World Mental Health Day with global webinars and a video series, while Focus Fridays encourage employees to avoid scheduling standing meetings to allow undisturbed time to focus on the week ahead.

With the world shifting to hybrid working, we took further steps to create more flexible workspaces that support employees in adopting a balance of remote and office working and the delivery of IHG's priorities. In December 2022, we moved into our new Global Headquarters in Windsor in the UK – a modern, creative and sociable working environment equipped with the latest technology to bring employees together at the right time and help them get the most out of their days in the office. We also refurbished our Americas headquarters in Atlanta in the US to create a more inviting environment for employees to connect and collaborate.



Human rights and modern slavery

An integral part of our global commitment to responsible business is respecting human rights in accordance with internationally recognised standards. We understand the importance of human rights in relation to our colleagues, guests and communities and we encourage those with whom we do business – including our suppliers, owners and franchisees – to prevent, mitigate and address adverse impacts on human rights, including modern slavery.

OUR PEOPLE CONTINUED

We seek to advance human rights through our business activities and by working together with others to identify challenges and effective solutions.

Key focus areas in 2022 included the launch of minimum core requirements related to responsible labour practices for IHG-owned, leased and managed hotels, focusing on responsible recruitment and onboarding, staff accommodation, worker voice, and the use of recruitment agencies and third-party labour suppliers, with the aim to support the implementation of IHG's Human Rights Policy at hotel level. Furthermore, we conducted a labour market assessment in the UK, continued to address findings of our previous labour risk assessment work, progressed our supply chain risk assessment work and our approach to human rights supplier due diligence.

→ Further information is provided in our [Modern Slavery Statement](https://www.ihgplc.com/modernslavery), which is available on our corporate website at [ihgplc.com/modernslavery](https://www.ihgplc.com/modernslavery)

As members of the Sustainable Hospitality Alliance (SHA), IHG has two representatives on their boards. The development of the industry's Pathway to Net Positive Hospitality has set out a pathway for responding to planet issues and this has now expanded to the development of a pathway to incorporate people and social issues, which we are supporting through our involvement on the People Committee and Human Rights Working Group.



IHG is a member of the United Nations Global Compact (UNGC) and is committed to alignment of IHG's operations, culture, and strategies with the UNGC's 10 universally accepted principles in relation to human rights, environment and anti-corruption.

TAKING ACTION

Our new Responsible Labour Requirements



In 2022, we launched the Responsible Labour Requirements to better operationalise IHG's Human Rights Policy in our owned, leased and managed hotels*. The Requirements support these hotels in addressing, preventing, and mitigating potential human rights risks in their operations by providing them with mandatory minimum requirements related to responsible labour practices and to addressing forced labour risks.

To ensure we share our learnings across the owned, leased and managed estate, key findings of each project have been incorporated in the Responsible Labour Requirements, where we have also addressed the findings of internal projects such as the 2019 Oman Labour Market Assessment, 2021 IOM Labour Migration Process Mapping and the most recent 2022 UK Labour Market Assessment.

The IHG Responsible Labour Requirements focus on the following key human rights risk areas:

1. Responsible recruitment and employment – setting minimum requirements for owned, leased and managed hotel level practices when recruiting directly or via a recruitment agency. This includes key topics such as worker engagement, recruitment fees and costs, passport retention and payment.

2. Hotel staff living accommodation – building on IHG's 2020 Staff Accommodation Guidelines, they set minimum requirements for living conditions, including facilities, occupancy levels, fixtures and furnishing for staff accommodation when accommodation is managed by either IHG hotels or third-party providers.

3. Worker Voice (grievance mechanism and reporting concerns) – setting minimum requirements for gathering worker feedback

and raising awareness across key human rights risk areas and of the confidential hotline for reporting concerns from all colleagues, including third-party workers.

4. Requirements for when using recruitment agencies and third-party labour suppliers.

* For definitions of our management models, please see our Modern Slavery Statement at [ihgplc.com/modernslavery](https://www.ihgplc.com/modernslavery)



JOURNEY TO TOMORROW

Communities



Our long-standing commitment to operating responsibly underpins the actions we are taking in our local communities. Our support is about more than just giving money to good causes – we aim to make sure we are making a real and sustainable difference through meaningful partnerships and leveraging our skills and resources to help others.

We have pledged to improve the lives of 30 million people through skills training, being there in times of natural disaster and improving food security. We do this not only through direct funding and working in partnership with expert organisations, but with our colleagues also sharing their time, skills and passion to address the social needs in their communities. Our guests are also given the opportunity to show their support, and in 2022 nearly 70 million points redeemed by our IHG One Reward Members were donated to benefit the efforts of our charitable partners around the world.

Global partnerships

Ensuring we meet our pledge relies on strong relationships with non-governmental organisations (NGOs) and community organisations across our regions, as well as collaboration with our guests, colleagues and owners.

CEO Keith Barr joins colleagues in Atlanta to assemble educational kits for survivors of human trafficking as part of our partnership with Wellspring Living during our Giving for Good month.



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

Our 2030 commitments:

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

Supporting the UN SDGs:



COMMUNITIES CONTINUED

Our strategic partnerships are hugely important to us and in all our community initiatives, we seek to work with experts in their chosen field who share our commitment for driving positive change and making a difference. Our aim is to forge strategic, multi-year and multi-faceted relationships and, where possible, support these in different ways, whether financially, through volunteering or in-kind.

Our collaborations span from local communities to across continents and regions. Whether it's working with small organisations to meet specific challenges or developing larger partnerships to help solve broader issues. This approach allows us to address wide-ranging social challenges that require a consistent global strategy, while also considering specific local needs.

Business for societal impact

As we move towards our target of improving the lives of 30 million people, it's important that we work to improve the quality and accuracy of the data we use to measure our contribution and ensure we that we remain focused on the areas where we can make the biggest difference.

Helping us do this is our membership of the Business for Societal Impact (B4SI), which sets the global standard for managing corporate community investment.

Working with B4SI in 2022 has seen us make key progress, including strengthening our data integrity and establishing a global network of 42 Community Champions to support our activities. The Community Champions are volunteers from across a wide range of our corporate offices, brands teams and ERGs and

will play a key role in embedding the new processes and measurement plans that we develop, as well as inspiring colleagues around the world to join our community initiatives and create their own.



Local action and Giving for Good month

We recognise that being in the heart of our communities, our hotels are best placed to assess local needs and provide tailored support where it is needed, so we encourage and support the development of local partnerships in line with our policy and strategy for community investment.

We also provide our corporate colleagues with two days of paid volunteer leave to work with charities close to their hearts.

As a company we come together for the whole of September for IHG's Giving for Good month, which sees colleagues volunteer and make a positive difference in their communities. Central to this year's events was helping young people and those with barriers to employment develop skills to kick-start their careers, with CEO Keith Barr joining colleagues in Atlanta to assemble educational kits for survivors of human trafficking as part of our partnership with Wellspring Living. We also hosted a number of special events for students to learn all about a career in hospitality alongside essential skills for the world of work.



UK corporate employees volunteering with conservation charity Chiltern Rangers during the 2022 Giving for Good month.

Supply chain challenges and rising costs meant that food donation events took on even greater significance this year, with properties across our regions, including hotels in Japan, the US and Indonesia, getting involved to donate more than 20,000 meals directly during Giving for Good month.

In Atlanta, we hosted a meal-packing activity with food rescue organisation Goodr, which saw Elie Maalouf, CEO of our Americas region, join colleagues in providing 500 meal boxes to local children in need. Across EMEAA, our colleagues prepared and provided meals for the Egyptian Food Bank, Food Bank Karuizawa in Japan and the Dar Al Atta'a Association in Oman.

228,794 meals were donated through our OzHarvest partnership during this year's Giving for Good month.

TAKING ACTION



Providing the skills to succeed

We proudly sponsored the 2022 Student Research Competition organised by the Global Travel and Tourism Partnership (GTTP), an organisation that helps communities in deprived areas access academic skills.

The theme for this year's competition was Responsible Tourism Post-Covid, which saw students from around the globe describe the creative ways their community has moved towards more sustainable tourism.

In December, the winning teams were invited to the UK to stay at Holiday Inn – Whitechapel in London, where they presented their ideas to GTTP and IHG representatives. The competition enabled the 15 students from as far afield as Brazil, New Zealand, Canada and Hungary to develop their research, analytical and communication skills – all key to a successful career in travel and other industries.



COMMUNITIES CONTINUED

As some markets remained restricted by the pandemic during 2022, we didn't reintroduce hotel targets around Giving for Good activities this year. However, through corporate colleagues and those hotels able to participate, we still managed to collectively dedicate more than 57,000 hours to making a positive difference to the lives of over 100,000 people globally.

We're proud to be at the heart of thousands of communities and each September since 2018 corporate employees and hotel colleagues around the world have provided more than 380,000 acts of volunteer service.

Skills training and innovation

The travel and tourism industry has long played a key role in economic growth and offers a variety of career paths at all levels. As economies recover from the impact of the pandemic over the next decade, we are passionate about ensuring our industry is at the heart of positive change, attracting and developing a new generation of talent and creating one in three new jobs worldwide.

Our IHG Academy has been inspiring rewarding careers in travel and tourism since 2004, and in 2022, more than 7,400 participants gained valuable employment and life skills through work experience, internships and apprenticeships alongside some of the world's best hoteliers.

In 2021, we expanded the programme to include IHG Skills Academy, our best-in-class virtual learning platform that provides free online education built on insights, tools and resources from partners, which has been accessed by users in more than 90 countries.



IHG colleagues at the Learning Pool Live customer event receiving the award for the Most Innovative Use of Learning Technologies.

This year, we have built on this offer by translating some of our core learning modules into eight additional languages to make the IHG Skills Academy a truly global resource.

In October, the IHG Skills Academy won Most Innovative Use of Learning Technologies at the Learning Pool Live event, thanks to the personalised learning journeys it provides and multi-partnership models.

>57,000
hours of colleague volunteering
dedicated to community impact
projects during Giving for Good
month.

TAKING ACTION

Supporting children with educational needs



The great work being done by the team at Staybridge Suites Greenville in South Carolina saw it win the CEO Commendation Award for Giving for Good month following its Building Bridges programme to help children develop important skills for the world of work.

This year, the programme has seen colleagues at the hotel welcome its largest group of students and their teachers from a local special needs class in a public high school every Thursday afternoon for work experience, where they learn everything from clocking-in to folding linens.

Thanks to the hands-on learning opportunities and transferable skills the sessions provide, graduates are then able to go on to secure employment, and Elie Maalouf, CEO Americas, praised colleagues for their years of dedication.

The CEO Commendation Award is the highest honour IHG teams can receive for their volunteer activities during Giving for Good month, with each act of service evaluated by IHG's Corporate Responsibility team. In further recognition of its excellent work, Staybridge Suites colleagues and the school have also been invited to a county Special Education Summit to talk about the programme and partnership.

"I was particularly impressed by the hotel's dedication to the Building Bridges programme, which helps provide critical workforce training skills to young people, while helping them feel a sense of independence and pride as they gain hands-on experience of working at a hotel."

Elie Maalouf, CEO Americas



COMMUNITIES CONTINUED

Alongside this programme, we're also supporting social and economic change around the world through our work with charities and NGOs, like US non-profit Jobs for America's Graduates (JAG), which helps students historically impacted by discrimination, poverty and other barriers to graduate and secure work. We're also partnering with two Historically Black Colleges and Universities (HBCUs) in Atlanta – Morehouse College and Clark Atlanta University – as well as Georgia Tech, to diversify our early careers pipeline and attract interns to summer programmes in the US.

In Greater China, we're partnering with special education schools to offer work experience in our hotels to mute and deaf children.

We are extending our support to thousands of people being displaced in countries such as Afghanistan and Ukraine, and we have also teamed up with the Tent Partnership for Refugees to train and hire 100 refugees in the US over the next three years, which includes providing access to our IHG Skills Academy.

>130

the number of disasters responded to by IHG across the globe since 2015.

Meanwhile, in Europe, our membership of the Sustainable Hospitality Alliance has enabled us to support Ukrainian refugees by encouraging our hotels to post jobs on Hospitality Unite, its talent acquisition platform, which helps match hospitality jobs with refugees seeking opportunities.

Disaster response

We have a proud record of being there for our communities in times of need, and with our support needed more than ever before, we've continued our work with a range of humanitarian aid partners around the world to assist in their critical relief and recovery efforts.

In 2022, we supported 10 relief efforts around the globe, working closely with our long-term partners such as the International Federation of Red Cross and Red Crescent Societies (IFRC). Alongside our annual donations to support its incredible work on multiple fronts, we assisted the American Red Cross in its recovery efforts following the destruction caused in the US and eastern Canada by Hurricane Fiona and Hurricane Ian.

We also activated the IHG Colleague Disaster Relief Assistance Fund to help colleagues impacted by natural disasters across the globe, including those affected by typhoon Paeng in the Philippines.

Alongside our natural disaster relief efforts, IHG is committed to working with organisations that provide aid in times of social unrest. For example, the InterContinental Vienna in Austria provided Ukrainian refugees with accommodation and free food for a month before later employing refugees as part of its team across Sales, Front Office and Housekeeping.

TAKING ACTION

Celebrating a decade with CARE International



This year we proudly celebrated our 10-year anniversary of working with CARE International to provide humanitarian aid to thousands of vulnerable people affected by poverty and disaster around the globe.

Alongside local organisations, CARE International works in more than 100 countries. IHG's grants help the NGO to provide a lifeline to vulnerable people in times of need, from giving life-saving aid during the Covid-19 pandemic to emergency responses in countries including Zimbabwe and Syria.

In 2022, we worked together with CARE international to provide ongoing support to refugees following the war in Ukraine, as well as responding to other disasters around the

world, including floods in Pakistan and typhoon Odette in the Philippines. Typhoon Odette, which caused catastrophic damage to coastal communities through the destruction of buildings and livelihoods. IHG's funding has helped impacted local fisherman in the province of Southern Leyte get back on track by providing six motorised fishing boats and essential equipment to help them earn a supplementary income to support them and their families.

22

the number of disasters IHG has helped CARE International respond to since 2011.



TAKING ACTION



Providing meals to those in need

In honour of Giving for Good month, IHG launched its Stay for Good campaign in partnership with OzHarvest in Australia. Throughout September, for every night booked and for each OzHarvest Burger Special sold, IHG donated two meals to help those in need while giving guests the opportunity to add an additional dollar onto their bills to support the initiative. Thanks to the help of our guests, IHG donated a total of 228,794 meals during September – more than doubling its initial aim of 100,000.

COMMUNITIES CONTINUED

TAKING ACTION

Launching VietHarvest and JapanHarvest



In 2022, we launched our partnership with VietHarvest, an innovative new social enterprise that collects quality surplus food and redistributes it to underserved communities in Vietnam. With two IHG hotels already part of its rescue programme, our funding has supported operations in Hanoi, helping VietHarvest to grow quicker than planned, delivering 10,000 meals in 2022. To provide further support, we now plan to extend this commitment across our open and pipeline hotels within the country.

This year, we also helped to launch JapanHarvest, where our donation has enabled the social enterprise to purchase its first branded refrigerated van, which will triple its food capacity and enable it to cover a far broader area of Japan, as we look to expand the programme across the country's IHG estate.

The VietHarvest team with VietHarvest Co-Founder Jimmy Pham and Rajit Sukumaran, IHG Managing Director of South East Asia & Korea

"I want to thank IHG Hotels & Resorts for coming on board so early in our journey in Vietnam. IHG's support is invaluable as we expand and scale up our operation, and it will enable us to deliver thousands more meals to underserved communities in Vietnam."

Jimmy Pham, Co-Founder, VietHarvest



Food security

Food security has always been a critical issue around the world, and the pandemic and inflation across many markets have further added to the challenge by exacerbating poverty and creating global supply chain issues. The Global FoodBanking Network estimates that one in four people globally are now malnourished.

5,286kg of unused food was diverted to local communities in Australia through our work with OzHarvest in 2022.

Our support of the Global FoodBanking Network contributes to its food bank and food provision charities in 47 countries. In addition to the support we provide through our direct food bank partnerships, we are helping to support society's most vulnerable in the fight to achieve global food security and stability. This includes working closely with key organisations, like No Kid Hungry in the US and OzHarvest in Australia. Now in our third year of collaboration, we contribute to OzHarvest's educational programmes, the running of its food trucks and provide other adhoc support. During this year's winter season, we donated 2,500 litres of soup across Australia.

Following the successful launch of our partnership with food rescue organisation Goodr last year, in 2022 we also began important work with Too Good To Go, an organisation which also provides high-tech solutions to reduce waste by connecting hotels with surplus food to customers. See page 38 for more details.

TAKING ACTION

Goodr news



In 2022, we continued our partnership with food recovery and distribution company Goodr, whose app and logistics networks make it quick and simple to pick up excess and expiring food from our hotels and restaurants and donate it to local non-profit organisations.

Having been the first IHG hotel to use Goodr's service, in 2022, the Crowne Plaza Atlanta Perimeter at Ravinia has already donated more than 800 meals while diverting 1,000 lbs of food from landfill. The hotel has also made significant tax savings as a result of its donations – an estimated \$11,000 within the first 10 months of 2022.

We are delighted to have now launched a hotel pilot across the US, including cities such as San Diego and New York, to encourage other hotels to adopt the programme.



JOURNEY TO TOMORROW

Carbon & energy



Reducing our carbon emissions is not only vital to protect the world around us, but also for the long-term resilience of our business. We have set specific, measurable goals that drive efficient, sustainable operations that minimise carbon emissions.

We are committed to a global target of reducing our greenhouse gas (GHG) emissions by 46% by 2030 from our 2019 baseline (from our Scope 1 and 2 GHG emissions and Scope 3 emissions from FERA and franchise estate). This target has been validated by the Science Based Targets initiative as being consistent with climate science and the Paris Agreement, putting us on a trajectory to achieve net-zero emissions by 2050 to prevent the worst impacts of climate change.

Given IHG has a predominantly asset-light business model, with the majority of hotels owned by third parties, we're working closely with our owners and teams across our franchised, managed, owned, leased and managed lease hotels to reach our climate targets.

We aim to further industry-wide understanding and methodologies for decarbonising through our memberships of organisations such as the SHA, the World Travel & Tourism Council (WTTC) and the American Hotel & Lodging Association (AHLA).

→ For details of the challenges we face in delivery of our climate transition plan and climate-related risks, please refer to pages 56–60 of our [2022 Annual Report](#).

The Holiday Inn & Suites Atlanta Perimeter - Dunwoody opened in 2021 complete with on-site photovoltaic solar panels to generate electricity and solar thermal panels to heat water, producing 15% of the hotel's energy use.



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

Our 2030 commitments:

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

Supporting the UN SDGs:



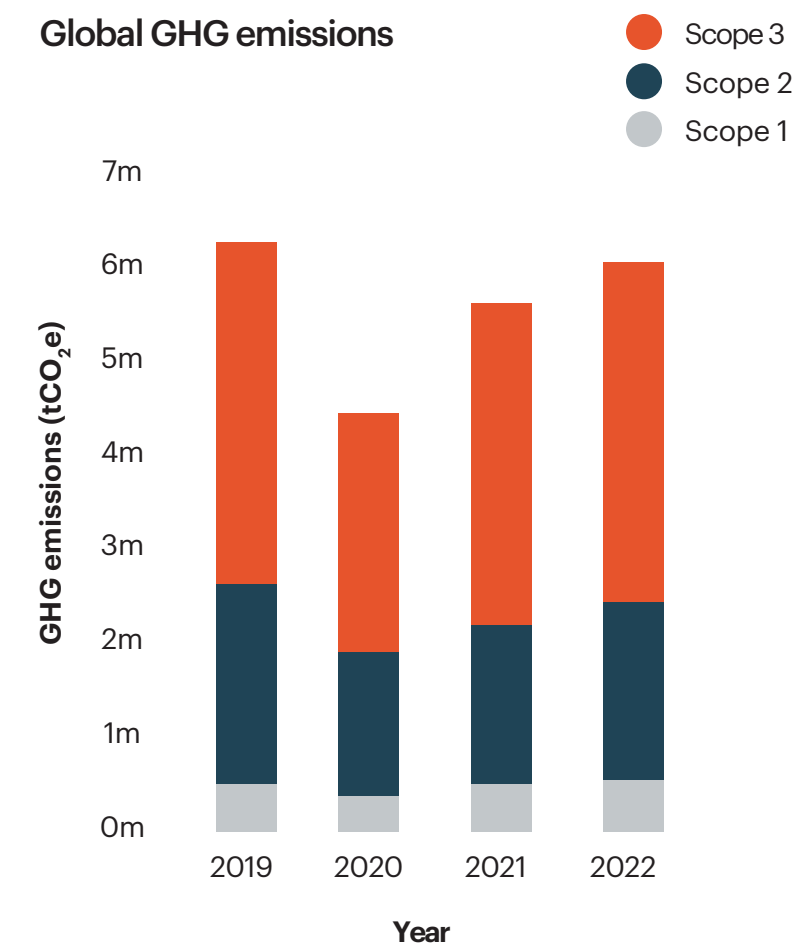


CARBON & ENERGY CONTINUED

IHG is the first hotel company to join the US Department of Energy’s Better Buildings Low Carbon Pilot programme, and the first hotel company to sign up to the Zero Carbon Forum (ZCF), a non-profit organisation for the UK hospitality sector that enables members to decarbonise and reach net-zero more efficiently.

Throughout 2022, the challenges faced by our hotels in recovering from the pandemic and restoring growth have required careful navigation that recognises the pressures on our owners and teams. Despite this, many markets returned to 2019 occupancy levels and we were able to achieve a 3.4% reduction in our Scope 1, 2 and 3 (FERA and franchise) total GHG emissions, with a 5.8% decrease on an occupied room basis compared to our 2019 baseline level.

To achieve our decarbonisation target while continuing to grow our business, we are taking



action across three main areas: decarbonising our existing hotels; sourcing renewable energy; and developing new-build hotels that operate at very low or zero carbon. The 2023-2025 LTIP measures for Executive Directors will include a new ESG measure, part of which will be targets related to decarbonisation actions.

Decarbonising our existing hotels

With over 6,000 hotels across more than 100 countries, we recognise the importance of partnering with hotel owners and supporting them to not only generate profits but decarbonise and futureproof their assets to protect the long-term value of their business and reduce the impacts of climate change.

Owner feedback and collaboration are integral to progress and we work closely with the IHG Owners Association Global Environmental Sustainability Committee to set achievable milestones on the way towards delivering our commitments on our Journey to Tomorrow plan. We have shared insights into the growing interest that customers have shown for hotel-level decarbonisation and sustainability practices, as well as the benefits for owners.

In 2022, to support our continued focus on improving the energy efficiency of our estate, we changed our hotel performance metric from carbon reduction to energy reduction and set new energy efficiency targets across all our hotels, which have been tailored by region, brand and climate zone. Moving to energy targets has several advantages: hotels can directly control, track and monitor their energy usage, and this metric allows for greater comparison and benchmarking of hotels in different countries and climatic zones.

→ For full figures, see the tables in the data section on page 50 and methodology on page 49.

“ We implemented all three energy conservation measures – LED lighting, high-efficiency showers and faucet aerators – across all of our portfolio, and have seen a really positive impact on cost savings and zero negative impact on guest experience.”

IHG hotel owner Susan Bland, RBH Hospitality Management

To support our Journey to Tomorrow commitments, we also undertook a review of our brand standards and have begun to incorporate a range of energy conservation measures (ECMs). Existing hotels are now mandated to implement LED lighting, high-efficiency showers and faucet aerators by the end of 2025. In order to assess measures best placed for integration into our brand standards, we initially focused on those that provide the most impact for the lowest cost, with paybacks of less than five years for owners. Extensive modelling of higher-impact energy conservation measures that require larger investment was also carried out.

During 2022, we have continued to work with governments, peers and trade bodies to support owners and the industry and have made significant progress across several areas. Highlights include supporting to secure a tax credit for commercial buildings included in the Inflation Reduction Act in the US to reduce the cost for owners in making their properties more energy efficient, actively pursuing a partnership that will help owners capitalise on tax incentives and utility rebates based on their energy efficiencies, and lastly ensuring we are aligning to existing refurbishment and equipment end-of-life cycles to enhance paybacks, minimise business disruption and avoid premature waste.

HIGHLIGHT

Decarbonisation tools for our hotel owners

Energy saving toolkit

Being part of IHG means hotel owners receive a range of support to empower them with the knowledge and resources they need to meet their energy reduction targets, and in 2022 we launched the Hotel Energy Reduction Opportunities (HERO) tool to guide hotels on the most effective energy conservation measures for their specific building. The tool provides indicative capital costs, energy reductions and payback periods for each one based on the hotel’s facilities, climate and energy use. With the tool’s assessment taking only 10 minutes to complete, we are aiming to significantly expand its use across all our hotels in 2023, which we are facilitating through the addition of six more languages and the development of a separate HERO tool in Chinese for our Greater China region, which includes specific climate zones.

Online environmental management platform

Every IHG hotel is given access to our IHG Green Engage™ system, our online environmental management platform, which helps hotel teams make greener choices, charts their progress, and measures and reports their energy, water and waste data. It also provides more than 200 green solutions to drive utility efficiency. Green Engage has been supporting our hotels to reduce their environmental impact since 2009 and to ensure its continued success, we are refreshing the platform in 2023.

Carbon and energy training

We have been supporting hotel teams with new training, with the Carbon and Hotel Energy Reduction Opportunities e-learning empowering hotel colleagues to reduce costs, drive revenue and increase the asset value of their property by providing effective strategies to reduce their hotel’s energy use and carbon footprint.

The training covers the global context, the commercial and competitive advantages of sustainability efforts, and how hotels can reduce energy and carbon and what is required to meet their 2025 energy reduction targets. A HERO tool how-to guide, checklists and 10-minute trainers also help General Managers to implement the top no-cost actions.

Centralised data collection

IHG has been working on a more streamlined process for collecting centralised, verifiable utility data. This includes our work with an energy specialist which, at no additional cost to hotels, collects data from utility companies or hotels directly, and feeds this data directly into Green Engage. The information generated provides more accurate insights into hotel performance and how a property might save money, as well as strengthening hotel RFP responses to corporate clients.

CARBON & ENERGY CONTINUED

Sourcing renewable energy

Our commitment to maximise and optimise the role of renewable energy across our estate is not only paramount in reducing our environmental impact and reaching our decarbonisation goals but also in ensuring our long-term energy security.

As we support our hotels in becoming energy resilient, we are helping to reduce our owners' operating costs and mitigate the impact of further unexpected energy price hikes and unplanned business disruption.

We now supply all of our UK offices and managed hotel estate through a renewable electricity tariff, as well as our managed hotels in Germany and our Atlanta office and Design Centre in the US.

TAKING ACTION

Solar solution



We have worked with a community solar company to develop a community solar initiative for our hotels located in Maryland, US. Properties signing up to the programme receive access to renewable energy through local solar projects along with a fixed discount on electricity charges. Requiring no capital expenditure and enabling hoteliers to make clean energy claims on RFPs and receive renewable energy credits, we're now looking to extend the initiative to other US states, subject to demand and availability.

“While building my hotel, it made business sense to make it energy efficient. Installing solar PV panels and thermal panels allowed me to take advantage of the US Small Business Administration (SBA) green loan, saving me money on interest and power bills.”

Mohammad Hossain, owner of Holiday Inn & Suites Atlanta Perimeter-Dunwoody

We also continue to explore the delivery of a broader renewable energy programme that can be accessed by a wider range of our hotels. Our focus has initially been in the US, which has involved helping owners to procure renewable electricity through power purchase agreements (PPAs), community solar initiatives (see box, left) and green tariffs, as well as using our scale to help owner groups access zero carbon projects and lower-cost energy.

Developing new-build hotels that operate at very low or zero carbon

With more than 1,800 hotels in our development pipeline, we recognise the importance of taking steps to ensure that as we realise our growth ambitions as a business, we also reach our emissions target for our global estate. To this end, we're committed to developing new-build hotels that operate at very low or zero carbon emissions by 2030.

In 2022, we worked with technical specialists to develop a futureproof definition of a 'zero carbon building' to guide development of future IHG hotels. Key to achieving this will be incorporating energy efficiency into building design and operation, electrification and the role of on and off-site renewable energy. As part

of this work we are also analysing the specific very low or zero carbon operational measures and cost impact requirements for a Holiday Inn Express brand in the US to meet our zero carbon definition.

In 2021, we began work on modelling 'typical' hotels in different climatic zones, determining the impact of 30 different energy conservation measures on those hotels, including optimised window-to-wall ratios, demand-based kitchen ventilation, on-site solar photovoltaic panels and using air-source heat pumps for domestic hot water. We're now looking at the energy saved through each measure, as well as the impact on cost to build across different brands and climate zones.

We have begun to integrate the conclusions of our analysis into our design, development and construction processes and standards. In 2022, we started developing building standards for our new builds which reduce energy usage, as well as providing guides to our hotel owners on how to futureproof their assets to align with very low carbon new-builds.

While much of our work is focused on reducing operational emissions from direct fuel and energy usage in our hotels, we remain aware of the wider carbon impacts from other Scope 3 categories, such as the goods and services we and our franchise owners purchase from suppliers (including food and beverage), and the carbon that is embodied in hotel buildings from materials such as concrete, brick and steel. We continue to explore ways in which we can influence and reduce our impact in these areas.

→ See the responsible procurement section on page 18.

TAKING ACTION

A breath of fresh air in Oxford



One of several of our UK hotels that has successfully reduced its energy consumption is voco Oxford Thames following the installation of a demand-based kitchen ventilation system. While traditional systems run at a constant rate, these units automatically match the ventilation flow rate in a kitchen with the amount of cooking taking place, helping to reduce energy consumption and carbon emissions.

With the hotel saving more than 17,000 kWh in energy each year, as well as over 4,000 kg of CO₂, we're now looking at how we can increase the use of these systems across our estate.

“I would 100% recommend other IHG hotels install a demand-based kitchen ventilation system. It leads to much lower energy costs and requires little to no maintenance. Our new system is much better than the manual system we had before.”

Andrei Poor, Head of Facilities & Engineering at voco Oxford Thames



JOURNEY TO TOMORROW

Waste



Millions of guests visit our hotels each year and all require toiletries, amenities, food and beverage, and linens. We see a real opportunity to help our guests have a more sustainable stay by reducing unnecessary waste and plastics and exploring circular economy benefits for our owners.

The world produces over two billion tonnes of waste annually – a figure expected to increase to 3.4 billion tonnes by 2050. Less than 20% of waste is recycled each year, with enormous quantities sent to landfill. This is not only a huge detriment to our natural environment, but poses a threat to our wellbeing, with dump sites affecting the health of an estimated 64 million people.

Waste is a significant challenge for the hospitality industry. In the US alone, nearly 40% of food waste is generated by consumer-facing businesses, including restaurants and hotels. Indeed, the World Wide Fund for Nature (WWF) views the industry as an important ally in helping to achieve the UN’s Sustainable Development Goal of halving food waste by 2030.

We are always seeking ways to extend the life of products that leave our hotels and offices, by donating computers or furniture, or surplus food to those in need.



Pioneer the transformation to a minimal waste hospitality industry

Our 2030 commitments:

- 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

Supporting the UN SDGs:



WASTE CONTINUED

We aim to reduce waste and track our progress, while continuing to collaborate with leading experts to find innovative solutions.

This year, we have taken steps to improve our data, provide further support to our hotels to better understand their impact and continue to develop tools and resources. This includes the launch of our global waste training and toolkits. Paying closer attention to food and beverage waste management and cutting down single-use items has helped us to reduce our overall waste footprint by 7% since 2019. Please see page 53 for more details of our waste performance data.

Eliminating single-use items

To ensure the continued success of our commitment to replace bathroom miniatures with full-size amenities across all brands, we have signed global agreements with a number of suppliers and our progress continued in 2022 through the signing of a deal to secure bathroom bulk amenity contracts across more than 4,000 Essentials and Suites hotels. In the Americas region alone, this is expected to reduce our plastic usage by an estimated 850 tonnes annually, while providing hotels with cost savings.

In November 2022, we updated our dry amenity brand standards in the EMEAA region. Items such as toothbrushes, razors and combs in our Essentials, Suites, Premium and Lifestyle hotels are now provided on request, while our Luxury hotels provide a core range of in-room amenities. As part of these brand standards, we have updated how we communicate the sustainable steps we're taking to our guests, and have introduced new



IHG was the first hotel company to commit to replacing bathroom miniatures with full-size amenities across all brands in 2019.

in-room messaging for our EMEAA hotels to implement by June 2023.

In EMEAA, we also worked with Travel Without Plastic to develop a toolkit, that provides hotels with additional support and a best-practice approach to reducing, reusing, replacing and recycling single-use items. This will be shared across all our regions in 2023.

These changes will significantly reduce the associated waste from in-room items and potentially reduce costs for our hotels, while

850 tonnes
the estimated amount of plastic that the transition to bulk amenities will save annually in IHG's Americas region alone.

TAKING ACTION

Delivering sustainable stays in Greater China



IHG is the first hotel company to work with Ant Forest's tree-planting programme on the Alipay app that enables users to earn virtual points for making low-carbon lifestyle choices.

The award-winning programme is designed to promote awareness of environmental protection to guests and encourage them to contribute to decarbonisation through

the award of green energy points for eliminating use of single-use dry amenities during their stay (such as toothbrushes, toothpaste and combs).

More than half of IHG's hotels in Greater China have taken part in the programme, with plans to expand its use in 2023.



WASTE CONTINUED

continuing to support the guest experience based on local market needs. For more detail on how we have improved the sustainability credentials of in-room amenities, see the circular solutions section on page 38.

Dry amenities in our Essentials, Suites, Premium and Lifestyle hotels are now provided on request, with luxury hotels providing a core range of in-room amenities.

Food waste

An estimated one-third of food is wasted globally each year – equivalent to \$1 trillion – which has a greater impact on our climate than the global airline industry. Approximately 26% of this waste is created by the travel and hospitality industry, so it is vital that we find ways to support the UN’s SDG to cut food waste by 50% by 2030, as well as reduce the significant cost to our hotels.

To support hotels, we are taking part in the Waste & Resources Action Programme (WRAP) Guardians of Grub campaign, providing our hotels with free resources on how to reduce food waste and the benefits from both an environmental and business perspective. Since piloting its eight-week programme, the Kimpton Clocktower Hotel in Manchester in the UK reduced food waste by 11% between May 2021 and January 2022 by reviewing menus and tracking food waste data. We continue to

expand engagement in the programme across our hotels as we tackle food waste in the hospitality industry.

In December 2022, we launched our global food waste training e-learning module in 13 languages for colleagues and made it part of the General Manager training programme. Based around UN’s “prevent, donate and divert plan”, our training encourages hotels to track food waste and take action. Food waste is measured daily with a food waste tracker before monthly totals are entered into IHG Green Engage and recommendations are made.



The Guardians of Grub programme has helped chefs at the Kimpton Clocktower Hotel in the UK reduce food waste by 11%.

\$7

is saved in operating costs for every \$1 invested in food waste prevention by the restaurant industry (WRI & WRAP 2018).



TAKING ACTION

A high-tech way to reduce food waste in the UAE



InterContinental Fujairah in the United Arab Emirates has reduced the value of its food waste by 54% since it started working with food waste specialist Winnow in October 2018.

Harnessing its artificial intelligence technology that uses tablets, weighing scales and cameras to help hotels measure and identify food waste, InterContinental Fujairah has saved the equivalent of 40,000 meals and more than 200 metric tonnes of CO₂ emissions – the same as driving a car for half a million miles.

The software provides regular reports to chefs and kitchen staff, which helps highlight problem areas and drive behavioural change. Installed in 23 IHG hotels in the Middle East

and Africa, the technology has been most popular with larger IHG hotel kitchens so far, where food waste is more significant, but it offers a variety of options to suit all kitchen sizes and budgets. Hotels utilising Winnow’s technology have seen, on average, a 68% reduction in the value of food waste.

\$45,000

the estimated average gross saving per hotel each year through collaborating with Winnow on food waste.

WASTE CONTINUED

TAKING ACTION

Reducing food waste in Europe with Too Good To Go

The innovative Too Good To Go app is proving a hit with a number of IHG's hotels in Europe by connecting them with customers when they have unsold surplus food.

Already in 96 properties, it has helped Holiday Inn Berlin City East Side sell more than 2,155 surplus meals since June 2019 and save around 5.39 tonnes of CO₂e, and we're now planning to extend its use across our estate.

“Partnering with Too Good To Go helps us to easily push our breakfast sales, advertise to the outside world that we are doing something for a good cause and reduce our carbon footprint.”

Holiday Inn Berlin City East Side, Germany



38,000

meals saved from going to waste since 2016 through our partnership with Too Good To Go.

\$100,000

the approximate revenue generated collectively by hotels working with Too Good To Go.

Circular solutions

The products and amenities provided to guests in our hotels can generate significant amounts of waste if not recycled and reused. We are therefore moving towards a more circular model by incorporating recycled content into the manufacture of new products we procure, or making sure that items are put to good use elsewhere once they leave our hotels. To help us achieve this, we have a system in place to evaluate the environmental credentials of our suppliers and we are making recommendations to our hotels where possible (see page 18–19 for the progress we're making on responsible procurement).

In EMEAA, we have reviewed the sustainability credentials of our dry amenities, including items such as dental kits, combs and sanitary

bags. We have worked with our new preferred supplier to replace virgin plastic products with biodegradable, wooden or recyclable versions and 100% post-consumer recycled plastic options, as well removing inner plastic packaging from these products and using FSC certified paper packaging with soy-based ink.

Across our regions, hotels engage with service providers offering more sustainable solutions with reduced waste. In Australia, for example, the Holiday Inn and Crowne Plaza in Perth and the InterContinental in Adelaide are working with a family-owned leading mattress supplier that offers a take-back programme. This leading supplier embeds circular economy principles and social impact throughout its value chain by providing job opportunities to people facing barriers to employment. For example, it works with a social enterprise, Soft Landing, which extends the lifecycle of hotel mattresses by recycling up to 75% of the components into the foam for carpet underlay or steel springs for roof sheeting. During the Lismore floods in Australia this year, voco Gold Coast worked with the supplier to donate more than 50 mattresses to support those in the local community.

For our UK-managed hotels, we partner with a leading hospitality supplier that collects our used waste oil, which is then processed into biofuel for use as vehicle fuel or power and energy generation. In 2022, 16,600 litres of waste oil was recycled into renewable sources.

In 2022, we began to provide corporate employees with new laptops and upon completion in 2023 our aim is for all unwanted ones to be disposed of responsibly, reused or recycled at the end of their life.

JOURNEY TO TOMORROW

Water



Demand for water already exceeds supply in many parts of the world, so it is important that we incorporate water efficiency measures into both our existing hotel operations and new properties to preserve and conserve this precious resource.

Water stress is becoming a reality worldwide as the population grows and extreme weather and droughts occur more frequently, so we must understand which of our hotels are located in high or very high areas of water stress so that we can adapt our business strategy accordingly to better support these hotels and target water savings.

By using the World Resources Institute (WRI) Aqueduct Water Risk Atlas Tool to map risk across all hotel locations, we have created a baseline data set on water risk, which will inform our future strategy and allow us to continue to report in line with the SASB framework (see page 12 of our [ESG Databook](#)). This provides us with the number of hotels located in areas of water scarcity, as well as overall water risk, taking into consideration 13 indicators – including flooding, drought and water depletion.

→ [See page 52 of our appendix for water data.](#)



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

Our 2030 commitments:

- 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

Supporting the UN SDGs:



WATER CONTINUED

Our ongoing assessment is being integrated into our overall risk management strategy and forms part of our work on TCFD, featuring in our analysis of both acute and chronic physical risks (see pages 54–61 of the [2022 Annual Report](#) for the full disclosure). In 2023, we hope to conduct an even more detailed assessment to enable us to issue bespoke advice to hotels exposed to water risks.

Despite hotel occupancy nearly recovering to 2019 levels, we maintained a reduction our absolute water footprint by 7% and water intensity (water withdrawn per occupied room night) by 9% in 2022 compared to our 2019 baseline year. Recognising the challenges in achieving ongoing usage reductions in future years, we have set our hotels a water-reduction

target along with requiring them to report on their water usage through the Green Engage system. (See page 52 of our appendix for water data.)

To save our busy hotel teams time, we have rolled out a centralised data entry system and verification process. Furthermore, we have updated our brand standards and provided supplier recommendations for hotels to implement high-efficiency, low-flow aerated shower heads and tap faucets to reduce water consumption on average by 11 litres per minute and three litres per minute respectively (this varies according to hotel).

In 2022, we appointed a leading sustainability consultancy to support us in the next stage of developing our water strategy. We are currently conducting an assessment of current programmes and data, external drivers and peer analysis as we work to develop a group-wide strategy for reducing our water usage across all of our hotels.

We have updated our hotel brand standards to include high-efficiency, low-flow shower heads and tap faucets to help reduce our water footprint.

Water partnerships

In our four years as members of the Alliance for Water Stewardship (AWS), we met our target to develop water stewardship action plans for six water-stressed areas. We have been part of the UN CEO Water Mandate since 2019, which represents a pledge to six core commitments that mobilises business leaders on water, sanitation and the UN SDGs. As part of our involvement, we are also members of the Water

Resilience Coalition, which aims to elevate global water stress to the top of the corporate agenda and preserve the world’s freshwater resources through collective action and ambitious, quantifiable commitments. This has helped to inform our work to identify and manage water supply.

We were pleased to work with Water.org for a second consecutive year to support them in providing lasting access to reliable, safe drinking water and improved sanitation solutions. Its WaterCredit model provides microloans to people living below the poverty line and IHG’s contribution will give 5,000 people lasting household water and sanitation solutions in countries including Mexico, India, Kenya and Indonesia. Financing loans provided for these solutions can ensure the provision of large water harvesting tanks that hold enough water to meet families’ needs to save the costs and time associated with daily water collection.



Our funding to Water.org supports the provision of lasting water and sanitation solutions in Kenya, such as these water tanks.

TAKING ACTION

Protecting a natural wonder in Australia

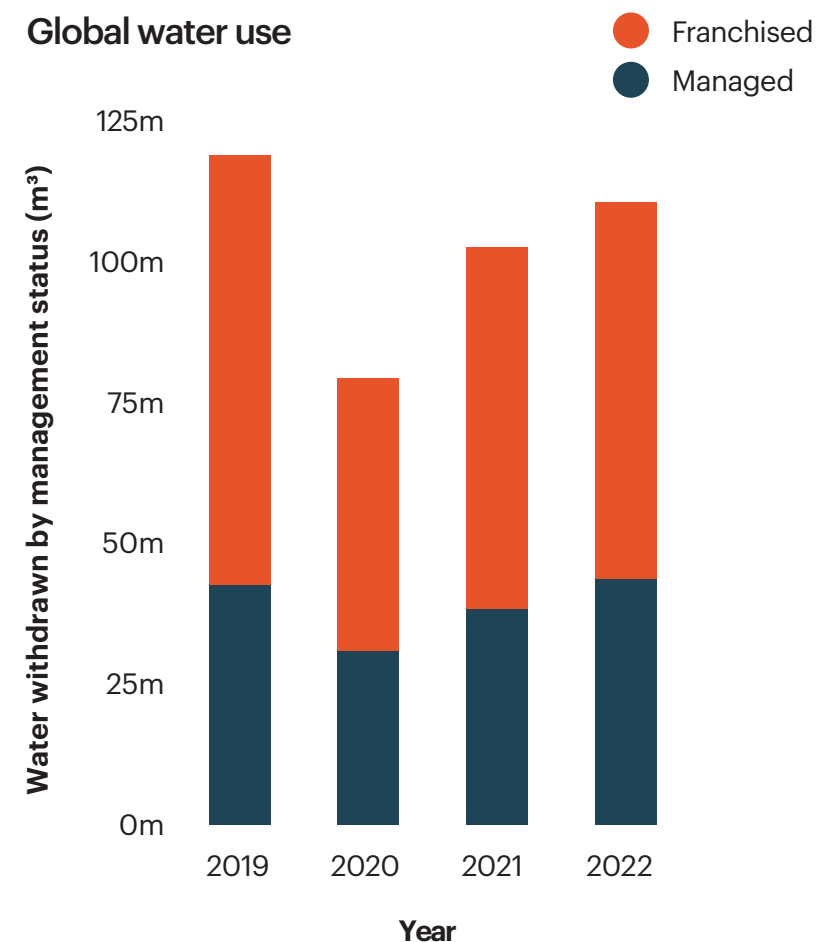


Located on one of the Whitsunday Islands near the Great Barrier Reef in Australia, the InterContinental Hayman Island Resort is taking big steps to protect its stunning environment.

Due to its unique geographical location, water conservation plays a huge part in daily life at the resort. All water used on the island is produced through an on-site reverse osmosis desalination plant that recycles salt water from the ocean into fresh drinking water, while its sewage treatment plant produces recycled irrigation water that’s used to water the resort’s extensive gardens. The resort also undertakes wet food recycling, which biologically converts solid

food waste materials into eco-friendly and nutrient-rich liquid that flows into the sewage system, reducing general waste going to landfill by more than 450 tonnes per year.

As well as its in-built eco-friendly measures, the resort provides guests with a complimentary reusable water bottle upon check-in, which they can fill at the resort’s multiple filtered water stations to prevent the use of single-use plastics during their stay, along with sunscreen that’s specially formulated to be safe for the nearby coral reefs. Guests are also taken on an educational journey during their stay, learning all about the island’s sustainable projects and practices along with the neighbouring unique reef ecosystems.



JOURNEY TO TOMORROW

Biodiversity



Protecting precious species and their habitats as well as preserving the beauty of the natural world are vital to our planet's prosperity.

Areas rich in biodiversity are often tourism hotspots, so it is important we acknowledge the need to treat these delicate ecosystems with care, treading carefully to avoid disturbing animals, plants and natural habitats and operating and growing responsibly to enhance our natural surroundings. Guided by our purpose of True Hospitality for Good, we want to help reshape the future of responsible travel so that tourism operates in harmony with nature.

The actions we take to deliver our Journey to Tomorrow plan will help protect the biodiversity of our planet – whether through water conservation and reducing the use of plastic to help preserve marine life or increasing the purchase of goods and services with a positive environmental impact or decarbonising our hotels. To support our hotels in preserving and protecting local flora and fauna and the wider regional ecosystems affected by our operations, we're providing advice on the management of green spaces and long-term strategies for protecting local habitats.

Colleagues coral planting to help rebuild a healthy reef around the Maldives resort as part of Holiday Inn Resort Kandooma Reefscaping Project.

BIODIVERSITY CONTINUED

Mapping and mitigating our impact

In 2022, we finalised our global risk mapping work using the Integrated Biodiversity Assessment Tool (IBAT) to establish a baseline data set, which maps the level of threat to biodiversity across all our hotels. The data set includes various metrics, such as proximity to the International Union for Conservation of Nature (IUCN) Red List of Threatened Species and Species Threat Abatement and Restoration (STAR) to help identify actions that can protect threatened species. The analysis has highlighted hotels that are near protected areas and key biodiversity areas (that are currently unprotected), which will help us provide hotels most at risk with bespoke information and support as we evolve our strategy.



The Intercontinental Aqaba in Jordan has partnered with Clean Up The World Campaign to enhance awareness in Jordan on the harmful effects of litter on the marine environment.



IHG was honoured to receive the Chilterns Champion Award 2022 in recognition of our ongoing support and volunteer efforts to improve biodiversity in the local area surrounding our headquarters.

We are undertaking a horizon scanning and benchmarking process, which will help us create a long-term roadmap as part of a group-wide biodiversity strategy. We will work to align this with the recommendations of the Taskforce for Nature-related Disclosures (TNFD) – a much-welcomed policy framework that, once finalised, will help us to collate the efforts made across all of our hotels and implement Group-wide improvements. In the meantime, we will continue to review and prepare for TNFD and conduct a gap analysis to prioritise our focus areas.



At voco Gold Coast, a resident beekeeper looks after 300,000 bees so guests can sample fantastic local honey.

TAKING ACTION

Conservation efforts in the Maldives

Founded in 2011, the Maldives Underwater Initiative (MUI) by Six Senses Laamu is now one of the largest marine biology and sustainability teams at any resort in the Maldives. Its year-on-year work has led to the designation of the Laamu Atoll as one of the planet's Hope Spots by the international non-profit organisation Mission Blue.

Committed to marine conservation and sustainable tourism, the team has established a comprehensive community outreach programme to educate and foster environmental stewardship on the Laamu Atoll. Through collaboration with partner NGOs, such as the Manta Trust, Olive Ridley Project and Blue Marine Foundation, the hotel team carry out extensive studies on local coastal ecosystems.

Routine coral surveys are conducted across the atoll to assess the health of the reefs, while diving and drone activities are used to gather data on the marine life and ocean health.

In April 2022, the resort and MUI coordinators featured in the BBC's TV programme Our Changing Planet, which explored not only the beauty of the reef but the interactive educational experiences the resort offers its guests and local school children, which has had an important role in increasing global awareness of marine conservation. Guests are also invited to learn about the resort's sea turtles, whales, mangroves and seagrass conservation work through events, tours and presentations.



SECTION 4

Appendix

Stakeholder
engagement

UN SDGs

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APPENDIX CONTINUED

Stakeholder engagement

We collaborate and engage with a wide range of stakeholders to ensure we understand their needs and the potential impact of initiatives, and work together effectively towards common goals and create shared value.





The following tables outline some key examples of how we have engaged with each of our stakeholder groups in 2022. However, more examples can also be found throughout the Responsible Business Report and on pages 38–39 of our [2022 Annual Report](#).

Stakeholder Group	Why we engage	2022 engagement
<p>Guests and corporate clients</p> 	<p>Our guests and corporate clients are increasingly wanting to see clear evidence of how we are minimising our impact on the environment and driving positive change within our communities.</p>	<ul style="list-style-type: none"> IHG Ignite, a premier business-to-business (B2B) customer summit and expo, designed exclusively for IHG’s most valued customers across all segments, from corporate to entertainment, took place in 2022. The programme featured panel sessions, break-out discussions and opportunities for 1:1 engagement with functional business representatives. IHG Global Corporate & Association Advisory Board Meeting 2022 was a forum held in person for IHG business function leads to engage with key B2B customers and travel partners on key initiatives across the business and to solicit feedback. IHG is a founding partner of GBTA’s sustainability programme and has a representative on the Sustainability Leadership Council, which aims to demonstrate the contribution the business travel sector can make on climate action. IHG supported the engagements at the first-ever Sustainability Pavilion at the GBTA Convention in San Diego in August 2022. This included sustainability panel discussions with industry peers and a presentation day for IHG-branded hotels.
<p>Hotel owners</p> 	<p>Thousands of owners not only choose our brands based on the strong returns they provide, but also on how we look after the world around us, and working closely together to reach our targets is pivotal to our shared success.</p>	<ul style="list-style-type: none"> IHG’s first Americas Investors & Leadership Conference in more than three years took place in May 2022, bringing together more than 5,000 owners, operators, directors of sales, sponsors, trade show exhibitors and IHG colleagues from across six mainstream brands for three days of learning, networking and celebrating. The IHG Owners Association Global Environmental Sustainability Committee meets regularly to collaborate on hotel carbon and energy reduction. In 2022, IHG developed a feature cover sustainability article for the IHG’s Global Owners Association magazine focused on initiatives IHG provides to help owners to decarbonise. Launched our first community solar initiative for our hotels located in Maryland, US. Secured a bulk amenity supplier for more than 4,000 hotels, developed a single-use item toolkit and launched our global waste training module in 13 languages.
<p>Our people</p> 	<p>Our actions as a responsible business help us recruit and retain our talented employees working in our corporate offices, reservation centres and managed hotels, with their diverse opinions helping to shape our approach.</p>	<ul style="list-style-type: none"> The Annual Americas Operation and Commercial Team Meeting was held in Chicago in 2022, which brought together operational and commercial representatives that support the franchised estate. Presentations included a discussion focused on our decarbonisation agenda and a trade show-style session on the various initiatives in place to support IHG hotel teams. Launched our responsible business web portals to help deliver on our Journey to Tomorrow commitments by streamlining relevant content, training and resources from across the business into two accessible areas - one for franchised hotels colleagues and the other for our managed and corporate colleagues. Extended our conscious inclusion training to frontline colleagues in 2022. Our ERGs continue to be central to our conversations around DE&I, with 1,300 members in 24 chapters worldwide. In our 2022 employee engagement survey, known as Colleague HeartBeat, our overall employee engagement stood at 86%, a 1% point improvement on last year. We also have a designated Executive Director for workforce engagement. Launched myWellbeing – a framework to support employees across a range of important areas, including their health, lifestyle and workplace, and we have also invested in our core HR and learning platforms, providing the tools and resources we need to be successful.



APPENDIX CONTINUED

Stakeholder engagement


Stakeholder Group	Why we engage	2022 engagement
<p>NGOs, governments and community groups</p> 	<p>We engage with NGOs, governments and community organisations to ensure the programmes and policies we have in place meet the needs of our guests, communities and owners.</p>	<ul style="list-style-type: none"> • IHG co-chaired the Tourism Industry Council (TIC) to support the delivery of the Tourism Recovery Plan and sat on the Hospitality and Tourism Skills Board. • IHG was a lead sponsor of Metro Atlanta Chamber’s (MAC) annual meeting in 2022, which included discussions with Invest Atlanta regarding IHG’s growth priorities for the city. • Continue to work with our industry peers to educate elected officials and other stakeholders on the benefits of the hotel franchise business model. • Working closely with the US Congress to advance IHG’s sustainability targets through legislation aimed at expanding government incentives to reduce costs for hotels making energy-efficient upgrades. In 2022, we helped secure a tax credit for commercial buildings included in the Inflation Reduction Act.
<p>Shareholders and investors</p> 	<p>Our shareholders are making an increasing number of investment decisions based on ESG factors, so it’s important we regularly engage with and inform them of our responsible business practices and progress.</p>	<ul style="list-style-type: none"> • Regular roadshow investor meetings and participation in investor conferences by Executive Directors, Senior Leaders and Investor Relations. • Consultations between the Chair of the Remuneration Committee and institutional investors and proxy vote advisors responding directly to investor enquiries. • Hosting ESG-specific updates for investors, such as charting the progress of our Journey to Tomorrow responsible business plan. • Embracing an ever-evolving ESG agenda by participating in surveys and working with ratings agencies and other key organisations, including ShareAction, MSCI, Sustainalytics, CDP, S&P DJSI, ISS, FTSE4Good and WDI.
<p>Suppliers</p> 	<p>Suppliers’ provision of goods and services is critical to our ongoing operations, and we want to ensure we engage with those who share our commitment to responsible business.</p>	<ul style="list-style-type: none"> • Continued to incorporate a due diligence questionnaire during the tendering process to help ensure our suppliers maintain good practices concerning governance, labour practices and the environment within their operations and supply chains. • Partnered with EcoVadis and requested 92 suppliers globally participate in the EcoVadis ESG assessment. • Engaged with high-performing suppliers in sustainability and the circular economy that provide key goods and services to our hotels and corporate functions to increase collaboration with sustainable suppliers and alignment with our Journey to Tomorrow ambitions.
<p>Industry associations & academic institutions</p> 	<p>Collaboration across the industry is key to ensuring that we all work towards common goals and we continue to partner with organisations and academic institutions that drive positive change across the industry.</p>	<ul style="list-style-type: none"> • IHG CEO Keith Barr sits on the WTTC Executive Committee and regularly attends prominent conferences, the most recent being a Global Summit in Riyadh, Saudi Arabia. • IHG presented at the G20 Tourism Ministers’ Meeting in Bali on its support of local communities and the importance of collaboration. • Americas CEO Elie Maalouf recently led his final US Travel Association (USTA) CEO Roundtable meeting as Chair, where industry leaders, members of Congress and government officials discussed policies to support the growth of the travel industry. • We have worked with the Confederation of British Industry (CBI) on its Be More Green initiative and contributed to its toolkit, providing insights into how sustainability is embedded into IHG’s approach to innovation. • Working with industry peers (including WTTC, UKHospitality and the ZCF) to explore how governments can support our owners and the industry in their decarbonisation efforts and have contributed to the SHA’s Pathway to Net Positive Hospitality for the Planet programme. • Extended the global reach of our IHG Skills Academy virtual learning platform through the translation of core modules into eight additional languages. • Continue to work with organisations across our regions to attract and develop talent from all backgrounds, circumstances and abilities, from supporting HBCUs in the US to the Leonard Cheshire Disability charity in the UK and special education schools in Asia.



APPENDIX CONTINUED

UN Sustainable Development Goals



The 17 UN SDGs are a call to action by countries across the globe to promote people’s health and prosperity while also protecting the planet. We are committed to ensuring our responsible business targets contribute towards the UN SDGs to tackle societal problems, along with the challenges that need to be met if the worst consequences of climate change are to be avoided. We have included some examples of how we’ve contributed to the goals in 2022 here, and throughout the Responsible Business Report we have identified where we support the SDGs more broadly.

SDG	Actions this year
 <p>6 CLEAN WATER AND SANITATION</p>	<ul style="list-style-type: none"> • IHG has been a signatory of the UN CEO Water Mandate since 2019, which represents a pledge to six core commitments that mobilises business leaders on water, sanitation and the UN SDGs. We are also members of the Water Resilience Coalition that aims to elevate global water resilience to the top of the corporate agenda and preserve the world’s freshwater resources through collective action in water-stressed basins. • We are committed to developing a Group-wide water strategy that will support the delivery of our Journey to Tomorrow 2030 commitments on water. This includes analysing water risk at the hotel level to help us to develop mitigating actions to reduce water issues at the most at-risk hotel locations in 2023. • In 2022, we integrated high-efficiency, low-flow aeriated shower heads and tap faucets into our brand standards, which hotels are required to meet by 2025. • We have developed and completed water stewardship pilots for six key water-stressed areas.

SDG	Actions this year
 <p>10 REDUCED INEQUALITIES</p>	<ul style="list-style-type: none"> • Our ERGs are continuing to grow and now have 1,300 members and allies in 24 chapters worldwide. • We introduced EPIC, our Supplier Diversity Programme and saw our qualified diverse spending double in the US since 2021. Every member of IHG’s Executive Committee has a DE&I-focused goal. • In 2022, we launched the Responsible Labour Requirements to better support IHG’s Human Rights Policy in our owned, leased and managed hotels. The Requirements help hotels in addressing, preventing, and mitigating potential human rights risks through mandatory minimum requirements. • In 2022, 90 colleagues graduated from our global Rise mentoring initiative aimed at increasing the number of women in GM and other senior positions in our managed hotels.
 <p>11 SUSTAINABLE CITIES AND COMMUNITIES</p>	<ul style="list-style-type: none"> • In 2022, we expanded our IHG Academy programme, a best-in-class virtual learning by translating some of our core learning modules into eight additional languages to make the IHG Skills Academy a truly global resource. • In 2022, we celebrated 10 years in partnership with CARE International, while also supporting 10 relief efforts around the globe, helping to provide humanitarian aid in Zimbabwe, Syria and Ukraine, as well as disaster relief responses to the floods in Pakistan and typhoon Paeng in the Philippines. • During our annual Giving for Good month in 2022, employee and colleagues collectively dedicated more than 57,000 volunteering hours to communities, causes and charities.

APPENDIX CONTINUED

UN Sustainable Development Goals

SDG

Actions this year



- We supply all of our UK offices and managed hotel estate with a renewable electricity tariff as well as our managed hotels in Germany and our Atlanta office and Design Centre in the US. We have also sourced a community solar contract in Maryland for our owners, as well as finding incentives for owners to make energy efficiency improvements to their hotels.
- To support our continued focus on improving the energy efficiency of our estate, we changed our hotel performance metric from carbon to energy reduction and set new energy efficiency targets across all our hotels, which have been tailored by region, brand and climate zone.
- Launched our HERO tool to guide teams on the most effective energy conservation measures bespoke to their hotel, as well as launching our decarbonisation training for all colleagues.
- We updated our brand standards to integrate energy conservation measures while the 2023–2025 LTIP measures for Executive Directors will include a new ESG metric, part of which will be targets related to decarbonisation actions.

SDG

Actions this year



- Continued membership of organisations that drive positive change, including the SHA, WTTC, AHLA, ZCF and UN’s Race to Zero.
- Supported refugees through our partnership with Tent, which see us train and hire 100 refugees in the US over the next three years, which includes providing access to our IHG Skills Academy, as well as encouraging hotels to use the SHA’s Hospitality Unite recruitment platform.
- Our work with US non-profit JAG helps students historically impacted by discrimination, poverty, and other barriers to graduate and secure work. Additionally, by partnering with two HBCUs in Atlanta, we are diversifying our early careers pipeline and attracting interns to summer programmes in the US.
- In Greater China, we are partnering with special education schools to offer work experience in our hotels to mute and deaf children.

APPENDIX CONTINUED

ESG data – Introduction

Our ESG data provides an overview of IHG’s ESG performance data. Metrics cover activities by IHG during the period 1 January to 31 December 2022 and previous years as indicated. Our 2022 Responsible Business Report and 2022 Annual Report and Form 20 F provide additional context. Copies of all of our key reports, current and archived, can also be found at ihgplc.com.

Management status definitions

Owned, leased, and managed lease hotels are 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 these hotels are recorded in IHG’s financial statement. Managed hotels are hotels operated by IHG under a management agreement on behalf of the hotel owner. IHG generates revenue through a fixed percentage of the total hotel revenue and a proportion of hotel profit, and neither leases nor owns the property. Franchised hotels are operated under an IHG brand license by a franchisee. IHG receives a fixed percentage of rooms revenue and neither owns, leases nor operates the property.

Global presence^{1 2}

Number of hotels	Franchised	Managed	Owned, leased and managed leased	Total
Americas	4,185	168	3	4,356
Europe, Middle East, Africa & Asia (EMEA)	802	354	13	1,169
Greater China	215	424	0	639
Total system size	5,202	946	16	6,164

- 1 The figures above outline our regional presence of hotels and total system size as of 31 December 2022. These are not the same figures used to estimate our environmental data, which was based on nine months of actual data and three months of projected data.
- 2 Number of hotels includes rooms in the IHG system added through the Iberostar Beachfront Resorts commercial agreement, however the estimated environmental data was not based on a hotel system size that included Iberostar Beachfront Resorts, as at the time of estimation this agreement had not been confirmed. Other examples of variations in the data include hotels that were projected to open in quarter-4 but did not.

IHG business model

Key differences between our three main models

Business model	Hotel ownership	IHG capital intensity	Employees	Brand ownership, marketing and distribution
Franchised*	Third party	Low	Third party	IHG
Managed	Third party	Low	IHG and third party	IHG
Owned, leased and managed leased	IHG	High	IHG	IHG

* For the purposes of ESG reporting the Franchised estate does not include the Iberostar Beachfront Resorts commercial agreement.





APPENDIX CONTINUED

ESG data – Statement of methodology

We work with external consultants to give us a representative picture of IHG’s utility performance and carbon footprint to assess our performance in 2022 compared to previous years and our 2019 baseline. Our consultants have used utility consumption data, as reported by hotels on IHG’s Green Engage™ system, combined with reported occupancy room night data for the period 1 January 2022 to 30 September 2022. Outlier checks were also completed and a gap filling and extrapolation methodology was applied where necessary.

Data for the final three months of 2022 (quarter-4), has been estimated using an average consumption from the previous 12 months, applied to a projected number of occupied room nights to ensure that all hotels have a consumption figure corresponding to their likely occupancy. The IHG system size and occupied room night figures used are based on nine months of actual data and three months of data projections, based on operational forecasts, and therefore do not directly correlate to the actual system size and occupancy data reported in IHG’s Annual Report and Responsible Business Report.

Changing to an estimation methodology for the quarter-4 period has enabled us to continue with calendar year reporting and align with financial

reporting requirements, by receiving verified data in time for the release of the IHG preliminary financial statements. Starting the verification process earlier has also allowed us to investigate and resolve any outliers in our data, prior to publication of our Annual Report and Responsible Business Report.

As IHG’s system size is continually changing, 2021, 2020 and 2019 data sets have been restated. The restatement process allows for a fairer comparison across years, and as part of this process, all estimations are re-run as the sample changes each year and all months with data gaps in previous reporting years are estimated using the same methodology as the current reporting year. Restatements for prior years, use the number of hotels still in the IHG estate as of the end of the current year and which were also in the estate in the year being restated. Any projected/estimated to actual data differences in the data will be incorporated in next year’s restated FY 2022 data.

See further details on the methodologies used for carbon, energy, water, and waste on pages 50–53. Our carbon and water data has been verified by a third party, the assurance statements for carbon and water can be found at ihgplc.com/responsible-business/reporting.

APPENDIX CONTINUED

Environmental data – Greenhouse gas emissions

Methodology:

To calculate our carbon emissions, we use the Greenhouse Gas (GHG) Protocol Corporate Accounting and Reporting Standard methodology. Energy use (MWh) was converted to GHG emissions using the GHG Protocol Corporate Accounting Conversions and reported to the nearest tonne, in tCO₂e, across Scope 1, Scope 2 and Scope 3, as defined. The most recent published emissions factors were used for all regions and applied to each data point to give associated GHG emissions. These were combined to produce average carbon footprints per occupied room night by region and region-brand group. Each average was calculated from the total carbon footprint in the group sample, divided by the total room nights in the group sample. Energy sources classified as 'Free Energy' were assumed to be locally installed renewables and were accounted at zero emissions impact. Where renewable energy types were classified as 'Electricity' by IHG, these were accounted as grid electricity and assumed to be commercially sourced.

Global GHG emissions

Global GHG emissions (tCO ₂ e)	2022	2021	2020	2019
Scope 1**	482,917	456,515	341,101	485,568
Scope 2 **	1,999,890	1,765,642	1,584,397	2,188,412
Scope 3 Franchise	2,972,102	2,884,212	2,199,529	3,158,714
Scope 3 FERA	732,731	624,281	396,487	572,939
Total GHG emissions*	6,187,640	5,730,651	4,521,514	6,405,633

* Total GHG emissions based from IHG's franchised, owned, managed, leased, and managed lease hotels and corporate offices.
 ** Scope 1 and 2 includes corporate offices.

Carbon intensity metrics

Carbon Intensity (tCO ₂ e)	2022	2021	2020	2019
tCO ₂ e per occupied room* (Scope 1, 2 and 3 emissions)	0.0334	0.0372	0.0403	0.0354
tCO ₂ e per \$000 revenue** (Scope 1 and 2 emissions only)	0.2742	0.3312	0.3603	0.2238

* The number of occupied room nights was based on nine months of actual data and three months of projected data and therefore does not directly correlate to the occupancy figures published in the Annual Report.

** Based on total gross revenue generated by the owned, leased, managed lease and managed hotels.

Emissions scope definitions

Scope 1 emissions are direct emissions from the burning of fuels or from refrigerant losses from our owned, leased, managed, managed lease hotels and corporate offices.

Scope 2 emissions are indirect emissions generated by the energy purchased or acquired from our owned, leased, managed, managed lease hotels and corporate offices. A location-based method has been used to calculate Scope 2 emissions in the table above.

Scope 3 emissions are indirect emissions that occur in a company's value chain. IHG report Scope 3 emissions category 3 – Fuel and Energy Related Activities (FERA) and category 14 – Franchises, which includes the Scope 1 and 2 emissions of our Franchise estate and their Scope 3 FERA emissions, as these emissions are covered by IHG's Science Based Target (SBT).

Regional GHG emissions

Greater China GHG emissions (tCO ₂ e)	2022	2021	2020	2019
Scope 1	193,488	214,421	170,637	234,870
Scope 2	897,145	877,369	844,180	1,136,229
Scope 3 Franchise	272,051	219,025	134,704	170,384
Scope 3 FERA	306,418	299,605	202,637	288,522
Total GHG emissions	1,669,102	1,610,420	1,352,158	1,830,005

Americas GHG emissions (tCO ₂ e)	2022	2021	2020	2019
Scope 1	69,569	68,196	52,261	66,360
Scope 2	119,370	126,972	108,722	133,387
Scope 3 Franchise	2,039,894	2,087,723	1,625,073	2,303,344
Scope 3 FERA	50,003	50,976	28,999	38,322
Total GHG emissions	2,278,836	2,333,867	1,815,055	2,541,413

EMEA GHG emissions (tCO ₂ e)	2022	2021	2020	2019
Scope 1	219,859	173,899	118,203	184,337
Scope 2	983,376	761,302	631,494	918,796
Scope 3 Franchise	660,157	577,463	439,753	684,986
Scope 3 FERA	376,310	273,700	164,850	246,095
Total GHG emissions	2,239,702	1,786,364	1,354,300	2,034,214

APPENDIX CONTINUED

Environmental Data – Energy

Methodology:

For 2022 the energy use sample covered 83% of our global hotels reporting energy use and occupied room nights. The final sample (excluding outliers) covered 79%. The remaining 21% was estimated. Missing datapoints for hotels energy use is filled using the average consumption per room night from the nearest 12-month period. Where a hotel has reported occupied room nights, but no energy use for a quarter, the average energy use per room night from the previous 12 months was used as a proxy and multiplied by the number of room nights in the same quarter. This approach was not used for fuel where it was not possible to determine whether data was missed or fuel was not used, or only purchased intermittently/seasonally. Region-brand, regional and global average consumption per room night were calculated and outliers identified by comparison to the median of the relevant region-brand group. Outlier data was excluded from the data sample where energy use per room night was more than five times or less than one fifth of the median energy use in the specified group. Monthly reported figures were aggregated to annual energy use by energy type for each hotel (aggregated year runs from 1 January to 31 December 2022).

Global energy use by management status

Energy use (MWh)	2022	2021	2020	2019
Managed	5,970,134	5,301,085	4,498,069	6,073,333
Owned, leased and managed lease	91,027	95,954	79,547	107,012
Franchised	7,381,404	7,072,033	5,512,350	7,904,339
Global estate total*	13,442,565	12,469,072	10,089,966	14,084,684

* Based on energy use from IHG's franchised, owned, managed, leased, and managed lease hotels and corporate offices.

Global energy use by energy type

Energy use (MWh)	2022	2021	2020	2019
Fuel	4,908,845	5,013,410	3,711,981	5,547,955
Electricity	7,826,669	6,779,898	5,853,477	7,870,296
Cooling	296,472	271,674	193,134	243,218
Heat	171,388	186,171	153,138	198,225
Steam	191,440	168,787	143,627	200,690
Renewables	12,412	9,444	6,683	12,181
Electricity produced	14,892	15,309	12,083	748
Other produced	20,447	24,379	15,843	11,371
Global estate total*	13,442,565	12,469,072	10,089,966	14,084,684

* Based on energy use from IHG's franchised, owned, managed, leased, and managed lease hotels and corporate offices.

Global energy intensity metrics

Energy Intensity	2022	2021	2020	2019
MWh per occupied room*	0.0726	0.0810	0.0900	0.0779

* Based on global estate total energy use from IHG's franchised, owned, managed, leased, and managed lease hotels and corporate offices.

* The number of occupied room nights was based on nine months of actual data and three months of projected data and therefore does not directly correlate to the occupancy figures published in the Annual Report.

APPENDIX CONTINUED

Environmental Data – Water

Methodology:

For 2022 water use, the sample of data covered 80% of our global hotels which reported water use and occupied room nights. The final sample (excluding outliers) covered 65% of hotels. The remaining 35% was estimated. Any missing datapoints for hotels water use was filled using the average consumption per room night from the nearest 12-month period. Where a hotel has reported occupied room nights, but no reported water use for a quarter of the year, the average water use per room night from the previous 12 months was used as a proxy and multiplied by the number of room nights in the quarter for which there was no reported water use. These volumes were combined to produce average water use per room night by hotel group and year. Each average was calculated from the total water purchased or generated in the group sample, divided by the total room nights in the group sample. The hotel group aimed for was region-brand, however in groups where there were no reporting hotels in the sample, region only was used. Outlier data was excluded from the data sample where water use per room night was more than five times or less than one fifth of the median water use in the specified group. Monthly reported figures in m³ were aggregated to annual water use for each hotel (aggregated year runs from 1 January to 31 December 2022).

Global water use

Water withdrawn by management status (m ³)	2022	2021	2020	2019
Managed	44,611,609	39,225,936	31,596,622	43,282,175
Owned, leased, managed lease	590,055	388,286	305,178	702,215
Franchised	69,234,937	66,358,623	44,996,540	78,989,572
Global estate total*	114,436,601	105,972,845	76,898,340	122,973,962

* Based on water use from IHG's franchised, owned, managed, leased, and managed lease hotels and corporate offices.

Water use by water scarcity¹

Total water withdrawn by water scarcity (m ³)	2022	2021	2020	2019
Non water-scarce areas*	50,812,357	45,689,319	33,071,200	46,060,824
Water-scarce areas**	63,624,244	60,407,084	43,986,422	76,913,138
Global estate	114,436,601	106,096,403	77,057,622	122,973,962

¹ Hotels have been mapped against the World Resources Institute (WRI) Aqueduct Water Risk Atlas Tool and reported as water withdrawn by hotels in water-scarce and non water-scarce areas.

* Ranges from non to very low water-scarce areas and includes hotels that were missing data or not mapped by the WRI Aqueduct Water Risk Atlas Tool.

** Ranges from low to medium and high to extremely high water-scarce areas.

Global water intensity

Water intensity (m ³)	2022	2021	2020	2019
Water withdrawn per occupied room night*	0.6177	0.6880	0.6861	0.6804

* Based on global estate total water use from IHG's franchised, owned, managed, leased, and managed lease hotels and corporate offices.

* The number of occupied room nights was based on nine months of actual data and three months of projected data and therefore does not directly correlate to the occupancy figures published in the Annual Report.



APPENDIX CONTINUED

Environmental Data – Waste

Methodology:

For 2022 waste production (measured or converted to kilograms and reported in metric tonne (MT)), the sample of data covered 29% of our global hotels which reported waste data and occupied room nights. The final sample (excluding outliers) covers 19% of hotels. The remaining 81% was estimated.

The waste methodology differs slightly from the methodologies for energy and water utilities, as estimates were not calculated on a per hotel basis, but rather a region-ownership-brand basis due to the limited data quality. The sample of waste data available on a per hotel basis is extrapolated up to the region-ownership-brand group. Where hotels have no reported data, we do not estimate a waste figure for hotels individually. Outlier data was excluded from the data sample where waste production was below 500g or above 50kg per room night.

Global waste production¹

Waste (MT)	2022	2021	2020	2019
General waste	454,603	443,871	301,520	450,282
Food waste (not recycled)	50,641	87,656	72,179	117,109
Recycling	93,868	91,243	60,744	103,551
Composting	34,245	7,026	4,093	10,238
Global estate total*	633,357	629,796	438,536	681,180

¹ A high proportion of the data outlined in this table is estimated (81%) and therefore year on year comparisons are not recommended.

* Based on waste production from IHG’s franchised, owned, managed, leased, and managed lease hotels and corporate offices.



APPENDIX CONTINUED

Social data – People & communities

Data description:

The employee engagement survey (Colleague HeartBeat) table shows the overall engagement score of IHG employees or those colleagues who are employed at managed or managed leased hotels (excluding our joint ventures). The survey enables us to measure employee engagement which helps us to monitor risks relating to talent and understand the issues that are relevant to our people as we build a diverse and inclusive culture.

The global volunteering and donations table covers the number of hours volunteered by IHG colleagues and the number of colleagues supporting community impact projects, in addition to the funds donated by IHG to community impact projects. Data for 2022 has been assured by Business for Social Impact (B4SI).

The Gender Balance table outlines the number of female and male employees at senior levels in the business, as well as our gender-balanced all-employee population.

The IHG® Academy programme table outlines the number of people participating in the IHG Academy programmes. Sustained participation indicates the strength of our progress in creating career building opportunities and engagement with the communities in which we operate.

All data is reported as of 31 December 2022.

Employee engagement survey¹

Colleague Heartbeat survey (%)	2022	2021	2020	2019
Overall engagement	86	85	79	87

¹ Colleague HeartBeat survey is completed by those colleagues who are employed at managed or managed leased hotels (excluding our joint ventures).

Global volunteering and donations¹

Volunteering & Funding Globally	2022*	2021	2020	2019
Number of colleagues supporting community impact projects	23,465	42,857	28,278	160,313
Funds donated to community impact projects (\$m)	1.9	1.5	0.9	1.3
Number of hours volunteered by colleagues	68,070	260,000	212,528	188,113

¹ Numbers include all IHG colleagues from IHG's franchised, owned, managed, leased, and managed lease hotels and corporate offices.

* Volunteering and donation data has been assured by B4SI in 2022.

Gender balance

Gender profile of employees	Male	Female	Total
Directors	7	6	13
Executive Committee	7	3	10
Executive Committee direct reports	34	25	59
Senior managers (including subsidiary directors)	69	29	98
All employees*	5,405	7,494	12,899

* Whose costs were borne by the Group or the system fund

IHG Academy programmes

Number of people participating in IHG Academy programmes	2022	2021	2020	2019
Number of people	7,431	5,815	3,277	15,081



APPENDIX CONTINUED

Procurement data – Cage-free eggs

Data description:

The figures outlined in the table show the percentage of hotels with cage-free egg brand standards.

Cage-free eggs

	2022*	2021***
United States	88%	74%
Canada	5%	0%
Europe	23%	25%
Other EMEAA	3%	2%
Global**	59%	51%

* Figures reflective of hotels with a cage-free brand standard, a free-range egg brand standard, hotels that operate in markets that have a cage-free government regulation and accounts for any cage-free or free-range egg offering (liquid or whole egg).

** 2022 figure accounts for 99.5% of our system size. Data is not currently available for the remaining 0.5%. This aligns with the ESG Databook scope of reporting.

*** 2021 performance has been updated to reflect an extended scope of reporting applied for 2022.

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HOTELS & RESORTS



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