

Welcome to your CDP Climate Change Questionnaire 2023

C0. Introduction

C0.1

(C0.1) Give a general description and introduction to your organization.

IHG is one of the world's leading hotel companies, with a clear purpose to provide True Hospitality for good. Through our purpose and our global reach, we ensure True Hospitality extends to our people, our environment and local communities all around the world. We focus on mainstream, upscale and luxury segments of the hotel industry and have a portfolio of 18 brands across more than 100 countries in the Luxury & Lifestyle, Premium, Essentials, Suites and Exclusive Partners categories tailored to meet guests' and owners' needs: Six Senses Hotels, Resorts and Spas; Regent; Intercontinental Hotels & Resorts; Kimpton Hotels & Restaurants; Hotel Indigo; Even Hotels; Hualuxe Hotels and Resorts; Crowne Plaza Hotels & Resorts; Voco; Holiday Inn; Holiday Inn Express; Holiday Inn Club Vacations; Vignette; Avid; Staybridge Suites; Atwell Suites and Candlewood Suites and Iberostar Beachfront Resorts. We operate hotels in three different ways – as a franchisor, a manager, and on an owned and leased basis. Whether we franchise or manage hotels on behalf of third-party hotel owners depends largely on market maturity, owner preference and, in certain cases, the particular brand.

As of 31 December 2022, our estate included 6,164 hotels (911,627 rooms) - 16 hotels (less than 1%) are owned, leased and managed lease by IHG, 946 hotels (15%) are owned by a third party but managed by IHG, and 5,202 hotels (84%) are franchised and under third party ownership and management.

For CDP reporting purposes, the hotels we manage constitute the properties over which we have operational control and we therefore report their emissions as scope 1 and 2, this includes our owned, leased, managed and managed lease hotels. The franchised hotels constitutes our value chain partners and we therefore report their emissions as scope 3. While franchised properties sit outside our operational control, our Responsible Business

Programme and our Green Engage standard for environmental reporting and improvements apply to all IHG hotel globally, including our franchised estate. At IHG, we are committed to the highest standards of quality and integrity and understand how crucial it is to grow our business in a way that positively impacts our environment and local communities. To ensure we achieve this, our 2030 Journey to Tomorrow Responsible Business commitments are closely aligned to our business purpose and strategy, and they are felt in all aspects of our operations, including the expectations we place on our suppliers and third-party hotel owners.

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 enhancing the platform in 2023 to Green Engage 2.0.

After making a formal commitment to support the recommendations of Taskforce for Climate-related Financial Disclosures (TCFD) in 2020, we are working with a specialist consultancy to implement the recommendations and embed climate-related risks and opportunities in IHG's governance, risk management, financial planning, strategy development and annual reporting. we delivered on the intent of the TCFD and made climate-related financial disclosures consistent with the recommendations.

In 2022, we began to develop our transition plan with support from external experts to help us meet our Science Based Target. We have identified three key decarbonisation levers and steps to implement them across our global estate 1) Energy efficiency of our existing estate, 2) Construction of very low and zero carbon operating new-builds 3) Renewable energy.

To support our hotels to decarbonise, existing hotels are now mandated to implement energy conservation measures including LED lighting, high-efficiency showers and faucet aerators by the end of 2025. In order to facilitate implementation at a hotel level, we have worked with global specialists in the built environment, to develop decarbonisation tools for our hotel owners. This will support hotels to meet their annual energy reduction targets and IHG's overall science-based target which we upgraded in 2021 to align to the most ambitious target of the Paris Agreement, limiting global warming to 1.5 degrees.

We recognise the importance of working in partnership and support key regional and global initiatives, including the UN Sustainable Development Goals to build a fairer and more sustainable world. We are proud of our commitment to growing our business in a sustainable way that delivers long-term value for shareholders and owners, and we're passionate about using the incredible reach of our hospitality industry to be a force for good.

C0.2

(C0.2) State the start and end date of the year for which you are reporting data and indicate whether you will be providing emissions data for past reporting years.

Reporting year

Start date

January 1, 2022

End date

December 31, 2022

Indicate if you are providing emissions data for past reporting years

Yes

Select the number of past reporting years you will be providing Scope 1 emissions data for

3 years

Select the number of past reporting years you will be providing Scope 2 emissions data for

3 years

Select the number of past reporting years you will be providing Scope 3 emissions data for

3 years

C0.3

(C0.3) Select the countries/areas in which you operate.

Algeria
Angola
Argentina
Armenia

Aruba
Australia
Austria
Azerbaijan
Bahamas
Bahrain
Bangladesh
Belarus
Belgium
Bhutan
Brazil
Bulgaria
Cambodia
Canada
Cayman Islands
Chile
China
China, Macao Special Administrative Region
Colombia
Costa Rica
Cyprus
Czechia
Denmark
Dominican Republic
Ecuador
Egypt
El Salvador
Fiji
Finland
France

French Polynesia
Georgia
Germany
Ghana
Gibraltar
Greece
Guam
Guatemala
Honduras
Hong Kong SAR, China
Hungary
India
Indonesia
Ireland
Israel
Italy
Jamaica
Japan
Jordan
Kazakhstan
Kenya
Kuwait
Lao People's Democratic Republic
Latvia
Lebanon
Lithuania
Malaysia
Maldives
Malta
Mauritius

Mexico
Mongolia
Montenegro
Netherlands
New Zealand
Nicaragua
North Macedonia
Northern Mariana Islands
Oman
Panama
Papua New Guinea
Paraguay
Peru
Philippines
Poland
Portugal
Puerto Rico
Qatar
Republic of Korea
Romania
Saudi Arabia
Serbia
Seychelles
Singapore
Slovakia
Slovenia
South Africa
Spain
Sri Lanka
Switzerland

Taiwan, China
Thailand
Trinidad and Tobago
Turkey
Ukraine
United Arab Emirates
United Kingdom of Great Britain and Northern Ireland
United Republic of Tanzania
United States of America
Uruguay
Vanuatu
Viet Nam
Zambia
Zimbabwe

C0.4

(C0.4) Select the currency used for all financial information disclosed throughout your response.

USD

C0.5

(C0.5) Select the option that describes the reporting boundary for which climate-related impacts on your business are being reported. Note that this option should align with your chosen approach for consolidating your GHG inventory.

Operational control

C-CN0.7/C-RE0.7

(C-CN0.7/C-RE0.7) Which real estate and/or construction activities does your organization engage in?

Other real estate or construction activities, please specify

We are one of the world's leading hotel companies and predominantly either franchise or manage hotels on behalf of third party owners. Owners are responsible for construction, renovation and building management of hotels.

C0.8

(C0.8) Does your organization have an ISIN code or another unique identifier (e.g., Ticker, CUSIP, etc.)?

Indicate whether you are able to provide a unique identifier for your organization	Provide your unique identifier
Yes, an ISIN code	GB00BHJYC057

C1. Governance

C1.1

(C1.1) Is there board-level oversight of climate-related issues within your organization?

Yes

C1.1a

(C1.1a) Identify the position(s) (do not include any names) of the individual(s) on the board with responsibility for climate-related issues.

Position of individual or committee	Responsibilities for climate-related issues
Board-level committee	The Board-level Responsible Business Committee reviews and advises the Board on the Group's responsible business objectives and strategy, including its impact on the environment and climate change; social, community and human rights issues; its approach to sustainable development and responsible procurement; and stakeholder engagement in relation to the Group's approach to responsible business.

	The Responsible Business Committee assessed the 2022 strategic priorities that support the Group's 2030 responsible business commitments and monitoring the progress against them. The committee is made up Non-Executive Directors of the Board. The Chair of the Board, CEO, General Counsel and Company Secretary, Executive Vice President, Global Corporate Affairs and the Chief Sustainability Officer attended all meetings held during the year. An example of a climate related decision made by the committee during 2022 was to assess the 2022 strategic priorities that support the Group's 2030 responsible business commitments and monitoring the progress against them. This included the Group's decarbonisation and energy reduction strategy, including the integration of Energy Conservation Measures (ECMs) into brand standards for operating hotels, developing very low or zero-carbon new-build hotels and future options for a renewable energy programme. Additionally, inclusion of an ESG metric in the Long Term Incentive Plan (LTIP) for Executive Directors and monitoring the progress of TCFD reporting. The Group Executive Vice President of Global Corporate Affairs leads executive level management of climate-related issues and reports to our Group CEO. Our regional Chief Executive Officers for AMER, EMEAA and Greater China lead the implementation of climate-related strategies at an operational level.
--	--

C1.1b

(C1.1b) Provide further details on the board's oversight of climate-related issues.

Frequency with which climate-related issues are a scheduled agenda item	Governance mechanisms into which climate-related issues are integrated	Please explain

Scheduled – all meetings	Reviewing and guiding annual budgets Overseeing major capital expenditures Overseeing acquisitions, mergers, and divestitures Overseeing and guiding employee incentives Reviewing and guiding strategy Overseeing and guiding the development of a transition plan Monitoring the implementation of a transition plan Overseeing and guiding scenario analysis Overseeing the setting of corporate targets Monitoring progress towards corporate targets Reviewing and guiding the risk management process	The Board-level Responsible Business Committee reviews and advises the Board on the Group's responsible business objectives and strategy, including its impact on the environment and climate change; social, community and human rights issues; its approach to sustainable development and responsible procurement; and stakeholder engagement in relation to the Group's approach to responsible business. The Committee meets four times a year and ensures that IHG's responsible business priorities align with our group strategy. As set out in the Committee's Terms of Reference, the Committee reviews and advises on our climate strategy including plans of actions, business plans to mitigate against climate change, performance objectives, as well as goals and targets. Our Audit Committee is responsible for the review and oversight of our internal control and risk management systems, including our approach to and assessment of emerging and principal risks which consider climate change, as well as the procedures in place to identify, manage and mitigate them. The Audit Committee is also responsible for reviewing, prior to endorsement by the Board, the integrity of IHG's financial reporting and the potential impact on our financial statements of our principal risks, which include climate change. During 2022, the Audit Committee has also considered future strategies for data validation, assurance and supporting controls over our reported data. The Chair of the Audit Committee attends ad hoc Responsible Business Committee meetings and some members of the Audit Committee also sit on the Responsible Business Committee. The Remuneration Committee determines Executive Board and Executive Committee remuneration and reviews wider workforce remuneration, to ensure they are aligned with the interests of shareholders, the UK corporate governance environment, and our environmental and climate-related goals. In 2022, the decision was made to include in the 2023-2025 cycle for Long Term Incentive Plan (LTIP) a new ESG measure, part of which will be targets related to decarbonisation actions.
---------------------------------	--	--

		Matters of budgeting, business plans and major capital expenditure, acquisitions and divestitures are reserved for the Group Board.
--	--	---

C1.1d

(C1.1d) Does your organization have at least one board member with competence on climate-related issues?

	Board member(s) have competence on climate-related issues	Criteria used to assess competence of board member(s) on climate-related issues
Row 1	Yes	Board competence is ensured through ongoing Director training and development. The Chair regularly reviews the training and development needs with each Director and are made aware of training opportunities. Board and Committee Meetings are regularly used to update Directors on developments in business operations and in-depth presentations across our Journey to Tomorrow strategy. The Board-level Responsible Business Committee reviews and advises the Board on the Group's responsible business objectives and strategy, including its impact on the environment and climate change. In 2022, the Board were briefed in sessions focused on environment, social, governance (ESG) including several climate-related topics which were discussed and decided on at the Board Level. Topics included assessing the Group's decarbonisation and energy reduction strategy, considering the inclusion of an ESG metric in the Long Term Incentive Plan (LTIP) for Executive Directors and monitoring the progress of TCFD reporting. Competence is also maintained through a process of external evaluation, last carried out by Christopher Saul Associates in 2019. Given the shortness of the incoming Chair's time in role in 2022, the Board undertook an internal evaluation of the Board's performance, with the intention to undertake an external evaluation in 2023. In 2022, the Responsible Business Committee's effectiveness was reviewed as part of the internal Board evaluation

		process, where it was concluded that the Committee remains effective. Implementation of actions arising from the internal Board evaluation progressed well in 2021, with continued focus in 2022. The Chair also conducted an individual evaluation of each Non-Executive Director taking feedback from the CEO, in addition to a CEO evaluation of the Chair. A key part of Board Succession planning is to ensure the Board has the right mix of skills, experience and knowledge around the table. It was determined that the Board would benefit from further expertise in technology, including relation to ESG issues and so in early 2021, as part of a clear commitment from the Board to ESG responsibilities, a new Non-Executive Director was appointed bringing strong experience on non-profit and advisory boards, as well as generating financial returns with positive social and environmental impact and in-depth knowledge on how technology can drive change. As of the end of 2022, four out of 13 board members have skills in sustainability.
--	--	---

C1.2

(C1.2) Provide the highest management-level position(s) or committee(s) with responsibility for climate-related issues.

Position or committee

Other committee, please specify
Group Executive Committee

Climate-related responsibilities of this position

Managing annual budgets for climate mitigation activities
 Managing major capital and/or operational expenditures related to low-carbon products or services (including R&D)
 Managing climate-related acquisitions, mergers, and divestitures
 Providing climate-related employee incentives
 Developing a climate transition plan
 Implementing a climate transition plan

Integrating climate-related issues into the strategy
Conducting climate-related scenario analysis
Setting climate-related corporate targets
Monitoring progress against climate-related corporate targets
Managing public policy engagement that may impact the climate
Assessing climate-related risks and opportunities
Managing climate-related risks and opportunities

Coverage of responsibilities

Reporting line

CEO reporting line

Frequency of reporting to the board on climate-related issues via this reporting line

Quarterly

Please explain

Regular updates are given to the Group Executive Committee on climate-related issues and as appropriate this group will review and assess climate related issues at Executive Committee meetings.

The management of climate-related risks and opportunities is the responsibility of our Executive Committee and at the operational level this responsibility is held by the Steering Groups.

Steering Groups comprise of senior leadership across our core operations and have varying responsibilities relating to related to identifying and analysing climate risks, integrating climate scenario analysis into our wider business strategy , renewable energy, very low or zero carbon builds, how we will improve the efficiency of our existing hotel estate and how we can incentivise action on climate change through financial incentives.

Position or committee

Other C-Suite Officer, please specify
EVP, Corporate Affairs

Climate-related responsibilities of this position

Managing annual budgets for climate mitigation activities
Managing major capital and/or operational expenditures related to low-carbon products or services (including R&D)
Providing climate-related employee incentives
Developing a climate transition plan
Implementing a climate transition plan
Integrating climate-related issues into the strategy
Conducting climate-related scenario analysis
Setting climate-related corporate targets
Monitoring progress against climate-related corporate targets
Managing public policy engagement that may impact the climate
Assessing climate-related risks and opportunities
Managing climate-related risks and opportunities

Coverage of responsibilities

Reporting line

CEO reporting line

Frequency of reporting to the board on climate-related issues via this reporting line

Quarterly

Please explain

Our Executive Vice President of Corporate Affairs leads our Global Corporate Affairs team, which includes our Corporate Responsibility team.
Our EVP of Corporate Affairs leads executive level (C-Suite) management of climate-related issues and reports to our Group CEO.

Position or committee

Chief Financial Officer (CFO)

Climate-related responsibilities of this position

Managing annual budgets for climate mitigation activities

Providing climate-related employee incentives

Assessing climate-related risks and opportunities

Managing climate-related risks and opportunities

Coverage of responsibilities

Reporting line

CEO reporting line

Frequency of reporting to the board on climate-related issues via this reporting line

Quarterly

Please explain

During 2022, our Company CFO was the Sponsor of our overall Decarbonisation workstream which covered strategies related to identifying and analysing climate risks, integrating climate scenario analysis into our wider business strategy, renewable energy, very low or zero carbon builds, how we will improve the efficiency of our existing hotel estate and how we can incentivise action on climate change through financial incentives.

Position or committee

Other C-Suite Officer, please specify

EVP, General Counsel and Company Secretary

Climate-related responsibilities of this position

Assessing climate-related risks and opportunities

Managing climate-related risks and opportunities

Coverage of responsibilities

Reporting line

CEO reporting line

Frequency of reporting to the board on climate-related issues via this reporting line

Quarterly

Please explain

The Executive committee TCFD sponsor group is comprised of the Chief Executive Officer, Chief Financial Officer, Company Secretary and EVP of Corporate Affairs, and is regularly updated on TCFD matters.

Position or committee

Chief Sustainability Officer (CSO)

Climate-related responsibilities of this position

Managing annual budgets for climate mitigation activities
Managing major capital and/or operational expenditures related to low-carbon products or services (including R&D)
Managing climate-related acquisitions, mergers, and divestitures
Providing climate-related employee incentives
Developing a climate transition plan
Implementing a climate transition plan
Integrating climate-related issues into the strategy
Conducting climate-related scenario analysis
Setting climate-related corporate targets
Monitoring progress against climate-related corporate targets
Assessing climate-related risks and opportunities
Managing climate-related risks and opportunities

Coverage of responsibilities

Reporting line

Other, please specify

Other C-Suite Officer, EVP, Corporate Affairs

Frequency of reporting to the board on climate-related issues via this reporting line

Quarterly

Please explain

Our Corporate Responsibility team is led by our Senior Vice President of Global Corporate Responsibility and Chief Sustainability Officer (CSO). The CSO is responsible for the development and implementation of our group sustainability strategy, including climate-related issues.

C1.3

(C1.3) Do you provide incentives for the management of climate-related issues, including the attainment of targets?

	Provide incentives for the management of climate-related issues	Comment
Row 1	Yes	

C1.3a

(C1.3a) Provide further details on the incentives provided for the management of climate-related issues (do not include the names of individuals).

Entitled to incentive

Board/Executive board

Type of incentive

Monetary reward

Incentive(s)

Bonus - % of salary

Performance indicator(s)

Reduction in total energy consumption

Incentive plan(s) this incentive is linked to

Long-Term Incentive Plan

Further details of incentive(s)

The Remuneration Committee determines Executive Board and Executive Committee remuneration and reviews wider workforce remuneration, to ensure they are aligned with the interests of shareholders, the UK corporate governance environment, and our environmental and climate-related goals. The remuneration committee has continued to work closely with the Responsible Business Committee and Company management team on a discrete ESG metric for Executive Director remuneration.

In 2022, the decision was made to include in the 2023-2025 cycle for Long Term Incentive Plan (LTIP) a new ESG measure, part of which will be targets related to decarbonisation actions. The weighting of these targets is 10%.

Targets include:

- 5% weighting. Expected energy reduction from introduction of new energy conservation measures, (ECMs)- Threshold target (20% vesting) 5.6% reduction (new builds), 4.1% reduction (existing estate), Max target (100% vesting) 11.1% reduction (new builds) 7.6% reduction (existing estate)
- 5% weighting. Adoption of existing ECMs in managed hotels and owned, leased, and managed lease hotels -Threshold target (20% vesting) 80% of hotels, Max target (100% vesting) 100% of hotels

Explain how this incentive contributes to the implementation of your organization's climate commitments and/or climate transition plan

In 2022, we began to develop our transition plan with support from external experts to help us meet our Science Based Target. We have identified three key decarbonisation levers and steps to implement them across our global estate 1) Energy efficiency of our existing estate, 2) Construction of very low and zero carbon operating new-builds 3) Renewable energy.

The LTIP measures align to our climate transition plan, with particular focus on supporting the Energy efficiency of our existing estate through the adoption of energy reduction from introduction of new energy conservation Measures and the Adoption of existing ECMs in managed hotels and owned, leased, and managed lease hotels. These measures support our overall 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 energy). This target has been validated by the Science Based Targets initiative.

Entitled to incentive

Board/Executive board

Type of incentive

Monetary reward

Incentive(s)

Bonus - % of salary

Performance indicator(s)

Reduction in total energy consumption

Incentive plan(s) this incentive is linked to

Short-Term Incentive Plan

Further details of incentive(s)

The Remuneration Committee determines Executive Board and Executive Committee remuneration and reviews wider workforce remuneration, to ensure they are aligned with the interests of shareholders, the UK corporate governance environment, and our environmental and climate-

related goals. The remuneration committee has continued to work closely with the Responsible Business Committee and Company management team on a discrete ESG metric for Executive Director remuneration.

ESG criteria, such as annual energy reduction, employee engagement and guest satisfaction performance, continued to form a key element of the Committee's overall assessment of performance against IHG's Global Metrics in considering the potential application of discretion to the formulaic outcomes of the 2022 Annual Performance Plan (APP) strategic measures.

Explain how this incentive contributes to the implementation of your organization's climate commitments and/or climate transition plan

In 2022, we began to develop our transition plan with support from external experts to help us meet our Science Based Target. We have identified three key decarbonisation levers and steps to implement them across our global estate 1) Energy efficiency of our existing estate, 2) Construction of very low and zero carbon operating new-builds 3) Renewable energy.

The energy reduction metric align to our climate transition plan, and support our overall 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 energy). This target has been validated by the Science Based Targets initiative.

Entitled to incentive

All employees

Type of incentive

Monetary reward

Incentive(s)

Bonus - % of salary

Performance indicator(s)

Reduction in total energy consumption

Incentive plan(s) this incentive is linked to

Short-Term Incentive Plan

Further details of incentive(s)

Energy reduction is one of the key metrics for all managed and franchised hotels globally, alongside other critical performance measures such as Guest Love.

This metric requires all of our hotels to report their energy data monthly, and meet both short and long term energy reduction target.

Achievement of the global metrics is one of the criteria used in the annual performance plan calculations for corporate employees and General Managers of managed hotels.

Explain how this incentive contributes to the implementation of your organization's climate commitments and/or climate transition plan

In 2022, we began to develop our transition plan with support from external experts to help us meet our Science Based Target. We have identified three key decarbonisation levers and steps to implement them across our global estate 1) Energy efficiency of our existing estate, 2) Construction of very low and zero carbon operating new-builds 3) Renewable energy.

The energy reduction metric align to our climate transition plan, and support our overall 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 energy). This target has been validated by the Science Based Targets initiative.

Entitled to incentive

Other, please specify

Managed Hotel General Managers

Type of incentive

Monetary reward

Incentive(s)

Bonus - % of salary

Performance indicator(s)

Reduction in total energy consumption

Incentive plan(s) this incentive is linked to

Short-Term Incentive Plan

Further details of incentive(s)

Energy reduction is one of the key metrics for all managed and franchised hotels globally, alongside other critical performance measures such as Guest Love.

This metric requires all of our hotels to report their energy data monthly, and meet both short and long term energy reduction target.

Achievement of the global metrics is one of the criteria used in the annual performance plan calculations for corporate employees and General Managers of managed hotels.

Explain how this incentive contributes to the implementation of your organization's climate commitments and/or climate transition plan

In 2022, we began to develop our transition plan with support from external experts to help us meet our Science Based Target. We have identified three key decarbonisation levers and steps to implement them across our global estate 1) Energy efficiency of our existing estate, 2) Construction of very low and zero carbon operating new-builds 3) Renewable energy.

The energy reduction metric align to our climate transition plan, and support our overall 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 energy). This target has been validated by the Science Based Targets initiative.

C2. Risks and opportunities

C2.1

(C2.1) Does your organization have a process for identifying, assessing, and responding to climate-related risks and opportunities?

Yes

C2.1a

(C2.1a) How does your organization define short-, medium- and long-term time horizons?

	From (years)	To (years)	Comment
Short-term	1	5	Short term is defined as up to 5 years from a climate risk and opportunity perspective. Our growth ambition in a fast-moving and innovative business environment means that we must consider risk as a central part of the definition and execution of our strategy. In 2022 we reviewed the environmental and social megatrends principal risk and evolved it to two principal risks 1) 'the impact of climate change on hospitality (physical and transition risks)' and 2) 'ethical and social expectations'. (See pg. 44-51 in our Annual Report). These are regularly reviewed as part of our risk management processes. The Board and Executive Committee have collaborated closely throughout 2022 to ensure that risk assessment, mitigation strategies and plans are integrated into broader consideration of our short-term goals and longer-term strategic initiatives and key projects. We are committed to achieving our growth goals in a responsible way. Improving energy efficiency in our operations and reducing our carbon footprint is not only an economic and environmental imperative, but also the expectation of many of our key stakeholders, from investors and regulators to colleagues and guests. Our ambition to double our growth whilst operating responsibly saw us set annual targets as well as develop medium-long term financial plans and growth strategies. In 2022, we changed our hotel performance metric from carbon reduction to energy reduction and set new 2025 energy efficiency targets across all our hotels, which have been tailored by region, brand and climate zone. Performance against this target was reviewed on a monthly basis and presented to regional operations teams.

			We consider energy costs in financial planning processes over a time horizon of 2 years and recommend relevant energy saving/ carbon reduction solutions to hotels through budget guidance and IHG Green Engage. The energy CAPEX tracker for the Leased UK Estate has been embedded into a hotels overall 5 year capital plan. The development of our Hotel Energy Reduction Opportunities (HERO) tool which advises all of our estate on the best efficiency measures for implementation based on the energy usage of each hotel determined by its facilities helps to inform hotel owners of 5 year capital plans across the entire estate.
Medium-term	5	15	Medium term is defined as up to 15 years from a climate risk and opportunity perspective. Our medium term commitments relate to our science-based targets which are set at the regional and global level, for a 10 year period to 2030, and in 2021 we upgraded this target to align to the most ambitious target of the Paris Agreement to limit global warming to 1.5 degrees. They set out our vision and help us set our annual plans, and, if achieved, will ensure we are on track to meet our longer term ambition to drive change. IHG is a long-standing member of the Sustainable Hospitality Alliance. The Sustainable Hospitality Alliance launched their Pathway to Net Positive Hospitality in 2022. The Pathway aims to align the Hospitality industry behind the most material and crucial issues, leading towards the harmonisation of industry sustainability principles. The Pathway includes actions and recommendations for organisations within the hospitality industry to implement across “People”, “Planet”, “Place” and “Prosperity”. The actions have been categorised depending on the scope of the hospitality organisation, e.g. Asset/building owner, Hotel Operators and Corporate Offices. IHG have provided feedback and guidance on the development of the Pathway through our involvement in the Planet Working Group, as well as through our capacity as Board members. We are also long-term members of the BITC Global Goals Leadership Team, which drives business to deliver on the United Nations 17 Sustainable Development Goals. IHG launched Journey to Tomorrow which is a 10 year plan to help shape the future of sustainable travel and aligns with the SDG's. As part of this, 2030 commitments have been set across Carbon & Energy, Waste, Water, Communities and Our people. We look at 5-10 years for our longer term financial planning.
Long-term	15	30	Long term is defined as up to 30 years from a climate risk and opportunity perspective. As part of our commitment to implement the recommendations of the TCFD, in 2021 we continued to develop our use of a 30 year time horizon for scenario analysis work looking at short, medium and long terms risks and opportunities and integrated these into our risk management and overall business strategy. In 2022 we have added to our scenario analysis by assessing our three

			transition risks under a 1.5°C temperature scenario to align with our Science-based target. As part of this work we have begun to develop our transition plan with support from external experts to help us meet our Science based target and we are also exploring the possibility of setting a 2050 emissions reduction target.
--	--	--	---

C2.1b

(C2.1b) How does your organization define substantive financial or strategic impact on your business?

Our discussions of risk take place within a context of increasing scrutiny of the impact on the business, as well as of the impact of our business on our stakeholders and our longer-term sustainability. We have therefore split out our consideration of external factors to recognise both the risks relating to political and economic headwinds on our growth ambitions (for example disruption in key markets and trade wars) and also the requirement to anticipate and respond appropriately to the risks and opportunities relating to our environmental and social responsibilities (such as climate change, shifting societal expectations, human rights and our evolving responsibilities across our supply chain).

To determine the risk trend and speed of impact, we assess whether the risk area is stable or dynamic in its impact and/ or likelihood (inherent risk trend), and the relative speed of impact on IHG strategic priorities. Relative Inherent risk trend can vary from stable/dynamic and the relative speed of impact can vary from more gradual/rapid.

The measure we use to identify strategic impact is whether a risk has been determined as a principal risk, this is a risk that has been identified as something which could result in events or circumstances that might threaten the company's business model, future performance, solvency or liquidity and reputation.

An example of a strategic impact which has been considered is climate change. In 2022 we reviewed the environmental and social megatrends principal risk and evolved it to two principal risks 1) 'the impact of climate change on hospitality (physical and transition risks)' and 2) 'ethical and social expectations'. 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.

After making a formal commitment to support the recommendations of TCFD in 2020, we are delivering on the intent of the TCFD and made climate-related financial disclosures consistent with the recommendations. In 2022, we began to develop our climate transition plan with support from external experts to help us meet our SBT. Our Risk and Assurance team is part of our core TCFD steering and working group and as such is closely involved in

the work to assess in more detail IHG's potential exposure to both physical and transition risks over the short, medium and long term. This will facilitate further embedding of climate-related risks into our global risk management and mitigation procedures, as appropriate, to support the long-term resilience of the business.

Climate-related scenario analysis undertaken during 2021 under 2°C and 4°C temperature rise scenarios assessed our exposure to physical and transition risks up to 2050. In 2022 we have added to our scenario analysis by assessing our three transition risks under a 1.5°C temperature scenario to align with our SBT.

IHG defines substantive financial or strategic impact in the context of climate-related risks through the materiality of our risks which are assessed based on the revenue impact in the year of analysis. A high, potentially material impact in 2030 is defined as >5% of total 2030 expected revenues or cost, or reputational impact; a medium impact is 1-5% of total Group revenue or cost, or potential responsible business leadership risk; and finally a low, potentially minor impact is <1% of total Group revenue or cost or negligible reputational risk. The potential size of impact of our climate-related opportunities has been assessed on a qualitative basis and has not undergone the same level of analysis as the identified risks. We will work to improve our data capture to help us to better understand the potential associated opportunities. The timeframes used to assess our climate-related risks and opportunities include a short term horizon (1-5 years) which is more closely aligned with our financial, going concern and viability statement assessments. In addition, the medium-term (10-15 years) and long-term timeframes (30 years) look beyond traditional assessments to provide a strategic view of our risks in line with our own SBT and international climate scenarios and targets.

A hotel breaking point was also defined at 5 times EBITDA, in order to assess when a hotel is no longer a viable business and therefore at which point IHG loses its whole revenue stream.

C2.2

(C2.2) Describe your process(es) for identifying, assessing and responding to climate-related risks and opportunities.

Value chain stage(s) covered

Direct operations

Upstream

Downstream

Risk management process

Integrated into multi-disciplinary company-wide risk management process

Frequency of assessment

More than once a year

Time horizon(s) covered

Short-term

Medium-term

Long-term

Description of process

Many topics and potential risks to longer term viability and sustainability are considered as part of our ongoing management decision making, as well as Board and Committee agendas and presentations, enabling company-wide escalation of emerging risks where appropriate. First line decisions by management teams who have a day-to-day responsibility for identifying and managing risk within key decisions, programmes and transactions can escalate where appropriate. Long term risks and opportunities which could have substantive financial impact are identified and assessed by the Executive committee through an ongoing dynamic review of risks as part of decision making and strategy setting, including consideration of longer-term trends which could impact future growth, competitiveness or reputation.

The Board is responsible for carrying out a robust assessment of the Company's emerging risks such as climate change and oversees the culture across the Group through which employees are encouraged to learn and work at pace, focus on solutions and take the right risks to get ahead of the market. The Board and Committees receive presentations from management teams such as the Corporate Responsibility team, second line functions, Risk and Assurance and external parties throughout the year.

A Case Study of how IHG's risk identification and assessment process is applied to both transitional and physical risk is shown through the work of IHG's TCFD Steering Group. Launched in 2021, the group meet four times per year and they are responsible for delivering on the TCFD recommendations and identifying and assessing any potentially material impacts relating to climate change and driving adoption of TCFD action plans across the business. In addition, the TCFD Working Group, whose attendees include our Risk Management team, regularly report into the Steering Group and provide periodic updates on key findings from the scenario analysis and climate-risk identification process. A detailed

scenario analysis of climate-related impacts, led by the Steering Group, detailed IHG's exposure to both physical and transitional impact over the short, medium, and long term. IHG's business plan assumptions on regional growth were included in the scenario analysis process to ensure risk and opportunity quantifications reflected IHG's growth strategy. Risks were then used to define materiality thresholds along with revenue estimates from the business plan across all timeframes. Analysis covered our full value chain and included acute and chronic physical risks, as well as transitional risks and the outcomes of the risk assessment process undertaken to identify which risks and opportunities relating to climate change could have substantive impact over the short, medium, and long term were reviewed by the Board, Executive Committee members and Senior Leadership and used to inform climate action plans.

Ongoing monitoring and management of identified risks has been integrated into our existing risk management processes, including scenario planning, crisis management and analysis of longer-term threats and opportunities through horizon scanning. We are continuing to further embed climate impacts into our global risk management and mitigation procedures, long-term financial plans and Group strategy, developing further metrics as required to support the long-term resilience of the business. In 2022 we reviewed the environmental and social megatrends principal risk and evolved it to two principal risks 1) 'the impact of climate change on hospitality (physical and transition risks)' and 2) 'ethical and social expectations'. 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. To respond to this principal risk, in 2021, the decision was made to update our science based target to align with a 1.5 °C SBT, the scenario analysis work carried out in 2021 which selected the IPCC's 2 °C and 4 °C Representative Concentration Pathways (RCPs) to model a high physical impact and greater transition impacts. In 2022, we have added to our scenario analysis by assessing our three transition risks under a 1.5°C temperature scenario to align with our SBT. As the physical risks related to climate change would become less likely under a lower temperature scenario, we have not re-run the analysis for physical risks.

Another key process for responding to risks and opportunities related to climate change is to identify policies, procedures and principles and apply them to our employees and then closely monitoring and reporting the impact. We identified a procedure to reduce our carbon footprint and manage our exposure to climate-related risks, and 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.

C2.2a

(C2.2a) Which risk types are considered in your organization's climate-related risk assessments?

	Relevance & inclusion	Please explain
Current regulation	Relevant, always included	The Group is exposed to certain compliance costs and potential liabilities under various UK, foreign and U.S. federal, state and local environmental, health and safety laws and regulations. These laws and regulations govern actions including air emissions, the use, storage and disposal of hazardous and toxic substances, wastewater disposal and environmental reporting requirements. IHG complies with UK Listing Rules and reports against the TCFD recommendations. The disclosures recommended by the TCFD became mandatory for IHG, as a UK premium listed company, for the year ended 31 December 2021. However, IHG had been reporting against the TCFD requirements since our 2020 Annual Report. An example of this risk, is the Group's failure to comply with such laws, including any required permits or licenses, this could result in substantial fines or possible revocation of our authority to conduct some of our operations. Non-compliance with these regulations would impact operational costs as well as corporate reputation.
Emerging regulation	Relevant, always included	An example of this risk is that an increase in the number of environmental regulations and demands within building regulations can impact the cost of operating our existing estate as well as the cost of building the ~1,859 hotels in our pipeline at the end of 2022. Emerging regulation such as International Sustainability Standards Board (ISSB), SEC climate disclosures and proposed changes to the UK Corporate Governance Code are increasing pressure for enhanced data accuracy and verification. Additionally, Transition Plan Taskforce's (TPT's) guidance in the UK and updates to TCFD regulations are increasing the granularity and understanding of our data and drivers to reduce associated emissions.

Technology	Relevant, always included	We review technological trends (including e.g. new technologies that facilitate more energy and water efficient buildings) and assess potential risks/ opportunities for our business depending on the timing, deployment and costs of new technologies. The extent to which new technologies replace or disrupt current systems, can have an impact on our competitive advantage and ability to meet stakeholder expectations. An example of this risk relates to keeping our key internal systems up to date to meet latest business requirements. 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 and drive operational efficiencies. Any failure or short-comings of the system may affect our ability to meet external reporting requirements and so this risk has been considered and informed the decision to invest in the upgrade of this system to keep ahead of technology and adapt to reporting needs. We are enhancing the platform in 2023 to Green Engage 2.0. In addition to this, a further example of our response to this risk has led us to invest the development of our 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. IHG have also responded to climate related risks in Technology by keeping up to date with the latest innovation and scoping new technology. Existing hotels are now mandated to implement LED lighting, high-efficiency showers and faucet aerators by the end of 2025. IHG has been working on a more streamlined process for collecting centralised, verifiable utility data. This includes partnering with a leader in digital transformation of energy management 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.
Legal	Relevant, always included	Government regulations affect countless aspects of the Group's business, ranging from corporate governance and financial accounting, to corporate responsibilities in relation to health and safety and the environment. Regulatory changes may require significant changes in the way the business operates and may inhibit the Group's strategy, including the markets the Group operates in. If we fail to comply with existing or changing regulations, the business may be subject to fines,

		prosecution, loss of licence to operate or reputational damage. Any developments in environmental policy or legislation, such as e.g. carbon-pricing mechanisms, renewable energy incentives or the definition of corporate environmental liability, can have significant impact on our business and our exposure to potential litigation costs. When environmental legislation differs between countries and there are challenges in achieving international agreements, this can create additional uncertainty and risk.
Market	Relevant, always included	We anticipate guests' behaviours and expectations to evolve in response to climate-related developments. Shifting consumer behaviours across both leisure and corporate travellers and an increasing focus on sustainable travel and accommodation, has an impact on our industry as a whole and can affect companies' competitive advantage. We are seeing particularly corporate clients requesting information on hotels' green credentials in order to meet their own reporting (scope 3) requirements. We continued to see a strong interest in sustainability from corporate customers in 2022, with more than 70% of accounts including ESG questions in RFPs, including environmental data about our hotels. Our ability to meet these changes in guests' expectations can create key risks/ opportunities for our business.
Reputation	Relevant, always included	Any event that materially damages the reputation of one or more of the Group's brands and/or fails to sustain the appeal of the Group's brands to its customers and owners may have an adverse impact on the value of that brand and subsequent revenues from that brand or business. In particular, if the Group is unable to create consistent, valued and quality products and guest experiences across managed hotels, owned, leased and managed lease hotels and franchised hotels, or if the Group, its franchisees or business partners fail to act responsibly, this could result in an adverse impact on brand reputation. Corporate social and environmental commitments and actions are under increased scrutiny and any failure to meet the expectations of guests, owners, regulators, investors and our communities, as well as our current and future employees, may create reputational risks for the Group. A case study of us responding to reputational risk in 2021 was the decision to upgrade our science-based target to align to 1.5C world which was approved by the SBT committee. We continued to see a strong interest in sustainability from corporate customers in 2022, with more than 70% of accounts including ESG questions in RFPs, including environmental data about our hotels. Through IHG Green Engage, we support our hotels in managing their environmental impact, building their environmental credentials and offering their guests a greener stay, including greener modes of travel, dining options and meetings. The system also facilitates hotels' reporting for the purposes of RFP processes and helps them provide corporate clients with carbon footprint data.

Acute physical	Relevant, always included	Our hotels are located across more than 100 countries and different climate zones. Key physical risks from climate change include extreme weather conditions and events, such as floods, droughts and wildfires. Depending on the level of uncertainty and severity associated with these risks, they can impact operations of existing hotels and influence the design of new hotels (e.g. in terms of heating and cooling requirements). This in turn will impact hotels' energy costs, carbon emissions and resilience to climate change risks. IHG has identified Loss of franchise royalty fees following natural disasters as a climate-related risk. In 2021, we conducted scenario analysis of acute physical risks (i.e. natural disasters) which identified historical losses of franchise revenue following natural disasters to be a potential risk. To understand this risk better, in 2022 we modelled the financial impact of a sample of past events which were significant enough to require IHG to provide disaster relief support, and this showed there was no material impact on IHG's revenue at the country level. We have mapped acute physical risks (i.e. natural disasters) at the regional level to assess which areas are exposed to the greatest threat. We have used the WRI Aqueduct Atlas to map out our water risk for all hotel locations, making a baseline dataset to inform future work. We continue to provide support following natural disasters through our humanitarian aid partners as well as through access to IHG colleague assistance funds and natural disaster playbooks.
Chronic physical	Relevant, always included	Chronic physical risks for our business include e.g. sea level rise and chronic heat waves. These can impact hotels' operating costs as well as guest experience and safety. Financial impact can range from damage to buildings to increased operational costs and insurance premiums, as well as impacts on customer demand. Depending on the level of uncertainty and severity associated with these risks, they can impact operations of existing hotels and influence the design of new hotels (e.g. in terms of heating and cooling requirements). This in turn will impact hotels' energy costs, carbon emissions and resilience to climate change risks. An example of IHG's response to physical risks is the support provision for hotels to aid disaster relief recovery and mitigate the long-term impacts of physical risks, this is provided by helping to ensure the health and well-being of our colleagues as well as getting the hotels back up and running as soon as possible.

C2.3

(C2.3) Have you identified any inherent climate-related risks with the potential to have a substantive financial or strategic impact on your business?

Yes

C2.3a

(C2.3a) Provide details of risks identified with the potential to have a substantive financial or strategic impact on your business.

Identifier

Risk 1

Where in the value chain does the risk driver occur?

Direct operations

Risk type & Primary climate-related risk driver

Emerging regulation

Carbon pricing mechanisms

Primary potential financial impact

Increased direct costs

Company-specific description

The Group is exposed to certain compliance costs and potential liabilities under various UK, foreign and U.S. federal, state and local environmental laws, regulations and taxes for carbon and energy. This includes carbon pricing mechanisms such as the EU Emissions Trading System (ETS) which currently prices carbon at \$83.1 tCO₂e (2022). Other governments may develop and introduce similar mechanisms and so we need to be prepared and understand our potential exposure to carbon pricing legislation. IHG's 2030 Journey to Tomorrow programme

incorporates environmental impacts, in particular focusing on carbon and energy and includes a 1.5 degree aligned science-based target to manage this risk and reduce emissions.

Time horizon

Long-term

Likelihood

Likely

Magnitude of impact

Low

Are you able to provide a potential financial impact figure?

Yes, a single figure estimate

Potential financial impact figure (currency)

206,116,503

Potential financial impact figure – minimum (currency)

Potential financial impact figure – maximum (currency)

Explanation of financial impact figure

If a carbon price was set through the form of an emissions trading scheme or similar in the UK, IHG could be subject to pay for the scope 1 and 2 emissions from its managed hotels and owned, leased and managed lease hotels globally. Based on current EU Emission Trading Scheme costs and 2022 emissions this could cost IHG approximately \$206,116,503 per year. Setting a 1.5 degree aligned science-based target helps IHG to reduce its emissions and in 2022, we began to develop our transition plan with support from external experts to help us meet our Science based target. The Carbon price used for calculations: \$83.1 tCO₂e (2022) (based on EU ETS) <https://icapcarbonaction.com/en/ets/eu-emissions-trading-system-eu-ets>

Cost of response to risk

1,000,000

Description of response and explanation of cost calculation

Our primary tool for managing risks associated with current climate change regulation is IHG Green Engage™. 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 enhancing the platform in 2023 to Green Engage 2.0. The annual cost of running the system is approximately, \$1m therefore this is the cost of response to the risk.

IHG has set a science-based target and developed a decarbonization strategy and climate transition plan to manage this risk. We provide additional support and services our hotels and owners to decarbonise such as 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.

Comment

Identifier

Risk 6

Where in the value chain does the risk driver occur?

Downstream

Risk type & Primary climate-related risk driver

Acute physical

Cyclone, hurricane, typhoon

Primary potential financial impact

Decreased revenues due to reduced demand for products and services

Company-specific description

As part of our commitment to implement the recommendations of the Taskforce for Climate Related Financial Disclosures, we have carried out work to understand IHG's exposure to both physical and transition risks over the short, medium and long term. A physical risk that has been identified during this process is loss of franchise royalty fees following natural disasters.

Impact: The likelihood of extreme weather damaging our assets is expected to increase over time as temperatures rise, in particular under a 4°C scenario. This could lead to our hotels having to limit their capacity or close, reducing their revenues and the amount of royalty fees received at Group level, as well as potentially reducing the attractiveness of the hotel industry to owners in certain locations.

Progress towards mitigation in 2022:

In 2021, we conducted scenario analysis of acute physical risks (i.e. natural disasters) which identified historical losses of franchise revenue following natural disasters to be a potential risk. To understand this risk better, in 2022 we modelled the financial impact of a sample of past events which were significant enough to require IHG to provide disaster relief support, and this showed there was no material impact on IHG's revenue at the country level. We have mapped acute physical risks (i.e. natural disasters) at the regional level to assess which areas are exposed to the greatest threat. We have used the WRI Aqueduct Atlas to map out our water risk for all hotel locations, making a baseline dataset to inform future work. We continue to provide support following natural disasters through our humanitarian aid partners as well as through access to IHG colleague assistance funds and natural disaster playbooks (see page 30 of our Responsible Business Report for more details)

Time horizon

Long-term

Likelihood

About as likely as not

Magnitude of impact

Low

Are you able to provide a potential financial impact figure?

No, we do not have this figure

Potential financial impact figure (currency)

Potential financial impact figure – minimum (currency)

Potential financial impact figure – maximum (currency)

Explanation of financial impact figure

Cost of response to risk

112,000

Description of response and explanation of cost calculation

Cost of these actions: As part of IHG's Journey to Tomorrow commitments 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. In 2022 IHG donated \$112,000 to disaster relief partners/NGOs which are becoming increasingly more common as a result of climate change.

Additionally we are taking steps to mitigate this risk:

Evolve our physical climate-related risk assessment to look at the impact of both acute and chronic physical risks (such as longer-term weather pattern changes) on IHG directly but also for our franchise owners, particularly improving our understanding of the impact of chronic physical risks. Conduct more detailed analysis to establish which hotels are in areas of high exposure to both acute and chronic physical risks and how this is likely to change under three climate scenarios to 2030 and 2050. Identify hotels most at risk and the potential impacts to our supply chain. Use findings to assess how we can support hotels to mitigate climate risks and future-proof their assets. Identifying potentially at-risk locations will enable us to drive climate adaptation and mitigation measures to help reduce the impact of material physical risks to our owners, colleagues and guests.

Comment

Identifier

Risk 3

Where in the value chain does the risk driver occur?

Direct operations

Risk type & Primary climate-related risk driver

Market

Changing customer behavior

Primary potential financial impact

Decreased revenues due to reduced demand for products and services

Company-specific description

As part of our commitment to implement the recommendations of the Taskforce for Climate Related Financial Disclosures, we have carried out work to understand IHG's exposure to both physical and transition risks over the short, medium and long term. A transition risk that has been identified during this process is a potential reduction in aviation passenger numbers expected to impact hotel demand.

Impact:

The global tourism industry contributes 8-10% of the world's carbon emissions. Under a 1.5°C scenario, consumers that are more conscious of their carbon footprint may reduce aviation travel thus reducing the number of guest visits to our hotels.

Time horizon

Long-term

Likelihood

Unlikely

Magnitude of impact

High

Are you able to provide a potential financial impact figure?

No, we do not have this figure

Potential financial impact figure (currency)

Potential financial impact figure – minimum (currency)

Potential financial impact figure – maximum (currency)

Explanation of financial impact figure

Progress towards mitigation in 2022:

Under a 1.5°C scenario, we expect a reduction in aviation travel; however, the number of aviation passengers rebounded faster than expected following Covid-19 and so we expect this transition risk to have less of a material impact in the short- and medium-term, with adverse impacts potentially increasing over time. This year, we have reviewed aviation travel data to better understand the impact of this risk.

Cost of response to risk

Description of response and explanation of cost calculation

We do not have a cost of response to this risk. However, we are taking steps to mitigate the risk:

We will work to evolve the aviation risk to explore the impact of climate change on customer travel patterns across all transport modes, refining

our data collection methods, to better understand existing travel patterns and how far our hotels and offices are from existing transport hubs. This will enable us to future-proof our business and adapt our strategy to changing customer and colleague needs in this space.

Comment

Identifier

Risk 4

Where in the value chain does the risk driver occur?

Direct operations

Risk type & Primary climate-related risk driver

Market

Changing customer behavior

Primary potential financial impact

Decreased revenues due to reduced demand for products and services

Company-specific description

As part of our commitment to implement the recommendations of the Taskforce for Climate Related Financial Disclosures, we have carried out work to understand IHG's exposure to both physical and transition risks over the short, medium and long term. A transition risk that has been identified during this process is Increased desire for green hotels could have a material negative impact on IHG revenues This could be realised as either a risk or opportunity for IHG.

Impact: We anticipate demand for green hotels will increase under a 1.5°C scenario, which may present a risk to IHG's revenues, if our hotels are unable to meet growing customer demands for sustainable stays.

Time horizon

Short-term

Likelihood

More likely than not

Magnitude of impact

High

Are you able to provide a potential financial impact figure?

No, we do not have this figure

Potential financial impact figure (currency)

Potential financial impact figure – minimum (currency)

Potential financial impact figure – maximum (currency)

Explanation of financial impact figure

Progress towards mitigation in 2022

There is a greater demand for green hotels and higher revenue exposure in the short-, medium- and long-term under a 1.5°C scenario, relative to 2°C, as both business and leisure customers act early to begin to seek more eco-friendly options. We continued to see a strong interest in sustainability from corporate customers in 2022, with more than 70% of accounts including ESG questions in RFPs, including environmental data about our hotels. To help us continue to meet guest expectations, we have been working to improve the environmental credentials of our hotels (see page 22 of our Responsible Business Report for more information on our Journey to Tomorrow programme).

Cost of response to risk

Description of response and explanation of cost calculation

Comment

Next steps to mitigate risk:

We will collect customer data on attitudes toward green travel and continue to monitor and engage in industry-wide forums to drive standardisation of the definition of sustainable hotel experiences. We will explore and develop support pathways for hotels to obtain third-party certifications. We will improve our hotel data collection and reporting methodology to improve the scope and accuracy of ESG information we can provide to our B2B customers and meet online travel agency and search engine criteria for sustainable hotels. We will improve our sustainable stay, meeting room and events offerings.

We continue to refine our work and improve data capture to enable quantification at some point in future and are focused on monitoring how our climate-related risks and opportunities evolve and ensuring they are integrated into our business strategy.

Identifier

Risk 5

Where in the value chain does the risk driver occur?

Direct operations

Risk type & Primary climate-related risk driver

Reputation

Increased stakeholder concern or negative stakeholder feedback

Primary potential financial impact

Company-specific description

As part of our commitment to implement the recommendations of the Taskforce for Climate Related Financial Disclosures, we have carried out work to understand IHG's exposure to both physical and transition risks over the short, medium and long term. A transition risk that has been identified during this process is the Inability to meet stakeholder expectations around IHG's role in the energy transition.

Impact: We understand that our key stakeholders, from guests to governments, have increasingly high expectations for businesses to influence positive change and deliver on their environmental commitments. Under a 1.5°C scenario, we expect an increasing number of companies to set SBTs, and therefore the pressure on IHG to meet its SBT will also increase.

Time horizon

Short-term

Likelihood

Unknown

Magnitude of impact

High

Are you able to provide a potential financial impact figure?

No, we do not have this figure

Potential financial impact figure (currency)

Potential financial impact figure – minimum (currency)

Potential financial impact figure – maximum (currency)

Explanation of financial impact figure

Cost of response to risk

Description of response and explanation of cost calculation

Comment

Progress towards mitigation in 2022:

Our updated scenario analysis has indicated this risk will be material in the short term under a 1.5°C scenario driven by a significant uptake and progress towards SBTs across all sectors. Under a 4°C scenario, the longer-term reputational risk will be lower as most companies and governments fail to meet their own targets. As mentioned in our transition plan and in our Responsible Business Report on pages 32 to 34, we have progressed a number of workstreams this year to decarbonise and deliver on our SBT commitment.

Next steps to mitigate risk:

We will evolve this risk to assess the challenge of achieving our SBT rather than the reputational impact of not achieving it. This will enable us to focus on delivering the intent of the transition plan and to quantify this risk as the potential capital deployment cost to meet our SBT. We will also finalise the details of our transition plan to enable us to provide more quantitative information in line with recommended guidance. We will continue to align business strategy with our climate commitments by evolving current business processes to ensure consideration of our SBT and the environment is a material factor in decision-making.

We continue to refine our work and improve data capture to enable quantification at some point in future and are focused on monitoring how our climate-related risks and opportunities evolve and ensuring they are integrated into our business strategy.

C2.4

(C2.4) Have you identified any climate-related opportunities with the potential to have a substantive financial or strategic impact on your business?

Yes

C2.4a

(C2.4a) Provide details of opportunities identified with the potential to have a substantive financial or strategic impact on your business.

Identifier

Opp1

Where in the value chain does the opportunity occur?

Direct operations

Opportunity type

Resource efficiency

Primary climate-related opportunity driver

Move to more efficient buildings

Primary potential financial impact

Reduced direct costs

Company-specific description

As part of our commitment to implement the recommendations of the Taskforce for Climate Related Financial Disclosures, we have carried out work to understand IHG's Climate-related opportunities. By mitigating the risks, we are seizing these opportunities.

Opportunity: Enhance our brand by supporting hotel owners to decarbonise their assets: We recognise that delivering on increased stakeholder expectations by reducing emissions will allow us to enhance our brands and align with the values of our customers. We therefore see an opportunity in supporting our hotel owners to decarbonise and reduce operational costs through the implementation of energy conservation measures as well as future-proof their assets to increase the commercial attractiveness of hotels. Progress: We continue our development of a transition plan through discussions with IHG's Owners Association and the coordination of our decarbonisation efforts from across the business

to ensure a robust plan to deliver on our SBT commitment. Existing hotels are now mandated to implement LED lighting, high-efficiency showers and faucet aerators by the end of 2025.

Time horizon

Short-term

Likelihood

Likely

Magnitude of impact

Medium-high

Are you able to provide a potential financial impact figure?

Yes, a single figure estimate

Potential financial impact figure (currency)

12,595

Potential financial impact figure – minimum (currency)

Potential financial impact figure – maximum (currency)

Explanation of financial impact figure

\$12,595 – This figure represents annual utility cost savings for a Holiday Inn Express hotel.

For showerheads: Assumes 1.5 guests per room, 75% occupancy, guests take 5 minute showers, showerheads

For Guest room faucet aerators: Assumes 1.5 guests per room, 75% occupancy, taps changed from 2gpm to 1.5 gpm, sinks used 1.5 mins a day and US average gas and water tariffs.

Savings per year includes energy savings as well as lower replacement costs due to LEDs having a longer life.

Payback is 2 years calculated based on total costs and total savings across the implementation of the three ECMs.

Whilst the calculations are based on one hotel, globally this is a significant opportunity as IHG has over 6000 hotels. Calculations are based on one hotel due to differences in costs and savings by region (Americas, EMEAA, Greater China) and by brand.

IHG would not incur the cost savings for franchise hotels as they are outside of our operational control. However, as our revenue from franchised hotels is based on a percentage fee of their revenue, if cost savings were made this could increase IHG's revenue.

Cost to realize opportunity

26,085

Strategy to realize opportunity and explanation of cost calculation

Case study providing a description of the of the action(s) taken to address the opportunity and timescale: To support our Journey to Tomorrow commitments, we 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.

The costs to realise the opportunity are based on:

One existing Holiday Inn Express hotel in the America's with 93 rooms that implements the three ECM's put into brand standards LED lighting, high-efficiency showers and faucet aerators. This is an upfront investment (one-off cost), as opposed to an annual saving as outlined in the explanation of financial impact figure. Payback is 2 years calculated based on total costs and total savings across the implementation of the three ECMs.

IHG would not incur the majority of the associated costs for the ECMs due to our asset light business model as our franchise hotels are outside of our operational control.

Comment

Identifier

Opp3

Where in the value chain does the opportunity occur?

Direct operations

Opportunity type

Resource efficiency

Primary climate-related opportunity driver

Use of more efficient production and distribution processes

Primary potential financial impact

Reduced direct costs

Company-specific description

Food waste is responsible for 8% of total global emissions and is a key challenge for our industry and by tackling it, we have the significant opportunity to reduce operational costs at hotel level, reduce upstream carbon emissions and help address some of the global social issues around food production. IHG was the first global hotel company to use the award-winning Winnow Vision AI enabled technology, with the goal to help our hotels achieve a 30% reduction in food waste. Through the use of an intelligent camera, smart scales and AI-based smart meter technology, Winnow Vision analyses ingredients during food preparation, as well as plates returned to the kitchen, to assess which food items are most wasted and in what quantities. This builds up a bank of data which in turn informs buying decisions, shapes menus and hones food preparation techniques.

Winnow's technology has been successfully installed in several IHG hotels across our EMEAA region and is being rolled out to interested hotels in other regions. As an example, InterContinental Fujairah in the United Arab Emirates has reduced the value of its food waste by 54% since it started working with food waste Winnow in October 2018.

According to WRAP, a hotel with 1500 covers per week wastes enough food to cost £40,560 per hotel (\$49,077.6).

Time horizon

Short-term

Likelihood

Likely

Magnitude of impact

Low

Are you able to provide a potential financial impact figure?

Yes, a single figure estimate

Potential financial impact figure (currency)

161,956

Potential financial impact figure – minimum (currency)

Potential financial impact figure – maximum (currency)

Explanation of financial impact figure

According to WRAP, a hotel with 1,500 covers per week wastes enough food to cost £40,560 (\$49,077.6) per hotel per year, based on a 30% reduction in food waste one hotel could save \$14,723.28. Based on the 11 managed hotels in the UK, the total savings potential amounts to \$161,958.

$\$49,077.6 * 30\% = \$14,723.28$

$\$14,723.28 * 11 = \$161,956.08$

Cost to realize opportunity

23,136.58

Strategy to realize opportunity and explanation of cost calculation

Research from Champions 12.3 finds there is a compelling business case for hotels to reduce the amount of food they throw away (2018). For every \$1 hotels invested in programs to reduce kitchen food waste, on average they saved \$7 in operating costs. Based on the potential savings from WRAP, it can be estimated that UK managed hotels would need to invest 1/7th of the potential savings, therefore this would cost the UK hotels \$23,136.58, see calculation below:

Total potential savings = \$161,956

$\$161,956 / 7 = \$23,136.58$

Comment

Identifier

Opp2

Where in the value chain does the opportunity occur?

Direct operations

Opportunity type

Products and services

Primary climate-related opportunity driver

Shift in consumer preferences

Primary potential financial impact

Increased revenues resulting from increased demand for products and services

Company-specific description

As part of our commitment to implement the recommendations of the Taskforce for Climate Related Financial Disclosures, we have carried out work to understand IHG's Climate-related opportunities. By mitigating the risks, we are seizing these opportunities.

Opportunity: Increased desire for green hotels could have a material impact on IHG revenues. Overview of impact: An increasing number of customers have higher sustainability expectations for their travel experiences. This will have an impact on consumer behaviour patterns, including a higher demand for green hotels. We anticipate this demand to increase under a 1.5°C scenario, which offers us an opportunity to capture a significant proportion of this growing market.

Time horizon

Short-term

Likelihood

Likely

Magnitude of impact

High

Are you able to provide a potential financial impact figure?

No, we do not have this figure

Potential financial impact figure (currency)

Potential financial impact figure – minimum (currency)

Potential financial impact figure – maximum (currency)

Explanation of financial impact figure

Cost to realize opportunity

Strategy to realize opportunity and explanation of cost calculation

Comment

2022 progress and next steps to capitalise opportunity:

As consumer behaviours continue to evolve, we anticipate a growing demand for green hotels under a 1.5°C scenario. To take advantage of this opportunity, we are undertaking work to clarify how green hotels will be defined, given the broad range of certifications and ratings in this space, and how we can help our owners to meet this evolving definition.

We continue to refine our work and improve data capture to enable quantification at some point in future and are focused on monitoring how our climate-related risks and opportunities evolve and ensuring they are integrated into our business strategy.

C3. Business Strategy

C3.1

(C3.1) Does your organization's strategy include a climate transition plan that aligns with a 1.5°C world?

Row 1

Climate transition plan

Yes, we have a climate transition plan which aligns with a 1.5°C world

Publicly available climate transition plan

Yes

Mechanism by which feedback is collected from shareholders on your climate transition plan

We have a different feedback mechanism in place

Description of feedback mechanism

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.

Engagement and feedback include:

- 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.

Periodically, Investors ask IHG questions on the contents of our climate transition plan. IHG engages with investors and internal reviews are conducted on how to incorporate investor feedback into our climate strategy where possible.

Frequency of feedback collection

More frequently than annually

Attach any relevant documents which detail your climate transition plan (optional)

 annual-report-2022 (3).pdf

C3.2

(C3.2) Does your organization use climate-related scenario analysis to inform its strategy?

	Use of climate-related scenario analysis to inform strategy
Row 1	Yes, qualitative and quantitative

C3.2a

(C3.2a) Provide details of your organization's use of climate-related scenario analysis.

Climate-related scenario	Scenario analysis coverage	Temperature alignment of scenario	Parameters, assumptions, analytical choices
Transition scenarios Customized publicly available transition scenario	Company-wide	1.5°C	SSP1 - Transition risks – To assess potential impacts, we have based our analysis on the International Institute for Applied Systems Analysis' (IIASA) Shared socioeconomic Pathways (SSPs) to capture how societal, economic and technological trends could evolve over time.
Transition scenarios Customized publicly available transition scenario	Company-wide	1.6°C – 2°C	SSP1 - Transition risks – To assess potential impacts, we have based our analysis on the International Institute for Applied Systems Analysis' (IIASA) Shared socioeconomic Pathways (SSPs) to capture how societal, economic and technological trends could evolve over time.
Transition scenarios Customized publicly available transition scenario	Company-wide	3.1°C - 4°C	SSP3 - Transition risks – To assess potential impacts, we have based our analysis on the International Institute for Applied Systems Analysis' (IIASA) Shared socioeconomic Pathways (SSPs) to capture how societal, economic and technological trends could evolve over time.
Physical climate scenarios RCP 4.5	Company-wide		SSP1 - Physical risks – To assess potential impacts, we have aligned the temperature rise scenarios used in our scenario analysis with the Intergovernmental Panel on Climate Change's (IPCC) Representative Concentration Pathways (RCPs). Temperature alignment of scenario 1.6°C-2°C.
Physical climate scenarios RCP 8.5	Company-wide		SSP3 - Physical risks – To assess potential impacts, we have aligned the temperature rise scenarios used in our scenario analysis with the Intergovernmental Panel on Climate Change's (IPCC) Representative Concentration Pathways (RCPs). Temperature alignment of scenario 3.1°C - 4°C.

C3.2b

(C3.2b) Provide details of the focal questions your organization seeks to address by using climate-related scenario analysis, and summarize the results with respect to these questions.

Row 1

Focal questions

- What are the most material climate risks and opportunities IHG faces and why (incl. qualitative and quantitative impacts)
- How do these interact with our wider enterprise risks, and
- What are the strategic options and trade-offs (mitigations) available to us to address these risks and improve the climate resilience and alignment of our business over the short, medium and long term

We also conducted stakeholder interviews with over 30 stakeholders across IHG's business to gain a valuable insight into IHG's business, and a deeper understanding of IHG's governance, operations and hotel lifecycle strategy and what drives value for IHG. We initially selected 2°C and 4°C scenarios to model a high physical impact scenario and one with greater transition impacts, our qualitative risk assessment will identify the most material risks and opportunities IHG faces as a business under two distinct climate scenarios, whilst our quantitative analysis of the most material risks and opportunities provides a view of the potential financial impact IHG could be face in the longer term, and allows us, the organisation to recalibrate its strategic decisions to safeguard its portfolio and maximise future financial returns. In order to stretch IHG's planning horizon our climate risk and opportunity analysis incorporated different time horizons (1, 5, 10, 15 and 30 years) so that we can integrate the findings into its longer term strategic planning, in order to enhance our operational and financial resilience. In 2021 the decision was made by IHG's Responsible Business Governance Committee to upgrade the Group's science-based target to reduce carbon emissions to align with the most ambitious goals of the Paris Agreement to keep global warming within 1.5°C. In 2022, we have added to our scenario analysis by assessing our three transition risks under a 1.5°C temperature scenario to align with our SBT. As the physical risks related to climate change would become less likely under a lower temperature scenario, we have not re-run the analysis for physical risks.

Results of the climate-related scenario analysis with respect to the focal questions

Results show that given IHG's asset-light business model, transition risks are more likely to have a material impact on our business, compared with physical risks and some risks could also present opportunities for IHG. Responses to our focal questions for the four material risks: Results have altered the timeframes of our transition risks, informing progress towards mitigation of the risks in 2022 and steps we are taking to

in 2023. In 2022 we reviewed the environmental and social megatrends principal risk and evolved it to two principal risks 1)the impact of climate change on hospitality (physical and transition risks) and 2)ethical and social expectations to ensure we are considering the climate risks and opportunities. This was informed by the climate scenario analysis.

1)Inability to meet stakeholder expectations around IHG's role in the energy transition

The impacts found under 2C and 4C scenarios were significant enough to influence IHG to upgrade their SBT to align to a 1.5C world, which will help us to ensure we meet stakeholder expectations around our transition and delivery of net-zero. Our ability to meet this risk will help to mitigate other climate risks found and wider enterprise risks such as brand reputation. The refreshed analysis has altered the timeframes which has become potentially material in the short-term (1-5 years) under 1.5°C, compared to in the medium-term (5-10 years) under a 2°C temperature scenario which is driven by a significant uptake and progress towards SBTs across all sectors.

2)Reduction in aviation passenger numbers expected to impact hotel demand

The refreshed analysis has altered the timeframes of this risk which moved from being potentially material in the medium to long-term (10-30 years) to potentially material in the long-term (15-30 years). Changes to the underlying assumptions has meant that despite moving from a 2°C to 1.5°C temperature scenario, reduced demand for aviation is expected to have a lower impact in the short- to medium-term (1-15 years).

3)Increase desire for green hotels could have a material impact on IHG revenues

The refreshed analysis has altered the timeframes which has become potentially material in the short-term under a 4°C temperature scenario, due to a change in underlying assumptions to reflect greater anticipated action on decarbonisation and sustainable behaviours from corporate customers.

4)Loss of franchise royalty fees following natural disasters

Time frame Long-term (15-30 years) Potentially minor impact. The resulting business interruption reduces the amount of franchise royalty fees we will receive from the specific hotels impacted, however this does not take into account the potential for increased demand from any ongoing recovery efforts. In 2022 we modelled the financial impact of a sample of past events which were significant enough to require IHG to provide disaster relief support, this showed there was no material impact on IHG's revenue at country level.

C3.3

(C3.3) Describe where and how climate-related risks and opportunities have influenced your strategy.

	Have climate-related risks and opportunities influenced your strategy in this area?	Description of influence
--	---	--------------------------

Products and services	Yes	A risk identified through the TCFD scenario analysis work carried in 2021 was IHG's ability to meet guest demand for green hotels with strong green credentials. A case study of our response to this risk is our continued investment in updating IHG's Green Engage™ system with a more comprehensive and engaging platform, as well as an automated data entry solution to enable much more accurate information capture. This will allow us to communicate our hotel's sustainability credentials to our corporate and non-corporate guests. In addition to this case study, a significant investment was made to develop our 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. The risk of not meeting our SBT has also influenced our strategy for new builds, and in 2021 we created a target to ensure a move to net-zero new builds by 2030. A further opportunity identified from energy savings by reducing carbon from our existing estate influenced a key decision in 2022 whereby 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.
Supply chain and/or value chain	Yes	Carbon performance is a key element of operational excellence across our value chain. Utility costs are a significant operational cost for our hotels. Reducing energy and water consumption is therefore business critical to operating a high performing and profitable hotel. To support this, we recommend solutions to hotels through budget guidance and we have a number of key internal success metrics in place for relevant stakeholders, including key performance objectives for sub-sets of Finance and Hotel Operations.

		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 provided to managed and franchised hotels when purchasing locally. The Supplier Code includes the commitment of suppliers to environmental sustainability such as: Respect the environment including complying with environmental regulations and in making business decisions suppliers are expected to endeavour to: -preserve and protect the environment and reduce environmental impact; -undertake initiatives that promote greater environmental responsibility in the design, development and operation of their business; -consider the development and integration of sustainable technologies in order to reduce the use of energy and water, and re-use/recycle the resources consumed by their business; and -monitor, record and benchmark their environmental performance on a regular basis In 2019, we introduced the IHG Green Supplier scorecard to help us assess the prospective suppliers going through our tendering process. Our IHG Sustainable Supplier Questionnaire is mandatory for all new suppliers at the 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. In 2022, 982 suppliers completed the questionnaire, with 41% of business awarded to IHG Green suppliers.
Investment in R&D	Yes	In 2021 we upgraded our science-based target to align to a 1.5C world and as part of our plan to achieve this target and a case study of a substantial strategic decision we have made in this area is to commit to zero carbon new builds by 2030. To support this, 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. An additional example of how climate related risks have influenced our strategy and has taken substantial research and development is our 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.
Operations	Yes	We have a science-based carbon reduction target (SBTs) which cover our managed, owned, leased and managed lease and franchised estate. A case study of a substantial strategic decision we have made in this area in 2021 was the decision, approved by the Board, to upgrade our science based target to align with a 1.5 °C trajectory. In our 2022 Annual Report we have outlined our climate transition plan. We have identified key decarbonisation levers and steps to implement them across our global estate which includes 1) Energy efficiency of our existing estate, 2) Construction of very low and zero carbon operating new-builds 3) Renewable energy. A case study of how we are working with our operations teams to achieve our SBT and mitigate climate related risks is through Energy efficiency of our existing estate. We undertook a review of our brand standards and have begun to incorporate a range of energy conservation measures. 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. In 2022, 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. A core training module on decarbonisation and the global context of climate change was launched in 2022 for all colleagues, and we have begun to provide bespoke instructor led sessions for business functions where support is vital to achieving our carbon commitments and reducing our identified climate-related risks. In addition, training modules and resources are available to owners and hotel colleagues focusing on energy efficiency improvements. We recognise that engaging our owners to implement our recommendations is crucial to us achieving our SBT.
--	--	---

C3.4

(C3.4) Describe where and how climate-related risks and opportunities have influenced your financial planning.

	Financial planning elements that have been influenced	Description of influence
Row 1	Direct costs Indirect costs Capital allocation	A case study of how climate related risks and opportunities have influenced our financial planning in our direct and indirect costs is that we consider energy costs in financial planning processes over a time horizon of 2 years and recommend relevant energy saving/ carbon reduction solutions to hotels through budget guidance and IHG Green Engage. Utility costs are a significant operational cost for our hotels (direct for our managed estate, indirect in terms of our franchised estate). Reducing energy and water consumption is therefore business critical to operating a high performing and profitable hotel.

		The energy CAPEX tracker for the Leased UK Estate has been embedded into a hotels overall 5 year capital plan. Our commitments to environmental sustainability, including our Science Based Targets, also affect annual OPEX that is allocated to relevant research and specialist consultancy support required to meet our targets and commitments. Additionally, increasing operating costs over a medium term, for example energy, are not expected to have a material impact on any of the Group's assets. While there is currently no material medium-term impact expected from climate change, the risks attached to climate change continue to evolve and these will continue to be assessed against the Group's judgements and estimates. A case study of how climate related risks and opportunities have influenced our financial planning in capital allocation is investment into IHG Green Engage global environmental management system which is critical to our ability to assess, evaluate and mitigate climate-related risks (both physical and transition risks). Our assessments of climate-related risks therefore inform e.g. annual CAPEX allocated to the maintenance and enhancement of IHG Green Engage. Green Engage will be a key enabler for meeting our 10 year Journey to Tomorrow Responsibility commitments, and therefore we have budgeted for this over the medium term (10 years). To ensure its continued success, we are enhancing the platform in 2023 to Green Engage 2.0. Another case study in 2021 was the significant investment made by IHG to develop 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. Our assessments of climate-related risks therefore inform e.g. annual CAPEX allocated to the maintenance and enhancement of IHG Green Engage and HERO tool. Climate related risks have also informed our financial planning through dedicated CAPEX spend for carbon saving measures. 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.
--	--	--

		These measures will reduce both energy and water usage across all brands. Our brand standards have also been updated to include bulk amenities in hotel bathrooms to reduce plastic usage while providing hotels with cost savings.
--	--	---

C3.5

(C3.5) In your organization's financial accounting, do you identify spending/revenue that is aligned with your organization's climate transition?

	Identification of spending/revenue that is aligned with your organization's climate transition
Row 1	No, and we do not plan to in the next two years

C4. Targets and performance

C4.1

(C4.1) Did you have an emissions target that was active in the reporting year?

Absolute target

C4.1a

(C4.1a) Provide details of your absolute emissions target(s) and progress made against those targets.

Target reference number

Abs 1

Is this a science-based target?

Yes, and this target has been approved by the Science Based Targets initiative

Target ambition

1.5°C aligned

Year target was set

2021

Target coverage

Company-wide

Scope(s)

Scope 1

Scope 2

Scope 3

Scope 2 accounting method

Location-based

Scope 3 category(ies)

Category 3: Fuel-and-energy-related activities (not included in Scopes 1 or 2)

Category 14: Franchises

Base year

2019

Base year Scope 1 emissions covered by target (metric tons CO₂e)

485,568

Base year Scope 2 emissions covered by target (metric tons CO₂e)

2,188,412

Base year Scope 3, Category 1: Purchased goods and services emissions covered by target (metric tons CO₂e)

Base year Scope 3, Category 2: Capital goods emissions covered by target (metric tons CO2e)

Base year Scope 3, Category 3: Fuel-and-energy-related activities (not included in Scopes 1 or 2) emissions covered by target (metric tons CO2e)

572,939

Base year Scope 3, Category 4: Upstream transportation and distribution emissions covered by target (metric tons CO2e)

Base year Scope 3, Category 5: Waste generated in operations emissions covered by target (metric tons CO2e)

Base year Scope 3, Category 6: Business travel emissions covered by target (metric tons CO2e)

Base year Scope 3, Category 7: Employee commuting emissions covered by target (metric tons CO2e)

Base year Scope 3, Category 8: Upstream leased assets emissions covered by target (metric tons CO2e)

Base year Scope 3, Category 9: Downstream transportation and distribution emissions covered by target (metric tons CO2e)

Base year Scope 3, Category 10: Processing of sold products emissions covered by target (metric tons CO2e)

Base year Scope 3, Category 11: Use of sold products emissions covered by target (metric tons CO2e)

Base year Scope 3, Category 12: End-of-life treatment of sold products emissions covered by target (metric tons CO2e)

Base year Scope 3, Category 13: Downstream leased assets emissions covered by target (metric tons CO2e)

Base year Scope 3, Category 14: Franchises emissions covered by target (metric tons CO2e)

3,158,714

Base year Scope 3, Category 15: Investments emissions covered by target (metric tons CO2e)

Base year Scope 3, Other (upstream) emissions covered by target (metric tons CO2e)

Base year Scope 3, Other (downstream) emissions covered by target (metric tons CO2e)

Base year total Scope 3 emissions covered by target (metric tons CO2e)

3,731,653

Total base year emissions covered by target in all selected Scopes (metric tons CO2e)

6,405,633

Base year Scope 1 emissions covered by target as % of total base year emissions in Scope 1

100

Base year Scope 2 emissions covered by target as % of total base year emissions in Scope 2

100

Base year Scope 3, Category 1: Purchased goods and services emissions covered by target as % of total base year emissions in Scope 3, Category 1: Purchased goods and services (metric tons CO2e)

Base year Scope 3, Category 2: Capital goods emissions covered by target as % of total base year emissions in Scope 3, Category 2: Capital goods (metric tons CO2e)

Base year Scope 3, Category 3: Fuel-and-energy-related activities (not included in Scopes 1 or 2) emissions covered by target as % of total base year emissions in Scope 3, Category 3: Fuel-and-energy-related activities (not included in Scopes 1 or 2) (metric tons CO2e)

100

Base year Scope 3, Category 4: Upstream transportation and distribution covered by target as % of total base year emissions in Scope 3, Category 4: Upstream transportation and distribution (metric tons CO2e)

Base year Scope 3, Category 5: Waste generated in operations emissions covered by target as % of total base year emissions in Scope 3, Category 5: Waste generated in operations (metric tons CO2e)

Base year Scope 3, Category 6: Business travel emissions covered by target as % of total base year emissions in Scope 3, Category 6: Business travel (metric tons CO2e)

Base year Scope 3, Category 7: Employee commuting covered by target as % of total base year emissions in Scope 3, Category 7: Employee commuting (metric tons CO2e)

Base year Scope 3, Category 8: Upstream leased assets emissions covered by target as % of total base year emissions in Scope 3, Category 8: Upstream leased assets (metric tons CO2e)

Base year Scope 3, Category 9: Downstream transportation and distribution emissions covered by target as % of total base year emissions in Scope 3, Category 9: Downstream transportation and distribution (metric tons CO2e)

Base year Scope 3, Category 10: Processing of sold products emissions covered by target as % of total base year emissions in Scope 3, Category 10: Processing of sold products (metric tons CO2e)

Base year Scope 3, Category 11: Use of sold products emissions covered by target as % of total base year emissions in Scope 3, Category 11: Use of sold products (metric tons CO2e)

Base year Scope 3, Category 12: End-of-life treatment of sold products emissions covered by target as % of total base year emissions in Scope 3, Category 12: End-of-life treatment of sold products (metric tons CO2e)

Base year Scope 3, Category 13: Downstream leased assets emissions covered by target as % of total base year emissions in Scope 3, Category 13: Downstream leased assets (metric tons CO2e)

Base year Scope 3, Category 14: Franchises emissions covered by target as % of total base year emissions in Scope 3, Category 14: Franchises (metric tons CO2e)

100

Base year Scope 3, Category 15: Investments emissions covered by target as % of total base year emissions in Scope 3, Category 15: Investments (metric tons CO2e)

Base year Scope 3, Other (upstream) emissions covered by target as % of total base year emissions in Scope 3, Other (upstream) (metric tons CO2e)

Base year Scope 3, Other (downstream) emissions covered by target as % of total base year emissions in Scope 3, Other (downstream) (metric tons CO2e)

Base year total Scope 3 emissions covered by target as % of total base year emissions in Scope 3 (in all Scope 3 categories)

100

Base year emissions covered by target in all selected Scopes as % of total base year emissions in all selected Scopes

100

Target year

2030

Targeted reduction from base year (%)

46

Total emissions in target year covered by target in all selected Scopes (metric tons CO2e) [auto-calculated]

3,459,041.82

Scope 1 emissions in reporting year covered by target (metric tons CO2e)

482,917

Scope 2 emissions in reporting year covered by target (metric tons CO2e)

1,999,890

Scope 3, Category 1: Purchased goods and services emissions in reporting year covered by target (metric tons CO2e)

Scope 3, Category 2: Capital goods emissions in reporting year covered by target (metric tons CO2e)

Scope 3, Category 3: Fuel-and-energy-related activities (not included in Scopes 1 or 2) emissions in reporting year covered by target (metric tons CO2e)

732,731

Scope 3, Category 4: Upstream transportation and distribution emissions in reporting year covered by target (metric tons CO2e)

Scope 3, Category 5: Waste generated in operations emissions in reporting year covered by target (metric tons CO2e)

Scope 3, Category 6: Business travel emissions in reporting year covered by target (metric tons CO2e)

Scope 3, Category 7: Employee commuting emissions in reporting year covered by target (metric tons CO2e)

Scope 3, Category 8: Upstream leased assets emissions in reporting year covered by target (metric tons CO2e)

Scope 3, Category 9: Downstream transportation and distribution emissions in reporting year covered by target (metric tons CO2e)

Scope 3, Category 10: Processing of sold products emissions in reporting year covered by target (metric tons CO2e)

Scope 3, Category 11: Use of sold products emissions in reporting year covered by target (metric tons CO2e)

Scope 3, Category 12: End-of-life treatment of sold products emissions in reporting year covered by target (metric tons CO2e)

Scope 3, Category 13: Downstream leased assets emissions in reporting year covered by target (metric tons CO2e)

Scope 3, Category 14: Franchises emissions in reporting year covered by target (metric tons CO2e)

2,972,102

Scope 3, Category 15: Investments emissions in reporting year covered by target (metric tons CO2e)

Scope 3, Other (upstream) emissions in reporting year covered by target (metric tons CO2e)

Scope 3, Other (downstream) emissions in reporting year covered by target (metric tons CO2e)

Total Scope 3 emissions in reporting year covered by target (metric tons CO2e)

3,704,833

Total emissions in reporting year covered by target in all selected scopes (metric tons CO2e)

6,187,640

Does this target cover any land-related emissions?

No, it does not cover any land-related emissions (e.g. non-FLAG SBT)

% of target achieved relative to base year [auto-calculated]

7.3981420117

Target status in reporting year

Underway

Please explain target coverage and identify any exclusions

We recognise the risks from climate change and the importance of reducing our carbon footprint and in 2020 IHG published our 2030 carbon reduction targets, approved by the Science Based Targets initiative. In 2021, we have upgraded our SBT to align to the most ambitious target of the Paris Agreement to limit global warming to 1.5°C and has been underpinned by our support for the Business Ambition for a 1.5°C Pledge and the UN's Race to Zero campaign.

Our aim is to now reduce 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 energy).

We report Scope 1, Scope 2 and Scope 3 emissions as defined by the GHG protocol: • Scope 1 emissions are direct emissions from the

burning of fuels or from refrigerant losses by the emitter. • Scope 2 emissions are indirect emissions generated by the energy purchased or acquired by the emitter. • Scope 3 emissions are indirect emissions that occur in a company's value chain.

Plan for achieving target, and progress made to the end of the reporting year

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.

List the emissions reduction initiatives which contributed most to achieving this target

C4.2

(C4.2) Did you have any other climate-related targets that were active in the reporting year?

No other climate-related targets

C4.3

(C4.3) Did you have emissions reduction initiatives that were active within the reporting year? Note that this can include those in the planning and/or implementation phases.

Yes

C4.3a

(C4.3a) Identify the total number of initiatives at each stage of development, and for those in the implementation stages, the estimated CO2e savings.

	Number of initiatives	Total estimated annual CO2e savings in metric tonnes CO2e (only for rows marked *)
Under investigation		
To be implemented*		
Implementation commenced*	5	83,636
Implemented*	3	59,063
Not to be implemented		

C4.3b

(C4.3b) Provide details on the initiatives implemented in the reporting year in the table below.

Initiative category & Initiative type

Energy efficiency in buildings
Lighting

Estimated annual CO2e savings (metric tonnes CO2e)

28,201

Scope(s) or Scope 3 category(ies) where emissions savings occur

Scope 2 (location-based)

Voluntary/Mandatory

Mandatory

Annual monetary savings (unit currency – as specified in C0.4)

21,875,418

Investment required (unit currency – as specified in C0.4)

Payback period

1-3 years

Estimated lifetime of the initiative

3-5 years

Comment

Savings based on roll out of LED lighting across our entire estate. CO2e savings were estimated using Scope 2 (location-based) electricity carbon equivalent DEFRA conversion factor and energy cost savings estimated using the global average cost for electricity per KWH in 2022 of 0.18 USD. This initiative is mandated as a brand standard requirement for full completion by 2025, however we are aware that some hotels will have already fully implemented or partly implemented the initiative to date. The average estimated cost saving per hotel is \$4,274, as were 6,164 hotels in the IHG estate as of end of the December 2022. IHG would not attribute the cost savings for franchise hotels as these savings will be made by the hotel owners and are outside of our operational control, however the cost savings for managed hotels and owned, leased and managed leased hotels are accrued by IHG. AMER = $5,241,244,461.79 * 1.7\% = 86,563,132$ EMEAA = $3,672,869,680.38 * 1.4\% = 49,951,027.65$ GC = $2,913,114,444.75 * 0.3\% = 9,321,966.22$. Total energy savings multiplied by average cost per Kwh = $145,836,126 * 0.18 = \$21,875,418$. Total energy savings multiplied by carbon equivalent conversion factor (0.19338) and divided by 1000 (for tonnes) = $145,836,126 * 0.19338 / 1000 = 30,965.38$

Initiative category & Initiative type

Energy efficiency in buildings

Other, please specify

Aerated Faucets and Shower Heads (low flow)

Estimated annual CO2e savings (metric tonnes CO2e)

30,862

Scope(s) or Scope 3 category(ies) where emissions savings occur

Scope 1

Voluntary/Mandatory

Mandatory

Annual monetary savings (unit currency – as specified in C0.4)

27,356,734

Investment required (unit currency – as specified in C0.4)

Payback period

1-3 years

Estimated lifetime of the initiative

6-10 years

Comment

The financial impact figure represents the estimated cost saving from reduced energy from implementing low flow aerated taps and shower heads across our entire estate. IHG would not attribute the cost savings for franchise hotels as these savings will be made by the hotel owners and are outside of our operational control, however the cost savings for managed hotels and owned, leased and managed leased hotels are accrued by IHG. This financial impact figure equates to \$4,454 per hotel, with 6,141 hotels across our entire estate in 2022, the potential saving is higher, however we are aware that some hotels have already implemented or commenced implementation. We have estimated the energy impact of these ECM's across each region and multiplied the total energy savings across all regions by the average cost per KWh in 2022 (\$0.18) as shown below, estimated CO2e savings have also been estimated using Scope 1 conversion factor. AMER = 5,241,244,461.79 * 0.03% = 1,464,593.19 AMER = 5,241,244,461.79 * 0.4% = 21,582,632.92 EMEAA = 3,672,869,680.38 * 0.4% = 4,324,191.75 EMEAA = 3,672,869,680.38 * 0.9% = 31,586,679.25 GC = 2,913,114,444.75 * 1% = 27,674,587.23 GC = 2,913,114,444.75 * 2% = 55,349,174.45 Sum of above = Total Energy Savings = 151,981,859. Total energy savings multiplied by average cost per KWh = 151,981,859 * 0.18 =

21,277,460. Total energy savings multiplied by DEFRA carbon equivalent conversion for scope 1 emissions (natural gas)/1000 (for tonnes)=
 $151,981,8589 * 0.20188 / 1000 = 30,862$

Initiative category & Initiative type

Company policy or behavioral change
Customer engagement

Estimated annual CO2e savings (metric tonnes CO2e)

45,366

Scope(s) or Scope 3 category(ies) where emissions savings occur

Scope 2 (location-based)

Voluntary/Mandatory

Voluntary

Annual monetary savings (unit currency – as specified in C0.4)

40,429,121

Investment required (unit currency – as specified in C0.4)

Payback period

1-3 years

Estimated lifetime of the initiative

3-5 years

Comment

This initiative is in the 'Implementation commenced' criteria as hotels will be at different stage of their journeys, we have assumed 90% of hotels are able to improve by 10% over 5 years. CO2e savings were estimated using Scope 2 (location-based) electricity carbon equivalent DEFRA

conversion factor and energy cost savings estimated using the average global cost for electricity per KWh in 2022 of 0.18 cents. The average estimated cost saving per hotel is \$6,587, as there are 6141 hotels across the estate in 2022. IHG would not attribute the cost savings for franchise hotels as these savings will be made by the hotel owners and are outside of our operational control, however the cost savings for owned, managed, leased and managed leased hotels are accrued by IHG. AMER = $5,241,244,461.79 * 1.9\% = 99,583,644.77$ EMEA = $3,672,869,680.38 * 1.9\% = 69,784,523.93$ GC = $2,913,114,444.75 * 1.9\% = 55,349,174.45$ Total Energy Savings = 224,717,343 multiplied by Average Cost per kWh = $145,836,126 * 0.18 = 40,429,121$ USD. Total energy multiplied by carbon equivalent conversion factor / 1000 (for tonnes) = $224,717,343 * 0.19338 / 1000 = 45,366$ tonnes of CO₂e. Payback is 1-5 years.

C4.3c

(C4.3c) What methods do you use to drive investment in emissions reduction activities?

Method	Comment
Compliance with regulatory requirements/standards	The UK's commitment to reach net-zero by 2050 has increased the expectations and number of regulations and standards applied to UK listed and particularly larger companies. The most influential being the Taskforce for Climate Related Financial Disclosures which requires companies to consider climate related risks and opportunities in their financial planning and disclose these for investors to assess. The increasing requirements of TCFD mean IHG must also begin to detail their plan to reduce the carbon emissions resulting from our activities, how they plan to achieve net-zero carbon and at what cost this will be to the business. The requirement to be reporting energy consumption also embeds good energy management practices, the regulation Streamlined Energy and Carbon Reporting (SECR), which adds to the already mandated disclosure of greenhouse gas emissions through the Energy Savings Opportunity Scheme (ESOS), by extending reporting requirements to energy and carbon. The mandated disclosure of our data exposes IHG to external stakeholder scrutiny and in turn drives investment in emissions reduction activities and encourages the improvement of our data accuracy which forms the basis of our decision -making. We will also take steps to align to new disclosure requirements and evolving ESG global frameworks such as the International Sustainability Standards Board (ISSB), Taskforce on Nature-related Financial Disclosures (TNFD) and proposed regional regulations including the SEC Climate Ruling and the UK Green Finance Strategy.

Employee engagement	Our online environmental sustainability platform, the IHG Green Engage system is a foundation standard. One of the first actions we require hotels in IHG Green Engage is developing a Green Team which involves engaging employees and getting them involved in helping to develop and implement sustainability innovations in our hotels including those that reduce carbon and energy. We also encourage best practice sharing through case studies available to hotels within IHG Green Engage and through internal social media platforms. As part of IHG Green Engage, hotels are asked to complete action O-4-2 “Training for green practices”, which requires key hotel teams to be trained on environmental sustainability practices. We also promote employee engagement in our headquarters through an active Think Green Employee Resource Group with members from different departments. A core training module on decarbonisation and the global context of climate change was launched in 2022 for all colleagues, and we have begun to provide bespoke instructor-led sessions for business functions where support is vital to achieving our carbon commitments and reducing our identified climate-related risks. In addition, training modules and resources are available to owners and hotel colleagues focusing on energy efficiency improvements. We recognise that engaging our owners to implement our recommendations is crucial to us achieving our SBT. 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.
Marginal abatement cost curve	When we developed the Green Solutions for our global online sustainability platform IHG Green Engage, we calculated energy/carbon savings, marginal cost, annual savings, payback periods, IRR and NPV for each action item. The ROI of Green Solutions is shared within the IHG Green Engage platform for all our hotels globally. 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.

Internal incentives/recognition programs	We are continuously looking to promote our hotels that invest in energy efficiency and carbon reduction. Hotels that implement solutions well are promoted internally through internal communications channels and videos. We also have regional competitions and awards for hotels that have made the most significant contribution to minimising their environmental impacts through IHG Green Engage. We also have four levels within Green Engage so hotels can improve their performance and be recognised for taking on more sustainability actions. Energy reduction is one of the key metrics for all managed and franchised hotels globally. This metric requires all of our hotels to report their energy data monthly, and meet both short and long term energy reduction target. Achievement of the global metrics is one of the criteria used in the annual performance plan calculations for corporate employees and General Managers of managed hotels.
Other Environmental Management System	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 enhancing the platform in 2023 to Green Engage 2.0. Each solution has a step-by-step implementation guide that is backed up by financial modelling. By working through 4 levels of certification hotels focus on quick wins first which can achieve significant emissions reduction. To support this and further encourage the uptake of carbon reduction measures, 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.
Lower return on investment (ROI) specification	We widely use success case studies from our own portfolio to drive investment in emissions reduction activities. These case studies are always brand and region specific to make it more relevant to our hotels. To remain transparent, we include ROI facts and specifications.

C4.5

(C4.5) Do you classify any of your existing goods and/or services as low-carbon products?

Yes

C4.5a

(C4.5a) Provide details of your products and/or services that you classify as low-carbon products.

Level of aggregation

Group of products or services

Taxonomy used to classify product(s) or service(s) as low-carbon

No taxonomy used to classify product(s) or service(s) as low carbon

Type of product(s) or service(s)

Buildings construction and renovation

Other, please specify

Energy efficient construction, renovation and maintenance

Description of product(s) or service(s)

Many of our hotels have a carbon footprint per room night that is lower than the industry average for the associated country (averages as published with the Cornell Center for Hospitality as part of the Cornell Hotels Sustainability Benchmarking tool that was released in 2023), and can be considered to be a low carbon product. These industry averages were used to compare the carbon footprint per room night of IHG hotels in their respective countries. Approximately 72% of all IHG hotels fall below their respective industry benchmark. In addition to these hotels, because many of our hotels are limited service, and in turn have a lower carbon footprint, these products can be considered low carbon compared to luxury offerings.

Have you estimated the avoided emissions of this low-carbon product(s) or service(s)

Yes

Methodology used to calculate avoided emissions

Other, please specify

Comparing carbon intensity against industry benchmarks -Avoided emissions are calculated by adding up the difference between emissions of the hotel and its industry benchmark for those hotels. Occupied room nights % is used as a proxy for % revenue

Life cycle stage(s) covered for the low-carbon product(s) or services(s)

Use stage

Functional unit used

tCO₂e / occupied room. night

Reference product/service or baseline scenario used

Industry average values as published by the Cornell Center for Hospitality as part of the Cornell Hotels Sustainability Benchmarking, 2023

Life cycle stage(s) covered for the reference product/service or baseline scenario

Use stage

Estimated avoided emissions (metric tons CO₂e per functional unit) compared to reference product/service or baseline scenario

1,619,453

Explain your calculation of avoided emissions, including any assumptions

Hotel emissions were calculated as part of the inventory process. The countries of all the IHG hotels were considered to align with the countries in the Cornell Hotels Sustainability Benchmarking, 2023 study. 68% of all occupied room nights during 2022 were below the industry benchmark and therefore classed as 'low carbon'. The 68% of occupied room nights that were below the industry benchmark equate to 1,619,453 tCO₂e.

Revenue generated from low-carbon product(s) or service(s) as % of total revenue in the reporting year

68

C5. Emissions methodology

C5.1

(C5.1) Is this your first year of reporting emissions data to CDP?

No

C5.1a

(C5.1a) Has your organization undergone any structural changes in the reporting year, or are any previous structural changes being accounted for in this disclosure of emissions data?

Row 1

Has there been a structural change?

Yes, other structural change, please specify

Hotels enter and leave our overall estate each year as part of our franchise model, but we make very few actual acquisitions or divestments given our asset light model.

Name of organization(s) acquired, divested from, or merged with

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.

Details of structural change(s), including completion dates

C5.1b

(C5.1b) Has your emissions accounting methodology, boundary, and/or reporting year definition changed in the reporting year?

	Change(s) in methodology, boundary, and/or reporting year definition?
Row 1	No

C5.1c

(C5.1c) Have your organization's base year emissions and past years' emissions been recalculated as a result of any changes or errors reported in C5.1a and/or C5.1b?

	Base year recalculation	Scope(s) recalculated	Base year emissions recalculation policy, including significance threshold	Past years' recalculation
Row 1	Yes	Scope 1 Scope 2, location-based Scope 2, market-based Scope 3	Base year is recalculated every year due acquisitions and divestments and updated emission factors, as well as improved data accuracy coverage and completeness. The base year is 2019, base year Scope 1 & 2 & 3 emissions are recalculated every year. The frequent acquisitions and divestments - significance threshold = 0% .	Yes

C5.2

(C5.2) Provide your base year and base year emissions.

Scope 1

Base year start

January 1, 2019

Base year end

December 31, 2019

Base year emissions (metric tons CO₂e)

485,568

Comment

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. 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.

We report Scope 1 and 2 emissions as defined by the GHG protocol as follows:

Scope 1 (Direct emissions): combustion of fuel and operation of facilities; and

Scope 2 (Indirect emissions): electricity, heat, steam and cooling purchased for own use.

Scope 2 (location-based)

Base year start

January 1, 2019

Base year end

December 31, 2019

Base year emissions (metric tons CO₂e)

2,188,412

Comment

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. 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.

Scope 2 (market-based)

Base year start

January 1, 2019

Base year end

December 31, 2019

Base year emissions (metric tons CO₂e)

2,217,894

Comment

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. 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.

Scope 3 category 1: Purchased goods and services

Base year start

January 1, 2019

Base year end

December 31, 2019

Base year emissions (metric tons CO₂e)

1,796,024

Comment

Scope 3 category 2: Capital goods

Base year start

January 1, 2019

Base year end

December 31, 2019

Base year emissions (metric tons CO2e)

0

Comment

Scope 3 category 3: Fuel-and-energy-related activities (not included in Scope 1 or 2)

Base year start

January 1, 2019

Base year end

December 31, 2019

Base year emissions (metric tons CO2e)

572,939

Comment

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. 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.

Scope 3 category 4: Upstream transportation and distribution

Base year start

January 1, 2019

Base year end

December 31, 2019

Base year emissions (metric tons CO2e)

8

Comment

Scope 3 category 5: Waste generated in operations

Base year start

January 1, 2019

Base year end

December 31, 2019

Base year emissions (metric tons CO2e)

28,004

Comment

Scope 3 category 6: Business travel

Base year start

January 1, 2019

Base year end

December 31, 2019

Base year emissions (metric tons CO2e)

35,991

Comment

Scope 3 category 7: Employee commuting

Base year start

January 1, 2019

Base year end

December 31, 2019

Base year emissions (metric tons CO2e)

23,250

Comment

Scope 3 category 8: Upstream leased assets

Base year start

January 1, 2019

Base year end

December 31, 2019

Base year emissions (metric tons CO2e)

0

Comment

Scope 3 category 9: Downstream transportation and distribution

Base year start

January 1, 2019

Base year end

December 31, 2019

Base year emissions (metric tons CO₂e)

0

Comment

Scope 3 category 10: Processing of sold products

Base year start

January 1, 2019

Base year end

December 31, 2019

Base year emissions (metric tons CO₂e)

0

Comment

Scope 3 category 11: Use of sold products

Base year start

January 1, 2019

Base year end

December 31, 2019

Base year emissions (metric tons CO2e)

0

Comment

Scope 3 category 12: End of life treatment of sold products

Base year start

January 1, 2019

Base year end

December 31, 2019

Base year emissions (metric tons CO2e)

0

Comment

Scope 3 category 13: Downstream leased assets

Base year start

January 1, 2019

Base year end

December 31, 2019

Base year emissions (metric tons CO₂e)

0

Comment

Scope 3 category 14: Franchises

Base year start

January 1, 2019

Base year end

December 31, 2019

Base year emissions (metric tons CO₂e)

3,158,714

Comment

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. 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.

Scope 3 category 15: Investments

Base year start

January 1, 2019

Base year end

December 31, 2019

Base year emissions (metric tons CO₂e)

0

Comment

Scope 3: Other (upstream)

Base year start

Base year end

Base year emissions (metric tons CO₂e)

Comment

Scope 3: Other (downstream)

Base year start

Base year end

Base year emissions (metric tons CO₂e)

Comment

C5.3

(C5.3) Select the name of the standard, protocol, or methodology you have used to collect activity data and calculate emissions.

The Greenhouse Gas Protocol: A Corporate Accounting and Reporting Standard (Revised Edition)

The Greenhouse Gas Protocol: Scope 2 Guidance

Other, please specify

The Greenhouse Gas Protocol (WBCSD/WRI, 2004) and the Hotel Carbon Measurement Guidelines (World Travel and Tourism Council and International Tourism Partnership, 2011).

C6. Emissions data

C6.1

(C6.1) What were your organization's gross global Scope 1 emissions in metric tons CO₂e?

Reporting year

Gross global Scope 1 emissions (metric tons CO₂e)

482,917

Start date

January 1, 2022

End date

December 31, 2022

Comment

Past year 1

Gross global Scope 1 emissions (metric tons CO2e)

456,515

Start date

January 1, 2021

End date

December 31, 2021

Comment

Past year 2

Gross global Scope 1 emissions (metric tons CO2e)

341,101

Start date

January 1, 2020

End date

December 31, 2020

Comment

Past year 3

Gross global Scope 1 emissions (metric tons CO2e)

485,568

Start date

January 1, 2019

End date

December 31, 2019

Comment

C6.2

(C6.2) Describe your organization's approach to reporting Scope 2 emissions.

Row 1

Scope 2, location-based

We are reporting a Scope 2, location-based figure

Scope 2, market-based

We are reporting a Scope 2, market-based figure

Comment

C6.3

(C6.3) What were your organization's gross global Scope 2 emissions in metric tons CO₂e?

Reporting year

Scope 2, location-based

1,999,890

Scope 2, market-based (if applicable)

1,995,125

Start date

January 1, 2022

End date

December 31, 2022

Comment

Past year 1

Scope 2, location-based

1,765,642

Scope 2, market-based (if applicable)

1,773,745

Start date

January 1, 2021

End date

December 31, 2021

Comment

Past year 2

Scope 2, location-based

1,584,397

Scope 2, market-based (if applicable)

1,592,407

Start date

January 1, 2020

End date

December 31, 2020

Comment

Past year 3

Scope 2, location-based

2,188,412

Scope 2, market-based (if applicable)

2,217,894

Start date

January 1, 2019

End date

December 31, 2019

Comment

C6.4

(C6.4) Are there any sources (e.g. facilities, specific GHGs, activities, geographies, etc.) of Scope 1, Scope 2 or Scope 3 emissions that are within your selected reporting boundary which are not included in your disclosure?

No

C6.5

(C6.5) Account for your organization's gross global Scope 3 emissions, disclosing and explaining any exclusions.

Purchased goods and services

Evaluation status

Relevant, calculated

Emissions in reporting year (metric tons CO₂e)

1,585,743

Emissions calculation methodology

Spend-based method

Percentage of emissions calculated using data obtained from suppliers or value chain partners

Please explain

Purchased goods and services calculated based on spend data from managed hotels and owned, leased, and managed lease hotels. This data is based on 2019 calculations (aligned with our science-based targets baseline) and extrapolated for 2022 based on 2022 room night data. We are exploring a method for calculating this annually.

Capital goods

Evaluation status

Not relevant, explanation provided

Please explain

No capital goods purchases.

Fuel-and-energy-related activities (not included in Scope 1 or 2)

Evaluation status

Relevant, calculated

Emissions in reporting year (metric tons CO₂e)

732,731

Emissions calculation methodology

Fuel-based method

Percentage of emissions calculated using data obtained from suppliers or value chain partners

59

Please explain

Fuel-and-energy related activities are calculated from the complete consumption dataset (post-gap fill and estimations) for managed hotels, and owned, leased, and managed lease hotels and the franchised estate multiplied by upstream emission factors. This data is calculated for the year 2022 and we calculate FERA Scope 3 emissions annually as it forms part of the Scope 3 emissions covered by our Science Based Target.

Upstream transportation and distribution

Evaluation status

Relevant, calculated

Emissions in reporting year (metric tons CO₂e)

7

Emissions calculation methodology

Other, please specify

Calculated using spend data and Environmentally-extended input output EEIO factors from DEFRA.

Percentage of emissions calculated using data obtained from suppliers or value chain partners

Please explain

Calculated using spend data and Environmentally-extended input output (EEIO) factors from DEFRA.

This data is based on 2019 calculations (aligned with our science-based targets baseline) and extrapolated for 2022 based on 2022 room night data. We are exploring a method for calculating this annually.

Waste generated in operations

Evaluation status

Relevant, calculated

Emissions in reporting year (metric tons CO2e)

25,103

Emissions calculation methodology

Waste-type-specific method

Percentage of emissions calculated using data obtained from suppliers or value chain partners

Please explain

Waste generated in corporate offices, and Waste generated in corporate offices, managed hotels and owned, leased, and managed lease hotels. This data is based on 2019 calculations (aligned with our science-based targets baseline) and extrapolated for 2022 based on 2022 room night data. We are exploring a method for calculating this annually.

Business travel

Evaluation status

Relevant, calculated

Emissions in reporting year (metric tons CO2e)

32,262

Emissions calculation methodology

Distance-based method

Percentage of emissions calculated using data obtained from suppliers or value chain partners

Please explain

Business Travel by IHG colleagues including air, rail, and car travel. This data is based on 2019 calculations (aligned with our science-based targets baseline) and extrapolated for 2022 based on 2022 room night data. We are exploring a method for calculating this annually.

Employee commuting

Evaluation status

Relevant, calculated

Emissions in reporting year (metric tons CO2e)

20,841

Emissions calculation methodology

Average data method

Percentage of emissions calculated using data obtained from suppliers or value chain partners

Please explain

Commuting estimated from published data and FTE. This data is based on 2019 calculations (aligned with our science-based targets baseline) and extrapolated for 2022 based on 2022 room night data. We, we are exploring a method for calculating this annually.

Upstream leased assets

Evaluation status

Not relevant, explanation provided

Please explain

No upstream leased assets.

Downstream transportation and distribution

Evaluation status

Not relevant, explanation provided

Please explain

No relevant downstream transportation & distribution.

Processing of sold products

Evaluation status

Not relevant, explanation provided

Please explain

No sold products.

Use of sold products

Evaluation status

Not relevant, explanation provided

Please explain

No sold products.

End of life treatment of sold products

Evaluation status

Not relevant, explanation provided

Please explain

N/A

Downstream leased assets

Evaluation status

Not relevant, explanation provided

Please explain

N/A

Franchises

Evaluation status

Relevant, calculated

Emissions in reporting year (metric tons CO₂e)

2,972,102

Emissions calculation methodology

Franchise-specific method

Percentage of emissions calculated using data obtained from suppliers or value chain partners

53

Please explain

Franchises are calculated in the same way as the managed hotels and owned, leased and managed lease hotels, by extrapolation from a sample of 79% to the full estate of Franchised hotels. This data is calculated for the year 2022 and we calculate Franchise Scope 3 emissions annually as it forms part of the Scope 3 emissions covered by our Science Based Target.

Investments

Evaluation status

Not relevant, explanation provided

Please explain

N/A

Other (upstream)

Evaluation status

Not relevant, explanation provided

Please explain

N/A

Other (downstream)

Evaluation status

Not relevant, explanation provided

Please explain

N/A

C6.5a

(C6.5a) Disclose or restate your Scope 3 emissions data for previous years.

Past year 1

Start date

January 1, 2021

End date

December 31, 2021

Scope 3: Purchased goods and services (metric tons CO2e)

1,340,202

Scope 3: Capital goods (metric tons CO2e)

Scope 3: Fuel and energy-related activities (not included in Scopes 1 or 2) (metric tons CO2e)

624,281

Scope 3: Upstream transportation and distribution (metric tons CO2e)

6

Scope 3: Waste generated in operations (metric tons CO2e)

21,216

Scope 3: Business travel (metric tons CO2e)

27,267

Scope 3: Employee commuting (metric tons CO2e)

17,614

Scope 3: Upstream leased assets (metric tons CO2e)

Scope 3: Downstream transportation and distribution (metric tons CO2e)

Scope 3: Processing of sold products (metric tons CO2e)

Scope 3: Use of sold products (metric tons CO2e)

Scope 3: End of life treatment of sold products (metric tons CO2e)

Scope 3: Downstream leased assets (metric tons CO2e)

Scope 3: Franchises (metric tons CO2e)

2,884,212

Scope 3: Investments (metric tons CO2e)

Scope 3: Other (upstream) (metric tons CO2e)

Scope 3: Other (downstream) (metric tons CO2e)

Comment

We calculate FERA and Franchise emissions annually.

For the other reported categories, this data is based on 2019 calculations and extrapolated for the reporting year of 2021.

Past year 2

Start date

January 1, 2020

End date

December 31, 2020

Scope 3: Purchased goods and services (metric tons CO2e)

976,389

Scope 3: Capital goods (metric tons CO2e)

Scope 3: Fuel and energy-related activities (not included in Scopes 1 or 2) (metric tons CO2e)

396,487

Scope 3: Upstream transportation and distribution (metric tons CO2e)

5

Scope 3: Waste generated in operations (metric tons CO2e)

15,456

Scope 3: Business travel (metric tons CO2e)

19,865

Scope 3: Employee commuting (metric tons CO2e)

12,833

Scope 3: Upstream leased assets (metric tons CO2e)

Scope 3: Downstream transportation and distribution (metric tons CO2e)

Scope 3: Processing of sold products (metric tons CO2e)

Scope 3: Use of sold products (metric tons CO2e)

Scope 3: End of life treatment of sold products (metric tons CO2e)

Scope 3: Downstream leased assets (metric tons CO2e)

Scope 3: Franchises (metric tons CO2e)

2,199,529

Scope 3: Investments (metric tons CO2e)

Scope 3: Other (upstream) (metric tons CO2e)

Scope 3: Other (downstream) (metric tons CO2e)

Comment

We calculate FERA and Franchise emissions annually.

For the other reported categories, this data is based on 2019 calculations and extrapolated for the reporting year of 2020.

Past year 3

Start date

January 1, 2019

End date

December 31, 2019

Scope 3: Purchased goods and services (metric tons CO2e)

1,769,024

Scope 3: Capital goods (metric tons CO2e)

Scope 3: Fuel and energy-related activities (not included in Scopes 1 or 2) (metric tons CO2e)

572,939

Scope 3: Upstream transportation and distribution (metric tons CO2e)

8

Scope 3: Waste generated in operations (metric tons CO2e)

28,004

Scope 3: Business travel (metric tons CO2e)

35,991

Scope 3: Employee commuting (metric tons CO2e)

23,250

Scope 3: Upstream leased assets (metric tons CO2e)

Scope 3: Downstream transportation and distribution (metric tons CO2e)

Scope 3: Processing of sold products (metric tons CO2e)

Scope 3: Use of sold products (metric tons CO2e)

Scope 3: End of life treatment of sold products (metric tons CO2e)

Scope 3: Downstream leased assets (metric tons CO2e)

Scope 3: Franchises (metric tons CO2e)

3,158,714

Scope 3: Investments (metric tons CO2e)

Scope 3: Other (upstream) (metric tons CO2e)

Scope 3: Other (downstream) (metric tons CO2e)

Comment

We calculate FERA and Franchise emissions annually.

For the other reported categories, this data is based on 2019 calculations.

C6.7

(C6.7) Are carbon dioxide emissions from biogenic carbon relevant to your organization?

No

C6.10

(C6.10) Describe your gross global combined Scope 1 and 2 emissions for the reporting year in metric tons CO2e per unit currency total revenue and provide any additional intensity metrics that are appropriate to your business operations.

Intensity figure

53.1

Metric numerator (Gross global combined Scope 1 and 2 emissions, metric tons CO2e)

2,482,807

Metric denominator

room night produced

Metric denominator: Unit total

46,739,957

Scope 2 figure used

Location-based

% change from previous year

8.2

Direction of change

Decreased

Reason(s) for change

Other emissions reduction activities

Please explain

In 2022 IHG undertook emission reduction activities which may have helped to achieve the emissions reduction per room night produced.

Intensity figure

0.27

Metric numerator (Gross global combined Scope 1 and 2 emissions, metric tons CO2e)

2,482,807

Metric denominator

unit total revenue

Metric denominator: Unit total

9,054,135

Scope 2 figure used

Location-based

% change from previous year

18

Direction of change

Decreased

Reason(s) for change

Other emissions reduction activities
Change in revenue

Please explain

Recovery from the Covid-19 pandemic gathered pace in 2022, with demand returning strongly as restrictions lifted in most markets which resulted in an increase in revenue. However, global scope 1 and 2 emissions for our IHG managed hotels and owned, leased and managed lease hotels and corporate offices increased less than revenue as we implemented energy efficiency measures across our existing estate. This resulted in an overall emission intensity reduction of 18% in 2022 compared to 2021. Intensity based on tCO₂ e per (\$000 revenue).

C7. Emissions breakdowns

C7.1

(C7.1) Does your organization break down its Scope 1 emissions by greenhouse gas type?

Yes

C7.1a

(C7.1a) Break down your total gross global Scope 1 emissions by greenhouse gas type and provide the source of each used greenhouse warming potential (GWP).

Greenhouse gas	Scope 1 emissions (metric tons of CO ₂ e)	GWP Reference
CO ₂	410,487	IPCC Fourth Assessment Report (AR4 - 100 year)
CH ₄	410	IPCC Fourth Assessment Report (AR4 - 100 year)
N ₂ O	1,289	IPCC Fourth Assessment Report (AR4 - 100 year)
HFCs	65,137	IPCC Fourth Assessment Report (AR4 - 100 year)
Other, please specify	5,593	IPCC Fourth Assessment Report (AR4 - 100 year)

C7.2

(C7.2) Break down your total gross global Scope 1 emissions by country/area/region.

Country/area/region	Scope 1 emissions (metric tons CO ₂ e)
Americas	69,569
Other, please specify EMEAA	219,859
Other, please specify Greater China	193,488

C7.3

(C7.3) Indicate which gross global Scope 1 emissions breakdowns you are able to provide.

By business division

C7.3a

(C7.3a) Break down your total gross global Scope 1 emissions by business division.

Business division	Scope 1 emissions (metric ton CO ₂ e)
CP – Crowne Plaza	121,754
CW – Candlewood Suites	0
EX – Holiday Inn Express	25,222
HI – Holiday Inn	81,391
IC – InterContinental Hotel	156,148
IN – Indigo Hotel	8,352
KI - Kimpton Hotel	19,302
SB – Staybridge Suites	2,211
UL - Hualuxe Hotel	14,157
VN - Even Hotel	1,816
VX- Voco	7,687

Global Offices	463
IHG Army Hotels	26,137
RE - Regent Hotels & Resorts	2,730
AN - All Nippon Airways	0
SP - Southern Pacific Hotel Corp	9,585
SX - Six Senses	1,746
VA - Avid Hotels	0
LX	508
NO - No Affiliation	3,707
WE - Atwell Suites	0

C7.5

(C7.5) Break down your total gross global Scope 2 emissions by country/area/region.

Country/area/region	Scope 2, location-based (metric tons CO ₂ e)	Scope 2, market-based (metric tons CO ₂ e)
Americas	119,370	120,900
Other, please specify EMEAA	983,376	977,081
Other, please specify Greater China	897,145	897,145

C7.6

(C7.6) Indicate which gross global Scope 2 emissions breakdowns you are able to provide.

By business division

C7.6a

(C7.6a) Break down your total gross global Scope 2 emissions by business division.

Business division	Scope 2, location-based (metric tons CO ₂ e)	Scope 2, market-based (metric tons CO ₂ e)
CP – Crowne Plaza	514,189	515,452
CW – Candlewood Suites	0	0
EX – Holiday Inn Express	104,094	104,728
HI – Holiday Inn	343,329	341,101
IC – InterContinental Hotel	668,069	664,424
IN – Indigo Hotel	42,866	42,791
KI - Kimpton Hotel	45,651	44,503
SB – Staybridge Suites	11,087	11,089
UL - Hualuxe Hotel	51,533	51,533
VN - Even Hotel	4,922	4,923
VX- Voco	39,048	38,329

Global Offices	2,000	2,648
IHG Army Hotels	27,595	28,291
Regent Hotels & Resorts	16,780	16,454
VA Avid Hotels	0	0
SX Six Senses	7,660	7,792
All Nippon Airways	0	0
Southern Pacific Hotel Corp	100,748	100,748
WE - Atwell Suites	0	0
NO - No Affiliation	17,721	17,721
LX	2,597	2,597

C7.7

(C7.7) Is your organization able to break down your emissions data for any of the subsidiaries included in your CDP response?

No

C7.9

(C7.9) How do your gross global emissions (Scope 1 and 2 combined) for the reporting year compare to those of the previous reporting year?

Increased

C7.9a

(C7.9a) Identify the reasons for any change in your gross global emissions (Scope 1 and 2 combined), and for each of them specify how your emissions compare to the previous year.

	Change in emissions (metric tons CO2e)	Direction of change in emissions	Emissions value (percentage)	Please explain calculation
Change in renewable energy consumption				
Other emissions reduction activities	222,321	Decreased	8.2	The room nights total for IHG increased by 21.7% while at the same time the total CO2e increased by 11.7%, due to emission reduction activities, giving an overall decrease of 8.2%
Divestment				The IHG estate is subject to constant change, with acquisitions and divestments occurring in a small percentage of the estate each year. Because both the total estate and the sample used to estimate impacts are different each year, we recalculate the baseline each year to make sure that any changes are measured against a comparable baseline.
Acquisitions				The IHG estate is subject to constant change, with acquisitions and divestments occurring in a small percentage of the estate each year. Because both the total estate and the sample used to estimate impacts are different each year, we recalculate the baseline each year to make sure that any changes are measured against a comparable baseline.
Mergers				
Change in output	482,969	Increased	21.7	21.7% increase in activity (number of occupied room nights)
Change in methodology				
Change in boundary				

Change in physical operating conditions				
Unidentified				
Other				

C7.9b

(C7.9b) Are your emissions performance calculations in C7.9 and C7.9a based on a location-based Scope 2 emissions figure or a market-based Scope 2 emissions figure?

Location-based

C8. Energy

C8.1

(C8.1) What percentage of your total operational spend in the reporting year was on energy?

More than 0% but less than or equal to 5%

C8.2

(C8.2) Select which energy-related activities your organization has undertaken.

	Indicate whether your organization undertook this energy-related activity in the reporting year
Consumption of fuel (excluding feedstocks)	Yes
Consumption of purchased or acquired electricity	Yes
Consumption of purchased or acquired heat	Yes

Consumption of purchased or acquired steam	Yes
Consumption of purchased or acquired cooling	Yes
Generation of electricity, heat, steam, or cooling	Yes

C8.2a

(C8.2a) Report your organization's energy consumption totals (excluding feedstocks) in MWh.

	Heating value	MWh from renewable sources	MWh from non-renewable sources	Total (renewable and non-renewable) MWh
Consumption of fuel (excluding feedstock)	HHV (higher heating value)		2,093,661	2,093,661
Consumption of purchased or acquired electricity			3,444,641	3,444,641
Consumption of purchased or acquired heat			116,597	116,597
Consumption of purchased or acquired steam			158,276	158,276
Consumption of purchased or acquired cooling			242,141	242,141
Consumption of self-generated non-fuel renewable energy		5,846		5,846
Total energy consumption		5,846	6,055,315	6,061,161

C8.2b

(C8.2b) Select the applications of your organization's consumption of fuel.

	Indicate whether your organization undertakes this fuel application
Consumption of fuel for the generation of electricity	Yes
Consumption of fuel for the generation of heat	Yes
Consumption of fuel for the generation of steam	Yes
Consumption of fuel for the generation of cooling	No
Consumption of fuel for co-generation or tri-generation	Yes

C8.2c

(C8.2c) State how much fuel in MWh your organization has consumed (excluding feedstocks) by fuel type.

Sustainable biomass

Heating value

HHV

Total fuel MWh consumed by the organization

MWh fuel consumed for self-generation of electricity

MWh fuel consumed for self-generation of heat

0

MWh fuel consumed for self-generation of steam

MWh fuel consumed for self- cogeneration or self-trigeneration

0

Comment

Other biomass

Heating value

HHV

Total fuel MWh consumed by the organization

MWh fuel consumed for self-generation of electricity

MWh fuel consumed for self-generation of heat

0

MWh fuel consumed for self-generation of steam

MWh fuel consumed for self- cogeneration or self-trigeneration

0

Comment

Other renewable fuels (e.g. renewable hydrogen)

Heating value

HHV

Total fuel MWh consumed by the organization

MWh fuel consumed for self-generation of electricity

MWh fuel consumed for self-generation of heat

0

MWh fuel consumed for self-generation of steam

MWh fuel consumed for self- cogeneration or self-trigeneration

0

Comment

Coal

Heating value

HHV

Total fuel MWh consumed by the organization

MWh fuel consumed for self-generation of electricity

MWh fuel consumed for self-generation of heat

0

MWh fuel consumed for self-generation of steam

MWh fuel consumed for self- cogeneration or self-trigeneration

0

Comment

Oil

Heating value

HHV

Total fuel MWh consumed by the organization

146,938

MWh fuel consumed for self-generation of electricity

MWh fuel consumed for self-generation of heat

146,938

MWh fuel consumed for self-generation of steam

MWh fuel consumed for self- cogeneration or self-trigeneration

0

Comment

Fuel Oil Number 4, Gas Oil

Gas

Heating value

HHV

Total fuel MWh consumed by the organization

1,684,785

MWh fuel consumed for self-generation of electricity

MWh fuel consumed for self-generation of heat

1,674,442

MWh fuel consumed for self-generation of steam

MWh fuel consumed for self- cogeneration or self-trigeneration

10,343

Comment

Natural Gas, Liquefied Petroleum Gas (LPG), Liquefied Natural Gas (LNG)

Other non-renewable fuels (e.g. non-renewable hydrogen)

Heating value

HHV

Total fuel MWh consumed by the organization

261,938

MWh fuel consumed for self-generation of electricity

MWh fuel consumed for self-generation of heat

261,938

MWh fuel consumed for self-generation of steam

MWh fuel consumed for self- cogeneration or self-trigeneration

0

Comment

Diesel, petrol

Total fuel

Heating value

HHV

Total fuel MWh consumed by the organization

2,093,661

MWh fuel consumed for self-generation of electricity

0

MWh fuel consumed for self-generation of heat

2,083,318

MWh fuel consumed for self-generation of steam

0

MWh fuel consumed for self- cogeneration or self-trigeneration

10,343

Comment

C8.2d

(C8.2d) Provide details on the electricity, heat, steam, and cooling your organization has generated and consumed in the reporting year.

	Total Gross generation (MWh)	Generation that is consumed by the organization (MWh)	Gross generation from renewable sources (MWh)	Generation from renewable sources that is consumed by the organization (MWh)
Electricity	1,989	1,989	73	73
Heat	5,124	5,124	4,357	4,357
Steam	6,760	6,760	0	0
Cooling	1,416	1,416	1,416	1,416

C8.2e

(C8.2e) Provide details on the electricity, heat, steam, and/or cooling amounts that were accounted for at a zero or near-zero emission factor in the market-based Scope 2 figure reported in C6.3.

C8.2g

(C8.2g) Provide a breakdown by country/area of your non-fuel energy consumption in the reporting year.

Country/area

Algeria

Consumption of purchased electricity (MWh)

3,992

Consumption of self-generated electricity (MWh)

Consumption of purchased heat, steam, and cooling (MWh)

Consumption of self-generated heat, steam, and cooling (MWh)

Total non-fuel energy consumption (MWh) [Auto-calculated]

Country/area

Angola

Consumption of purchased electricity (MWh)

2,177

Consumption of self-generated electricity (MWh)

1

Consumption of purchased heat, steam, and cooling (MWh)

254

Consumption of self-generated heat, steam, and cooling (MWh)

4

Total non-fuel energy consumption (MWh) [Auto-calculated]

2,436

Country/area

Argentina

Consumption of purchased electricity (MWh)

8,350

Consumption of self-generated electricity (MWh)

Consumption of purchased heat, steam, and cooling (MWh)

Consumption of self-generated heat, steam, and cooling (MWh)

Total non-fuel energy consumption (MWh) [Auto-calculated]

Country/area

Aruba

Consumption of purchased electricity (MWh)

8,338

Consumption of self-generated electricity (MWh)

Consumption of purchased heat, steam, and cooling (MWh)

Consumption of self-generated heat, steam, and cooling (MWh)

Total non-fuel energy consumption (MWh) [Auto-calculated]

Country/area

Australia

Consumption of purchased electricity (MWh)

82,510

Consumption of self-generated electricity (MWh)

83

Consumption of purchased heat, steam, and cooling (MWh)

1,061

Consumption of self-generated heat, steam, and cooling (MWh)

31

Total non-fuel energy consumption (MWh) [Auto-calculated]

83,685

Country/area

Austria

Consumption of purchased electricity (MWh)

5,772

Consumption of self-generated electricity (MWh)

Consumption of purchased heat, steam, and cooling (MWh)

3,072

Consumption of self-generated heat, steam, and cooling (MWh)

Total non-fuel energy consumption (MWh) [Auto-calculated]

Country/area

Bahrain

Consumption of purchased electricity (MWh)

22,131

Consumption of self-generated electricity (MWh)

Consumption of purchased heat, steam, and cooling (MWh)

Consumption of self-generated heat, steam, and cooling (MWh)

Total non-fuel energy consumption (MWh) [Auto-calculated]

Country/area

Belgium

Consumption of purchased electricity (MWh)

2,435

Consumption of self-generated electricity (MWh)

Consumption of purchased heat, steam, and cooling (MWh)

Consumption of self-generated heat, steam, and cooling (MWh)

Total non-fuel energy consumption (MWh) [Auto-calculated]

Country/area

Brazil

Consumption of purchased electricity (MWh)

8,920

Consumption of self-generated electricity (MWh)

0

Consumption of purchased heat, steam, and cooling (MWh)

1

Consumption of self-generated heat, steam, and cooling (MWh)

0

Total non-fuel energy consumption (MWh) [Auto-calculated]

8,921

Country/area

Bulgaria

Consumption of purchased electricity (MWh)

2,112

Consumption of self-generated electricity (MWh)

Consumption of purchased heat, steam, and cooling (MWh)

1,028

Consumption of self-generated heat, steam, and cooling (MWh)

Total non-fuel energy consumption (MWh) [Auto-calculated]

Country/area

Canada

Consumption of purchased electricity (MWh)

10,935

Consumption of self-generated electricity (MWh)

Consumption of purchased heat, steam, and cooling (MWh)

7,327

Consumption of self-generated heat, steam, and cooling (MWh)

Total non-fuel energy consumption (MWh) [Auto-calculated]

Country/area

Cayman Islands

Consumption of purchased electricity (MWh)

4,826

Consumption of self-generated electricity (MWh)

Consumption of purchased heat, steam, and cooling (MWh)

Consumption of self-generated heat, steam, and cooling (MWh)

Total non-fuel energy consumption (MWh) [Auto-calculated]

Country/area

Chile

Consumption of purchased electricity (MWh)

1,846

Consumption of self-generated electricity (MWh)

Consumption of purchased heat, steam, and cooling (MWh)

Consumption of self-generated heat, steam, and cooling (MWh)

Total non-fuel energy consumption (MWh) [Auto-calculated]

Country/area

China

Consumption of purchased electricity (MWh)

1,293,170

Consumption of self-generated electricity (MWh)

Consumption of purchased heat, steam, and cooling (MWh)

268,082

Consumption of self-generated heat, steam, and cooling (MWh)

7,852

Total non-fuel energy consumption (MWh) [Auto-calculated]

Country/area

Colombia

Consumption of purchased electricity (MWh)

7,816

Consumption of self-generated electricity (MWh)

Consumption of purchased heat, steam, and cooling (MWh)

Consumption of self-generated heat, steam, and cooling (MWh)

Total non-fuel energy consumption (MWh) [Auto-calculated]

Country/area

Egypt

Consumption of purchased electricity (MWh)

46,131

Consumption of self-generated electricity (MWh)

Consumption of purchased heat, steam, and cooling (MWh)

4,434

Consumption of self-generated heat, steam, and cooling (MWh)

Total non-fuel energy consumption (MWh) [Auto-calculated]

Country/area

Fiji

Consumption of purchased electricity (MWh)

12,686

Consumption of self-generated electricity (MWh)

1

Consumption of purchased heat, steam, and cooling (MWh)

74

Consumption of self-generated heat, steam, and cooling (MWh)

2

Total non-fuel energy consumption (MWh) [Auto-calculated]

12,763

Country/area

France

Consumption of purchased electricity (MWh)

15,619

Consumption of self-generated electricity (MWh)

0

Consumption of purchased heat, steam, and cooling (MWh)

10,676

Consumption of self-generated heat, steam, and cooling (MWh)

0

Total non-fuel energy consumption (MWh) [Auto-calculated]

26,295

Country/area

French Polynesia

Consumption of purchased electricity (MWh)

9,526

Consumption of self-generated electricity (MWh)

Consumption of purchased heat, steam, and cooling (MWh)

Consumption of self-generated heat, steam, and cooling (MWh)

Total non-fuel energy consumption (MWh) [Auto-calculated]

Country/area

Germany

Consumption of purchased electricity (MWh)

9,109

Consumption of self-generated electricity (MWh)

13

Consumption of purchased heat, steam, and cooling (MWh)

6,878

Consumption of self-generated heat, steam, and cooling (MWh)

15

Total non-fuel energy consumption (MWh) [Auto-calculated]

16,015

Country/area

Hong Kong SAR, China

Consumption of purchased electricity (MWh)

34,178

Consumption of self-generated electricity (MWh)

Consumption of purchased heat, steam, and cooling (MWh)

577

Consumption of self-generated heat, steam, and cooling (MWh)

28

Total non-fuel energy consumption (MWh) [Auto-calculated]

Country/area

Hungary

Consumption of purchased electricity (MWh)

10,904

Consumption of self-generated electricity (MWh)

Consumption of purchased heat, steam, and cooling (MWh)

Consumption of self-generated heat, steam, and cooling (MWh)

Total non-fuel energy consumption (MWh) [Auto-calculated]

Country/area

India

Consumption of purchased electricity (MWh)

112,453

Consumption of self-generated electricity (MWh)

909

Consumption of purchased heat, steam, and cooling (MWh)

56

Consumption of self-generated heat, steam, and cooling (MWh)

836

Total non-fuel energy consumption (MWh) [Auto-calculated]

114,254

Country/area

Indonesia

Consumption of purchased electricity (MWh)

78,716

Consumption of self-generated electricity (MWh)

14

Consumption of purchased heat, steam, and cooling (MWh)

1,759

Consumption of self-generated heat, steam, and cooling (MWh)

1,014

Total non-fuel energy consumption (MWh) [Auto-calculated]

81,503

Country/area

Israel

Consumption of purchased electricity (MWh)

12,914

Consumption of self-generated electricity (MWh)

5

Consumption of purchased heat, steam, and cooling (MWh)

46

Consumption of self-generated heat, steam, and cooling (MWh)

6

Total non-fuel energy consumption (MWh) [Auto-calculated]

12,971

Country/area

Japan

Consumption of purchased electricity (MWh)

119,072

Consumption of self-generated electricity (MWh)

641

Consumption of purchased heat, steam, and cooling (MWh)

32,606

Consumption of self-generated heat, steam, and cooling (MWh)

1

Total non-fuel energy consumption (MWh) [Auto-calculated]

152,320

Country/area

Jordan

Consumption of purchased electricity (MWh)

36,678

Consumption of self-generated electricity (MWh)

Consumption of purchased heat, steam, and cooling (MWh)

Consumption of self-generated heat, steam, and cooling (MWh)

Total non-fuel energy consumption (MWh) [Auto-calculated]

Country/area

Kazakhstan

Consumption of purchased electricity (MWh)

886

Consumption of self-generated electricity (MWh)

Consumption of purchased heat, steam, and cooling (MWh)

Consumption of self-generated heat, steam, and cooling (MWh)

Total non-fuel energy consumption (MWh) [Auto-calculated]

Country/area

Republic of Korea

Consumption of purchased electricity (MWh)

5,867

Consumption of self-generated electricity (MWh)

0

Consumption of purchased heat, steam, and cooling (MWh)

4,102

Consumption of self-generated heat, steam, and cooling (MWh)

0

Total non-fuel energy consumption (MWh) [Auto-calculated]

9,969

Country/area

Kuwait

Consumption of purchased electricity (MWh)

31,970

Consumption of self-generated electricity (MWh)

Consumption of purchased heat, steam, and cooling (MWh)

Consumption of self-generated heat, steam, and cooling (MWh)

Total non-fuel energy consumption (MWh) [Auto-calculated]

Country/area

Lao People's Democratic Republic

Consumption of purchased electricity (MWh)

6,579

Consumption of self-generated electricity (MWh)

Consumption of purchased heat, steam, and cooling (MWh)

Consumption of self-generated heat, steam, and cooling (MWh)

Total non-fuel energy consumption (MWh) [Auto-calculated]

Country/area

Lebanon

Consumption of purchased electricity (MWh)

3,728

Consumption of self-generated electricity (MWh)

Consumption of purchased heat, steam, and cooling (MWh)

Consumption of self-generated heat, steam, and cooling (MWh)

Total non-fuel energy consumption (MWh) [Auto-calculated]

Country/area

China, Macao Special Administrative Region

Consumption of purchased electricity (MWh)

13,920

Consumption of self-generated electricity (MWh)

Consumption of purchased heat, steam, and cooling (MWh)

19

Consumption of self-generated heat, steam, and cooling (MWh)

1

Total non-fuel energy consumption (MWh) [Auto-calculated]

Country/area

Malaysia

Consumption of purchased electricity (MWh)

24,033

Consumption of self-generated electricity (MWh)

0

Consumption of purchased heat, steam, and cooling (MWh)

7

Consumption of self-generated heat, steam, and cooling (MWh)

2

Total non-fuel energy consumption (MWh) [Auto-calculated]

24,042

Country/area

Maldives

Consumption of purchased electricity (MWh)

5,906

Consumption of self-generated electricity (MWh)

10

Consumption of purchased heat, steam, and cooling (MWh)

569

Consumption of self-generated heat, steam, and cooling (MWh)

21

Total non-fuel energy consumption (MWh) [Auto-calculated]

6,506

Country/area

Malta

Consumption of purchased electricity (MWh)

8,119

Consumption of self-generated electricity (MWh)

Consumption of purchased heat, steam, and cooling (MWh)

Consumption of self-generated heat, steam, and cooling (MWh)

Total non-fuel energy consumption (MWh) [Auto-calculated]

Country/area

Mauritius

Consumption of purchased electricity (MWh)

5,689

Consumption of self-generated electricity (MWh)

Consumption of purchased heat, steam, and cooling (MWh)

Consumption of self-generated heat, steam, and cooling (MWh)

Total non-fuel energy consumption (MWh) [Auto-calculated]

Country/area

Montenegro

Consumption of purchased electricity (MWh)

3,945

Consumption of self-generated electricity (MWh)

Consumption of purchased heat, steam, and cooling (MWh)

Consumption of self-generated heat, steam, and cooling (MWh)

Total non-fuel energy consumption (MWh) [Auto-calculated]

Country/area

Netherlands

Consumption of purchased electricity (MWh)

4,266

Consumption of self-generated electricity (MWh)

Consumption of purchased heat, steam, and cooling (MWh)

1,151

Consumption of self-generated heat, steam, and cooling (MWh)

Total non-fuel energy consumption (MWh) [Auto-calculated]

Country/area

New Zealand

Consumption of purchased electricity (MWh)

11,337

Consumption of self-generated electricity (MWh)

Consumption of purchased heat, steam, and cooling (MWh)

Consumption of self-generated heat, steam, and cooling (MWh)

Total non-fuel energy consumption (MWh) [Auto-calculated]

Country/area

Nicaragua

Consumption of purchased electricity (MWh)

608

Consumption of self-generated electricity (MWh)

0

Consumption of purchased heat, steam, and cooling (MWh)

1

Consumption of self-generated heat, steam, and cooling (MWh)

0

Total non-fuel energy consumption (MWh) [Auto-calculated]

609

Country/area

Oman

Consumption of purchased electricity (MWh)

39,731

Consumption of self-generated electricity (MWh)

2

Consumption of purchased heat, steam, and cooling (MWh)

8,780

Consumption of self-generated heat, steam, and cooling (MWh)

59

Total non-fuel energy consumption (MWh) [Auto-calculated]

48,572

Country/area

Papua New Guinea

Consumption of purchased electricity (MWh)

4,145

Consumption of self-generated electricity (MWh)

0

Consumption of purchased heat, steam, and cooling (MWh)

4

Consumption of self-generated heat, steam, and cooling (MWh)

1

Total non-fuel energy consumption (MWh) [Auto-calculated]

4,150

Country/area

Peru

Consumption of purchased electricity (MWh)

1,639

Consumption of self-generated electricity (MWh)

Consumption of purchased heat, steam, and cooling (MWh)

Consumption of self-generated heat, steam, and cooling (MWh)

Total non-fuel energy consumption (MWh) [Auto-calculated]

Country/area

Philippines

Consumption of purchased electricity (MWh)

14,871

Consumption of self-generated electricity (MWh)

Consumption of purchased heat, steam, and cooling (MWh)

1,912

Consumption of self-generated heat, steam, and cooling (MWh)

Total non-fuel energy consumption (MWh) [Auto-calculated]

Country/area

Poland

Consumption of purchased electricity (MWh)

25,690

Consumption of self-generated electricity (MWh)

Consumption of purchased heat, steam, and cooling (MWh)

7,507

Consumption of self-generated heat, steam, and cooling (MWh)

Total non-fuel energy consumption (MWh) [Auto-calculated]

Country/area

Portugal

Consumption of purchased electricity (MWh)

8,063

Consumption of self-generated electricity (MWh)

7

Consumption of purchased heat, steam, and cooling (MWh)

64

Consumption of self-generated heat, steam, and cooling (MWh)

9

Total non-fuel energy consumption (MWh) [Auto-calculated]

8,143

Country/area

Puerto Rico

Consumption of purchased electricity (MWh)

449

Consumption of self-generated electricity (MWh)

Consumption of purchased heat, steam, and cooling (MWh)

Consumption of self-generated heat, steam, and cooling (MWh)

Total non-fuel energy consumption (MWh) [Auto-calculated]

Country/area

Qatar

Consumption of purchased electricity (MWh)

71,358

Consumption of self-generated electricity (MWh)

Consumption of purchased heat, steam, and cooling (MWh)

21,136

Consumption of self-generated heat, steam, and cooling (MWh)

241

Total non-fuel energy consumption (MWh) [Auto-calculated]

Country/area

Saudi Arabia

Consumption of purchased electricity (MWh)

432,920

Consumption of self-generated electricity (MWh)

73

Consumption of purchased heat, steam, and cooling (MWh)

19,131

Consumption of self-generated heat, steam, and cooling (MWh)

489

Total non-fuel energy consumption (MWh) [Auto-calculated]

452,613

Country/area

Serbia

Consumption of purchased electricity (MWh)

4,728

Consumption of self-generated electricity (MWh)

Consumption of purchased heat, steam, and cooling (MWh)

2,208

Consumption of self-generated heat, steam, and cooling (MWh)

Total non-fuel energy consumption (MWh) [Auto-calculated]

Country/area

Singapore

Consumption of purchased electricity (MWh)

55,895

Consumption of self-generated electricity (MWh)

Consumption of purchased heat, steam, and cooling (MWh)

Consumption of self-generated heat, steam, and cooling (MWh)

Total non-fuel energy consumption (MWh) [Auto-calculated]

Country/area

Slovenia

Consumption of purchased electricity (MWh)

2,802

Consumption of self-generated electricity (MWh)

Consumption of purchased heat, steam, and cooling (MWh)

3,485

Consumption of self-generated heat, steam, and cooling (MWh)

Total non-fuel energy consumption (MWh) [Auto-calculated]

Country/area

Spain

Consumption of purchased electricity (MWh)

4,964

Consumption of self-generated electricity (MWh)

11

Consumption of purchased heat, steam, and cooling (MWh)

102

Consumption of self-generated heat, steam, and cooling (MWh)

11

Total non-fuel energy consumption (MWh) [Auto-calculated]

5,088

Country/area

Switzerland

Consumption of purchased electricity (MWh)

7,497

Consumption of self-generated electricity (MWh)

Consumption of purchased heat, steam, and cooling (MWh)

4,540

Consumption of self-generated heat, steam, and cooling (MWh)

1,410

Total non-fuel energy consumption (MWh) [Auto-calculated]

Country/area

Taiwan, China

Consumption of purchased electricity (MWh)

29,378

Consumption of self-generated electricity (MWh)

Consumption of purchased heat, steam, and cooling (MWh)

38

Consumption of self-generated heat, steam, and cooling (MWh)

2

Total non-fuel energy consumption (MWh) [Auto-calculated]

Country/area

Thailand

Consumption of purchased electricity (MWh)

120,059

Consumption of self-generated electricity (MWh)

23

Consumption of purchased heat, steam, and cooling (MWh)

716

Consumption of self-generated heat, steam, and cooling (MWh)

46

Total non-fuel energy consumption (MWh) [Auto-calculated]

120,844

Country/area

Turkey

Consumption of purchased electricity (MWh)

789

Consumption of self-generated electricity (MWh)

13

Consumption of purchased heat, steam, and cooling (MWh)

112

Consumption of self-generated heat, steam, and cooling (MWh)

15

Total non-fuel energy consumption (MWh) [Auto-calculated]

929

Country/area

Ukraine

Consumption of purchased electricity (MWh)

733

Consumption of self-generated electricity (MWh)

Consumption of purchased heat, steam, and cooling (MWh)

572

Consumption of self-generated heat, steam, and cooling (MWh)

Total non-fuel energy consumption (MWh) [Auto-calculated]

Country/area

United Arab Emirates

Consumption of purchased electricity (MWh)

97,061

Consumption of self-generated electricity (MWh)

1

Consumption of purchased heat, steam, and cooling (MWh)

75,777

Consumption of self-generated heat, steam, and cooling (MWh)

2

Total non-fuel energy consumption (MWh) [Auto-calculated]

172,841

Country/area

United Kingdom of Great Britain and Northern Ireland

Consumption of purchased electricity (MWh)

29,458

Consumption of self-generated electricity (MWh)

130

Consumption of purchased heat, steam, and cooling (MWh)

Consumption of self-generated heat, steam, and cooling (MWh)

Total non-fuel energy consumption (MWh) [Auto-calculated]

Country/area

United States of America

Consumption of purchased electricity (MWh)

306,903

Consumption of self-generated electricity (MWh)

Consumption of purchased heat, steam, and cooling (MWh)

17,537

Consumption of self-generated heat, steam, and cooling (MWh)

Total non-fuel energy consumption (MWh) [Auto-calculated]

Country/area

Vanuatu

Consumption of purchased electricity (MWh)

776

Consumption of self-generated electricity (MWh)

2

Consumption of purchased heat, steam, and cooling (MWh)

38

Consumption of self-generated heat, steam, and cooling (MWh)

4

Total non-fuel energy consumption (MWh) [Auto-calculated]

820

Country/area

Viet Nam

Consumption of purchased electricity (MWh)

74,910

Consumption of self-generated electricity (MWh)

13

Consumption of purchased heat, steam, and cooling (MWh)

1,934

Consumption of self-generated heat, steam, and cooling (MWh)

267

Total non-fuel energy consumption (MWh) [Auto-calculated]

77,124

Country/area

Armenia

Consumption of purchased electricity (MWh)

1,431

Consumption of self-generated electricity (MWh)

Consumption of purchased heat, steam, and cooling (MWh)

Consumption of self-generated heat, steam, and cooling (MWh)

Total non-fuel energy consumption (MWh) [Auto-calculated]

Country/area

Bangladesh

Consumption of purchased electricity (MWh)

12,943

Consumption of self-generated electricity (MWh)

36

Consumption of purchased heat, steam, and cooling (MWh)

Consumption of self-generated heat, steam, and cooling (MWh)

927

Total non-fuel energy consumption (MWh) [Auto-calculated]

Country/area

Bhutan

Consumption of purchased electricity (MWh)

136

Consumption of self-generated electricity (MWh)

0

Consumption of purchased heat, steam, and cooling (MWh)

18

Consumption of self-generated heat, steam, and cooling (MWh)

0

Total non-fuel energy consumption (MWh) [Auto-calculated]

154

Country/area

Guam

Consumption of purchased electricity (MWh)

1,493

Consumption of self-generated electricity (MWh)

Consumption of purchased heat, steam, and cooling (MWh)

Consumption of self-generated heat, steam, and cooling (MWh)

Total non-fuel energy consumption (MWh) [Auto-calculated]

Country/area

Northern Mariana Islands

Consumption of purchased electricity (MWh)

991

Consumption of self-generated electricity (MWh)

Consumption of purchased heat, steam, and cooling (MWh)

Consumption of self-generated heat, steam, and cooling (MWh)

Total non-fuel energy consumption (MWh) [Auto-calculated]

Country/area

Seychelles

Consumption of purchased electricity (MWh)

742

Consumption of self-generated electricity (MWh)

1

Consumption of purchased heat, steam, and cooling (MWh)

96

Consumption of self-generated heat, steam, and cooling (MWh)

2

Total non-fuel energy consumption (MWh) [Auto-calculated]

841

C9. Additional metrics

C9.1

(C9.1) Provide any additional climate-related metrics relevant to your business.

Description

Energy usage

Metric value

129.7

Metric numerator

6,061,161,042

Metric denominator (intensity metric only)

46,739,957

% change from previous year

7.7

Direction of change

Decreased

Please explain

The roomnights total for IHG Increased by 21.7% while at the same time the total energy use Increased by 12.3%, due to emission reduction activities, giving an overall decrease of 7.7%.

C-CE9.6/C-CG9.6/C-CH9.6/C-CN9.6/C-CO9.6/C-EU9.6/C-MM9.6/C-OG9.6/C-RE9.6/C-ST9.6/C-TO9.6/C-TS9.6

(C-CE9.6/C-CG9.6/C-CH9.6/C-CN9.6/C-CO9.6/C-EU9.6/C-MM9.6/C-OG9.6/C-RE9.6/C-ST9.6/C-TO9.6/C-TS9.6) Does your organization invest in research and development (R&D) of low-carbon products or services related to your sector activities?

	Investment in low-carbon R&D	Comment
Row 1	Yes	In 2021 IHG invested in the research and development of low-carbon products and services in the form of their new Hotel Energy Reduction Opportunities (HERO) tool. 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 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. 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 enhancing the platform in 2023 to Green Engage 2.0.
--	--	--

C-CN9.6a/C-RE9.6a

(C-CN9.6a/C-RE9.6a) Provide details of your organization's investments in low-carbon R&D for real estate and construction activities over the last three years.

Technology area

Other, please specify

Building energy management systems

Stage of development in the reporting year

Full/commercial-scale demonstration

Average % of total R&D investment over the last 3 years

R&D investment figure in the reporting year (unit currency as selected in C0.4) (optional)

Average % of total R&D investment planned over the next 5 years

Explain how your R&D investment in this technology area is aligned with your climate commitments and/or climate transition plan

As part of our transition plan, We have identified three key decarbonisation levers and steps to implement them across our global estate: Energy efficiency of our existing estate, 2. Construction of very low and zero carbon operating new-builds and 3. Renewable energy.

As part of our first pillar, Energy efficiency of our existing estate In 2021 IHG Developed Hotel Energy Reduction Opportunities (HERO) tool and in 2022 we launched the 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.

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.

Additionally, 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.

Technology area

Other, please specify

Bespoke Net-Zero New Build Modelling

Stage of development in the reporting year

Applied research and development

Average % of total R&D investment over the last 3 years

R&D investment figure in the reporting year (unit currency as selected in C0.4) (optional)

Average % of total R&D investment planned over the next 5 years

Explain how your R&D investment in this technology area is aligned with your climate commitments and/or climate transition plan

As part of our transition plan, We have identified three key decarbonisation levers and steps to implement them across our global estate: Energy efficiency of our existing estate, 2. Construction of very low and zero carbon operating new-builds and 3. Renewable energy.

As part of our second pillar, Construction of very low and zero carbon operating new-builds 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.

Technology area

Other, please specify

Building energy management systems

Stage of development in the reporting year

Pilot demonstration

Average % of total R&D investment over the last 3 years

R&D investment figure in the reporting year (unit currency as selected in C0.4) (optional)

Average % of total R&D investment planned over the next 5 years

Explain how your R&D investment in this technology area is aligned with your climate commitments and/or climate transition plan

As part of our transition plan, We have identified three key decarbonisation levers and steps to implement them across our global estate: Energy efficiency of our existing estate, 2. Construction of very low and zero carbon operating new-builds and 3. Renewable energy.

We provide decarbonisation tools for our hotel owners such as:

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 enhancing the platform in 2023 to Green Engage 2.0.

C10. Verification

C10.1

(C10.1) Indicate the verification/assurance status that applies to your reported emissions.

	Verification/assurance status
Scope 1	Third-party verification or assurance process in place
Scope 2 (location-based or market-based)	Third-party verification or assurance process in place
Scope 3	Third-party verification or assurance process in place

C10.1a

(C10.1a) Provide further details of the verification/assurance undertaken for your Scope 1 emissions, and attach the relevant statements.

Verification or assurance cycle in place

Annual process

Status in the current reporting year

Complete

Type of verification or assurance

Limited assurance

Attach the statement

 2022-assurance-statement-for-carbon (2).pdf

Page/ section reference

All pages

Relevant standard

ISO14064-3

Proportion of reported emissions verified (%)

100

C10.1b

(C10.1b) Provide further details of the verification/assurance undertaken for your Scope 2 emissions and attach the relevant statements.

Scope 2 approach

Scope 2 location-based

Verification or assurance cycle in place

Annual process

Status in the current reporting year

Complete

Type of verification or assurance

Limited assurance

Attach the statement

 2022-assurance-statement-for-carbon (2).pdf

Page/ section reference

All pages. Market based and location based scope 2 emissions are verified.

Relevant standard

ISO14064-3

Proportion of reported emissions verified (%)

100

Scope 2 approach

Scope 2 market-based

Verification or assurance cycle in place

Annual process

Status in the current reporting year

Complete

Type of verification or assurance

Limited assurance

Attach the statement

 2022-assurance-statement-for-carbon (2).pdf

Page/ section reference

All pages. Market based and location based scope 2 emissions are verified.

Relevant standard

ISO14064-3

Proportion of reported emissions verified (%)

100

C10.1c

(C10.1c) Provide further details of the verification/assurance undertaken for your Scope 3 emissions and attach the relevant statements.

Scope 3 category

Scope 3: Fuel and energy-related activities (not included in Scopes 1 or 2)

Scope 3: Franchises

Verification or assurance cycle in place

Annual process

Status in the current reporting year

Complete

Type of verification or assurance

Limited assurance

Attach the statement

 2022-assurance-statement-for-carbon (2).pdf

Page/section reference

All pages

Relevant standard

ISO14064-3

Proportion of reported emissions verified (%)

100

C10.2

(C10.2) Do you verify any climate-related information reported in your CDP disclosure other than the emissions figures reported in C6.1, C6.3, and C6.5?

Yes

C10.2a

(C10.2a) Which data points within your CDP disclosure have been verified, and which verification standards were used?

Disclosure module verification relates to	Data verified	Verification standard	Please explain

C4. Targets and performance	Year on year change in emissions (Scope 1 and 2)	ISO14064-3	Our year on year Scope 1 and 2 carbon emissions data is verified through our annual assurance process meaning that our year on year performance towards our science based target is verified.
C4. Targets and performance	Year on year change in emissions (Scope 3)	ISO14064-3	Our year on year Scope 3 carbon emissions data is verified through our annual assurance process meaning that our year on year performance towards our science based target is verified. Our scope 3 target covers our Franchise and FERA emissions which are calculated and assured annually.

C11. Carbon pricing

C11.1

(C11.1) Are any of your operations or activities regulated by a carbon pricing system (i.e. ETS, Cap & Trade or Carbon Tax)?

No, and we do not anticipate being regulated in the next three years

C11.2

(C11.2) Has your organization canceled any project-based carbon credits within the reporting year?

No

C11.3

(C11.3) Does your organization use an internal price on carbon?

No, but we anticipate doing so in the next two years

C12. Engagement

C12.1

(C12.1) Do you engage with your value chain on climate-related issues?

Yes, our suppliers

Yes, our customers/clients

Yes, other partners in the value chain

C12.1a

(C12.1a) Provide details of your climate-related supplier engagement strategy.

Type of engagement

Information collection (understanding supplier behavior)

Details of engagement

Collect targets information at least annually from suppliers

Collect climate-related risk and opportunity information at least annually from suppliers

% of suppliers by number

38

% total procurement spend (direct and indirect)

50

% of supplier-related Scope 3 emissions as reported in C6.5

Rationale for the coverage of your engagement

Coverage shows Ecovadis participation rates compared to our preferred suppliers.

Impact of engagement, including measures of success

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.

Comment

C12.1b

(C12.1b) Give details of your climate-related engagement strategy with your customers.

Type of engagement & Details of engagement

Education/information sharing

Share information about your products and relevant certification schemes (i.e. Energy STAR)

% of customers by number

70

% of customer - related Scope 3 emissions as reported in C6.5

Please explain the rationale for selecting this group of customers and scope of engagement

We anticipate guests' behaviours and expectations to evolve in response to climate-related developments. We are particularly seeing corporate clients requesting information on hotels' green credentials in order to meet their own reporting (scope 3) requirements. We continued to see a

strong interest in sustainability from corporate customers in 2022, with more than 70% of accounts including ESG questions in RFPs, including environmental data about our hotels.

Impact of engagement, including measures of success

Shifting consumer behaviours across both leisure and corporate travellers and an increasing focus on sustainable travel and accommodation, has an impact on our industry as a whole and can affect companies' competitive advantage. Thus, the level of engagement with customers on such topics offers a dimension by which to measure the volume of appetite. Our ability to meet these changes in guests' expectations can create key risks/opportunities for our business.

We measure success and engagement through the volume of requests we receive from corporate clients – through inquiries directed to IHG and our hotels, or via requests for responses in third party questionnaires, such as the CDP supply chain climate and water questionnaires.

C12.1d

(C12.1d) Give details of your climate-related engagement strategy with other partners in the value chain.

We define our franchise hotels as partners in our value chain. Thousands of hotel owners own and operate our hotels, and they are integral to our reputation and long-term success. Through our collaboration, we aim to affect change on issues that are relevant to them and to us as a Group. We take active steps to help our hotels measure and manage their environmental impact, working hand-in-hand with our hotel owners to make sustainable choices that tackle issues such as climate change, water scarcity, energy consumption, waste management and biodiversity.

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 energy). This target has been validated by the Science Based Targets initiative as being consistent with climate science and the Paris Agreement.

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 enhancing the platform in 2023 to Green Engage 2.0.

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.

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.

C12.2

(C12.2) Do your suppliers have to meet climate-related requirements as part of your organization's purchasing process?

No, but we plan to introduce climate-related requirements within the next two years

C12.3

(C12.3) Does your organization engage in activities that could either directly or indirectly influence policy, law, or regulation that may impact the climate?

Row 1

External engagement activities that could directly or indirectly influence policy, law, or regulation that may impact the climate

Yes, we engage directly with policy makers

Yes, our membership of/engagement with trade associations could influence policy, law, or regulation that may impact the climate

Yes, we fund organizations or individuals whose activities could influence policy, law, or regulation that may impact the climate

Does your organization have a public commitment or position statement to conduct your engagement activities in line with the goals of the Paris Agreement?

No, and we do not plan to have one in the next two years

Describe the process(es) your organization has in place to ensure that your external engagement activities are consistent with your climate commitments and/or climate transition plan

IHG's Public Affairs and Corporate Responsibility teams reside under the same Global Corporate Affairs umbrella which enables us to better prioritise and align our climate strategy. Our teams work closely to ensure our engagement and advocacy efforts support IHG's responsible business objectives as outlined in our Journey to Tomorrow plan.

C12.3a

(C12.3a) On what policy, law, or regulation that may impact the climate has your organization been engaging directly with policy makers in the reporting year?

Specify the policy, law, or regulation on which your organization is engaging with policy makers

Transition Plan Taskforce's Disclosure Framework - gold standard requirements for transition plans

Category of policy, law, or regulation that may impact the climate

Climate change mitigation

Focus area of policy, law, or regulation that may impact the climate

Climate transition plans

Policy, law, or regulation geographic coverage

National

Country/area/region the policy, law, or regulation applies to

United Kingdom of Great Britain and Northern Ireland

Your organization's position on the policy, law, or regulation

Support with no exceptions

Description of engagement with policy makers

The Transition Plan Taskforce was launched by HM Treasury in April 2022 to develop the gold standard for private sector climate transition plans and build on international disclosure standards. In 2022, IHG joined the TPT Sandbox to provide ongoing feedback on the gold standard requirements for transition plans during the consultation period.

Details of exceptions (if applicable) and your organization's proposed alternative approach to the policy, law or regulation

Have you evaluated whether your organization's engagement on this policy, law, or regulation is aligned with the goals of the Paris Agreement?

Yes, we have evaluated, and it is aligned

Please explain whether this policy, law or regulation is central to the achievement of your climate transition plan and, if so, how?

In 2022, IHG began to develop our transition plan with support from external experts to help us meet our Science-based target. We acknowledge the release of the Transition Plan Taskforce's Disclosure Framework guidance in November 2022. While we are not currently in a position to report in line with all elements of the TPT guidance points, we have joined the TPT Sandbox to provide ongoing feedback during the

consultation period. We will work to achieve alignment to the TPT framework, with the aim to report our transition plan in accordance with its guidance in due course.

Specify the policy, law, or regulation on which your organization is engaging with policy makers

Expand energy efficient commercial building tax deduction in the Inflation Reduction Act of 2022

Category of policy, law, or regulation that may impact the climate

Carbon pricing, taxes, and subsidies

Focus area of policy, law, or regulation that may impact the climate

Other, please specify

Tax incentives for hotels making energy-efficient upgrades.

Policy, law, or regulation geographic coverage

National

Country/area/region the policy, law, or regulation applies to

United States of America

Your organization's position on the policy, law, or regulation

Support with no exceptions

Description of engagement with policy makers

In 2022, we worked to advance IHG's sustainability targets through federal legislation aimed at expanding government tax incentives to reduce costs for hotels making energy-efficient upgrades.

This included the expansion of a tax deduction for commercial buildings to increase the value of the deduction for owners in making their properties more energy efficient; actively pursuing a partnership that will support 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.

Details of exceptions (if applicable) and your organization's proposed alternative approach to the policy, law or regulation

Have you evaluated whether your organization's engagement on this policy, law, or regulation is aligned with the goals of the Paris Agreement?

Yes, we have evaluated, and it is aligned

Please explain whether this policy, law or regulation is central to the achievement of your climate transition plan and, if so, how?

IHG's climate transition plan is outlined in our 2022 Annual Report and reports against the TCFD recommendations.

In IHG's climate transition plan, we have identified three key decarbonisation levers to help us meet our science-based target. The first lever includes energy efficiency of our existing estate. Securing a tax credit for commercial buildings included in the Inflation Reduction Act supports our decarbonisation initiatives for IHG's US hotel estate 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.

Specify the policy, law, or regulation on which your organization is engaging with policy makers

IHG holds the Co-Chair role of the UK Government's Tourism Industry Council, which acts as a sounding board and point of dialogue between Ministers and the industry to support the implementation of the Tourism Recovery Plan (TRP). The TRP has as one of its key objectives, to support the growth of the tourism industry in a way that contributes to the enhancement and conservation of the UK's natural heritage and minimises damage to the environment. To this end, a Sustainability Working Group has been set up to work specifically on this objective, and which will be accountable to the Tourism Industry Council. At time of writing the Sustainability Working Group is still being finalised (i.e. members being invited and Terms of Reference agreed).

Category of policy, law, or regulation that may impact the climate

Climate change mitigation

Focus area of policy, law, or regulation that may impact the climate

Other, please specify

Conservation of the UK's natural heritage and minimisation of environmental damage in the tourism industry.

Policy, law, or regulation geographic coverage

National

Country/area/region the policy, law, or regulation applies to

United Kingdom of Great Britain and Northern Ireland

Your organization's position on the policy, law, or regulation

Support with no exceptions

Description of engagement with policy makers

Co-Chair role of the UK Government's Tourism Industry Council, which acts as a sounding board and point of dialogue between Ministers and the industry to support the implementation of the Tourism Recovery Plan (TRP).

Details of exceptions (if applicable) and your organization's proposed alternative approach to the policy, law or regulation

Have you evaluated whether your organization's engagement on this policy, law, or regulation is aligned with the goals of the Paris Agreement?

Yes, we have evaluated, and it is aligned

Please explain whether this policy, law or regulation is central to the achievement of your climate transition plan and, if so, how?

Specify the policy, law, or regulation on which your organization is engaging with policy makers

The International Sustainability Standards Board (ISSB) released its first two draft standards (exposure drafts) focused on general sustainability- and climate-related disclosures.

Category of policy, law, or regulation that may impact the climate

Climate change mitigation

Focus area of policy, law, or regulation that may impact the climate

Climate-related reporting

Policy, law, or regulation geographic coverage

Global

Country/area/region the policy, law, or regulation applies to

Your organization's position on the policy, law, or regulation

Support with no exceptions

Description of engagement with policy makers

IHG participated in the 100 Group discussions on ISSB. The 100 Group represents the finance directors of the FTSE 100, several large UK private companies and some UK operations of multinational groups. Our member companies represent the vast majority of the market capitalisation of the FTSE 100, collectively employing 6% of the UK workforce, and in 2019 paid, or generated, taxes equivalent to 12% of total UK government receipts. Our overall aim is to promote the competitiveness of the UK for UK businesses, particularly in the areas of tax, reporting, pensions, regulation, capital markets and corporate governance. IHG also participated in BSR's group discussion on the ISSB Exposure Drafts and comment period.

Details of exceptions (if applicable) and your organization's proposed alternative approach to the policy, law or regulation

Have you evaluated whether your organization's engagement on this policy, law, or regulation is aligned with the goals of the Paris Agreement?

Yes, we have evaluated, and it is aligned

Please explain whether this policy, law or regulation is central to the achievement of your climate transition plan and, if so, how?

IHG's climate transition plan is outlined in our 2022 Annual Report and reports against the TCFD recommendations.

The ISSB is leading the consolidation of standard setting bodies to drive towards a common global reporting framework. As part of IHG's ESG reporting we will take steps to align to new recommendations and disclosure requirements under the International Sustainability Standards Board (ISSB), TCFD and UK Green Finance Strategy.

C12.3b

(C12.3b) Provide details of the trade associations your organization is a member of, or engages with, which are likely to take a position on any policy, law or regulation that may impact the climate.

Trade association

Other, please specify
UKHospitality

Is your organization's position on climate change policy consistent with theirs?

Consistent

Has your organization attempted to influence their position in the reporting year?

No, we did not attempt to influence their position

Describe how your organization's position is consistent with or differs from the trade association's position, and any actions taken to influence their position

UKHospitality represents over 740 companies operating around 100,000 venues across the breadth of hospitality within England, Scotland, and Wales. Its membership covers the full scope of hospitality, from small independents to large multinational sites operating across the accommodation, F&B, events, and attraction and leisure sectors and the supply chain- strengthening its one voice to influence policy that advocates for a fair operating environment for hospitality businesses. Lobbying on a range of policy issues including lobbying government on climate change as part of its work to help move the hospitality sector towards carbon net zero (through reductions in energy, water, waste and supply chain emissions).

Funding figure your organization provided to this trade association in the reporting year (currency as selected in C0.4)

102,850

Describe the aim of your organization's funding

UKHospitality (UKH) is the voice representing the broad hospitality sector in the UK. UKHospitality hosts a quarterly forum that focuses on sustainability issues. This forum enables a sharing of best practice among members, enables government to come and speak directly to our membership as well as providing a forum for discussion on the key sustainability issues. UKHospitality has regular conversations with officials in DEFRA and BEIS in particular about the sustainability agenda. IHG sits on the UKH Sustainability Public Forum and contributes to government consultations through UKH such as the consultation on the Introduction of a deposit return scheme in England, Wales and Northern Ireland.

Have you evaluated whether your organization's engagement with this trade association is aligned with the goals of the Paris Agreement?

Yes, we have evaluated, and it is aligned

Trade association

Confederation of British Industry (CBI)

Is your organization's position on climate change policy consistent with theirs?

Consistent

Has your organization attempted to influence their position in the reporting year?

No, we did not attempt to influence their position

Describe how your organization's position is consistent with or differs from the trade association's position, and any actions taken to influence their position

The CBI's position is that businesses have an important role to operate responsibly and sustainably, and to actively work towards achieving net zero emissions in line with the aims of the Paris Agreement. 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.

Funding figure your organization provided to this trade association in the reporting year (currency as selected in C0.4)

44,148

Describe the aim of your organization's funding

The aim of our funding is for our annual membership fee.

Have you evaluated whether your organization's engagement with this trade association is aligned with the goals of the Paris Agreement?

Yes, we have evaluated, and it is aligned

Trade association

Other, please specify

American Hotel & Lodging Association (AHLA)

Is your organization's position on climate change policy consistent with theirs?

Consistent

Has your organization attempted to influence their position in the reporting year?

Yes, we publicly promoted their current position

Describe how your organization's position is consistent with or differs from the trade association's position, and any actions taken to influence their position

AHLA is the singular voice in the U.S. representing every segment of the hotel industry including major chains, independent hotels, management companies, REIT's, bed and breakfasts, industry partners and more. American Hotel & Lodging Association's Sustainability Committee's mission is to advocate, communicate, and educate on behalf of the lodging industry in order to create business value through sustainability strategies defined as social responsibility and environmental protection. AHLA has developed a series of comprehensive, sustainable greening guidelines designed expressly to create an environmental-friendly and sustainable hotel. AHLA provides hoteliers with the resources, tools and education to effectively implement sustainable strategies and helps guide the US Government towards making more sustainable decisions through travel.

Funding figure your organization provided to this trade association in the reporting year (currency as selected in C0.4)

220,364

Describe the aim of your organization's funding

Funding through our membership enables AHLA to continue serving, supporting and advocating on behalf of the American hospitality industry. We have continued to work to further industry-wide understanding and methodologies for decarbonizing through AHLA's Responsible Stay Initiative to educate stakeholders on the strides made by the hotel industry.

We work with the American Hotel & Lodging Association to provide advocacy, communications support, and educational resources for the industry through key leadership positions:

- IHG's CEO, Americas, sits on the Executive Committee
- IHG's COO, Americas, sits on the Board of Directors
- IHG's VP of Government Affairs, Americas, sits on the Advocacy Cabinet
- IHG's Head of Corporate Responsibility co-chairs the AHLA Sustainability Committee

Have you evaluated whether your organization's engagement with this trade association is aligned with the goals of the Paris Agreement?

Yes, we have evaluated, and it is aligned

Trade association

Other, please specify

U.S. Travel Association (USTA)

Is your organization's position on climate change policy consistent with theirs?

Consistent

Has your organization attempted to influence their position in the reporting year?

Yes, we publicly promoted their current position

Describe how your organization's position is consistent with or differs from the trade association's position, and any actions taken to influence their position

USTA is the national, non-profit organization representing all components of the U.S. travel industry—a key contributor to America’s economic success. Our mission is to increase travel to and within the United States, and in doing so, fuel our nation’s economy and future growth. With more than 70 members, USTA’s Sustainable Travel Coalition identifies the sustainability issues vital to members’ organizations and destinations and highlights opportunities for travel businesses and consumers throughout the travel ecosystem. Coalition members help define and shape industry priorities and engage lawmakers at critical moments in public policy debates. By bringing together a broad coalition of travel, transportation, technology and outside industry partners behind a common agenda, the Coalition will strengthen industry advocacy to achieve impactful sustainability policy over the next decade.

Funding figure your organization provided to this trade association in the reporting year (currency as selected in C0.4)

46,175

Describe the aim of your organization’s funding

Funding through our membership supports USTA’s advocacy work, helping to elevate travel industry policy issues within the US federal government.

We work with USTA to advance legislation that reduces travel barriers, improves the travel experience and grows the industry. We continue to engage through these key positions:

- IHG’s CEO, Americas chaired the USTA CEO Roundtable
- IHG’s Manager, Corporate Responsibility, Environment, sits on the Sustainable Travel Coalition
- IHG’s VP of Government Affairs sits on the USTA Washington Representatives Committee

Have you evaluated whether your organization’s engagement with this trade association is aligned with the goals of the Paris Agreement?

Yes, we have evaluated, and it is aligned

Trade association

Other, please specify

Global Business Travel Association (GBTA)

Is your organization's position on climate change policy consistent with theirs?

Consistent

Has your organization attempted to influence their position in the reporting year?

Yes, we publicly promoted their current position

Describe how your organization's position is consistent with or differs from the trade association's position, and any actions taken to influence their position

The Global Business Travel Association (GBTA) is the world's premier business travel and meetings trade organization headquartered in the Washington, D.C. area serving stakeholders across six continents. GBTA and its 7,600+ members represent and advocate for the \$1.158 trillion global business travel and meetings industry.

GBTA's Sustainability Committee leads, guides, and mobilizes the GBTA membership to collaborate on advancing standards and solutions to improve the sustainability performance of business travel across all three ESG pillars (Environment, Social, and Governance).

Funding figure your organization provided to this trade association in the reporting year (currency as selected in C0.4)

5,380

Describe the aim of your organization's funding

IHG funding supports the GBTA's efforts to improve the travel experience for business travelers and create a landscape that encourages business travel.

IHG's Head of Corporate Responsibility, Americas sits on the Sustainability Leadership Council. The funding accounts for attendance and participation at GBTA's sustainability-related programming

Have you evaluated whether your organization's engagement with this trade association is aligned with the goals of the Paris Agreement?

Yes, we have evaluated, and it is aligned

C12.3c

(C12.3c) Provide details of the funding you provided to other organizations or individuals in the reporting year whose activities could influence policy, law, or regulation that may impact the climate.

Type of organization or individual

Non-Governmental Organization (NGO) or charitable organization

State the organization or individual to which you provided funding

BSR™ is an impact-driven sustainability organization that works with its global network of leading companies to create a world in which all people can thrive on a healthy planet.

Funding figure your organization provided to this organization or individual in the reporting year (currency as selected in C0.4)

14,000

Describe the aim of this funding and how it could influence policy, law or regulation that may impact the climate

Its membership covers the full scope of hospitality, from small independents to large multinational sites operating across the accommodation, F&B, events, and attraction and leisure sectors and the supply chain and helps to strengthening its one voice to influence policy. IHG has also participated in BSR's numerous group discussions as part of members to the Future of Reporting group and on the ISSB Exposure Drafts and comment period.

Have you evaluated whether this funding is aligned with the goals of the Paris Agreement?

Yes, we have evaluated, and it is aligned

Type of organization or individual

Non-Governmental Organization (NGO) or charitable organization

State the organization or individual to which you provided funding

The UK Green Building Council (UKGBC) , a charity and membership organisation which campaigns for a sustainable built environment.

Funding figure your organization provided to this organization or individual in the reporting year (currency as selected in C0.4)

12,197

Describe the aim of this funding and how it could influence policy, law or regulation that may impact the climate

Our membership supports UKGBC aims to break through sector's biggest challenges, and identify and develop innovative solutions to overcome market failures, advocating a progressive message to government, informing and influencing policy. It also allows IHG to collaborate with the UK Green Building Council, such as in 2021 on its Second Nature LIVE programme, which gives built environment professionals the opportunity to apply transformational sustainability thinking to a real-life case study. During the programme, participants immersed themselves in the hospitality sector to understand how to deliver a net-zero hotel and explore what a truly sustainable, resilient hotel industry could look like. The three-month programme, incorporating highly engaging learning techniques, was specifically designed for those without a background in sustainability, with participants benefiting from fresh insights into delivering sustainable building projects.

Have you evaluated whether this funding is aligned with the goals of the Paris Agreement?

Yes, we have evaluated, and it is aligned

C12.4

(C12.4) Have you published information about your organization's response to climate change and GHG emissions performance for this reporting year in places other than in your CDP response? If so, please attach the publication(s).

Publication

In voluntary sustainability report

Status

Complete

Attach the document

 ihg-responsible-business-report-2022 (4).pdf

Page/Section reference

Governance pg. 13-14, Strategy pg. 7, Risks & opportunities pg. 15-16,
Emissions figures pg. 50, Emissions targets pg. 32, other metrics incl. energy pg.51.

Content elements

Governance
Strategy
Risks & opportunities
Emissions figures
Emission targets
Other metrics

Comment

This report is IHG's Responsible Business Report and provides an overview of IHG's responsible business strategy and 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, the report indicates a change in scope.

Publication

In mainstream reports, incorporating the TCFD recommendations

Status

Complete

Attach the document

 annual-report-2022 (3).pdf

Page/Section reference

Governance pg.54-55, Strategy pg. 56-60, Risks & opportunities pg. 58-60, Emissions figures pg. 237, Emissions targets pg.61.

Content elements

Governance
Strategy
Risks & opportunities
Emissions figures
Emission targets
Other metrics

Comment

IHG's Annual Report covering the reporting period 1 January to 31 December 2022 (referred to as 'this year')

Publication

In voluntary sustainability report

Status

Complete

Attach the document

 2022-esg-databook (3).pdf

Page/Section reference

Governance pg. 4, Emissions figures pg.5, other metrics incl. energy pg. 6

Content elements

Emissions figures

Other metrics

Comment

IHG's ESG Databook covering the reporting period 1 January to 31 December 2022 (referred to as 'this year').

C12.5

(C12.5) Indicate the collaborative frameworks, initiatives and/or commitments related to environmental issues for which you are a signatory/member.

	Environmental collaborative framework, initiative and/or commitment	Describe your organization's role within each framework, initiative and/or commitment
Row 1	Business Ambition for 1.5C Race to Zero Campaign Task Force on Climate-related Financial Disclosures (TCFD) UN Global Compact	TCFD: 2022 Annual Report: Compliance with Listing Rule 9.8.6(8) - We confirm that our disclosures are in line with the UK Listing Rules and are consistent with the Task Force on Climate-related Financial Disclosures (TCFD) recommendations and recommended disclosures. We recognise that our disclosures are limited in part by current data availability, and are working to improve our data and underlying assumptions. The disclosures recommended by the TCFD became mandatory for IHG, as a UK premium listed company, for the year ended 31 December 2021. However, IHG had been reporting against the TCFD requirements since our 2020 Annual Report.

		UN Global Compact: IHG has been a member of the UN Global Compact since 2009 and aligns to the ten universal principles. Race to Zero Campaign: In 2021 IHG joined UN's Race to Zero and upgraded our science-based target (SBT) to help limit global warming to 1.5°C. Business Ambition for 1.5C: In 2021 IHG joined the Business Ambition for a 1.5°C Pledge.
--	--	---

C15. Biodiversity

C15.1

(C15.1) Is there board-level oversight and/or executive management-level responsibility for biodiversity-related issues within your organization?

	Board-level oversight and/or executive management-level responsibility for biodiversity-related issues
Row 1	No, but we plan to have both within the next two years

C15.2

(C15.2) Has your organization made a public commitment and/or endorsed any initiatives related to biodiversity?

	Indicate whether your organization made a public commitment or endorsed any initiatives related to biodiversity	Initiatives endorsed
Row 1	Yes, we have endorsed initiatives only	SDG Other, please specify

		Endorsed the use of Integrated Biodiversity Assessment Tool (IBAT) to map out IHG's current biodiversity risk globally and we are committed to ensuring our actions contribute to the UN Sustainable Development Goals (SDGs).
--	--	--

C15.3

(C15.3) Does your organization assess the impacts and dependencies of its value chain on biodiversity?

Impacts on biodiversity

Indicate whether your organization undertakes this type of assessment

Yes

Value chain stage(s) covered

Direct operations

Downstream

Tools and methods to assess impacts and/or dependencies on biodiversity

IBAT – Integrated Biodiversity Assessment Tool

Please explain how the tools and methods are implemented and provide an indication of the associated outcome(s)

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.

Dependencies on biodiversity

Indicate whether your organization undertakes this type of assessment

No, but we plan to within the next two years

C15.4

(C15.4) Does your organization have activities located in or near to biodiversity- sensitive areas in the reporting year?

Not assessed

C15.5

(C15.5) What actions has your organization taken in the reporting year to progress your biodiversity-related commitments?

	Have you taken any actions in the reporting period to progress your biodiversity-related commitments?	Type of action taken to progress biodiversity- related commitments
Row 1	Yes, we are taking actions to progress our biodiversity-related commitments	Education & awareness Other, please specify 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.

C15.6

(C15.6) Does your organization use biodiversity indicators to monitor performance across its activities?

	Does your organization use indicators to monitor biodiversity performance?	Indicators used to monitor biodiversity performance
Row 1	Yes, we use indicators	State and benefit indicators

C15.7

(C15.7) Have you published information about your organization's response to biodiversity-related issues for this reporting year in places other than in your CDP response? If so, please attach the publication(s).

Report type	Content elements	Attach the document and indicate where in the document the relevant biodiversity information is located
In voluntary sustainability report or other voluntary communications	Details on biodiversity indicators Biodiversity strategy	On page 41-42 of our 2022 Responsible Business Report we detail the indicators we currently use and our approach and strategy to tackle biodiversity related issues moving forward.  1

 ihg-responsible-business-report-2022 (4).pdf

C16. Signoff

C-FI

(C-FI) Use this field to provide any additional information or context that you feel is relevant to your organization's response. Please note that this field is optional and is not scored.

N/A

C16.1

(C16.1) Provide details for the person that has signed off (approved) your CDP climate change response.

	Job title	Corresponding job category
Row 1	Chief Executive Officer (CEO)	Chief Executive Officer (CEO)

SC. Supply chain module

SC0.0

(SC0.0) If you would like to do so, please provide a separate introduction to this module.

We collaborate and engage with a wide range of stakeholders to ensure we can work towards common goals and create shared value.

Our shareholders are making an increasing number of investment decisions based on ESG factors, so it's important we regularly inform them of our responsible business practices and progress.

SC0.1

(SC0.1) What is your company's annual revenue for the stated reporting period?

	Annual Revenue
Row 1	3,892,000,000

SC1.1

(SC1.1) Allocate your emissions to your customers listed below according to the goods or services you have sold them in this reporting period.

Requesting member

Wells Fargo & Company

Scope of emissions

Scope 3

Scope 2 accounting method

Scope 3 category(ies)

Category 6: Business travel

Allocation level

Company wide

Allocation level detail

Emissions in metric tonnes of CO2e

380

Uncertainty ($\pm\%$)

21

Major sources of emissions

Room night stays in both the Corporate Travel and Groups & Meetings segments

Verified

Yes

Allocation method

Other, please specify

Carbon per occupied room night

Market value or quantity of goods/services supplied to the requesting member

18,815

Unit for market value or quantity of goods/services supplied

Other, please specify

total room nights in 2022

Please explain how you have identified the GHG source, including major limitations to this process and assumptions made

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 as 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.

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. The most recent published emissions factors were used for all regions and applied to each data point to give associated GHG emissions. Each average was calculated from the total carbon footprint in the group sample, divided by the total room nights in the group sample. For 2022, after outlier checks the sample covers 84% of UK hotels reporting energy use and 79% of our global hotels.

Our carbon data has been verified by a third party, and the assurance statement for carbon can be found at ihgplc.com/responsible-business/reporting. This verified carbon data set serves as the basis for carbon footprint estimates for customer accounts.

Requesting member

Accenture

Scope of emissions

Scope 3

Scope 2 accounting method

Scope 3 category(ies)

Category 6: Business travel

Allocation level

Company wide

Allocation level detail

Emissions in metric tonnes of CO₂e

2,120

Uncertainty (±%)

21

Major sources of emissions

Room night stays in both the Corporate Travel and Groups & Meetings segments

Verified

Yes

Allocation method

Other, please specify

Carbon per occupied room night

Market value or quantity of goods/services supplied to the requesting member

57,152

Unit for market value or quantity of goods/services supplied

Other, please specify

total room nights in 2022

Please explain how you have identified the GHG source, including major limitations to this process and assumptions made

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 as 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.

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. The most recent published emissions factors were used for all regions and applied to each data point to give associated GHG emissions. Each average was calculated from the total carbon footprint in the group sample, divided by the total room nights in the group sample. For 2022, after outlier checks the sample covers 84% of UK hotels reporting energy use and 79% of our global hotels.

Our carbon data has been verified by a third party, and the assurance statement for carbon can be found at ihgplc.com/responsible-business/reporting. This verified carbon data set serves as the basis for carbon footprint estimates for customer accounts.

Requesting member

AstraZeneca

Scope of emissions

Scope 3

Scope 2 accounting method

Scope 3 category(ies)

Category 6: Business travel

Allocation level

Company wide

Allocation level detail

Emissions in metric tonnes of CO₂e

1,013

Uncertainty (±%)

21

Major sources of emissions

Room night stays in both the Corporate Travel and Groups & Meetings segments

Verified

Yes

Allocation method

Other, please specify

Carbon per occupied room night

Market value or quantity of goods/services supplied to the requesting member

19,548

Unit for market value or quantity of goods/services supplied

Other, please specify

total room nights in 2022

Please explain how you have identified the GHG source, including major limitations to this process and assumptions made

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 as 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.

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. The most recent published emissions factors were used for all regions and applied to each data point to give associated GHG emissions. Each average was calculated from the total carbon footprint in the group sample, divided by the total room nights in the group sample. For 2022, after outlier checks the sample covers 84% of UK hotels reporting energy use and 79% of our global hotels.

Our carbon data has been verified by a third party, and the assurance statement for carbon can be found at ihgplc.com/responsible-business/reporting. This verified carbon data set serves as the basis for carbon footprint estimates for customer accounts.

Requesting member

Bank of America

Scope of emissions

Scope 3

Scope 2 accounting method

Scope 3 category(ies)

Category 6: Business travel

Allocation level

Company wide

Allocation level detail

Emissions in metric tonnes of CO₂e

519

Uncertainty (±%)

21

Major sources of emissions

Room night stays in both the Corporate Travel and Groups & Meetings segments

Verified

Yes

Allocation method

Other, please specify

Carbon per occupied room night

Market value or quantity of goods/services supplied to the requesting member

21,888

Unit for market value or quantity of goods/services supplied

Other, please specify

total room nights in 2022

Please explain how you have identified the GHG source, including major limitations to this process and assumptions made

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 as 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.

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. The most recent published emissions factors were used for all regions and applied to each data point to give associated GHG emissions. Each average was calculated from the total carbon footprint in the group sample, divided by the total room nights in the group sample. For 2022, after outlier checks the sample covers 84% of UK hotels reporting energy use and 79% of our global hotels.

Our carbon data has been verified by a third party, and the assurance statement for carbon can be found at ihgplc.com/responsible-business/reporting. This verified carbon data set serves as the basis for carbon footprint estimates for customer accounts.

Requesting member

MetLife, Inc.

Scope of emissions

Scope 3

Scope 2 accounting method

Scope 3 category(ies)

Category 6: Business travel

Allocation level

Company wide

Allocation level detail

Emissions in metric tonnes of CO₂e

93

Uncertainty (±%)

21

Major sources of emissions

Room night stays in both the Corporate Travel and Groups & Meetings segments

Verified

Yes

Allocation method

Other, please specify

Carbon per occupied room night

Market value or quantity of goods/services supplied to the requesting member

3,212

Unit for market value or quantity of goods/services supplied

Other, please specify

total room nights in 2022

Please explain how you have identified the GHG source, including major limitations to this process and assumptions made

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 as 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.

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. The most recent published emissions factors were used for all regions and applied to each data point to give associated GHG emissions. Each average was calculated from the total carbon footprint in the group sample, divided by the total room nights in the group sample. For 2022, after outlier checks the sample covers 84% of UK hotels reporting energy use and 79% of our global hotels.

Our carbon data has been verified by a third party, and the assurance statement for carbon can be found at ihgplc.com/responsible-business/reporting. This verified carbon data set serves as the basis for carbon footprint estimates for customer accounts.

Requesting member

British American Tobacco

Scope of emissions

Scope 3

Scope 2 accounting method

Scope 3 category(ies)

Category 6: Business travel

Allocation level

Company wide

Allocation level detail

Emissions in metric tonnes of CO₂e

255

Uncertainty (±%)

21

Major sources of emissions

Room nights for corporate travel

Verified

Yes

Allocation method

Other, please specify

Carbon per occupied room night

Market value or quantity of goods/services supplied to the requesting member

9,121

Unit for market value or quantity of goods/services supplied

Other, please specify

total room nights in 2022

Please explain how you have identified the GHG source, including major limitations to this process and assumptions made

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 as 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.

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. The most recent published emissions factors were used for all regions and applied to each data point to give associated GHG emissions. Each average was calculated

from the total carbon footprint in the group sample, divided by the total room nights in the group sample. For 2022, after outlier checks the sample covers 84% of UK hotels reporting energy use and 79% of our global hotels.

Our carbon data has been verified by a third party, and the assurance statement for carbon can be found at ihgplc.com/responsible-business/reporting. This verified carbon data set serves as the basis for carbon footprint estimates for customer accounts.

Requesting member

Visa

Scope of emissions

Scope 3

Scope 2 accounting method

Scope 3 category(ies)

Category 6: Business travel

Allocation level

Company wide

Allocation level detail

Emissions in metric tonnes of CO₂e

64

Uncertainty (±%)

21

Major sources of emissions

Room night stays in both the Corporate Travel and Groups & Meetings segments

Verified

Yes

Allocation method

Other, please specify

Carbon per occupied room night

Market value or quantity of goods/services supplied to the requesting member

2,689

Unit for market value or quantity of goods/services supplied

Other, please specify

total room nights in 2022

Please explain how you have identified the GHG source, including major limitations to this process and assumptions made

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 as 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.

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. The most recent published emissions factors were used for all regions and applied to each data point to give associated GHG emissions. Each average was calculated from the total carbon footprint in the group sample, divided by the total room nights in the group sample. For 2022, after outlier checks the sample covers 84% of UK hotels reporting energy use and 79% of our global hotels.

Our carbon data has been verified by a third party, and the assurance statement for carbon can be found at ihgplc.com/responsible-business/reporting. This verified carbon data set serves as the basis for carbon footprint estimates for customer accounts.

Requesting member

KPMG International

Scope of emissions

Scope 3

Scope 2 accounting method

Scope 3 category(ies)

Category 6: Business travel

Allocation level

Company wide

Allocation level detail

Emissions in metric tonnes of CO₂e

1,071

Uncertainty ($\pm\%$)

21

Major sources of emissions

Room nights for corporate travel

Verified

Yes

Allocation method

Other, please specify

Carbon per occupied room night

Market value or quantity of goods/services supplied to the requesting member

29,150

Unit for market value or quantity of goods/services supplied

Other, please specify

total room nights in 2022

Please explain how you have identified the GHG source, including major limitations to this process and assumptions made

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 as 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.

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. The most recent published emissions factors were used for all regions and applied to each data point to give associated GHG emissions. Each average was calculated from the total carbon footprint in the group sample, divided by the total room nights in the group sample. For 2022, after outlier checks the sample covers 84% of UK hotels reporting energy use and 79% of our global hotels.

Our carbon data has been verified by a third party, and the assurance statement for carbon can be found at ihgplc.com/responsible-business/reporting. This verified carbon data set serves as the basis for carbon footprint estimates for customer accounts.

Requesting member

HP Inc

Scope of emissions

Scope 3

Scope 2 accounting method

Scope 3 category(ies)

Category 6: Business travel

Allocation level

Company wide

Allocation level detail

Emissions in metric tonnes of CO₂e

259

Uncertainty (±%)

21

Major sources of emissions

Room nights for corporate travel

Verified

Yes

Allocation method

Other, please specify

Carbon per occupied room night

Market value or quantity of goods/services supplied to the requesting member

12,114

Unit for market value or quantity of goods/services supplied

Other, please specify

total room nights in 2022

Please explain how you have identified the GHG source, including major limitations to this process and assumptions made

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 as 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.

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. The most recent published emissions factors were used for all regions and applied to each data point to give associated GHG emissions. Each average was calculated from the total carbon footprint in the group sample, divided by the total room nights in the group sample. For 2022, after outlier checks the sample covers 84% of UK hotels reporting energy use and 79% of our global hotels.

Our carbon data has been verified by a third party, and the assurance statement for carbon can be found at ihgplc.com/responsible-business/reporting. This verified carbon data set serves as the basis for carbon footprint estimates for customer accounts.

Requesting member

Deloitte Touche Tohmatsu Limited

Scope of emissions

Scope 3

Scope 2 accounting method

Scope 3 category(ies)

Category 6: Business travel

Allocation level

Company wide

Allocation level detail

Emissions in metric tonnes of CO₂e

2,602

Uncertainty (±%)

21

Major sources of emissions

Room night stays in both the Corporate Travel and Groups & Meetings segments

Verified

Yes

Allocation method

Other, please specify

Carbon per occupied room night

Market value or quantity of goods/services supplied to the requesting member

66,488

Unit for market value or quantity of goods/services supplied

Other, please specify

total room nights in 2022

Please explain how you have identified the GHG source, including major limitations to this process and assumptions made

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 as 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.

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. The most recent published emissions factors were used for all regions and applied to each data point to give associated GHG emissions. Each average was calculated from the total carbon footprint in the group sample, divided by the total room nights in the group sample. For 2022, after outlier checks the sample covers 84% of UK hotels reporting energy use and 79% of our global hotels.

Our carbon data has been verified by a third party, and the assurance statement for carbon can be found at ihgplc.com/responsible-business/reporting. This verified carbon data set serves as the basis for carbon footprint estimates for customer accounts.

Requesting member

McKinsey & Company, Inc.

Scope of emissions

Scope 3

Scope 2 accounting method

Scope 3 category(ies)

Category 6: Business travel

Allocation level

Company wide

Allocation level detail

Emissions in metric tonnes of CO₂e

1,101

Uncertainty (±%)

21

Major sources of emissions

Room night stays in both the Corporate Travel and Groups & Meetings segments

Verified

Yes

Allocation method

Other, please specify

Carbon per occupied room night

Market value or quantity of goods/services supplied to the requesting member

23,370

Unit for market value or quantity of goods/services supplied

Other, please specify

total room nights in 2022

Please explain how you have identified the GHG source, including major limitations to this process and assumptions made

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 as 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.

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. The most recent published emissions factors were used for all regions and applied to each data point to give associated GHG emissions. Each average was calculated from the total carbon footprint in the group sample, divided by the total room nights in the group sample. For 2022, after outlier checks the sample covers 84% of UK hotels reporting energy use and 79% of our global hotels.

Our carbon data has been verified by a third party, and the assurance statement for carbon can be found at ihgplc.com/responsible-business/reporting. This verified carbon data set serves as the basis for carbon footprint estimates for customer accounts.

Requesting member

The Allstate Corporation

Scope of emissions

Scope 3

Scope 2 accounting method

Scope 3 category(ies)

Category 6: Business travel

Allocation level

Company wide

Allocation level detail

Emissions in metric tonnes of CO₂e

24

Uncertainty (±%)

21

Major sources of emissions

Room night stays in both the Corporate Travel and Groups & Meetings segments

Verified

Yes

Allocation method

Other, please specify

Carbon per occupied room night

Market value or quantity of goods/services supplied to the requesting member

1,269

Unit for market value or quantity of goods/services supplied

Other, please specify

total room nights in 2022

Please explain how you have identified the GHG source, including major limitations to this process and assumptions made

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 as 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.

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. The most recent published emissions factors were used for all regions and applied to each data point to give associated GHG emissions. Each average was calculated from the total carbon footprint in the group sample, divided by the total room nights in the group sample. For 2022, after outlier checks the sample covers 84% of UK hotels reporting energy use and 79% of our global hotels.

Our carbon data has been verified by a third party, and the assurance statement for carbon can be found at ihgplc.com/responsible-business/reporting. This verified carbon data set serves as the basis for carbon footprint estimates for customer accounts.

Requesting member

Ecolab Inc.

Scope of emissions

Scope 3

Scope 2 accounting method

Scope 3 category(ies)

Category 6: Business travel

Allocation level

Company wide

Allocation level detail

Emissions in metric tonnes of CO2e

411

Uncertainty (±%)

21

Major sources of emissions

Room nights for corporate travel

Verified

Yes

Allocation method

Other, please specify

Carbon per occupied room night

Market value or quantity of goods/services supplied to the requesting member

25,018

Unit for market value or quantity of goods/services supplied

Other, please specify

total room nights in 2022

Please explain how you have identified the GHG source, including major limitations to this process and assumptions made

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 as 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.

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. The most recent published emissions factors were used for all regions and applied to each data point to give associated GHG emissions. Each average was calculated from the total carbon footprint in the group sample, divided by the total room nights in the group sample. For 2022, after outlier checks the sample covers 84% of UK hotels reporting energy use and 79% of our global hotels.

Our carbon data has been verified by a third party, and the assurance statement for carbon can be found at ihgplc.com/responsible-business/reporting. This verified carbon data set serves as the basis for carbon footprint estimates for customer accounts.

Requesting member

PayPal Holdings Inc

Scope of emissions

Scope 3

Scope 2 accounting method

Scope 3 category(ies)

Category 6: Business travel

Allocation level

Company wide

Allocation level detail

Emissions in metric tonnes of CO₂e

32

Uncertainty (±%)

21

Major sources of emissions

Room nights for corporate travel

Verified

Yes

Allocation method

Other, please specify

Carbon per occupied room night

Market value or quantity of goods/services supplied to the requesting member

1,142

Unit for market value or quantity of goods/services supplied

Other, please specify

total room nights in 2022

Please explain how you have identified the GHG source, including major limitations to this process and assumptions made

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 as 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.

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. The most recent published emissions factors were used for all regions and applied to each data point to give associated GHG emissions. Each average was calculated from the total carbon footprint in the group sample, divided by the total room nights in the group sample. For 2022, after outlier checks the sample covers 84% of UK hotels reporting energy use and 79% of our global hotels.

Our carbon data has been verified by a third party, and the assurance statement for carbon can be found at ihgplc.com/responsible-business/reporting. This verified carbon data set serves as the basis for carbon footprint estimates for customer accounts.

Requesting member

CBRE Group, Inc.

Scope of emissions

Scope 3

Scope 2 accounting method

Scope 3 category(ies)

Category 6: Business travel

Allocation level

Company wide

Allocation level detail

Emissions in metric tonnes of CO₂e

91

Uncertainty (±%)

21

Major sources of emissions

Room nights for corporate travel

Verified

Yes

Allocation method

Other, please specify

Carbon per occupied room night

Market value or quantity of goods/services supplied to the requesting member

4,531

Unit for market value or quantity of goods/services supplied

Other, please specify
total room nights in 2022

Please explain how you have identified the GHG source, including major limitations to this process and assumptions made

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 as 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.

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. The most recent published emissions factors were used for all regions and applied to each data point to give associated GHG emissions. Each average was calculated from the total carbon footprint in the group sample, divided by the total room nights in the group sample. For 2022, after outlier checks the sample covers 84% of UK hotels reporting energy use and 79% of our global hotels.

Our carbon data has been verified by a third party, and the assurance statement for carbon can be found at ihgplc.com/responsible-business/reporting. This verified carbon data set serves as the basis for carbon footprint estimates for customer accounts.

Requesting member

Givaudan SA

Scope of emissions

Scope 3

Scope 2 accounting method

Scope 3 category(ies)

Category 6: Business travel

Allocation level

Company wide

Allocation level detail

Emissions in metric tonnes of CO₂e

82

Uncertainty (±%)

21

Major sources of emissions

Room nights for corporate travel

Verified

Yes

Allocation method

Other, please specify

Carbon per occupied room night

Market value or quantity of goods/services supplied to the requesting member

1,587

Unit for market value or quantity of goods/services supplied

Other, please specify

total room nights in 2022

Please explain how you have identified the GHG source, including major limitations to this process and assumptions made

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 as 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.

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. The most recent published emissions factors were used for all regions and applied to each data point to give associated GHG emissions. Each average was calculated from the total carbon footprint in the group sample, divided by the total room nights in the group sample. For 2022, after outlier checks the sample covers 84% of UK hotels reporting energy use and 79% of our global hotels.

Our carbon data has been verified by a third party, and the assurance statement for carbon can be found at ihgplc.com/responsible-business/reporting. This verified carbon data set serves as the basis for carbon footprint estimates for customer accounts.

Requesting member

Capgemini SE

Scope of emissions

Scope 3

Scope 2 accounting method

Scope 3 category(ies)

Category 6: Business travel

Allocation level

Company wide

Allocation level detail

Emissions in metric tonnes of CO₂e

513

Uncertainty (±%)

21

Major sources of emissions

Room nights for corporate travel

Verified

Yes

Allocation method

Other, please specify

Carbon per occupied room night

Market value or quantity of goods/services supplied to the requesting member

21,583

Unit for market value or quantity of goods/services supplied

Other, please specify

total room nights in 2022

Please explain how you have identified the GHG source, including major limitations to this process and assumptions made

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 as 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.

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. The most recent published emissions factors were used for all regions and applied to each data point to give associated GHG emissions. Each average was calculated from the total carbon footprint in the group sample, divided by the total room nights in the group sample. For 2022, after outlier checks the sample covers 84% of UK hotels reporting energy use and 79% of our global hotels.

Our carbon data has been verified by a third party, and the assurance statement for carbon can be found at ihgplc.com/responsible-

business/reporting. This verified carbon data set serves as the basis for carbon footprint estimates for customer accounts.

Requesting member

RELX Group Plc

Scope of emissions

Scope 3

Scope 2 accounting method

Scope 3 category(ies)

Category 6: Business travel

Allocation level

Company wide

Allocation level detail

Emissions in metric tonnes of CO₂e

18

Uncertainty (±%)

21

Major sources of emissions

Room nights for corporate travel

Verified

Yes

Allocation method

Other, please specify

Carbon per occupied room night

Market value or quantity of goods/services supplied to the requesting member

1,006

Unit for market value or quantity of goods/services supplied

Other, please specify

total room nights in 2022

Please explain how you have identified the GHG source, including major limitations to this process and assumptions made

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 as 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.

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. The most recent published emissions factors were used for all regions and applied to each data point to give associated GHG emissions. Each average was calculated from the total carbon footprint in the group sample, divided by the total room nights in the group sample. For 2022, after outlier checks the sample covers 84% of UK hotels reporting energy use and 79% of our global hotels.

Our carbon data has been verified by a third party, and the assurance statement for carbon can be found at ihgplc.com/responsible-business/reporting. This verified carbon data set serves as the basis for carbon footprint estimates for customer accounts.

SC1.2

(SC1.2) Where published information has been used in completing SC1.1, please provide a reference(s).

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 as 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.

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. The most recent published emissions factors were used for all regions and applied to each data point to give associated GHG emissions.

Each average was calculated from the total carbon footprint in the group sample, divided by the total room nights in the group sample. For 2022, after outlier checks the sample covers 84% of UK hotels reporting energy use and 79% of our global hotels.

Our carbon data has been verified by a third party, and the assurance statement for carbon can be found at ihgplc.com/responsible-business/reporting. This verified carbon data set serves as the basis for carbon footprint estimates for customer accounts.

SC1.3

(SC1.3) What are the challenges in allocating emissions to different customers, and what would help you to overcome these challenges?

Allocation challenges	Please explain what would help you overcome these challenges
We face no challenges	The Global Business Travel Association (GBTA) provides Request for Proposal (RFP) question sets for corporate clients seeking to contract for hotel rooms. This includes a Corporate Responsibility-focused question set which has been provided for use across the industry since 2013, and includes questions regarding the carbon footprint of a hotel and per occupied room. We have set up a data feed from IHG Green Engage to IHG's RFP systems so that hotels can easily report on their carbon footprint to corporate clients using the GBTA's question sets.

SC1.4

(SC1.4) Do you plan to develop your capabilities to allocate emissions to your customers in the future?

Yes

SC1.4a

(SC1.4a) Describe how you plan to develop your capabilities.

The Global Business Travel Association (GBTA) provides Request for Proposal (RFP) question sets for corporate clients seeking to contract for hotel rooms. This includes a Corporate Responsibility-focused question set which has been provided for use across the industry since 2013, and includes questions regarding the carbon footprint of a hotel and per occupied room. We have set up a data feed from IHG Green Engage to IHG's RFP systems so that hotels can easily report on their carbon footprint to corporate clients using the GBTA's question sets.

In addition to our ongoing internal efforts to drive more accurate insights into hotel performance, IHG continues to stay actively engaged in industry-wide conversations on standardisation and alignment of reporting formats and best practices through groups like the Global Business Travel Association and the Sustainable Hospitality Alliance.

SC2.1

(SC2.1) Please propose any mutually beneficial climate-related projects you could collaborate on with specific CDP Supply Chain members.

Requesting member

Group type of project

Change to supplier operations

Type of project

Increased levels of purchased renewable energy

Emissions targeted

Actions that would reduce our own operational emissions (our scope 1 & 2)

Estimated timeframe for carbon reductions to be realized

3-5 years

Estimated lifetime CO2e savings

593,000

Estimated payback

3-5 years

Details of proposal

To achieve our ambitious targets, we will need a range of programmes and interventions. We recognise the importance of transitioning to renewables as a key driver of our carbon reduction efforts and have started a renewable energy strategy project mapping opportunities across

our global estate. We are looking at implementing renewable energy across our estate and have reviewed the emissions reductions potential across our three regions.

SC2.2

(SC2.2) Have requests or initiatives by CDP Supply Chain members prompted your organization to take organizational-level emissions reduction initiatives?

No

SC4.1

(SC4.1) Are you providing product level data for your organization's goods or services?

Yes, I will provide data

SC4.1a

(SC4.1a) Give the overall percentage of total emissions, for all Scopes, that are covered by these products.

100

SC4.2a

(SC4.2a) Complete the following table for the goods/services for which you want to provide data.

Name of good/ service

Occupied room (room night sold)

Description of good/ service

Provision of a hotel room for a night's stay and related hotel services

Type of product

Final

SKU (Stock Keeping Unit)

Total emissions in kg CO₂e per unit

33.4

±% change from previous figure supplied

17.2

Date of previous figure supplied

July 27, 2022

Explanation of change

Carbon Per Occupied Room (CPOR) was significantly affected by the impacts of Covid-19 on our industry.

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.

33.4kg CO₂ per unit is the emissions per occupied room (Scope 1, 2 and 3 emissions).

Methods used to estimate lifecycle emissions

Other, please specify

Hotel Carbon Measurement Initiative

SC4.2b

(SC4.2b) Complete the following table with data for lifecycle stages of your goods and/or services.

Name of good/ service

Occupied room

Please select the scope

Scope 1, 2 & 3

Please select the lifecycle stage

Operation of premises

Emissions at the lifecycle stage in kg CO₂e per unit

33.4

Is this stage under your ownership or control?

Yes

Type of data used

Primary

Data quality

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 as 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.

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. The most recent published emissions factors were used for all regions and applied to each data point to give associated GHG emissions. Each average was calculated from the total carbon footprint in the group sample, divided by the total room nights in the group sample. For 2022, after outlier checks the sample covers 84% of UK hotels reporting energy use and 79% of our global hotels.

Our carbon data has been verified by a third party, and the assurance statement for carbon can be found at ihgplc.com/responsible-business/reporting. This verified carbon data set serves as the basis for carbon footprint estimates for customer accounts.

If you are verifying/assuring this product emission data, please tell us how

We use third party verification which is complete for year 2022.

Type of verification assurance: Limited assurance

Relevant standard: ISO14064-3

Proportion of reported Scope 1, 2 and 3 emissions verified is 100%.

SC4.2c

(SC4.2c) Please detail emissions reduction initiatives completed or planned for this product.

Name of good/ service	Initiative ID	Description of initiative	Completed or planned	Emission reductions in kg CO2e per unit
Occupied room	Initiative 1	To achieve our ambitious targets, we will need a range of programmes and interventions. We recognise the importance of transitioning to renewables as a key driver of our carbon reduction efforts and have started a renewable energy strategy project mapping opportunities across our global estate. We are looking at implementing renewable energy across our estate and have reviewed the emissions reductions potential across our three regions.	Ongoing	5.1

Occupied room	Initiative 2	Existing hotels are now mandated to implement energy conservation measures including LED lighting by the end of 2025.	Completed	4.58
Occupied room	Initiative 3	Existing hotels are now mandated to implement energy conservation measures including high-efficiency showers and faucet aerators by the end of 2025.	Completed	4.98

SC4.2d

(SC4.2d) Have any of the initiatives described in SC4.2c been driven by requesting CDP Supply Chain members?

No

Submit your response

In which language are you submitting your response?

English

Please confirm how your response should be handled by CDP

	I understand that my response will be shared with all requesting stakeholders	Response permission
Please select your submission options	Yes	Public

Please confirm below

I have read and accept the applicable Terms