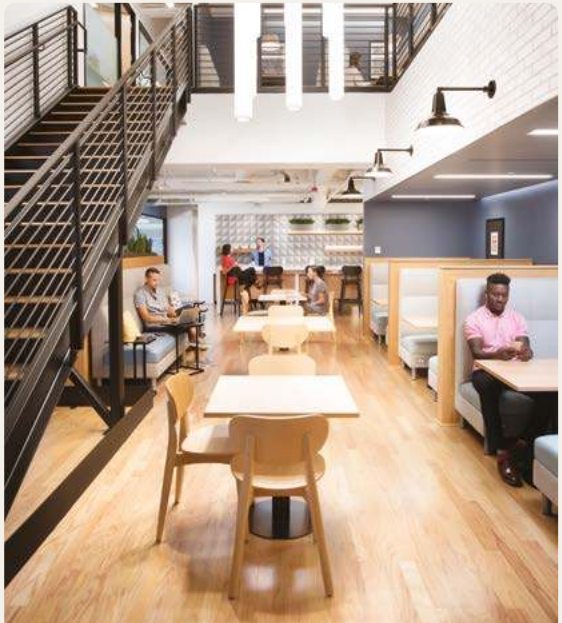
The World's Leading Platform for Work



Annual Report and Accounts 2025

IWG International Workplace Group

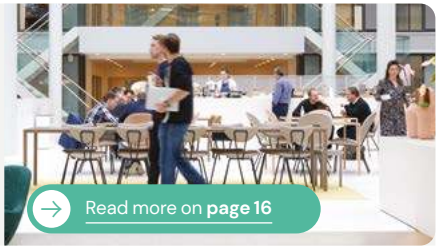
What we do

We help millions of people and their businesses to work more productively across the globe. We do so by providing a choice of professional, inspiring and collaborative workspaces, communities and services.

"Companies are doubling down on their focus on employee productivity and happiness, enabling their people to work in locations closer to where they live. This shift is empowering International Workplace Group plc's rapid growth, right across the world."

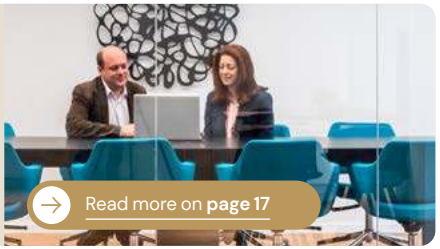
Mark Dixon
Founder and CEO, IWG

Why our customers trust us



Read more on **page 16**

Why our partners choose us



Read more on **page 17**

How we empower our people

Read more on **page 18**

Why our investors own us

Read more on **page 19**

Using our Annual Report

This year's Annual Report and Accounts ("Report") is specifically designed to help you navigate interactively through the different sections. By using the controls and section tabs above, you can flick between pages and sections. The icons will allow access to more content in the Report and on our website.

Throughout this report you can find links to our complementary suite of reporting by following these icons:

- Online at our website iwgplc.com
- In another IWG plc publication
- Within another section of this report

The Smarter Way to Work

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2025 highlights

A community connected by the world's leading platform for work

Financial highlights[1]

System revenue
$4.5bn

Adjusted EBITDA
$531m

Capital returned to shareholders
$144m

Operational highlights

Locations signed[2]
1,132

Locations opened[2]
782

Number of rooms[3]
>1m

Number of countries operated in[3]
>120

Pipeline of 1,370 centres signed[3]
1,370

1. Refer to Reconciliation for alternative performance measures schedules for the detailed calculations page 126.
2. In 2025.
3. As at December 31 2025.

At a glance

Reshaping the world of work

The world of work is changing. Working from a hub, home or on the go is the new normal. At IWG, we are the global leaders in hybrid working and our vision is to have a centre serving every community, so our partners can empower businesses and individuals to work flexibly and productively from anywhere in the world.

Our vision

Our vision is to have a centre serving every community to support the concept of the "15-minute city" so we and our partners can empower businesses and individuals to work flexibly and productively from anywhere in the world. To do this, we are focused on having the network and coverage to enable employees and employers to work wherever and whenever it makes sense for them.

IWG in numbers

>120
countries we're present in[1]

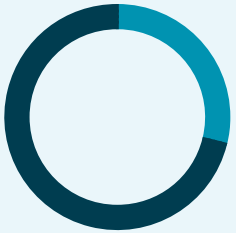
4,609
workspace locations globally[1]

50
languages spoken by our team[2]

782
new locations opened[3]

A simplified business structure

IWG has simplified its reporting structure to reflect its two distinct approaches to operating its network[4].



- Managed and Franchised **29% rooms**[1]
- Company-owned **71% rooms**[1]

1. As at December 31 2025.
2. In 2024.
3. In 2025.
4. Reporting will be integrated into the other two segments in 2026. Detailed in the Chief Financial Officer review section.

Our brands

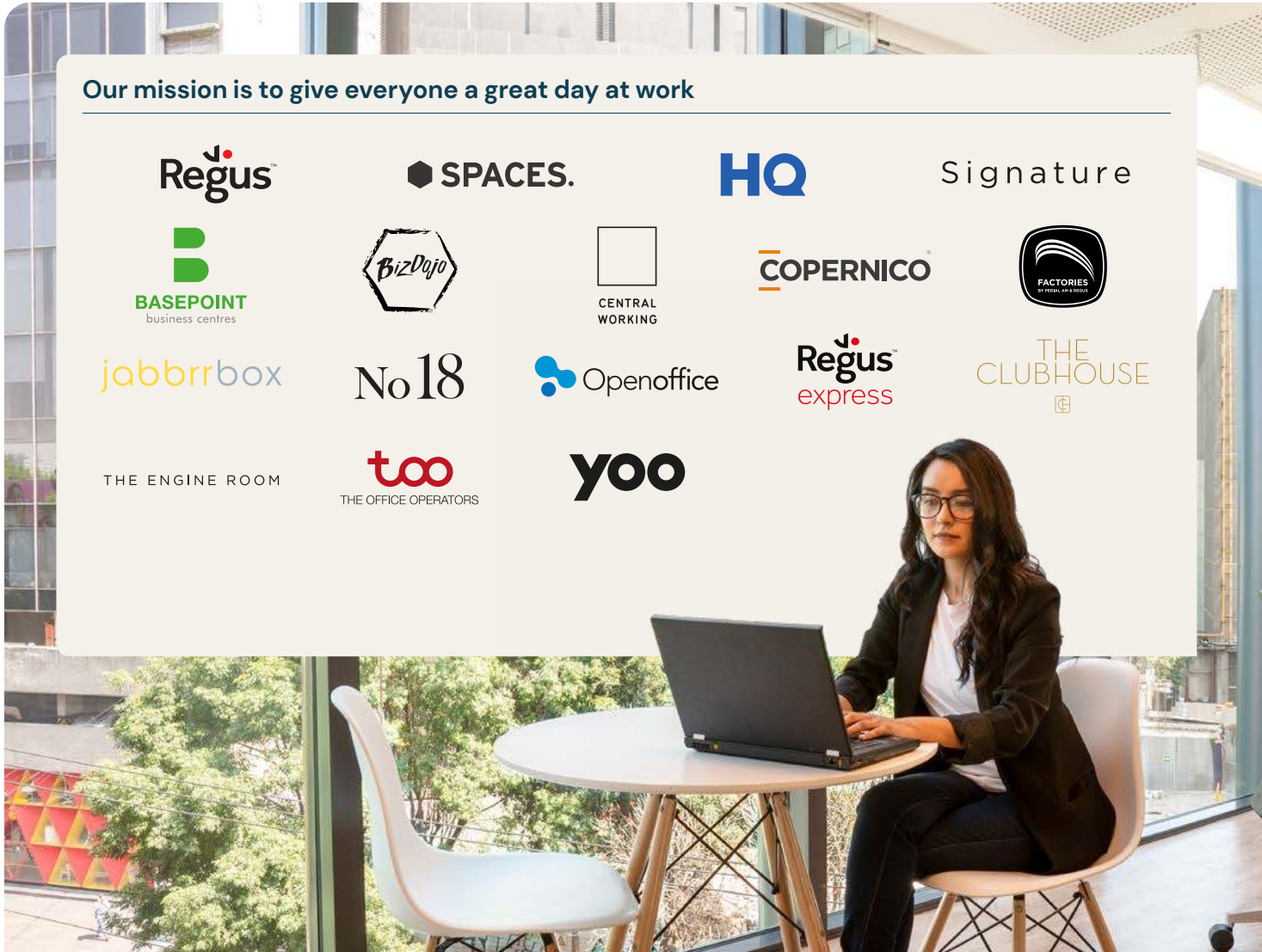
Adding value through our brands

At IWG, our brands form part of the largest workspace platform in the world. As we help businesses and people everywhere re-imagine how they work, what empowers our customers the most is choice.

With a network of thousands of locations globally and a range of solutions, our portfolio of brands enable us to meet different design aesthetics, support different workstyles, while recognising that when it comes to workspace environment, one size does not fit all.

With more than 35 years of experience, part of IWG's role is to help educate, inspire and enable our customers to navigate the world of work and find the right solution and space within our platform that supports their business. We also help our partners capitalise on the rapidly growing hybrid working market by unlocking the value in their empty spaces. They benefit from a range of brands to choose from to suit their space and local demographic.

What makes us unique from any other workspace provider is our multi-brand approach. Through scale and choice, we are uniquely geared to help businesses of any size, from sole traders and start-ups to many of the largest household names in the world. Our aim is to make workspace simple for everyone – one contract, one price, everything that's needed included.



Our brands continued

Our international brands are some of the world's most recognisable workspace brands

Our brands cover a range of price points and aesthetic requirements to meet the needs of our customers. We grow our network of locations through these brands, from high-end luxury workspace, to practical and cost-effective fit-outs and everything in between.

The world's flexible workspace experts

Regus was founded in 1989 to support any individual or business looking for a professional workspace environment that gives them the scale they need to succeed. With the largest network of workspaces, Regus enables everyone to find a workspace that's closer to home, so everyone can enjoy a happier, healthier and more productive lifestyle.

regus.com

Beautifully designed collaborative workspace

Spaces was founded in 2006 in Amsterdam. It provides workers with beautiful and creative environments where they can be inspired and can connect. Each Spaces is designed to offer a professional and collaborative working environment full of timeless design classics, inspiring art and accessories combined with a thriving business community of like-minded professionals.

spacesworks.com/en

All the essentials in one workspace

HQ provides efficient, functional space, offering practical places with all the essentials businesses need, set up and ready-to-go. HQ appeals to businesses of all shapes and sizes, from large corporates to individual freelancers.

hq.com

Your key to the world's ultimate business locations

Signature represents an exclusive selection of landmark buildings in the most sought-after locations in the world. Signature provides a premium working environment, with custom designs reflecting the quality and nature of the building. It provides businesses with ultimate prestige, offering an exclusive address and place to work that truly enhances their reputation, along with a community programme of partnerships, professional events and hospitality services.

Our brands continued

Our digital brands and managed office solutions meet the demand for 'instant workspace' and customised solutions

With the advance of 'on-demand' platforms ranging from instant travel to instant accommodation, our digital brands have been built and developed to meet the demand for 'instant workspace'.

Our consultancy brands

From data insights and portfolio rationalisation to full building fit-outs and customisation, our consultancy brands give clients the opportunity to benefit from our platform and tools, long with decades of experience in the workspace sector.

Incendium RETHINKING REAL ESTATE

Managed Office Solutions

Our digital brands

coworker

coworkintel

DAVINCI Virtual Office Solutions™

Instant RETHINKING WORKSPACE

officespace

PS Africa Property Solutions Africa (Pty) Ltd Part of The Instant Group

Chairman's statement

Leveraging a strategy for success

"IWG's rapid growth reflects our ability to anticipate and respond to constant changes in how businesses across the world wish to manage and consume workspace."

Douglas Sutherland
Chairman

Our performance

During 2025, IWG continued to deliver on the execution of its strategy, strengthening our position as the world's leading platform for enabling work where, when and how it is conducted. Our capital-light approach to growth combined with strong operating results enabled a significant return of cash to shareholders during 2025 through our share buyback and dividend programmes while simultaneously adding a record number of new locations to our network.

We are entering 2026 with a strong pipeline for additional capital-light location openings alongside the continuation of our share buyback programme. This momentum combined with operational discipline underpins both our growth ambitions and our commitment to delivering sustainable shareholder returns.

Our strategy

IWG's rapid growth reflects our ability to anticipate and respond to constant changes in how businesses across the world wish to manage and consume workspace. Our achievements against a backdrop of ongoing macroeconomic and geopolitical uncertainty reflect the resilience of our capital-light operating model and sustained demand for flexible workspace solutions.

Our effective combination of technology with the world's largest network of flexible workspace provides organisations with adaptable workspace solutions that are conveniently located near their workforce and tailored to their requirements. By addressing the wide-ranging needs of audiences that include workers, local businesses, businesses in multiple markets and building owners, we deliver greater efficiency and choice for customers, attractive returns for our partners and shareholders, and long-term opportunities for our people.

Our people

Once again, the professionalism and commitment of our teams in markets across the world have provided the cornerstone of our continued success and accelerating growth. On behalf of the Board, I would like to recognise the outstanding contribution of our colleagues globally, whose focus on operational excellence and customer service continues to differentiate IWG in competitive markets. IWG remains committed to fostering an engaging and inclusive working environment that enables them to develop and build successful careers.

Our sustainability journey

IWG is actively navigating the evolution of sustainability parameters, technical and regulatory requirements, market developments and stakeholder expectations. During 2025 we continued to make substantial progress on our sustainability journey including the development of our Net Zero Transition Plan that will guide our future activities. Sustainability considerations are embedded in our governance and operating processes and we will issue our first standalone Sustainability Report during the second half of 2026, further enhancing transparency for our stakeholders.

Our Board

We are focused on the execution of the strategy and managing succession at the Board level. This was reflected in several appointments during 2025, with Lázaro Campos joining the Board as Senior Independent Director and Stephen Jennings joining the Board as Chair of the Nomination Committee. Both of these individuals bring significant relevant business and Board experience to IWG. Their appointments increased the number of independent directors and depth of expertise as Board composition, effectiveness and succession remain ongoing priorities. I would like to thank all of the Board members for their commitment and constructive input during 2025 contributing to the delivery of value for all IWG stakeholders.

Looking ahead

We are at a moment when the world of work is changing faster and more significantly than ever before. Technological advancements, including the rapid evolution of AI, are reshaping how and where work is undertaken. This dynamic environment creates new possibilities that are very well served by the IWG operating model. Flexibility remains central to success in such a fast-changing environment, and this is precisely what IWG delivers to our customers and partners.
As we look to 2026 and beyond, I am confident that IWG's unique position within the world of work will continue to support its positive evolution, driven by the effective execution of a strategy that meets the needs of millions of workers, their employers, building owners, communities, our people and our shareholders.

Douglas Sutherland
Chairman
16 March 2026

Chief Executive Officer's review

IWG is delivering and growing our network

"The significant growth of platform and hybrid working has revolutionised how and where people work, bringing significant productivity benefits and lower costs to companies while transforming the working lives of their teams."

Mark Dixon
Founder and Chief Executive Officer

Read our white paper on **The View From the C-Suite**

In 2025, a significant milestone was achieved with more new locations signed and opened in a single year than in the entire first two decades of our operations. Our network now comprises more than one million rooms in over 120 countries and with a substantial pipeline in place, our growth will continue to accelerate rapidly in the years ahead.

We remain laser-focused on rapidly expanding our coverage to create a truly global network of buildings from the largest cities to smaller towns and the provinces. Our capital-light expansion strategy, delivered through partnerships with property owners and investors, enables companies of all sizes to work productively in locations that are convenient to their people.

Increasingly, our solutions are helping companies move away from the expense and inflexibility of long-term leases, replacing them with flexible, cost-effective agreements for smaller fully equipped spaces in one of our centres. At the same time, they retain the ability to access more than 5,000 locations worldwide.

The significant growth of platform and hybrid working has revolutionised how and where people work, bringing significant productivity benefits and lower costs to companies while transforming the working lives of their teams.

Over the past few years, these more flexible ways of working have become the default model for a significant proportion of white-collar workers with companies empowering their employees to work across multiple locations, splitting their time between local workspaces, a central office and home.

This is not simply a change in how people work, rather a rebalancing of where economic value is created. The days of needing to be tethered to a central HQ are behind us. Technology has changed everything, effectively removing the need for daily long and expensive commutes.

This long-term shift towards the hybrid model is one of the megatrends of our time and represents a substantial financial opportunity for IWG. 83% of CEOs are already empowering their teams to work from multiple locations and with 1.2 billion white-collar workers globally, our industry has a total addressable audience valued at more than $2 trillion. Platform working is set to become the norm for many of these employees.

In 2025, we had the opportunity to partner with Arup to explore the productivity gains of more localised working for businesses of all sizes, as well as the economic advantages for them and their communities. This, along with the existing research by Professor Nicholas Bloom – a senior fellow at the Stanford Institute for Economic Policy Research, has contributed greatly to our understanding of the productivity benefits of more flexible ways of working.

This collective research confirms what we've long seen coming: working from local offices and workspaces closer to where people live doesn't just improve the quality of life for employees, it also delivers major productivity benefits for businesses, cities and entire economies.

The rise of platform working

Today, the remarkable advances in cloud technology and video conferencing software – both vital to enabling effective hybrid working – mean workers no longer need to travel long distances daily. As a result, we are seeing a redistribution of the geography of work with teams able to spend a meaningful amount of time in their local communities alongside the city centre. Innovations in technology will continue to advance in years to come and will radically underline and fuel the flexibility of location.

The rising demand for more localised working has led to a large number of our new IWG centres opening in the heart of local communities, suburbs and rural areas, enabling many people around the world to say farewell to long daily commutes.

Small towns have seen a dramatic increase in new locations, with signings in the US, including Franklin, TX; Berwyn, PA; and Bloomfield Hills, MI, all with populations below 5,000, while at the same time our customers can access a growing number of premium and flagship city centre locations ranging from the Chrysler Building in New York to the upcoming Olympia development in London.

Chief Executive Officer's review continued

Strategy

At our most recent Investor Day in December 2025, I was pleased to update the market that our strategy to grow the most extensive coverage and network in a capital-light manner is working, and it has enabled us to return significant capital to shareholders. We expect to continue to deliver both cash flow and growth in the years ahead.

We are continuing to make ongoing investments into our world-class platform as well as our marketing operations. These investments will enable us to deliver on the rapid growth of our network coverage in partnership with the property industry and investors using capital-light expansion methods such as management agreements, partnering deals and franchising.

The shift towards hybrid and more localised working is propelling our business forward with the fastest growth ever seen in our history. In 2025, we added a record number of locations globally, signing 1,132 centres and achieved our highest-ever revenues. We are the partner of choice for businesses of all sizes including large enterprises with approximately 85% of the Fortune 500 amongst our customer base and an equally impressive 84% of our customers using multiple products and services.

During the year, we accelerated our capital-light growth strategy allowing us to capitalise on the growing number of property investors seeking to maximise their returns by partnering with IWG. There are currently over 1,300 centres in our rapidly expanding pipeline.

Focusing on growth through the capital-light business means that growth capex requirements will be dramatically lower in the future, generating more free cash flow for shareholders.

We are increasingly seeing partners sign multiple locations with IWG as they grasp the scale of the opportunity in front of them. My greatest thanks go to all our valued property owners and investors who have chosen to partner with us and as a business we are resolutely committed to the long-term success of these partnerships.

Market leader in innovation

As the market-leader in the structurally growing flexible and platform working industry, we are exceptionally well positioned for the long term. Not only do we lead the market on global reach, but also in a number of crucially important areas for future growth such as our home work products.

IWG has created an outstanding Research and Development team to ensure we are at the forefront of innovation. We will continue to add new concepts and platforms to widen our offer further to our expanding customer base.

The transformative impact of technology and AI

Hybrid working and digital technology have always had a symbiotic relationship. Each wave of technological innovation enables more fluid collaboration across geographies and teams, as well as between businesses, fuelling the growth of hybrid. As a company, we are using AI more and more across our business and it is improving our operations and making us more efficient.

The ongoing rise and adoption of AI will be beneficial for IWG and we will continue to be agile, adapting to new ways of working and harnessing its benefits to significantly drive efficiency and increase the velocity of our business. We expect even greater use of our network as companies grow their adoption of AI.

Our financial performance

With such strong momentum globally behind the shift to platform and hybrid working, confirmed by our financial results for 2025, our record system revenue, EBITDA, and network growth have allowed us to increase and extend our share buyback.

Our financial performance reinforces that we are successfully executing our strategic goals and leaves us well positioned for 2026 and beyond.

I would like to take this opportunity to thank all our incredible team members who were the driving force behind the rapid growth of our global network and an excellent set of financial results. I would also like to acknowledge the tireless hard work of our Finance department who were responsible for the successful conversion of our reporting framework to US GAAP, the Group-wide ERP implementation programme, and continued investment in AI and automation.

Looking ahead

The future for IWG and all our stakeholders remains bright. We continue to grow our customer base, which is up 6% year-on-year, as well as our global network and best-in-class portfolio of locations and brands, while delivering on our capital-light expansion strategy.

2025 was a record year for both revenue and network expansion and provides the foundations for continued growth in the year ahead. With 1.2 billion white-collar workers globally and a potential audience valued at more than $2 trillion, there is substantial room for growth and as a company, we are absolutely committed to capturing more of this market over the years ahead.

Mark Dixon
Chief Executive Officer
16 March 2026

> "We are on track to deliver at least $1bn of EBITDA in the medium term."

$4.5bn
system revenue[1]

$531m
Adjusted EBITDA[1]

$144m
returned to investors[1]

60%
cash flow growth[1]

US GAAP
implemented in 2025, and USD reporting adopted in 2024

1. In 2025.

Global context

Hybrid working – enabling productivity everywhere

Right across the world, multiple organisations are experiencing first-hand the benefits of hybrid working where it matters most: on the balance sheet; in the wellbeing, commitment and productivity of their people; in a reduced carbon footprint; and through more positive social impact.

And these benefits do not stop there. Data from the global sustainability consultancy firm Arup in partnership with International Workplace Group plc shows that by reducing the need to commute, hybrid working can cut urban carbon emissions by a staggering 87% in the US and 70% in the UK[4]. At the same time, local communities are set to see major increases in the numbers of skilled people working locally, significantly boosting their economies through the increased number of businesses in the area and the heightened use of local services and retail.

Significantly reduced costs

It is becoming increasingly recognised that companies using the hybrid model are gaining from very significant savings, generated by the move away from fixed long-term and expensive leases on traditional real estate. Cisco Systems, for example, saved an extraordinary $500 million during the five years following its shift to hybrid. A report from Global Workplace Analytics concludes that employers using the hybrid model should be able to save about $11,000 annually for every one of their employees working in the hybrid model[5].

Little wonder that such a high proportion of CEOs say they have reduced costs by adopting hybrid working.

Enabling productivity everywhere for better business performance

As a uniquely powerful driver of increased profitability, reduced costs go hand-in-hand with better employee productivity for companies using hybrid.

IWG research among US-based CEOs shows 63% reporting that their employees are more productive. Professor Nicholas Bloom of Stanford University, acknowledged as the leading academic in the future of work, has concluded that the average productivity boost gained by hybrid businesses stands at 3% to 4%.

Professor Bloom is also co-author of a study into how American hybrid workers are using the 60 million hours released every day across the national workforce by not having to commute. This showed they are spending on average 35% of the time released on their primary work, significantly boosting their productivity.

1. IWG US CEO survey.
2. Ergotron research.
3. International Workplace Group 2025 White Paper. Accelerating Action: How Hybrid Working Can Fast-Track Equality at Work for Women.
4. Arup research.
5. Global Workplace Analytics.

There is a wealth of data to demonstrate the gains that more localised working delivers. Research data shows:

90%
of CEOs say hybrid is saving them money[1]

75%
of hybrid and remote workers report better physical health[2]

88%
of hybrid and remote workers report better job satisfaction[2]

75%
of hybrid and remote workers report better work-life balance[3]

"Every firm out there is doing hybrid because it's such a no-brainer to increase profit."

Professor Nicholas Bloom
William Eberle Professor of Economics, Stanford University

Global context continued

Hybrid working – enabling employee happiness

The positive impact of the hybrid model on business performance is only part of the story. Widespread benefits for people's everyday lives, the environment and local communities are further essential gains that companies, the people working for them and the families they support are benefiting from, right across the world.

A key factor in employee attraction and retention

Factors including the reduced need to commute and the opportunity to spend more time with friends and family are making hybrid working an extremely attractive option for employees.

Recent research among 500 in-house and agency recruiters shows that hybrid is fast becoming an essential must-have for workers, with 75% saying they'd had candidates reject job opportunities that did not offer flexible working and 72% saying firms that do not offer it are becoming less attractive to talent[5].

As a corollary, employers are regularly reporting improved employee loyalty levels since making the shift to hybrid: 59% of CEOs questioned in one study said they had seen better attraction and retention following the change[5].

Significantly improved mental health and happiness

Quoting studies from Owl Labs and Ergotron, Bryan Robinson PhD of the University of North Carolina has highlighted how remote and hybrid workers are 22% happier than those working without flexibility and stay longer in their jobs[6].

Of the 1,000 full-time workers sampled in the Ergotron research, he wrote, 88% cited better job satisfaction, while 75% reported improved physical health and work-life balance.

The single biggest driver of greater employee happiness, meanwhile, is the reduced need to commute to city centres. This is the key finding of a study led by Dr Kiron Chatterjee of the University of the West of England, confirming the opportunities hybrid offers for improved subjective wellbeing[7].

Employees achieving important financial gains

Reduced commuting is also a major contributor to another key factor for employees: significant financial savings, putting people in a better position to meet their personal goals.

Recent IWG research undertaken with Development Economics has revealed the value of these savings, amounting to over $30,000 each year in the US and £13,000 in the UK[8].

An overwhelming majority (86% in the UK and 84% in the US) say that such savings have put them in a better position to meet goals such as saving for a rainy day, paying off debts, saving for holidays and creating a deposit to buy a home.

Much reduced environmental impact

But perhaps the most important positive impact of the reduced need to commute that results from hybrid working is the greatly reduced carbon emissions associated with it.

Research from Arup has established that hybrid working can reduce urban carbon emissions by 70% in the UK, which sounds staggering until compared with the US figure of up to 87%[9].

At a city level, this means potential reductions of up to 87% in Los Angeles and 82% in New York. In the UK, Glasgow (80%), Manchester (70%) and London (49%) all showed considerable improvement potential.

Communities benefiting from talent retention

Arup research also suggests that smaller towns in the US could see an increase in white-collar worker numbers of 60% over the next 20 years, and an even more extraordinary rise of 175% in the UK.

Citing Chippenham in Wiltshire where IWG has a centre as an example, the research shows the continued uptake of hybrid working could drive a 120% increase in the number of skilled workers in the town, significantly benefiting the local economy and enabling people to spend far more quality time with friends and family.

A better future for all

For businesses, individual employees, communities and the planet as a whole – the hybrid revolution has tangible benefits for everybody. That is why the ways of working it enables are here to stay, delivering enhanced productivity, a significantly better work-life balance and a better future for all.

5. How rigid office mandates are losing companies talent - HRreview.
6. Owl Labs research.
7. Commuting and Wellbeing: Dr K. Chatterjee et al.
8. The IWG Hybrid Working Calculator: US figure based on four days a week spent working locally and travelling one day a week to a central office. Includes incidental costs such as food and drink. UK figure based on three days a week spent working locally and travelling two days a week to a central office. Only transport costs included.
9. Arup research, 2023.

> "Business leaders should embrace the hybrid work revolution and harness its potential to create a healthier, more productive, and more satisfied workforce."
>
> **Dr Gleb Tsipursky**
> writing in Psychology Today.

75%
of recruiters say candidates rejected job opportunities that didn't offer flexible working[5]

72%
of recruiters say firms that don't offer it are becoming less attractive to talent[5]

59%
of CEOs said they had seen better attraction and retention after a change to hybrid[5]

Read more about the **shift to hybrid working**

Market megatrends

The growing flexible workspace market

The world of work has changed dramatically over recent years and will continue to change going forward. Companies, and employees alike are more demanding as to where, when and how they work.

This is being driven by multiple megatrends – and all point to a conclusion where the flexible workspace market is, and will continue to be, a structural winner.

Technology has changed the environment and manner of working beyond all recognition, before Covid, very few people had ever used Teams or Zoom, yet they are now ubiquitous. Long gone are the days where employees had to sit next to their colleagues five days a week from 9am to 5pm, and management had to physically see them to know they are being productive.

These changes, alongside the rapid growth of our capital-light offering has driven the acceleration of growth in our coverage and network. Increasingly, employees can work near to where they live, as opposed to putting up with the drudgery of a long and expensive commute. This has driven growth in our network outside of CBDs and provides a structural growth runway over coming years and decades.

Here we will discuss the megatrends in more detail:

Market megatrends

Capex

Companies want maximum optionality over their expenses and wherever possible seek to avoid being locked into long-term obligations. Flexible working enables companies to shift spend from capex to opex – and where possible, companies mostly want to rent not own. In a world where the biggest taxi company doesn't own any cars and the world's biggest hotel company doesn't own any rooms, the shift to capital-light operating models is only set to accelerate further in the future.

Costs

Real estate costs are often opaque, and confusing – the pricing of flexible workspace is simple, straightforward and transparent and this allows companies to better plan, budget and forecast. Our network and coverage enable us to generate huge economies of scale which we can then pass on to our customers and partners alike. Our ability to help our customers optimise their real estate strategy through their own life cycle also enables our customers to have less unproductive space, again, helping our customers to reduce their costs.

Platform

Companies increasingly utilise platforms in every facet of their business. This extends itself very obviously into how they lay out their real estate strategy. Companies want to have simple partnerships and relationships with their suppliers and therefore want to have straightforward relationships with real estate providers. If a multi-national wants to open a new sales outpost in a new region, they don't want the complexity of dealing with multiple suppliers – they want a one-touch solution to fulfil their needs. This drive to platform working supports the long-term trend to flexibility.

Flexibility

Over the past few years, these more flexible ways of working have become the default model for a significant proportion of white-collar workers with companies empowering their employees to work across multiple locations, splitting their time between local workspaces, a central office and home.

This is not simply a change in how people work, but rather a rebalancing of where economic value is created. The days of needing to be tethered to a central HQ are behind us. Technology has changed everything, effectively removing the need for daily long and expensive commutes.

Valuations

Historically, valuations of real estate companies were mostly asset value-based, however increasingly they are moving to free cash flow-based valuation techniques. Under the managed partnership model, our partners can earn premium cash flows versus a traditional lease, and ultimately increase the valuation of their building. Under this model, incentives are better aligned, and a longer-lasting, more symbiotic relationship is the result.

Technology

Technology changes everything eventually and has always shaped how we work. The difference today is the speed that change is unfolding. Advances in AI are accelerating the world of work at a speed most organisations - and individuals - are currently struggling to grasp.

The ongoing rise and adoption of AI will be beneficial for IWG and we will continue to be agile, adapting to new ways of working and harnessing its benefits to significantly drive efficiency and increase the velocity of our business. We expect even greater use of our network as companies grow their AI adoption.

Business model

We provide the largest network of flexible workspace in the world and continue to evolve our business model to drive value and opportunity

Accelerating the move towards a capital-light portfolio

The shape of our business is also changing as we continue to move towards a more capital-light strategy at an even faster pace.

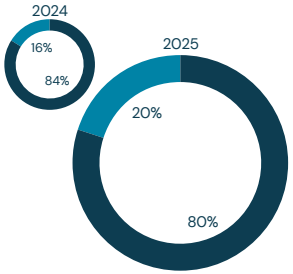
Our plans, and targets remain unchanged, to:

Expand margins in Company-owned

System revenue[1]

$4.5bn +4%

Managed & Franchised
Company-owned

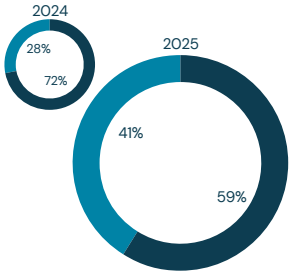


Grow fee income in Managed & Franchised

Locations[2]

4,609 +16%

Managed & Franchised
Company-owned

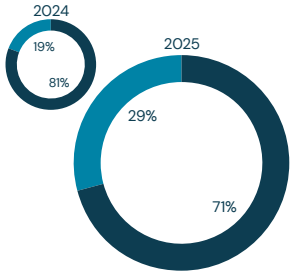


Develop and grow the most extensive coverage and network in the industry

Rooms[3]

1,047k +9%

Managed & Franchised
Company-owned



1. In 2025.
2. At Dec 31 2025, location growth in 2025.
3. At Dec 31 2025, growth in 2025.

Advancing our already industry leading platform

For landlords, our productised platform is helping to accelerate the build-out of the national and local networks.

What we offer:

Products: formats and solutions clients buy

- Product development
- Product management

Services: everything that wraps around them

- Service development
- Virtual service delivery
- Partnerships

Digital platform: discovery, delivery and optimisation

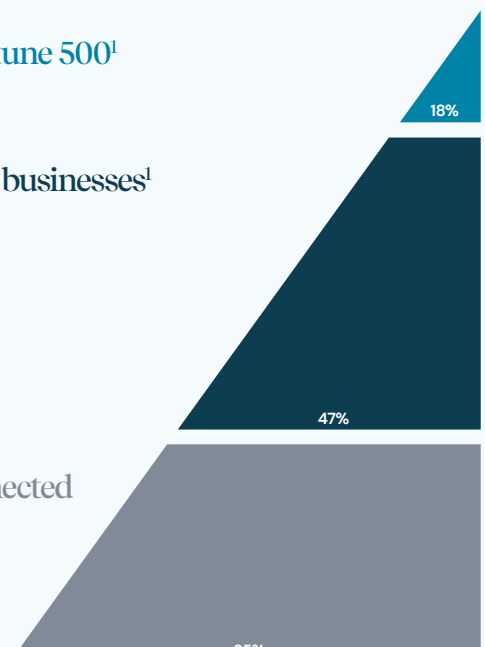
- Digital platform
- Apps, Websites, APIs, AI

Business model continued

We provide solutions to all types of customers from sole traders through to the World's biggest companies

Our customer pyramid
Our customers span all types of companies, from individuals, all the way up to the biggest companies in the world

IWG customer base | IWG customer split



Our customer revenue drivers
Customers increasingly want to optimise flexibility and to shift spending from capex to opex

Smart growth
Increasing speed & reliability
of new market entry

Flexibility
30% of corporate portfolios
will comprise flexible workspace by 2030[2]

Agility
83% of CEOs
already enable teams to work from multiple location[3]

Reduce costs
Flexible working can reduce organisations' real estate costs by
55%[4]

How our customers use our network
More and more of our customers are utilising more and more of the network – multiple products, multiple brands, multiple countries, multiple cities

84%
use multiple products[5]

30%
use multiple locations[5]

1. As of June 30 2025.
2. JLL, Future of Work, 2020.
3. IWG's 2026 State of the US C-Suite report.
4. IWG/Arup research, June 2025.
5. IWG Data.

Business model continued

We offer market leading services that deliver benefits to partners and businesses of every type and size

Bigger platform network and coverage
- Every new location strengthens customer reach and partner attraction
- Network effects reinforce scale advantages and improve profitability

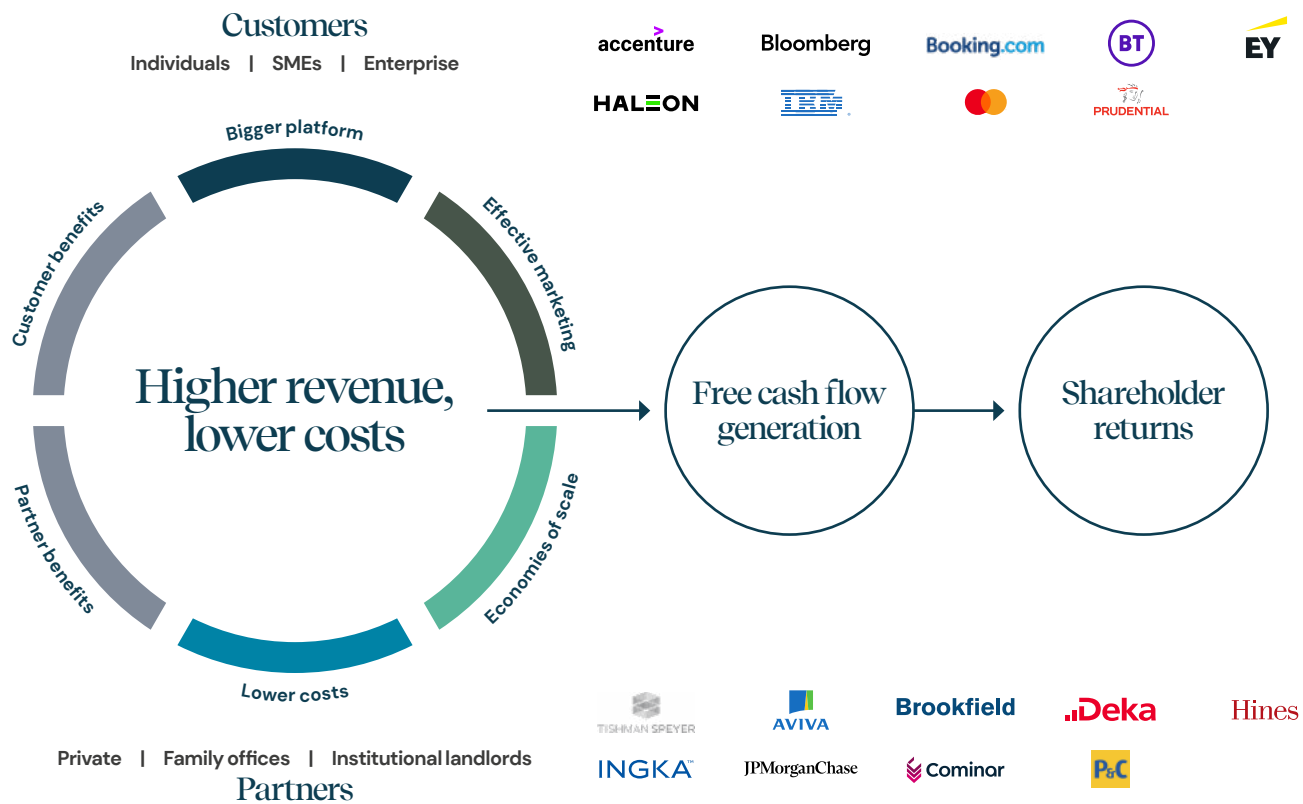
More effective marketing
- Our platform and network creates a virtuous cycle for customers and partners alike. Our Global / National and local reach enables our marketing to be far more ubiquitous whilst benefit from lower unit costs

Economies of scale
- IWG's expansive network leverages shared systems, procurement, and brand power
- Scale strengthens margins, enhances bargaining power, and supports global customers

Lower costs
- Scale benefits allow better value capex for Partners and more competitive fees to Customers

Customer and partner benefits
- By delivering market-leading services, we attract new customers and develop existing customer loyalty to create mutual value for shareholders

Read about the value we deliver to our partners on the following pages.



How we add value

Why our customers trust us

Customers trust us because we consistently deliver high-quality flexible workspaces backed by decades of global experience. Our reliable infrastructure, professional environments, and commitment to safety and service build confidence. With transparent agreements, responsive support, and a proven track record across industries, we earn long-term loyalty and trust worldwide.

Read more here

85%
of the Fortune 500 are customers[1]

>120
countries in the network[2]

100
product lines

1. As of June 30 2025.
2. As at December 31 2025.

We're a partner of choice for large enterprise

How our digital platform drives value for clients

- One platform, many entry points
- Single gateway to search, book, access and manage workspace
- API layer lets brokers, partners and enterprises integrate directly
- AI optimises inventory, pricing and client experience across the network
- Enterprise controls and insights give large clients dashboards to manage teams, spend and usage globally

Deliver any workspace, any service, anywhere in the world – in seconds.

Why our partners choose us

At International Workplace Group we utilise economies of scale. The scale of our network and coverage are key to offering our landlords exceptional service. We're the second largest furniture buyer globally.

Read more here

>1m

rooms in >120 countries[1]

100+

Products including co-working, offices, meeting rooms, virtual offices[1]

1. As at December 31 2025.

Scale and track record

Revenue

- Sales and marketing
- Customer network
- Platform
- Support

Operations

- Supply chain and logistics
- Economies of scale
- Operating platform
- Technology

Net returns

- Increased revenue
- Lower costs
- Real estate valuations moving from FCF to NAV

How we drive value for partners

- **Advisory:** using data and operating experience to advise property owners.
- **Certification services** for occupant wellbeing, sustainability, operational excellence – which drives demand and pricing.
- **Portfolio of workspace products:** from office and managed suites to members' clubs, science labs, medical suites, maker and workshop space, cafés, wellness and gyms.
- **A platform** that productises space into a diversified, in-demand offer, helping partners unlock value from day one and build long-term resilience into their assets.

Turning buildings into higher-value, higher-performing products.

How we empower our people

We provide meaningful career growth, inclusive culture, and the opportunity to shape the future of work. We invest in development, reward performance, and empower people to make real impact. With global opportunities, supportive leadership, and a dynamic, purpose-driven environment, we help our teams thrive and succeed.

93%
IWG employees said they would recommend the company

10,000
Employees globally

Case Study

Empowering Employees through Flexibility

IWG emphasizes flexible working arrangements across its global offices, giving employees greater control over schedules and work locations. This approach fosters work-life balance, enhances wellbeing, and increases job satisfaction, demonstrating how flexibility can drive a happier, more engaged workforce.

iwgplc.com

Case Study

Wellbeing Initiatives in the Workplace

At IWG regional offices, employees benefit from wellness programs such as yoga classes, ergonomic workspaces, and mental health support. These initiatives reduce stress, improve focus, and create a positive work environment, highlighting IWG's commitment to supporting staff health and productivity.

iwgplc.com

How we add value continued

Why our investors own us

As we transition to a capital-light model and expand our portfolio with innovative products and services designed to capture a greater share of wallet, we are uniquely positioned to accelerate growth. This pivot leads to a far lower level of capital intensity and lower operational leverage. This is leading to a business generating far more cash flow, allowing us to return significant capital to shareholders.

$2tn
total addressable market opportunity[1]

7x
more locations than largest competitor[2]

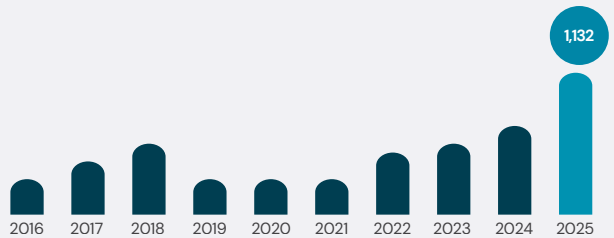
1,370
centres in pipeline to consolidate further IWG position[3]

$144m
returned to investors in 2025 through buybacks and dividends[4]

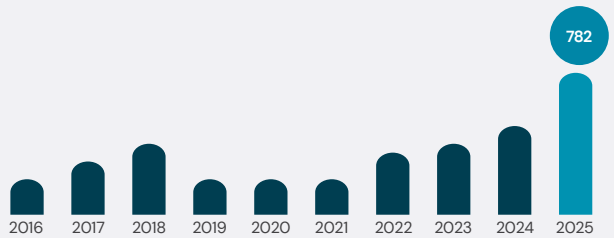
1. IWG Market Analysis, 2023.
2. Based on company website and press releases.
3. As at December 31 2025.
4. In 2025.
5. Relates to recurring fee revenue. Refer to glossary section for definition of term.

A track record of delivering results

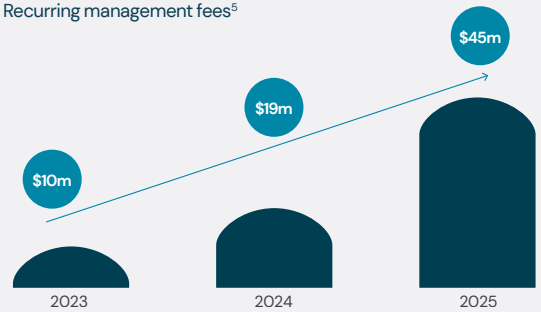
New locations signed



New locations opened

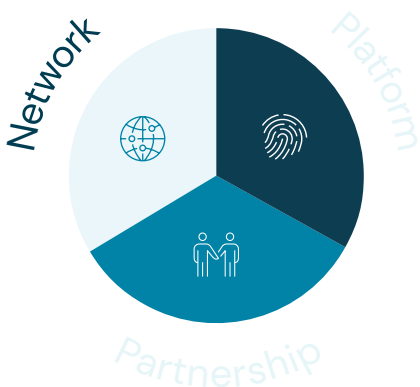


Recurring management fees[5]



Strategy dashboard

How we are extending our global market-leadership



Unique global network coverage

Providing high-quality workspace under a multiplicity of leading brands wherever it is required across the world – whether in cities, towns, suburbs and rural locations.

Highlights in the year

- In 2025 we added a record number of new locations to our network
- We opened 782 new, high-quality centres across many geographies
- We also signed 1,132 deals with landlords for new locations, further extending our pipeline to add to our network strength

Objectives for 2026 and beyond

- Aspiration of reaching 30,000 centres in the long term
- As we grow our network, the flywheel effect of more coverage, more customers, allows us huge economies of scale further cementing our advantage

How we measure success

- Continuing to profitably grow our network and coverage to provide our customers with locations that suit them

Sustainable partnerships

Our focus on franchising, and partnering with building owners, to create close, symbiotic relationships and drive significant revenue and cash flow generation, now and into the future.

Highlights in the year

- Our partnership sales team signed a record number of deals with landlords across the world
- These signings also led to record openings
- Heading into 2026, we have a record pipeline of signed, not yet open locations

Objectives for 2026 and beyond

- We expect to sign more locations in 2026 than in 2025
- We also expect to open more new locations in 2026 than in 2025
- This growth is getting broader in more and more countries, and deeper within countries

How we measure success

- Generating revenue for our partners, and fee income for IWG

Seamless platform

Delivering continuous technological development to bring our customers solutions that maximise workforce efficiency, flexibility and loyalty, no matter where their employees work.

Highlights in the year

- We continue to invest in technology to enhance the customer and partner journey, and embracing AI to improve the customer experience
- This investment also allows us to focus on what is best for our customers and partners as we can respond faster and more flexibly to shifts in customer preferences

Objectives for 2026 and beyond

- Drive customers and partners to our business utilising our technology and platform
- Continue to optimise locations and networks
- Utilise more tools such as AI to most efficiently work with our customers and partners

How we measure success

- Creating more flexibility in our business to respond to changing customer and partner preferences
- Using proprietary data to best target how we grow our network and coverage

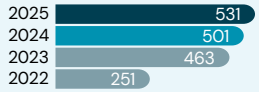
Group KPIs

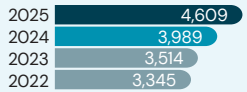
Sustainable growth

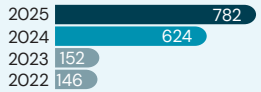
We aim to deliver sustainable profitable growth for our investors through providing customers globally with an unrivalled choice of convenient work environments that suit the full range of workspace and service needs.

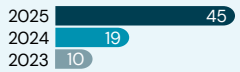
Link to directors' remuneration
- Annual bonus targets
- Long Term Incentives

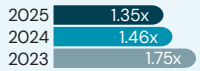
			Overview	Future ambitions and risk	Links
1	Industry-leading profitable growth	Adjusted EBITDA[1] ($m) **531m** (2024: 501m)	Adjusted EBITDA up 6% to $531m, reflecting the great progress we have made in focusing on driving revenue through our platform and a laser like focus on costs and efficiency.	Maintaining the strong focus on capital-light growth, creating the world's largest digital workspace platform and continued cost discipline, together with increasing revenue with drive continually improving profitability.	Annual bonus targets; Long Term Incentives
2	Global multi-brand network	Network (locations) **4,609** (2024: 3,989)	We continue to add quality, convenience and choice to our network in a carefully controlled and risk managed way. We opened 782 new locations in 2025, more than three centres every working day, as we continue to grow our coverage and network.	We remain focused on accelerating growth through our capital-light strategy by adding locations to the network. Simultaneously, we will continue to develop our brands to enhance the customer proposition.	Long Term Incentives
3	Network growth	New openings (locations) **782** (2024: 624)	As we continue to add high-quality locations to our network, our network and coverage advantage grows and we become more attractive to our customers. We are also driving down unit costs through economies of scale, and this makes us more attractive to partners.	We expect to sign and open more locations in 2026 than we did in 2025 as we continue to grow our scale, coverage and network.	Annual bonus targets
4	Recurring management fee growth	Recurring management fee revenue ($m)[2] **45m** (2024: 19m)	As we continue growing via our Managed & Franchise segment, this is translating into rapid fee income growth. This income stream is visible, repeatable, and high quality – the recurring fee income coming from the managed partnership locations has grown from $10m in 2023 – to $45m in 2025.	In 2025, we signed 1,089 new centre deals in the managed and franchised segment to be added to our global network. This pipeline of locations that are signed, but not yet open, also gives good visibility for the coming years as we continue building out our coverage and network.	Annual bonus targets
5	Strong balance sheet	Net Debt / Adjusted EBITDA[1] **1.35x** (2024: 1.46x)	2025 saw the Group continue to deliver the balance sheet whilst also returning $144m of capital back to shareholders through buybacks ($130m) and dividends ($14m). $100m of share buybacks have been announced for 2026 so far.	The inaugural bond issue in June 2024 backed by a debut investment grade credit rating put in place strong foundations and a longer term sustainable funding structure. This was followed by a 2032 bond issue in May 2025 – leaving no refinancing requirements until 2029 excluding $6m of the convertible bond that was not put by investors in December 2025 which will come due in 2027.	Annual bonus targets; Long Term Incentives











1. Refer to Reconciliation for alternative performance measures schedules for the detailed calculations page 126.
2. See the Glossary for the defined terms.

Segment KPIs

Two business divisions to deliver a 'great day at work'

We aim to deliver sustainable profitable growth for our investors through providing customers globally with an unrivalled choice of convenient work environments that suit the full range of workspace and service needs.

How we have restructured our reporting segments

As we set out in our Investor Day in New York City in December 2025, we have integrated Digital & Professional Services into the Company-owned and Managed & Franchised segments which is how we present our business. The two segments are defined by how the operating models differ – but importantly, the way we face our clients is the same across the entire business. From 1 January 2026, the Company has consolidated its Digital and Professional Services operating segment into its other two operating segments.

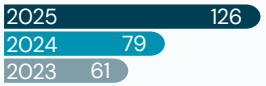
1 Managed & Franchised

These locations do not have leases or require IWG to spend any capex. IWG receives a management / franchise fee from System revenue. Focus on expanding the network and coverage, driving RevPAR and fee income.

Fee income ($m)

126m

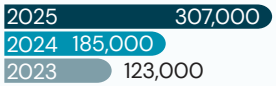
(2024: 79m)



Open Rooms

307,000

(2024: 185,000)



Recurring management fee income:

140% growth

in 2025

2 Company-owned

IWG recognises full revenue and full cost of this operating model. It also includes Enterprise Managed Real Estate. Risk reduced via the Special Purpose Vehicle structure. Focus on driving RevPAR and driving gross margins towards our 30% target.

Adjusted gross profit[1] ($m)

945m

(2024: 920m)

Adjusted gross margin (%)

26.4%

(2024: 25.4%)

97bps

adjusted gross margin expansion in 2025

1. Gross Profit excluding adjusting items defined in the alternative performance measures section.

Chief Financial Officer's review

Record revenue, EBITDA and centre openings

"2025 delivered in line with guidance as we expected and outlined at the 2024 full-year results presentation in March 2025."

Charlie Steel
Chief Financial Officer

2025 delivered in line with guidance as we expected and outlined at the 2024 full-year results presentation in March 2025. We had the highest-ever network growth at 782 openings, with System-wide revenue of $4.5bn, Adjusted EBITDA of $531m, positive earnings for a second consecutive year and underlying cash flow before shareholder returns of $162m. This enabled us to deliver capital returns to investors of $144m, comprising dividends of $14m and share buybacks of $130m. During 2025 we have also:

- Converted our reporting framework to US GAAP
- Completed the reorganisation of the Group's operating segments
- Undertaken a Group-wide ERP implementation and continued to invest in AI and automation
- Strengthened our balance sheet further with no refinancing needs until 2029 through the issuance of a €300m Investment Grade bond in May, fully hedged into USD reducing FX volatility

These changes will enable us to capitalise on our scale as the business grows while delivering further on our existing capital allocation policy with the dividend and continued share buyback programme.

Group income statement

We again show strong system-wide revenue performance during 2025 which is driving further capital-light income and therefore the business's transition towards a fee-driven model.

$m, US GAAP basis	2025	2024
System-wide revenue	4,453	4,297
Revenue	**3,762**	**3,756**
Cost of Sales	(2,731)	(2,808)
Gross profit	**1,031**	**948**
Gross profit margin	*27.4%*	*25.2%*
Selling, general and administrative expenses	(546)	(514)
Allowance for credit losses	(18)	(13)
Depreciation & Amortisation before landlord contributions	(357)	(333)
Depreciation of landlord contributions (cost reimbursements) on leased properties	64	80
Impairments, disposals and closures	(31)	(26)
Operating income	**143**	**142**
Interest expense	(87)	(64)
Other finance costs	(13)	(20)
Profit before tax	**43**	**58**
Taxation and equity method investments	(28)	(40)
Profit for the period	**15**	**18**
Net (loss) attributable to non-controlling interests	(3)	–
Net income attributable to the Company	**18**	**18**
EPS (¢)		
Basic	1.8	1.8
Diluted	1.8	1.8
Adjusted EPS (¢)		
Basic	4.8	2.8
Diluted	4.7	2.7

Segmental reporting

Up to 31 December 2025 the Company has been organised into three operating segments based on the types of services provided, namely the IWG Network (Company-owned and Managed & Franchised) and Digital & Professional Services.

Company-owned comprises leased and owned properties, Managed & Franchised comprises all centres that IWG operate on behalf of building owners or under franchise agreements and Digital & Professional Services comprises enterprise managed real estate (where IWG manage space on behalf of an enterprise customer with a back-to-back lease in place) and other activities such as digital services, brokerage and consulting.

As announced at the Investor Day in December 2025, Digital & Professional Services reporting will be integrated into the other two segments in 2026 as follows:

- Enterprise Managed real estate business will be reported in the Company-owned segment
- Virtual Office revenues associated with Company-owned locations reported in Company-owned segment; and
- Digital, brokerage and consulting services will be reported in the Managed & Franchised segment

The Managed & Franchised segment under both the old and new structure carries no lease liability as IWG does not hold the underlying property leases when it manages a site on behalf of a third party.

The two segments are presented below with a reconciliation to the three segments in the APM section.

Revenue

Group system-wide revenue increased by 4% to $4,453m. Group revenue stayed flat at $3,762m. This reflects the ongoing transition to a capital-light model, with the Managed & Franchised segment accounting for a growing share of system-wide revenue. While this segment remains smaller in absolute revenue terms, the profitability of these revenues is significantly higher than that of the Company-owned segment, reinforcing the strategic value of this shift.

Our Managed & Franchised business delivered 28% system-revenue growth year-over-year to $876m (FY24: $682m) and $185m of segment revenue. Fee income increased by 60% to $126m (2024: $79m), of which recurring management fees grew 2.4x to $45m (2024: $19m). The growth in this segment is driven by the unprecedented number of centre openings, 782 during 2025, where signings continue to convert into openings at pace and therefore become revenue generating.

Company-owned remained stable, delivering segment revenue of $3,577m.

	System-wide Revenue			Segment Revenue		
$m	2025	2024	% change	2025	2024	% change
Managed & Franchised	**876**	682	28%	185	141	31%
Company-owned	**3,577**	3,615	(1%)	3,577	3,615	(1%)
Group	**4,453**	4,297	4%	**3,762**	3,756	nm

Revenue per Available Room (RevPAR)

RevPAR is a monthly average KPI, defined as the system-wide revenue excluding the Managed Real Estate business (where IWG manage space on behalf of an enterprise customer with a back-to-back lease in place), and excluding centres opened and closed during the year, divided by the number of available rooms, which is defined as 7 square metres across all usable space. RevPAR is a well understood measure used across many industries and is particularly relevant to IWG as it incorporates all revenue received across IWG's expansive product portfolio.

Given the scale of growth and room additions that the Company is adding to the Network, RevPAR excluding centres opened in 2024 is presented below to show RevPAR progression excluding the impact of centres not yet mature. It is expected that the higher-growth segments will show a falling year-over-year RevPAR because new locations that have opened but are not yet mature are contained within the calculation.

Managed RevPAR is $211 (2024: $256) and excluding 2024 and 2025 openings, is $350, being driven by new centre revenue performing in line with our plans. RevPAR in our franchised locations was $511 (2024: $499) which is higher than in our Managed Partnerships locations due to: (a) franchise locations being predominantly in high RevPAR countries, in particular Japan and Switzerland and (b) the higher maturity of franchise locations which have been operating for many years. As we have previously disclosed, RevPAR on these additional Managed Partnerships rooms is targeted to be $250 at maturity.

RevPAR in Company-owned for 2025 was $340, down by ~5% (2024: $357). This is due to price reductions to drive long-term occupancy. Higher occupancy also drives more revenue capture opportunity through ancillary services.

System RevPAR ($, monthly average)	2025	2025 ex 2024 openings	2024	% change
Managed & Franchised	**327**	453	408	(19.9%)
Managed	**211**	350	256	(17.6%)
Franchised and JVs	**511**	527	499	2.4%
Company-owned	**340**	350	357	(4.6%)
IWG Network	**338**	363	367	(8.1%)

Adjusting items

The Group identified net adjusting items on gross profit of $64m (2024: $80m), operating profit of $95m (2024: $106m) and net income of $(65)m (2024: $(96)m).

These adjusting items refer to depreciation of landlord contributions (cost reimbursements) on leased properties of $64m (2024: $80m), impairment of long-lived assets and goodwill of $29m (2024: $83m), (gain) loss on disposal of long-lived assets and other closure related (credits) costs of $2m (2024: $(57)m) and gains on extinguishment of debt of $(1)m (2024: $(16)m).

Chief Financial Officer's review continued

Adjusting items impact ($m)	2025	2024
Depreciation of landlord contributions (cost reimbursements) on leased properties	64	80
Adjusting items impact on Gross Profit	**64**	**80**
Impairment of long-lived assets and goodwill	29	83
Loss (gain) on disposal of long-lived assets and other closure related (credits) costs	2	(57)
Adjusting items impact on Operating Profit	**95**	**106**
Adjusting items impact on EBITDA	**95**	**106**
(Gain) on extinguishment of debt	(1)	(16)
Depreciation of landlord contributions (cost reimbursements) on leased properties included in EBITDA	(64)	(80)
Adjusting items impact on Net Income	**30**	**10**

Adjusted gross profit

Gross profit increased from $948m in 2024 to $1,031m in 2025 and adjusted gross profit increased from $1,028m in 2024 to $1,095m in 2025.

Company-owned adjusted gross margin of 26.4% (2024: 25.4%), progression of 97bps as we continue to expect margins to trend towards our 30% target in the medium term.

Adjusted gross profit ($m)	2025	Adjusting items[1]	2025 – Adjusted	2024	Adjusting items[1]	2024 – Adjusted
Managed & Franchised	**150**	–	**150**	108	–	108
Company-owned	**881**	64	**945**	840	80	920
Adjusted gross profit	**1,031**	64	**1,095**	948	80	1,028

1. Adjusting items refer to the impact of the depreciation of landlord contributions (cost reimbursements) on leased properties on leases included in Depreciation and Amortisation.

Selling, general and administrative expenses

Group SG&A increased in 2025 to $546m (2024: $514m). Core overheads remained flat as we continue to manage costs effectively, discretionary overheads increased as we selectively invest in growth, specifically:

- $30m on the Partnership sales team, an additional investment of $5m year-over-year, to ensure we maintain our market leading position. We signed 1,132 new deals in 2025 vs 899 in 2024 and, whilst our partnership sales team is an ongoing cost, we are expecting that the cost will be less than signings growth, therefore margins should continue to grow;
- $46m of marketing spend, an additional $33m year-over-year, to support the brand and centre growth, in particular additional marketing spend to increase the success of new centre openings; and
- $9m of project costs, $4m increase year-over-year, recognised on one-off investments into the scalability of our sales and operating platform as we continue to optimise and automate processes.

Operating Income

Operating Income increased to $143m. The increase in gross profit was offset by year-over-year increases in SG&A of $32m, allowance for credit losses of $5m, and impairments and gain / loss on disposals of long-lived assets of $4m.

Net finance expense

The Group reported a net finance expense of $100m (2024: $84m). The increase is predominantly due to higher interest rates on Group debt following refinancing transactions completed in 2024 and the repayment of the convertible bond. The Group did not believe a lower coupon on the convertible bond merited additional dilution risk.

The net finance expense in 2025 includes cash interest of $87m related to borrowing facilities (2024: $64m). All the Group's Eurobonds are hedged into USD using cross-currency interest rate swaps. Under the swap agreements, interest is paid semi-annually in Q2 and Q4. Other finance costs predominantly include commitment fees and bank charges on facilities such as the $720m revolving credit facility and guarantees.

As of 31 December 2025, the cross-currency interest rate swaps had a positive fair value of $87m.

Finance expense ($m)	2025	2024
Interest expense	(87)	(64)
Foreign currency gain / (loss)	7	(17)
Gain on extinguishment of debt	1	16
Other finance costs[1]	(21)	(19)
Net finance expense	**(100)**	(84)

1. Relates primarily to bank fees. Excludes financing fees on the issuance of the Eurobonds which are capitalised.

Taxation

The estimated annual effective tax rate in 2025 is 74% (2024: 69%). The Group has performed an assessment of its potential exposure to Pillar Two global minimum income taxes and does not expect any material top-up taxes to arise in any jurisdiction in which it operates. The majority of the Group's entities benefit from transitional safe harbour rules which take them out of scope of the full rules, and the remaining countries are not expected to give rise to any material top-up tax. This position is unchanged from year-end 2024.

Given the Group's global footprint across over 120 countries, it is not possible to take advantage of tax grouping on a global basis. As a result, the aggregation of tax paid in individual countries can lead to a high effective tax rate on group profits in certain periods. Although it is difficult to predict the impact of developments in global taxation, as profitability of the Group increases it is expected that the effective tax rate will fall.

Earnings per share

Earnings per share attributable to ordinary shareholders in 2025 was a profit of 1.8c (2024: profit of 1.8c). Adjusted earnings per share attributable to ordinary shareholders in 2025 was a profit of 4.8c (2024: profit of 2.8c).

The weighted average number of shares in issue during the period was 1,007,813,563 (2024: 1,009,815,216). At 31 December 2025 the Group held 15,307,650 treasury shares (31 December 2024: 45,241,020). During the years ended 31 December 2025 and 2024, share awards of 14,693,363 and 9,320,378, respectively, had a dilutive effect with a negligible impact on the basic earnings per share.

Adjusted EBITDA

The Group's Adjusted EBITDA increased to $531m (2024: $501m).

EBITDA ($m) Bridge	2025	Adjusting items[1]	2025 – Adjusted	2024	Adjusting items[1]	2024 – Adjusted
Managed & Franchised	150	–	150	108	–	108
Company-owned	881	64	945	840	80	920
Adjusted gross profit	**1,031**	64	**1,095**	948	80	1,028
SG&A	(546)	–	(546)	(514)	–	(514)
Allowance for credit losses	(18)	–	(18)	(13)	–	(13)
Depreciation & Amortisation	(293)	–	(293)	(253)	–	(253)
Impairments, disposals and closures	(31)	31	–	(26)	26	–
Operating profit	**143**	95	**238**	142	106	248
Depreciation on property plant and equipment	238	–	238	199	–	199
Amortisation of intangible assets	55	–	55	54	–	54
Adjusted EBITDA	**436**	95	**531**	395	106	501

1. Adjusting items as per table above.

Network growth

Unprecedented network expansion, increasing our footprint by 16% to 4,609 centres (2024: 3,989). We opened 782 new centres (2024: 624 centres) and rationalised 162 centres (2024: 149 centres). Furthermore, 1,132 new centre deals were signed in 2025. Out of the 1,132 new deals signed 99% of the deals are capital-light which underpins our success of growing the network with minimal capital expenditure.

Of the 782 centres opened in 2025, 769 centres were capital-light openings which comprised managed partnership centres, variable rent centres, franchised centres and joint-venture centres. Only 13 centre openings were on a fully conventional basis.

Our estate of 4,609 centres as per the end of December 2025 is split into 41% or 1,891 in Managed & Franchised, which increased by 69% year-on-year, and 2,718 centres in Company-owned, of which 756 have variable rents. Strong growth in Managed partnership openings is expected to continue through 2026.

Key KPIs	2025	2024	YoY change	YoY change %
Number of centres open	**4,609**	3,989	620	16%
Centre Openings	782	624	158	25%
Of which capital-light[1]	769	601	168	28%
In %	98%	96%		
Total new centre deals signed	**1,132**	899	233	26%
Of which capital-light[1]	1,124	852	272	32%
In %	99%	95%		

1. Includes locations signed/opened in Managed & Franchised and Variable rent areas.

System locations movement by type	December 2024	Centre openings	Centre rationalisations	Change	2025
Conventional	2,004	13	(60)	5	1,962
Variable rent (capital-light)	869	36	(42)	(107)	756
Company-owned	2,873	49	(102)	(102)	2,718
Managed & Franchised (capital-light)	1,116	733	(60)	102	1,891
Total	3,989	782	(162)	–	4,609

System rooms movement by type (000)	December 2024	Centre openings	Centre rationalisations	Change	2025
Conventional	543	5	(14)	(2)	532
Variable rent (capital-light)	233	8	(9)	(24)	208
Company-owned	776	13	(23)	(26)	740
Managed & Franchised (capital-light)	185	112	(11)	21	307
Total	961	125	(34)	(5)	1,047

Chief Financial Officer's review continued

Cash flow

$m	2025	2024
Adjusted EBITDA	**531**	501
Working capital related to the depreciation of landlord contributions (cost reimbursements) on leased properties	(130)	(117)
Working capital	45	(47)
Maintenance capital expenditure (net)	(92)	(49)
Funding of employee share awards[1]	15	–
Other items	(9)	(12)
Cash flow from business activities[2]	**360**	276
Tax paid	(34)	(35)
Net finance costs on bank & other facilities	(82)	(74)
Cash inflow before growth capex and corporate activities	**244**	167
Gross growth capital expenditure	*(123)*	*(107)*
Growth-related landlord contributions	*41*	*44*
Net growth capital expenditure	(82)	(63)
Purchase of subsidiary undertakings (net of cash)	–	(3)
Cash inflow before corporate activities	**162**	101
Proceeds from issue of loans, net of related transaction costs	2	808
Proceeds from issue of Eurobond, net of related transaction costs	337	669
Repayment of loans	(6)	(1,278)
Repayment of Convertible bond	(195)	(228)
Payment of ordinary dividend	(14)	(17)
Share buyback	(130)	–
Finance transaction costs	(5)	(30)
Other financing activities, net (incl. Contingent consideration payment on acquisition of companies)	–	(3)
Net cash inflow for the year	**151**	22
Opening net cash	148	141
FX movements	5	(15)
Closing cash	**304**	148

The total proceeds from landlord contributions relating to the reimbursement of costs and lease incentives of $49 million (2024: $56 million) are allocated between maintenance landlord contributions of $41 million (2024: $44 million) and growth landlord contributions of $8 million (2024: $12 million)

1. Expenses in relation to employee share awards are included in Adjusted EBITDA.
2. Cash flow before growth capex, tax, finance cost on bank and other facilities, financing activities and dividends.

We continued to grow our business and revenues whilst managing our cost base, delivering a 60% increase in cash inflow before corporate activities in 2025 of $162 million (2024: $101 million). Cash flow was positively impacted by payments which were scheduled in 2025, but were paid at the start of 2026. Working capital relating to the depreciation of landlord contributions (cost reimbursements) on leased properties refers to historic cash contributions made by landlords for growth capex in the Company-owned segment (shown as growth-related partner contributions further down the cash flow statement) and is amortised over the lifetime of the corresponding lease.

Cash tax paid was $(34) million in 2025 (2024: $(35) million) and primarily relates to corporate income tax and withholding taxes paid in various countries in which the Group operates. Finance costs paid on bank and other facilities was $(82) million in 2025 vs $(74) million in 2024, the increase of which is due to the refinancing transactions completed in 2024 and 2025.

Cash inflow before growth capex, financing and dividends was $244 million (2024: $167 million).

Total net capex was $174 million in 2025 (2024: $112 million). Maintenance capex was $92 million in 2025 (2024: $49 million) and has evolved as expected and, as previously guided, is expected to be around $100 million and growing with inflation going forward. Net growth capex was $82 million in 2025 (2024: $63 million but $88 million as previously reported on a pre-IFRS 16 basis). Net growth capex increased in 2025 primarily due to two factors: firstly, timing differences in the enterprise managed real estate business between when contributions were received and when the related capex was spent; and secondly, under US GAAP, capex is recognised when the cash is actually paid. Some accrued (unpaid) capex from 2024 was settled in mid-2025, which has driven a higher year-on-year capex outflow on a US GAAP basis. These two factors should be considered alongside the working capital inflow for 2025.

Capital expenditure, $m	Managed & Franchised	Company-owned	2025	Managed & Franchised	Company-owned	2024
Growth capital expenditure	–	110	110	–	89	89
Landlord contributions to Growth capital expenditure	–	(41)	(41)	–	(44)	(44)
Growth capital expenditure on Intangible Assets	7	6	13	14	4	18
Net Growth capital expenditure	**7**	**75**	**82**	14	49	63
Centre maintenance capital expenditure	–	85	85	–	48	48
Landlord contributions to Maintenance capital expenditure	–	(8)	(8)	–	(12)	(12)
Maintenance capital expenditure on Intangible Assets	–	15	15	–	13	13
Net Maintenance capital expenditure	–	**92**	**92**	–	49	49

Financing

During 2025 the Group successfully completed an additional debt transaction, extending the Group's debt maturity, and repurchased a further proportion of the Convertible Bond:

- €300 million Eurobonds at an issuance price of 99.369%, a fixed coupon rate of 5.125% and a bullet maturity of 14 May 2032. The bonds are traded on the London Stock Exchange's International Securities Market and were fully hedged into USD, along with the previously unhedged portion of the Group's €625 million Eurobonds.
- 2027 0.5% Convertible Bond:
  - The Company repurchased £18m ($23 million) face value of the Convertible Bond at a weighted average price of £0.966, including accrued interest, representing a consideration of £17m ($22 million).
  - On 9 December 2025, bondholders exercised their option to cash settle at par and the Company repaid £136 million ($183 million) face value of the Convertible Bonds at a weighted average price of £1, including accrued interest, representing consideration of £136 million ($183 million).
  - The Company also closed out all the remaining forward exchange contracts relating to the Convertible Bond on 9 December 2025.
  - Following these transactions, £5 million ($6 million) in aggregate principal amount of the Convertible Bond remains outstanding.

Net debt

Net financial debt was $(715) million at 31 December 2025 (31 December 2024: $(729) million). Net debt came in below expectations this year, and we anticipate it will rise through 2026 to slightly above 2024 levels. The Group's total debt facilities, including details of drawings, is summarised below:

Net Financial Debt $m	31 Dec 2025	31 Dec 2024
2027 0.5% Convertible Bond	6	199
Eurobond[1]	991	648
RCF Drawn	–	–
Revolving Credit Facility (RCF)	*720*	*720*
RCF guarantee allocation	*284*	*339*
Cash RCF available	*436*	*381*
Other debt	20	19
Cash and cash equivalents	(302)	(137)
Net financial debt	**715**	729

At 31 December 2025 the Group complied with all facility covenants.

1. Presented net of amounts related to the effective portion of forward exchange contracts and cross-currency interest rate swaps that hedge the principal component of the debt.

Dividends

In line with the Group's dividend policy, the Board has agreed to pay a final dividend of 0.93¢ per share (2024: 0.90¢ per share). The dividend is expected to be paid on 29 May 2026 to shareholders on the register at the close of business on 1 May 2026. Dividends are declared in US dollars and paid in pounds sterling with an option for shareholders to elect to receive payment in US dollars. The foreign exchange rate at which the final dividend will be converted into pounds sterling will be the New York closing rate on 1 May 2026.

Share buyback

IWG repurchased and cancelled 48,512,425 ordinary shares for $130 million during 2025, equating to 4.5% of share capital outstanding. The programme average purchase price was £2.0113, a 13.1% discount to the share price as at 31 December 2025. A $50 million tranche of a new programme for 2026 was announced on 31 December 2025. An additional $50m was announced on 3 March 2026. All share buybacks have been carried out in accordance with the authorisation granted by Shareholders.

Foreign Exchange

Per USD$	2025	2024	%	2025	2024	%
Sterling £	0.74	0.80	7%	0.76	0.78	3%
Euro €	0.85	0.96	12%	0.89	0.93	4%

Risk management

Effective management of risk is an ongoing concern for the Group and crucially, integral to our growth planning. A detailed assessment of the principal risks and uncertainties which could impact the Group's long-term performance and the risk management structure in place to identify, manage and mitigate such risk will be included in the 2025 Annual Report and Accounts.

Related parties

There have been no changes to the type of related-party transactions entered into by the Group that had a material effect on the financial statements for 2025. Details of related-party transactions that have taken place in the period can be found in Note 23.

Going concern

The Group reported a profit after tax of $15 million in 2025 (2024: profit of $18 million). Cash flow before growth capex and corporate activities but after interest and tax was $244 million (2024: $167 million). Furthermore, net cash of $364 million (2024: $272 million) was generated from operations during the same period. Although the Group's balance sheet at 31 December 2025 reports a net current liability position of $2,068 million (31 December 2024: $2,277 million), the Directors concluded after a comprehensive review that no liquidity risk exists as:

1. The Group had funding available under the Group's $720 million revolving credit facility of $436 million (31 December 2024: $381 million) which was available and undrawn at 31 December 2025. The facility's current maturity date is June 2029.
2. A significant proportion of the net current liability position is due to lease liabilities which are held in non-recourse special purpose vehicles but also with a corresponding right-of-use asset. A large proportion of the net current liabilities comprise non-cash liabilities such as deferred revenue of $334 million (31 December 2024: $539 million) is expected to be recognised in future periods through the income statement. The Group holds short-term customer deposits of $621 million (31 December 2024: $584 million) which are spread across a large number of customers and no deposit held for an individual customer is material.
3. The Group maintains a 12-month rolling forecast and a three-year strategic outlook. It also monitors the covenants in its debt facilities to manage the risk of potential breach. The Group expects to be able to refinance external debt and/or renew committed facilities as they become due, which is the assumption made in the viability scenario modelling, and to remain within covenants throughout the forecast period. In reaching this conclusion, the Directors have assessed:
   - the potential cash generation of the Group against a range of illustrative scenarios (including a severe but plausible outcome); and
   - mitigating actions to reduce operating costs and optimise cash flows during any ongoing global uncertainty.
4. Has ability to access further liquidity through the debt capital markets as demonstrated through the bond issuance in 2024 and 2025.
5. An external assessment from Fitch, a leading global credit rating agency, which has rated the Group and its listed bonds as investment grade with a BBB (Stable) rating and has continued to monitor the Group's financial performance since the initial rating assessment.

Due to the above, the Group does not believe the net current liabilities represents a liquidity risk. The Directors consider that the Group is well-placed to successfully manage the actual and potential risks faced by the organisation including risks related to inflationary pressures and geopolitical tensions.

On the basis of their assessment, the Directors have a reasonable expectation that the Group has adequate resources to continue in operational existence for a period of at least 12 months from the date of approval of these Group consolidated financial statements and consider it appropriate to continue to adopt the going concern basis in preparing the financial statements of the Group.

Charlie Steel
Chief Financial Officer
16 March 2026

Our People

A skilled and engaged workforce creating a positive culture

People at IWG are central to the delivery of the Group's strategy and transformational network growth. The Board recognises that attracting, developing and retaining a skilled and engaged workforce is critical to maintaining operational excellence, supporting innovation and creating value for all stakeholders.

Workforce overview

During the year, the Group employed an average of 10,000 team members across its operations. Employees are based across a range of functions, reflecting the breadth of the Group's activities. The Board and senior leadership team receive regular updates on workforce composition, engagement, succession and capability to ensure that people considerations remain aligned with strategic priorities.

Culture and engagement

IWG seeks to foster a culture built on shared values, collaboration and accountability.

An employee engagement survey was conducted during the year, with participation levels remaining high. Results indicated improved engagement across key measures, including clarity of objectives, confidence in management support and clear training enabling people to do their job. The annual engagement survey showed 93% of new starters would recommend IWG as an employer. Action plans have been implemented at both Group and local levels to address areas for improvement identified through the survey.

Regular leadership meetings, town halls, and business reviews maintain team alignment on vision and performance.

Recognition includes regional leadership conferences, international incentive trips, accreditation certifications, and recognition pins for field teams.

Learning, development and talent management

The development of our people is a key enabler of future performance. IWG provides a range of learning and development opportunities designed to build technical skills, leadership capability and succession strength.

During the year, employees completed an average of 42 hours of training delivered through a combination of formal courses, on-the-job learning and digital platforms. Leadership development programmes were expanded to support the progression of high-potential employees and to strengthen succession planning for critical roles. Core programmes cover health and wellbeing, compliance, and IT security, with 98% of team members participating in training. Our IWG Academy had 4 million views with 9,500 people attending a live training event and 50,000 training places filled with our global team members.

Clear career pathways with targeted training empower customer teams to grow and deliver world-class service with 2,300 people being promoted as a result.

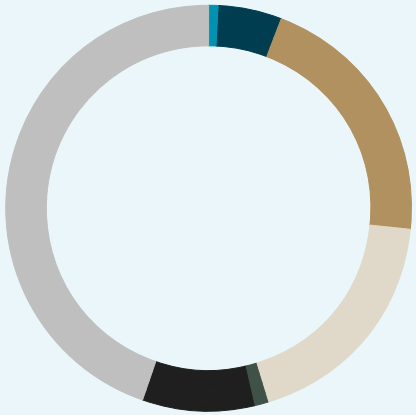
Performance management processes are in place to align individual objectives with the Group's strategic priorities and to support ongoing feedback and development.

IWG continues to take steps to improve diversity at senior levels.

The IWG women's forum has proved especially popular and it has become the go-to place for career, professional and wellbeing education and support for this cadre of people.

In our largest market, North America, our workforce is:

Ethnicity



American Indian	1%
Asian	5%
Black	21%
Hispanic	19%
Pacific Islander	1%
Two or more	9%
White	45%

Board

Male	67%
Female	33%

Senior Leadership Team

Male	77%
Female	23%

Global

Male	35%
Female	65%

Country

Male	30%
Female	70%

Leadership

Male	66%
Female	34%

Our People continued

Diversity, equity and inclusion

The Group is committed to providing an inclusive working environment where employees are treated fairly and with respect. We aim to ensure equality of opportunity in recruitment, development and promotion, regardless of gender, age, disability, ethnicity, sexual orientation or other protected characteristics.

Wellbeing and support

Employee health remains a key focus. The Group recognises that supporting physical and mental excellence is essential to sustaining performance and engagement. Initiatives during the year included mental health awareness training and flexible working arrangements, where appropriate.

The Company has launched a specific wellbeing hub on The IWG Academy for all employees to access with training, education, articles and webinars on this important topic. IWG operates health and safety systems such as taking daily rest breaks and taking regular personal time off. Performance is monitored through regular reporting and audits.

This is complemented by a confidential "ethics helpline" and an international assistance programme offering free counselling to employees as needed – this extends to family members.

Reward and recognition

The Group seeks to provide fair and competitive remuneration, aligned with market practice and individual performance. Reward structures are designed to support the achievement of strategic objectives while recognising contribution and promoting retention.

Employee benefits are reviewed regularly to ensure they remain relevant and supportive of employee wellbeing.

Pay increases averaged 6% globally for 2025.

Growth and recruitment

IWG's rapid global network expansion requires a world-class team of property experts to foster partnerships with landlords and property owners, enabling business growth through the workspace revolution. This necessitates a focused recruitment, training, and leadership approach to attract new talent worldwide, meeting partner demands. The recruitment model onboarded over 3,500 new team members globally in 2025, using a multi-channel strategy including referrals, social media, job boards, proactive sourcing, and agencies. AI is embraced to improve recruitment processes while hiring decisions remain with experienced managers.

Customer service excellence

With a step-up in network growth, customer service expectations have increased. IWG's customer teams are pivotal in delivering consistent, high-quality service supported by new offerings enhancing the customer experience. The IWG Academy serves as a dedicated platform for knowledge, education, development, and recognition, empowering customer-facing teams to succeed.

Innovation and future planning

Investment in over 500 new people that are focused on strategy and innovation positions IWG to exceed future customer expectations. This includes new talent to develop products and brands, new digital platforms and streamlined operations using advanced technologies such as AI to improve experiences for customers and partners.

HR shared services and technology

IWG's global HR service model focuses on automation to support scalable processes for a growing workforce. In 2022 IWG had 40,000 tickets from employees. In 2025 this was 20,000 tickets with the reduction a direct result of better people policies and processes. In 2026, we will implement our IWG chatbot for faster and more accessible support eliminating tickets altogether. This was a specific request from the staff survey on tickets.

Data-driven people management

Data underpins monitoring of employee wellbeing, productivity, retention and efficiency through dedicated people plans by country and city. This data-driven approach helps leaders optimise performance for customers, partners, and shareholders in real time through the HR dashboard.

Outlook for 2026

IWG plans to leverage new technology and AI to provide a dynamic platform supporting continued growth for landlords, property partners, customers, shareholders, and employees, who remain central to the Company's success and strategy. IWG maintains its commitment to being an employer of choice, recognised as a Leading Employer award winner in 2025.

Risk management and principal risks

Managing our risks

Risk management is an integral part of IWG's operational practices and strategic planning process. Having efficient and robust enterprise risk management is vitally important to the achievement of our strategic objectives.

As such, we conduct regular enterprise-wide risk reviews to identify and consider potential risks to the Group and its strategy. We calculate their possible impact and implement strategies to protect the interests of IWG and all its stakeholders.

The Board has overall responsibility for ensuring that IWG has an appropriate risk management framework in place. This includes approving the risk appetite for the Group. Our risk appetite outlines the extent to which we are willing to take measured risks in pursuit of our strategic objectives.

Three Lines model

IWG operates the Three Lines model to manage risk, endorsed by the Board. See diagram on the right. Three Lines model IWG's risk management framework is designed to reduce and manage, rather than eliminate risk through disciplined and practical risk identification, assessment and mitigation. Through this process, we can fully understand the risks and opportunities present in our day-to-day operations and in our business objectives.

Our enterprise-wide risk management process allows us to understand the nature, scope and potential impact of our key business and strategic risks, enabling us to manage them effectively. IWG has a comprehensive approach to risk management, as set out in more detail in the Audit Committee report on pages 66 to 67.

In 2025, our risk work incorporated ongoing economic disruption and market changes impacting our principal risks. External risks, and those outside of the Group's control, were considered and included as part of scenario testing relevant to our Viability statement. Principal risks to the achievement of our strategy.

Principal Risks to the Achievement of our Strategy

Our principal risks are linked to our key business objectives and overall strategy and were considered in the context of the ongoing economic downturn as well as market and competition changes.

A critical component of the risk management process is to assess the impact and likelihood of risks, allowing determination to be made over the current level of controls in place versus future controls and risk status. All our principal risks are managed in accordance with our Group risk appetite and mitigated as far as reasonably practical.

We have zero tolerance of financial and ethical non-compliance, and aim to have our health, safety, environmental and security risks managed to levels that are as low as reasonably practicable.

Effective risk management requires awareness and engagement throughout IWG to provide a top down and bottom up view of risk. At IWG, risk management is embedded into operational decision-making and reflected in the Group's key processes and controls. Risk management takes place at various levels across the business, including;

- monthly performance reviews for all countries and Group functions;
- individual reviews of every new location investment and all acquisitions;
- an annual budgeting and planning process for all markets and Group functions;
- Audit Committee review of our principal risks, their mitigation and status;
- an annual review of all risks in our risk register, updated regularly for significant changes between annual reviews.

Three lines of defence

Board

- Sets the strategy
- Defines IWG's risk appetite
- Monitors risk management process
- Assesses overall effectiveness of risk management

Audit Committee

- Reviews effectiveness of internal controls
- Approves the annual internal audit plan
- Monitors progress against internal and external audit recommendations

Assurance, risk and internal control reports

First line

- Front line business operations
- Strategies, policies, procedures and controls in day-to-day activities and daily management of risk in line with functional objectives
- Responsible for compliance with Group policies, procedures and internal controls

Second line

- Corporate functions
- Sets policies and procedures
- Monitors risks and internal controls
- Accountable for the design and implementation of risk management processes and controls
- Accountable for the regular review and appraisal of key risks
- Contributes to the identification and assessment of key risks

Third line

- Independent assurance
- Tests the design and operation of controls in place including policies, and procedures implemented by the 1st and 2nd lines
- Assists management and the Board in conducting risk studies
- Advises and guides on policies and internal controls framework
- Drives implementation of recommendations in the business
- Tests compliance with internal controls

Risk management and principal risks continued

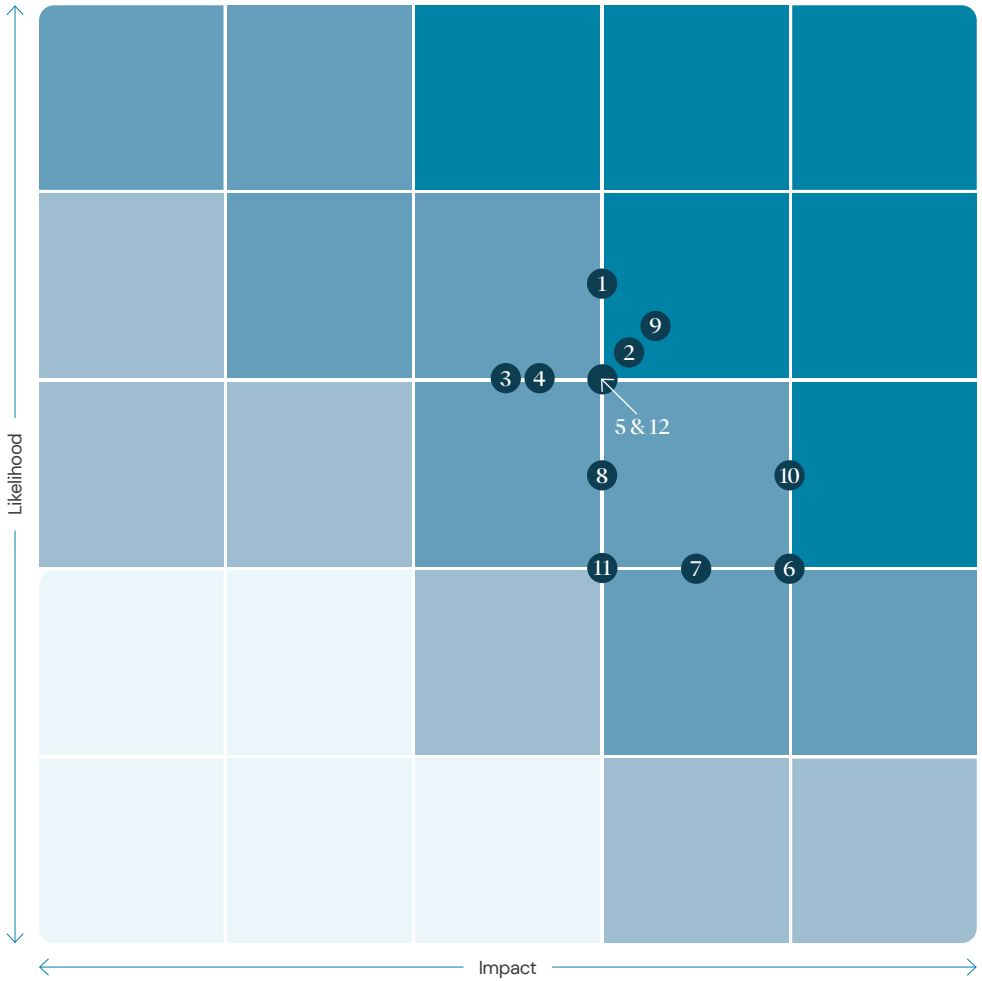
Our risk management approach

The Group operates in a dynamic environment where risks continue to evolve. As part of our annual risk management exercise, we reviewed our risk landscape to ensure it remains aligned with our strategic priorities. While no formal streamlining of risks was undertaken this year, we continued to assess the relevance, impact and interdependencies of our risks across the strategic, financial, operational, and legal and compliance categories. Although some risks may not meet the threshold to be classified as principal risks, we recognise that they remain important to the business and will continue to be monitored and managed as part of our ongoing risk management process.

Our risk management review continues to be underpinned by the Group risk register, which integrates both external and internal insights to identify key risks and determine the appropriate mitigation strategies.

Overall, the risk profile has remained broadly stable. Where we have refined our strategy and short- to medium-term plans, we have observed a corresponding reduction in certain risk exposures. Effectively managing these risks supports our ambition to be a customer-focused, competitive, resilient and growing organisation. The following table details the current principal risk pillars and how we manage them.

Mapping our key risks and movement



Strategic risks
1. Revenue and growth
2. Transformation initiatives
3. Macroeconomic and Geopolitical instability
4. Partnership portfolio
5. Lease obligations
6. Innovation and Increased Competition

Financial risks
7. Liquidity (including USD risk)

Operational risks
8. Talent Management and Succession
9. Cyber Security
10. Business Continuity and Disaster Recovery
11. Sustainability

Legal and Compliance risks
12. Legal, Tax and Regulatory complexity

Risk management and principal risks continued

Strategic risks

Risk description	Mitigation
Revenue and growth	
IWG continues to implement its strategy, with significant global growth planned to capture the opportunities being created by structural changes occurring in the workspace market including the adoption of hybrid working. If strategic growth does not align to the demand growth, this could lead to under or over supply which could impact our competitive position, profitability and cash generation.	The Group operates a strong capital-light growth structure, enabling low-cost and high-margin investment. This is monitored through a robust business planning and forecasting process, which provides timely and reliable information to address opportunities and risks to performance. Monthly Business Reviews occur to monitor both spend and profitability, and quarterly reviews occur to monitor new centre performance and profitability. As part of the annual planning process, a growth plan is agreed for each country, which clearly sets out the annual growth objectives and means to achieve these goals.
Transformation initiatives	
The business is executing significant transformation and automation initiatives. There is a risk that the execution and delivery of these initiatives are not achieved within the desired time frames or deliver the desired outcomes.	IWG has various technology and operational change programmes under way, such as the upgrade and implementation of various finance and operational systems. Dedicated resources, including external resources when required, are allocated and programme-managed to deliver transformation programmes in a coordinated manner with clear timelines and expected outcomes. Leadership monitors progress across major transformation programmes to address and resolve issues related to timelines or deliverables.
Macroeconomic and Geopolitical instability	
IWG is impacted by macroeconomic factors, including heightened geopolitical uncertainties, elevated interest rates and inflationary pressures. Such changes in market conditions could adversely impact our global market share, operating revenue and profit performance.	The Group monitors the changing macroeconomic environment and continually evaluates potential risks. The business has a very diverse operational footprint with over 4,600 locations globally. The geographic locations most directly impacted to date will not have a material effect on our global operations, nor financial results. Further, management's strong cost control processes, efficiencies resulting from transformation initiatives, and the Group's capital-light strategy reduce the negative impacts of inflation.
Partnership portfolio	
The Group continues to expand through our Managed & Franchised partnerships capital-light growth strategy. Achieving our partnership objectives will require the continued development of our skills, services and resources. Failure to meet partnership objectives can adversely impact growth.	Overall management of the partnership portfolio occurs at the global level while partner relationships are managed by country and local management teams to maintain a regular dialogue with partners to ensure we are meeting expectations. There is an ongoing initiative to enhance and improve the partner reporting process. There is periodic reporting to the Board regarding performance and potential issues related to the Partner portfolio.
Lease obligations	
The Group's portfolio of leases gives rise to an inherent risk in relation to lease obligations and associated financial commitment. The life of the Group's leases are, on average, significantly longer than the average terms of customer contracts, which creates a potential for mismatch if revenues fall significantly, or lease costs rise faster than revenues, which can impact profitability and cash flow.	The business has put a structure in place which allows for the exiting of lease obligations. This is by placing lease contracts into standalone legal entities which are not fully cross-guaranteed. In this way, individual centres are sustained by their own profitability and cash flow. In the Company-owned segment, leases are based on either full or partial variable rental payments when possible. In this way the risk to profitability and cash flow of that centre from fluctuations in market rates is reduced by the consequent adjustment to rental costs. The number of leases and geographic diversity of our business reduces the overall risk to our business. Each year, a significant number of leases in our portfolio reach a natural breakpoint, further reducing the risk.
Innovation and Increased Competition	
Failure to continuously evolve, innovate and respond to market demand, alongside an inability to maintain sustainable global competitive advantage could result in a loss of market share and adversely impact profitability for the Group.	IWG's strategy includes investment in innovation to develop new product and services to further increase its competitive advantage, protect current revenue and unlock potential new sources of revenue. The Group continues to offer a diverse product range under its different brands to cater to multiple customer segments. This supports the ability to capture and maintain market share across the flexible workspace market. There is a regular review of the portfolio of products and services to assure they are aligned to customer expectations and requirements.

Risk management and principal risks continued

Financial risks

Risk description	Mitigation
Liquidity (including USD risk)	
The Group relies on external funding to support its net debt position. If the funding process is inadequately managed, this could cause a liquidity issue, resulting in insufficient funding available to meet the Group's operational and growth needs	The Group continually monitors its cash flow and financial headroom development and maintains a 12-month rolling forecast and a three-year strategic outlook. The Group also monitors the relevant financial ratios against the covenants in its facilities to manage the risk of breach. The Group refinanced its debt book during 2024. Currently, it has €925m fixed rate bonds, which is predominantly swapped to fixed USD, and a remaining fixed rate convertible bond of £4 million entirely swapped to USD. The remaining debt is drawn on the Group's Committed Revolving Credit Facility provided by a group of prime banks that is available until 2029. The Group expects to be able to refinance external debt and/or renew committed facilities as they become due and to remain within covenants throughout the forecast period. The net debt and debt headroom are closely monitored by the Group's CFO. The Group models liquidity requirements and the impact it will have on RCF headroom and debt levels.

Operational risks

Risk description	Mitigation
Talent Management and Succession	
To achieve its strategic objectives, the Group needs to continuously increase its management capabilities through the development, engagement and retention of existing talent supplemented by the hiring of experienced professionals. This will support our strategic execution and enhance succession planning throughout the Group.	The Group has comprehensive training for key levels and functions utilising e-learning, videos, webinars, case studies and coaching. Succession planning discussions are an integral part of our business planning and review process. Succession plans and retention strategies are in place at a local and Group level. The annual planning process includes a Human Resources Plan, and performance against the plan is reviewed throughout the year. There are regular external and internal evaluations of the performance of the Board, which continues to maintain a focus on succession planning.
Cyber Security	
The continued integration of the digital economy and use of external cloud services, combined with a rise in phishing attempts and malicious attacks could result in additional costs and damage. The Group manages large volumes of data, across various systems and platforms. The breach of confidential data, technology disruption or data loss due to an internal or external attack on our information systems and data or by internal security control failure, may result in a negative reputational, operational, regulatory or financial impact.	The Group regularly assesses and manages the effectiveness of its security infrastructure and ability to effectively defend against current and future cyber risks by using analysis tools and experienced professionals to evaluate and mitigate potential impacts. Cyber Security awareness training is conducted for all employees and the Group maintains comprehensive cyber insurance coverage.
Business Continuity and Disaster Recovery	
With operations globally, insufficient Business Continuity and Disaster recovery plans for data centres, sales call centres, regional hubs and customer centres, may result in adverse impact to the Group's operations and financial results.	The Group continues to improve its Business Continuity plans to ensure there is effective resilience to any disruption to operations. Detailed business impact assessments have been performed and completed to identify critical systems and areas where the business can temporarily operate without. The business's operational footprint is very diverse with over 4,600 locations globally. Therefore, the impact of operational disruption is naturally offset. The Group maintains business interruption insurance.
Sustainability	
Regulations and expectations related to sustainability are constantly evolving. An inadequate sustainability strategy or actions could result in IWG being unable to manage climate-related exposures and related external commitments. This could impact the Group's ability to attract and/or retain customers, partners, employees and capital.	The Group has a broad sustainability response and is actively working on a number of initiatives to deliver against our external commitments and goals. The Group is progressing on track with interim milestones towards our sustainability targets and ongoing efforts to align with evolving relevant guidelines to ensure credibility. Further strategic plans include a renewable energy strategy to reduce overall carbon footprint in accordance with RE100 requirements and development of a supply chain engagement strategy and governance processes for ensuring a responsible supply chain.

Risk management and principal risks continued

Legal and Compliance risks

Risk description	Mitigation
Legal, Tax and Regulatory complexity	
The global business compliance, legal, tax, and regulatory environment continues to evolve, with ongoing legislative changes in many jurisdictions impacting the way in which we operate. This includes the nature of partner relationships, interactions with suppliers and our responsibilities to customers and colleagues. Failing to address this risk effectively, and non-compliance or inadequate compliance, could lead to regulatory breaches, significant monetary and non-monetary penalties, adverse litigation and associated reputational harm.	The Group monitors tax and regulatory requirements and develops compliance and risk-mitigating policies and procedures. The Group is committed to complying with all applicable statutory obligations and tax regulations. The customer set up process includes compliance reviews regarding applicable KYC (Know Your Customer) rules.

Viability statement

In accordance with the UK Corporate Governance Code published by the Financial Reporting Council in January 2024, and considering the Group's current position and prospects as outlined in the Strategic report and its principal risks for a period longer than 12 months as required by the going concern statement, the Board has a reasonable expectation that the Group will continue to operate and meet its liabilities as they fall due, for the next three years.

The Board's consideration of the long-term viability of the Group is an extension of our business planning process, which includes financial forecasting, a robust enterprise-wide risk management programme, regular business performance reviews and scenario planning.

For the purposes of assessing the Group's viability, the Board identified that, of the principal risks detailed on pages 34 to 36, the following are the most important to the assessment of the viability of the Group.

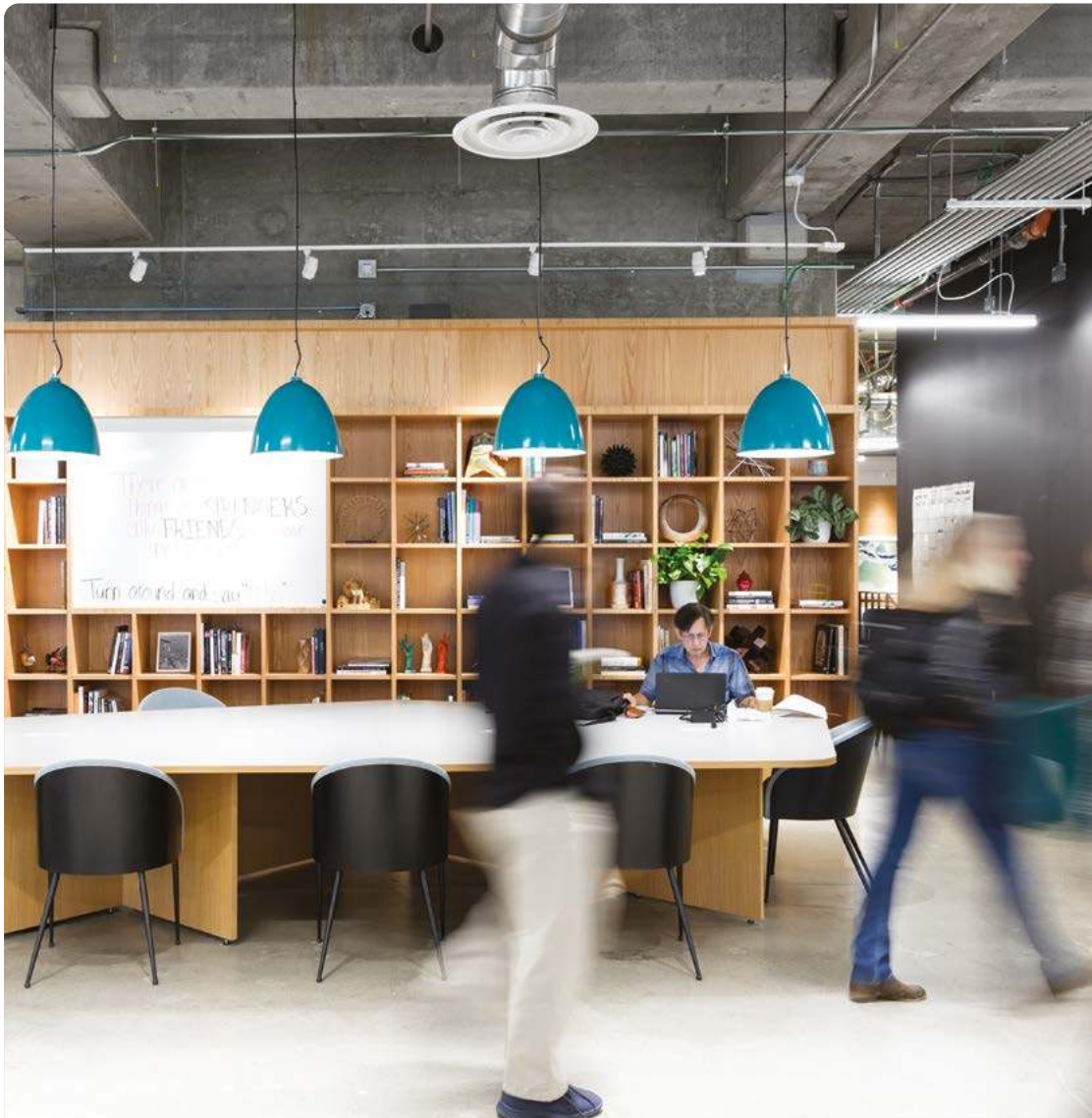
The following principal risks were modelled to support the Viability statement:

- revenue shortfall;
- USD appreciation;
- a significant cyber security or data breach event.

Two scenarios (likely-case and worst-case) were modelled for USD appreciation and cyber security or data breach event using assumptions derived from historical data or based on case studies/available market research to determine the impact on revenue, gross profit, operating profit and EBITDA.

The impact on performance was assessed over a three-year period (2026-28) taking into account both individual and a combination of risks materialising.

The potential impact of each scenario was modelled on the Group's revenue, gross profit and operating profit over the three-year forecast period. The Board subsequently considered the viability of the Group both in the context of the individual risks listed above and in combination of two or more risks over a range of assumptions. The stress testing showed that the Group would be able to withstand any of the severe but plausible scenarios by taking management action during the normal course of business.



Other disclosure statements

Sustainability

Sustainability

Sustainability at IWG is centred on our commitment to regulatory compliance, transparent disclosure and stakeholder engagement. Recognising the increasing expectations on companies to provide clear, and compliant sustainability information, we will publish our inaugural Sustainability Report in H2 2026, setting out our broader CSR strategy, our Net Zero ambitions and further detail on our climate and sustainability related priorities.

In 2025, we focused on strengthening the accuracy and completeness of our carbon data across Scopes 1 and 2 and matured our Scope 3 approach which we are pleased to include in this report. Investment in our enhanced data platform has improved the transparency and robustness of our emissions data, enabling detailed benchmarking of energy performance across our centres and supporting more effective engagement with customers, colleagues and suppliers. External ratings continue to reflect our progress, with an AA MSCI rating and B for CDP Climate Change and Water Security.

Oversight of our sustainability activity remains strong. Progress against our climate objectives is reported to the CEO and discussed at Board level more frequently than quarterly, with further assurance provided by the Audit Committee.

The remainder of this section summarises the key components of our sustainability work during the year. It outlines the findings from our freshly updated Climate Scenario Analysis (CSA) and the climate-related risks and opportunities identified, together with how these insights have been integrated into our wider risk management approach. We describe our alignment with TCFD requirements and the governance structures that support our sustainability and climate agenda. We also present our greenhouse gas emissions and SECR disclosures for 2025, highlighting improvements in data quality and methodology, and summarise our approach to meeting evolving regulatory expectations across all jurisdictions in which we operate.

Looking ahead

As we move forward, our focus will be on refining our data collection processes around our material topics, enhancing our reporting capabilities and embedding sustainability deeper into our corporate strategy. We will continue to report and submit disclosures with a view to compliance with the evolving regulatory landscape and providing ongoing transparency to our stakeholders.

Climate-risk analysis

In 2025 we updated our Climate Scenario Analysis, which was conducted with support from our sustainability consultancy partners. This included engagement of stakeholders and a detailed quantitative and qualitative assessment of three plausible climate scenarios (1.6°C, 2°C and 2.4°C increase by 2050) over the short- (2030), medium-(2040) and long-term (2050) time horizons. The CSA was conducted in adherence with TCFD's recommended methodology for non-financial companies, which involved risk development, scenario development, screening, a risk impact assessment and mitigation development. All risks and opportunities identified were assessed over short-term (to 2030), medium-term (to 2040) and long-term (to 2050) time horizons.

Our six-material climate-related risks and two opportunities are key pillars of activity and progress for IWG's sustainability strategy. Progress on mitigating actions is monitored by the internal audit team and the Board. It aids our ongoing efforts to maintain the resiliency of our business strategy in preparing us for any future climate-related risk and allowing us to capitalise on future opportunities. The following section summarises the findings of our scenario assessment.

Scenario analysis findings

In 2025, we engaged with stakeholders across the business to enhance our risk management strategies for each risk. We will continue to review climate risks annually with scenario analysis conducted on a three-year cycle in line with regulation. We recognise this is a dynamic process and we will continue to evolve our understanding.

Actions to mitigate risk

We operate an enterprise-wide risk management process in order to identify and report key business and strategic risks. Since 2022, we have been tracking sustainability related risk as a principal risk, fully integrated into our multidisciplinary and company-wide risk management processes, in 2024 we added supply-chain transparency as a principal risk.

We assess risks against their likelihood and the severity of their impact across several dimensions: our business operations; customer access to our portfolio; market capitalisation; trust among our customers, partners and shareholders; and supply-chain and regulatory pressures. We use three lines of defence to manage risk, ensuring robust oversight and alignment with our risk management framework. Climate-related risk is integrated into our multidisciplinary and company-wide risk management processes.

The CSA findings have played a key role in shaping our mitigation actions, ensuring they are data driven and effectively incorporated into our broader risk management framework. As part of our wider strategic process, we continue to carry out risk assessments throughout the year. Annual disclosures to frameworks, including CDP, allow our risk management processes to be captured, and mitigation measures to be assessed.

Task Force on Climate-related Financial Disclosures (TCFD)

We align our approach to the Task Force on Climate-related Financial Disclosures (TCFD) in compliance with the FCA's listing Rule 9.8.6R(8). We also disclose in alignment with the Companies (Strategic Report) (Climate-related Financial Disclosure) Regulations 2022.

To continuously improve our reporting on climate-related risks and opportunities. IWG has aligned with the 4 pillars of the TCFD: Governance; Strategy; Risk Management; and Metrics & Targets.

This year we have updated our CSA and have further strengthened our understanding of the potential impacts of climate change on our business. Our next CSA is scheduled to be conducted in 2028 to expand our knowledge of the implication of both physical and transition climate risks in line with our growing and evolving business.

Governance

Successful implementation of our approved sustainability and climate change strategies is a critical element of IWG's growth plan. The Chairman of the Board has overall responsibility for the oversight of our ESG agenda, leading the board on the company's sustainability and climate change strategy and monitoring implementation against agreed milestones and public targets.

Throughout the board, there are clearly defined roles for climate-related issues. This includes our Independent Non-Executive Director with Oversight of Employees Engagement and CSR, who oversees climate-related risk in community and environmental projects. Ultimately, our CEO holds primary responsibility for formulating and delivering IWG's strategy, which includes reviewing risks associated to climate change, while our Audit Committee provides assurance.

Other disclosure statements continued

Risks & opportunities

Physical risks

Revenue and Cost Impacts: Low <11% | Medium 11–20% | High >20%

Risk	Category	Example	Potential Financial Risk Impact Rating 2030	2040	2050
PR1 – Supply chain disruptions due to physical hazards	Acute Chronic	The financial risk from supply chain disruptions due to extreme weather events has been estimated by assessing potential revenue losses resulting from supplier and warehouse closures that cause delays in new site openings. Climate hazard risks were evaluated for supplier and warehouse locations using climate scenario tools such as the Climate Analytics Impact Explorer, the IPCC Interactive Atlas, and the WWF Risk Filter. Each site was assigned a climate hazard score based on climate indicators including tropical cyclones, flooding, wildfires, extreme heat, and water scarcity. The projected financial impacts were then scaled to reflect IWG's projected business growth, assuming uniform growth across all regions. This allowed an estimation of future revenue losses due to supply chain disruptions under various climate risk scenarios.	Low	Low	Low
PR2 – Extreme weather impacting business activities	Acute Chronic	The risk of extreme weather impacting business activities due to closures and disruptions has been quantified using net turnover from each site over a 1 year period and climate scenario risk modelling tools, such as the IPCC Interactive Atlas and the WWF Risk Filter. Research was conducted to determine the typical duration a building may be closed as a result of different climate hazards. The financial impact estimates were adjusted to reflect IWG's projected business growth. It was assumed that growth is uniform across all regions, rather than being region-specific. This allowed an estimation of future revenue losses due to extreme weather impacts.	Low	Low	Low
PR3 – Global warming increasing operational costs	Chronic	Cooling Degree Days (CDD) was used as a proxy for estimating increased cooling needs using the IPCC Interactive Atlas. It was assumed cooling-related costs increase proportionally with the number of CDDs. For example, a 50% increase in CDDs in a region is assumed to lead to a 50% increase in cooling-related energy demand and associated costs. Research was conducted at the regional / country level to estimate the proportion of utility spend related to cooling. The average percentage for each region was applied to IWG's 2024 regional utility spend. This spend was used to estimate the increase in cost of cooling. A cooling cost factor (based on change in CDD across the different regions) was applied to the cooling-related spend, producing scenario-based estimates of how IWG's utility spend may change due to climate-driven changes in cooling demand. This allowed an estimation of future increasing costs due to global warming driven operational cost increases.	Medium	Medium	Medium

Transition risks

Revenue and Cost Impacts: Low <11% | Medium 11–20% | High >20%

Risk	Category	Example	Potential Financial Risk Impact Rating 2030	2040	2050
TR1 – Reputational risk from non-compliance and unmet commitments	Reputational Legal	To calculate the risk of non-compliance with climate -related reporting regulations across the three scenarios and time frames. Desk based research and tools from NGFS were used. Fines from IWG applicable regulation were used as a proxy to estimate the potential risk of non-compliance. The NGFS year on year global inflation rate was applied to fines associated with relevant regulations to find the potential impact across each timeframe and scenario. To calculate the potential revenue loss from customer withdrawal a set of IWG customers were reviewed against specific criteria, and desk-based research was conducted to further inform the analysis. This allowed an estimation of future increasing costs and revenue loss in this scenario.	High	High	High
TR2 – Increased costs from not meeting Net Zero targets	Market	The estimated cost for the risk of increased cost across the three scenarios and timeframes included an analysis of carbon price, energy price and renewable energy price. This allowed an estimation of future increasing costs and increasing business disruption in this scenario.	High	High	High
TR3 – Vulnerable sites creating higher risk profiles for insurance	Market	To assess which sites are exposed to extreme weather events across the three-time horizons and scenarios, climate risk modelling tools such as the IPCC Interactive Atlas and the WWF Risk Filter were used. To evaluate how location-based climate risk may influence insurance costs, desk-based research was undertaken to identify relevant market trends. The assumed insurance premium uplifts were informed by ranges reported in McKinsey's "Climate Risk and Insurance" (2021) and the Bank of England's CBES Methodology (2021). Total insurance costs related to property damage and business interruption (including revenue protection) from natural disasters were normalised by total floor area (insurance $/sqft) and applied to each site's area to calculate a baseline insurance cost. Each site was then categorised from Very Low to Very High Risk based on its exposure to extreme weather events, and the corresponding uplift factor was applied to adjust its insurance cost. This allowed an estimation of future increasing costs and increasing business disruption in this scenario.	Low	Low	Low

Other disclosure statements continued

Risks & opportunities continued

Opportunities

Revenue and Cost Impacts: Low <11% | Medium 11–20% | High >20%

Opportunity	Category	Impact	Example	Potential Positive Financial Impact Rating 2030	2040	2050
Sustainable buildings driving rent premiums and efficiencies	Market	Increasing Revenue Decreasing costs	The opportunity to drive premium rent and operational efficiencies through sustainable buildings was quantified by estimating the potential number of Green Certified Buildings (GBs) in the future portfolio. Market research shows that GBs earn a 3.7% rent premium, save $0.51 per sqft in Opex, and emit 35% less Scope 1 & 2 emissions compared to non-certified buildings. This allowed for an estimation of future opportunities of increasing revenue and decreasing costs in this scenario.	High	High	High
Sustainable vendor selection enhancing value chain resilience	Resilience	Decreasing costs Decreasing disruption	The opportunity for strengthening supply chain resilience through sustainable vendor selection was quantified by estimating the potential reduction in Opex achieved through lower exposure to future carbon-related price increases passed on from suppliers. Using the NGFS Shadow carbon price as a proxy for future government policy and carbon regulation, the analysis compared two supply chain outlooks: baseline (suppliers without decarbonisation targets) and engaged (suppliers who have a robust decarbonisation strategy). Research was conducted to determine supplier specific emissions targets and the pass-through rate. In the Baseline outlook, supplier emissions were multiplied by the applicable NGFS carbon price, and the relevant pass-through rate was applied to represent the portion of carbon pricing likely to be passed down to IWG. The difference between the two outlooks represents the total potential avoided Opex achieved through partnering with suppliers committed to sustainability. This allowed for an estimation of future opportunities of decreasing business disruption and decreasing costs in this scenario.	Low	Low	Low

GHG Emissions and SECR

Investment in our enhanced data platform has significantly improved the transparency, accuracy, and completeness of our carbon footprint. Leveraging detailed benchmarking and analysis, we have assessed the energy performance of our centres and used these insights to engage customers, employees, and suppliers. We have also advanced our Scope 3 strategy to enable full disclosure in line with the ISO Net Zero Guidelines. As at 31 December 2025, more than 1769 of our centres are using green certified green electricity (compared with over 900 at 31 December 2024).

California has introduced two new climate disclosure laws **SB 253** and **SB 261** which will require companies doing business in the state and exceeding defined revenue thresholds to report their full greenhouse gas emissions and climate-related risks aligned with TCFD disclosures. As we meet these thresholds, we will submit our in-scope emissions to the **California Air Resources Board (CARB)** in line with the legislation. The UAE has also brought out United Arab Emirates Federal Decree-Law on the Reduction of Climate Change Effects, to which we will submit our in-scope emissions.

These requirements continue to evolve, and we will closely monitor developments to ensure ongoing compliance. This will form part of our broader approach to managing regulatory obligations across all jurisdictions in which we operate.

We have calculated our Scope 1 emissions for 2025 to be 71,865 tCO_2e.

Our Scope 2 Market-Based emissions amounted to 78,414 tCO_2e representing a 16.7% decrease.

Our Scope 3 emissions amounted to 226,621 tCO_2e.

In 2025 we have:

- Enhanced data governance and site engagement, leading to more accurate reporting of natural gas and renewable energy use at each site, and subsequent estimation methodology.
- Improved AI capabilities, enabling greater reliance on real data for emissions tracking.
- Increased investment in certified renewable electricity, including renewable energy tariffs and certificates.
- Improved estimation methodology using daily averages instead of monthly averages, where possible, for more accurate results.

We continued to implement operating standards focused on reducing energy, waste and seeking energy-efficient buildings to our portfolio.

Reduction in carbon emission per sqm: 7.1%

Corporate Sustainability Reporting Directive (CSRD)

Although IWG does not anticipate being in scope of the CSRD until FY28, due to recent omnibus changes, we have chosen to continue using the CSRD as a strategic framework for our sustainability approach.

In 2025, we conducted a Double Materiality Assessment (DMA) to deepen our understanding of our most material impacts on people and the environment, as well as the business risks and opportunities linked to sustainability topics.

Our process identified the following as double material topics: Climate Change, Circular Economy, Own Workforce and Business Conduct

Our process identified the following as single materiality topics: Workers in the Value Chain, Consumers & End Users and Biodiversity & Ecosystems

This exercise has been integral to the on-going development of our sustainability strategy and transition planning.

Other disclosure statements continued

Our GHG Emissions

Emissions (tCO_2e)	2024	2025
Natural gas	55,939	61,182
Company cars	4	7
Refrigerant gas	9,607	10,677
Total Scope 1	**65,550**	**71,866**
Scope 2 – Electricity (Market-Based)	94,107	78,414
Scope 2 – Electricity (Location-Based)	130,272	146,396
Subtotal emissions (Scope 1 & 2 market-based)	**159,657**	**150,280**
Subtotal emissions (Scope 1 & 2 location-based)	**195,822**	**218,262**
Emissions (tCO_2e) per sqm (Scope 1 & 2 market-based)	**0.028**	**0.026**
Category 1 – Purchased Goods and Services	82,980	70,305
Category 2 – Capital Goods	23,814	12,893
Category 3 – Fuel- and Energy-Related Activities	41,249	46,384
Category 4 – Upstream Generated in Operations	7,819	11,195
Category 5 – Waste Generated in Operations	2,745	6,389
Category 6 – Business Travel	5,701	7,183
Category 7 – Employee Commuting	10,013	14,855
Category 8 – Upstream Leased Assets	20,354	41,044
Category 14 – Franchises	14,080	16,373
Subtotal emissions (Scope 3)	**208,755**	**226,621**
Total emissions (Scope 1, 2 and 3) – market-based	**368,412**	**376,901**
Out of scope emissions	–	6

Energy consumption (MWh)	2024	2025
Natural gas	291,433	316,367
Company cars	357,217	393,679
Total energy consumption	**648,650**	**710,046**
SQM of Scope 1 & 2 sites	5,805,389	5,753,303

Streamlined Energy and Carbon Reporting (SECR)

We have disclosed our UK energy consumption and associated carbon emissions for 2025 in line with our financial reporting year.

UK SECR

Emissions (tCO_2e)	2024	2025
Natural gas	8,519	7,997
Refrigerant gas	999	1,054
Total Scope 1	**9,518**	**9,051**
Scope 2 – Electricity (Market-Based)	7,713	2,822
Scope 2 – Electricity (Location-Based)	12,693	14,854
Subtotal emissions (Scope 1 & 2 market-based)	**17,231**	**11,873**
Subtotal emissions (Scope 1 & 2 location-based)	**22,211**	**23,905**
Emissions (tCO_2e) per sqm (Scope 1 & 2 market-based)	**0.028**	**0.020**

Energy consumption (MWh)	2024	2025
Natural gas	47,364	43,708
Company cars	60,215	64,276
Total Scope	**107,579**	**107,984**
SQM of Scope 1 & 2 sites	608,649	582,380

Verification opinion declaration greenhouse gas emissions and renewable electricity data

To: The Stakeholders of International Workplace Group Plc

Apex Companies, LLC (Apex) was engaged to conduct an independent verification of the greenhouse gas (GHG) emissions and renewable electricity data reported by International Workplace Group Plc (IWG) for the period stated below. This verification declaration applies to the related information included within the scope of work described below.

The determination of the GHG emissions and renewable electricity data is the sole responsibility of IWG. IWG is responsible for the preparation and fair presentation of the GHG emissions and renewable electricity statement in accordance with the criteria. Apex's sole responsibility was to provide independent verification on the accuracy of the GHG emissions and renewable electricity data reported and on the underlying systems and processes used to collect, analyze and review the information. Apex is responsible for expressing an opinion on the GHG emissions and renewable electricity statement based on the verification. Verification activities applied in a limited level of assurance verification are less extensive in nature, timing, and extent than in a reasonable level of assurance verification.

Boundaries of the reporting company GHG emissions and Renewable electricity Data covered by the verification:

- Operational Control
- Worldwide

Types of GHGs:

CO_2, N2O, CH4, HFCs

GHG Emissions and Renewable Electricity Statement:

- **Scope 1:** 71,865 metric tons of CO_2 equivalent
- **Scope 2 (Location-Based):** 146,396 metric tons of CO_2 equivalent
- **Scope 2 (Market-Based):** 78,414 metric tons of CO_2 equivalent
- **Scope 3:**
  - Purchased Goods & Services: 70,305 metric tons of CO_2 equivalent
  - Capital Goods: 12,893 metric tons of CO_2 equivalent
  - Fuel- and Energy-Related Activities: 46,384 metric tons of CO_2 equivalent
  - Upstream Transportation and Distribution: 11,195 metric tons of CO_2 equivalent
  - Waste Generated in Operations: 6,389 metric tons of CO_2 equivalent
  - Business Travel: 7,183 metric tons of CO_2 equivalent
  - Employee Commuting: 14,855 metric tons of CO_2 equivalent
  - Upstream Leased Assets: 41,044 metric tons of CO_2 equivalent
  - Franchises: 16,373 metric tons of CO_2 equivalent

Data and information supporting the Scope 1 and Scope 2 GHG emissions and renewable electricity statement were in some cases historical in nature and were in some cases estimated.

Data and information supporting the Scope 3 GHG emissions statement were in some cases estimated rather than historical in nature.

Global Warming Potential (GWP) and emission factor data sets:

- GWP: Intergovernmental Panel on Climate Change (IPCC) Fifth Assessment Report (AR-5)[1]
- International Energy Agency (IEA) Emission Factor Database (2023 data), 2025
- United States Environmental Protection Agency Emissions & Generation Resource Integrated Database (eGRID), 2025 (2023 data)
- Green-e Residual Mix Emissions Rates (2022 data), released 2024
- United Kingdom (UK) Department for Environment Food & Rural Affairs (DEFRA), UK Government GHG Conversion Factors for Company Reporting, June 10, 2025
- UK DEFRA, UK Government GHG Conversion Factors for Company Reporting, June 22, 2022
- Ecoinvent Emission Factor Database v3.11

1. The IPCC AR-5 is the primary GWP data set being applied to IWG's GHG emissions statement; however, some of the emission factors used in the statement are embedded with IPCC's Fourth Assessment Report (AR-4) or IPCC's Sixth Assessment Report (AR-6).

Period covered by GHG emissions and renewable electricity data verification:

- 1 January 2025 to 31 December 2025

Criteria against which verification was conducted:

- World Resources Institute (WRI)/World Business Council for Sustainable Development (WBCSD) Greenhouse Gas (GHG) Protocol Corporate Accounting and Reporting Standard (Scope 1 and 2)
- WRI/WBCSD GHG Protocol Corporate Value Chain Accounting and Reporting Standard (Scope 3)

Reference Standard:

- ISO 14064-3 Second Edition 2019-04: Greenhouse gases – Part 3: Specification with guidance for the verification and validation of greenhouse gas statements

Level of Assurance and Qualifications:

- Limited
- This verification used a materiality threshold of ±5% for aggregate errors in sampled data for each of the above indicators.

GHG Emissions and Renewable Electricity Data Verification Methodology:

Evidence-gathering procedures included but were not limited to:

- Interviews with relevant personnel of IWG;
- Review of documentary evidence produced by IWG;
- Review of IWG data and information systems and methodology for collection, aggregation, analysis and review of information used to determine GHG emissions and renewable electricity data;
- Review of data and methodology for tracking purchases, certification and retirement of renewable electricity; and
- Audit of sample of data used by IWG to determine GHG emissions and renewable electricity data.

Verification Opinion:

Based on the process and procedures conducted, there is no evidence that the GHG emissions and renewable energy statement shown above:

- is not materially correct and is not a fair representation of the GHG emissions and renewable energy data and information; and
- has not been prepared in accordance with the WRI/WBCSD GHG Protocol Corporate Accounting and Reporting Standard (Scope 1 and 2), and WRI/WBCSD Greenhouse Gas Protocol Corporate Value Chain Accounting and Reporting Standard (Scope 3).

It is our opinion that IWG has established appropriate systems for the collection, aggregation and analysis of quantitative data for determination of these GHG emissions and renewable electricity data for the stated period and boundaries.

Statement of independence, impartiality and competence

Apex is an independent professional services company that specializes in Health, Safety, Social and Environmental management services including assurance with over 30 years history in providing these services.

No member of the verification team has a business relationship with IWG, its Directors or Managers beyond that required of this assignment. We conducted this verification independently and to our knowledge there has been no conflict of interest.

Apex has implemented a Code of Ethics across the business to maintain high ethical standards among staff in their day-to-day business activities.

The verification team has extensive experience in conducting assurance over environmental, social, ethical and health and safety information, systems and processes, has over 20 years combined experience in this field and an excellent understanding of Apex's standard methodology for the verification of greenhouse gas emissions data.

Attestation:

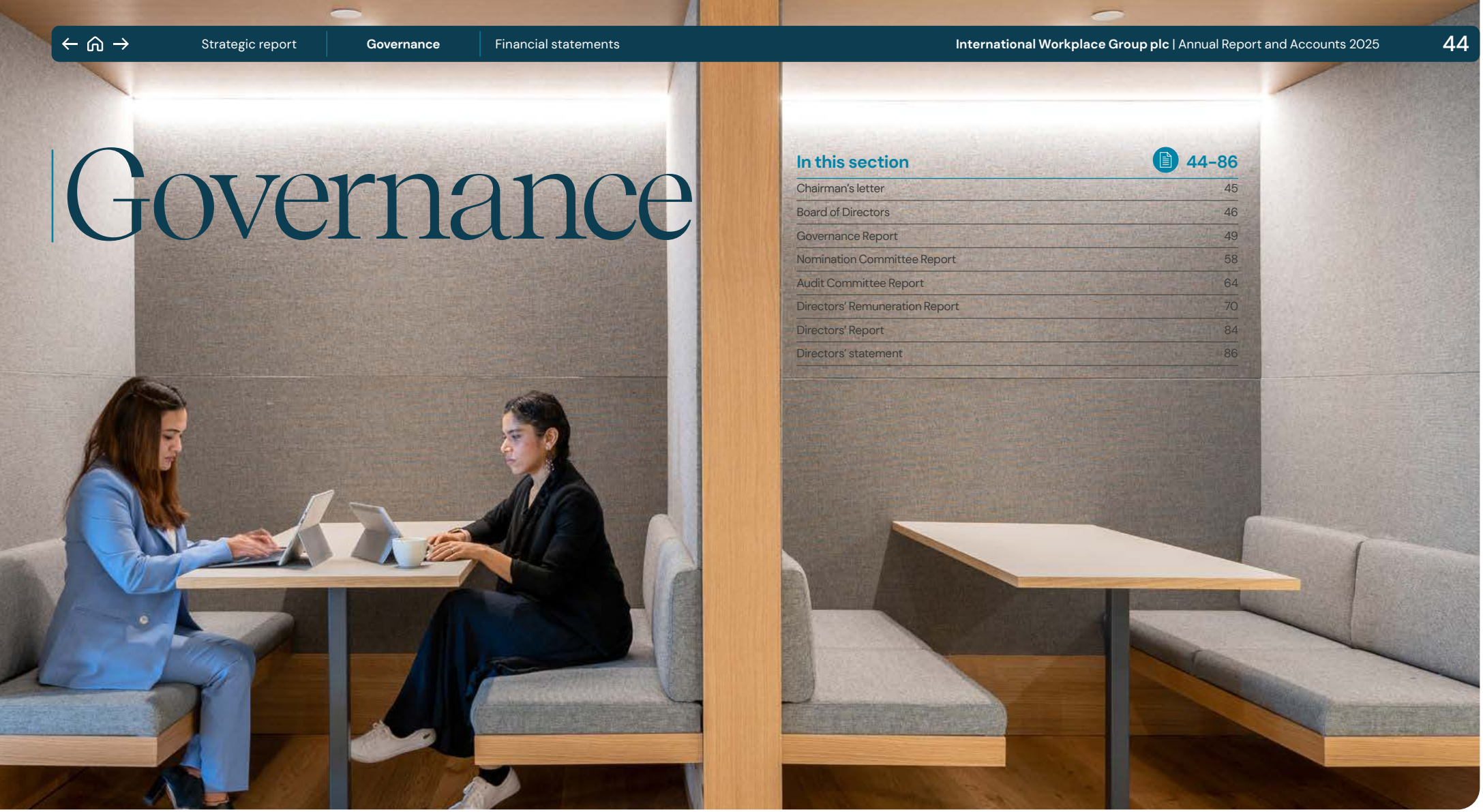
Jessica Jacobs, Lead Verifier
ESG Program Manager
Apex Companies, LLC
Cincinnati, Ohio

Trevor Donaghu, Technical Reviewer
ESG Director
Apex Companies, LLC
Pleasant Hill, California

27 February 2026

This verification opinion declaration, including the opinion expressed herein, is provided to International Workplace Group Plc and is solely for the benefit of International Workplace Group Plc in accordance with the terms of our agreement. We consent to the release of this declaration to the public or other organizations, but without accepting or assuming any responsibility or liability on our part to any other party who may have access to this declaration.

Governance



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Chairman's letter

"Our governance framework enables the Board to function as an effective team in order to develop and promote its collective vision."

Douglas Sutherland
Chairman

Dear Shareholder

I am pleased to introduce our Governance Report. This section provides an overview of our Board, key activities during the year as well as information on our decision-making and outcomes. It also outlines our governance structures which support an effective Board and an entrepreneurial senior leadership team, whilst ensuring the long-term sustainable success of the Company for all stakeholders.

Board membership and composition

Strengthening our Board has been a key focus in 2025. We were delighted to welcome two new Non-Executive Directors, Lázaro Campos and Stephen Jennings, whose significant experience will add substantial value as the Company reinforces its position as the global leader in the rapidly developing flexible workspace market. More information on Board changes can be found on pages 59 and 60.

We have also launched a search for an additional Non-Executive Director to be concluded during 2026.

Sustainability and social responsibility

As Chairman, I ensure that sustainability is integrated into all decision-making and regularly updated in detail as a full Board topic rather than in a separate committee. The Remuneration Committee aligns compensation structures with sustainability goals, and the Audit Committee oversees the implementation of sustainability policies and reporting.

In 2025, we continued to make substantial progress toward our sustainability goals and will introduce a standalone Sustainability Report during the second half of 2026.

Culture

At IWG, we promote a culture of doing what is right—acting ethically, supporting our people, protecting the environment, and eliminating bias in all business activities. This culture is essential to safeguarding the Company's integrity, reputation and financial resilience.

The Board regularly monitors how effectively this culture is embedded across the organisation. Our 2025 review confirmed that our values are deeply ingrained from an employee's first day and that our policies, practices and behaviours remain strongly aligned with our purpose, values, ethics and strategy. Further details are provided on pages 49 and 50.

Annual Report

The Board and the Audit Committee have reviewed this Annual Report and consider that it provides the information necessary for you to assess the Company's position and performance, business model and strategy.

We consider the Annual Report, taken as a whole, to be fair, balanced and understandable and seek your approval of the Annual Report at the Company's Annual General Meeting which will be held on 19 May 2026.

Douglas Sutherland
Chairman

In respect of the year ended 31 December 2025, the Company was subject to the UK Corporate Governance Code 2024 (the "Code"), with the exception of Provision 29, which will become applicable to the Company from the financial year commencing 1 January 2026. We are pleased to confirm that in 2025 we have complied with all aspects of the Code, except provision 19 (Chairman tenure), as further explained on page 61.

Reporting against the Code principles

1. Board leadership and Company purpose		
A.	Effective Board	45–57 and 58–63
B.	Purpose, values, strategy aligned to culture	30 and 45–57
C.	Governance reporting	45, 48, 53 and 57
D.	Stakeholder engagement	54
E.	Workforce engagement	30–31, 56 and 71–72
2. Division of responsibilities		
F.	Role of the Chair	57
G.	Division of responsibilities	45, 49–50, 56–57, 65, 68 and 86
H.	External appointments	46–47 and 49
I.	Board resources	49
3. Composition, succession and evaluation		
J.	Appointments to the Board	59–60
K.	Board and Committee, skills, experience and knowledge	46–48
L.	Annual Board evaluation	61
4. Audit, risk and internal control		
M.	External auditor and internal audit	67–69
N.	Fair, balanced and understandable review	45, 65, 86 and 91
O.	Internal financial controls and risk management	32–37, 49 and 66–67
5. Remuneration		
P.	Linking remuneration with purpose and strategy	70–83
Q.	Remuneration Policy	70–83
R.	Performance outcomes	71–72 and 76–79

Board of Directors

Board of Directors

1. Douglas Sutherland
Chairman

Nationality: American and Luxembourgish

Appointed*: 27 August 2008

Experience: Douglas was Chief Financial Officer of Skype during its acquisition by eBay. Prior to this, Douglas was an Arthur Andersen Partner with international management responsibilities. He has served as a director of companies in multiple jurisdictions and was the founding Chairman of the American Chamber of Commerce in Luxembourg.

External appointments: Chairman, Socrates Health Solutions Inc.; Director, Medtop Group S.A.; Member of the board of managers, Al Monet Parento S.àr.l.

* Independent on appointment as Chairman on 18 May 2010.

Key: responsibilities and Committee membership

- O Non-Executive Director with oversight of employee engagement and CSR
- A Audit
- N Nomination
- R Remuneration
- ● Chair

2. Mark Dixon
Chief Executive Officer

Nationality: British

Founder: 1989

Experience: Mark is one of Europe's best-known entrepreneurs and, since founding the Regus Group in Brussels, Belgium in 1989, he has achieved a formidable reputation for leadership and innovation.
By understanding the way that globalisation, personal mobility and digital technology have enabled new ways of working, Mark has overseen the growth of IWG into the world's largest workspace provider.

Prior to Regus and IWG he established businesses in the retail and wholesale food industry.

Mark has received many awards for enterprise and is widely acknowledged as one of the pioneers of the workspace industry who revolutionised the way business approaches its property needs with his vision of the future of work.

3. Lázaro Campos
Senior Independent Director

A N

Nationality: Spanish

Appointed: 20 May 2025

Experience: Lázaro's career included 25 years at the international banking platform SWIFT, where he ended his career as CEO leading the company through a major transformation post the 2008 financial crisis. After leaving SWIFT, Lázaro co-founded FinTechStage, a company specialised in innovation programmes for the financial services sector around the world where he led financial inclusion initiatives with the Gates Foundation.

Previous appointments include roles as Senior Independent Director of the Bank of England's RTGS/CHAPS Board, member of the Board Financial Crime Risk Committee of Standard Chartered Bank, Chairman of open banking platform Atto, and Senior Executive Advisor to Booz | Allen | Hamilton's Financial Services practice.

External appointments: Independent Chairman, PPRO GmbH; Independent Director, Starling Bank; Independent Director, Payoneer; Chairman, FinTechStage.

4. Laurie Harris
Independent Non-Executive Director

A N

Nationality: American

Appointed: 14 May 2019

Experience: Laurie was a global engagement audit partner with PricewaterhouseCoopers LLP, advising large public companies, including Fortune 100 financial services companies, in the US and internationally over her 38-year career. Laurie is Chair of the Audit Committee as the Board considers her to have recent and relevant financial experience.

External appointments: Independent Director and Audit Committee Chair, QBE North America; Independent Director and Audit Committee Chair, Synchronoss Technologies, Inc. (NASDAQ: SNCR) Independent Director and Audit Committee Chair, Hagerty Inc (NYSE: HGTY); Independent Director and Audit Committee Chair, Everlake Insurance Company.

5. Nina Henderson
Independent Non-Executive Director

A N R O

Nationality: American

Appointed: 20 May 2014

Experience: In a 30-year career with Bestfoods, Nina held international and North American general management and executive marketing positions, including Corporate Vice President of Bestfoods and President of Bestfoods Grocery. She has also served as director of numerous companies including AXA Financial Inc., Royal Dutch Shell plc, Del Monte Food Company and Pactiv Corporation. She holds a BSc (Hons) from Drexel University.

External appointments: Non-Executive Director and Chair of the Remuneration Committee, Hikma Pharmaceuticals plc (LSE: HKM); Director and Human Resource Compensation Committee Chair, CNO Financial Inc. (NYSE: CNO); Vice Chair, Drexel University's Board of Trustees; Commissioner, Smithsonian National Portrait Gallery; Director, the Foreign Policy Association; Director, VNS Health; Trustee, Philadelphia Orchestra & Ensemble Arts; Director, St Christopher's Children's Hospital.

Board of Directors continued

6. Stephen Jennings
Independent Non-Executive Director

N R

Nationality: American

Appointed: 20 May 2025

Experience: Stephen served as a senior Strategy Principal at Deloitte, LLP, and as a member of Deloitte's U.S. Board of Directors and Deloitte Touche Tohmatsu's Global Board of Directors until his retirement in 2023. Stephen was the Managing Partner of Monitor Group from 2006, until its acquisition by Deloitte in 2013.

In addition to his expertise in enterprise growth, innovation, M&A, organisation transformations, and strategy, Stephen brings deep corporate governance experience from advising Fortune Global 500 C-suite executives and Boards of Directors.

His previous board experience includes serving as Chair of the Board at AspenTech (NASDAQ:AZPN) and as an independent Director of LTX-Credence (NASDAQ:LTXC).

External appointments: Lead Independent Director, Analog Devices (NASDAQ:ADI).

7. Tarun Lal
Independent Non-Executive Director

A N R

Nationality: American

Appointed: 10 May 2022

Experience: Tarun, born in Bhagalpur and raised in Delhi, India, brings extensive franchising expertise to the Board from over 25 years with Yum! Brands, Inc., where he served as President of KFC U.S. until May 2025 and previously held executive roles, including KFC's Global Chief Operating Officer and Managing Director – KFC Middle East, Pakistan, Turkey, Africa, and India.

External appointments: CEO and Director, Dave & Buster's Entertainment, Inc. (NASDAQ:PLAY).

8. Sophie L'Hélias
Independent Non-Executive Director

A N R

Nationality: French

Appointed: 1 December 2022

Experience: Sophie is President of LeaderXXchange™ which advises investors and companies on sustainability and ESG strategies. She initially practised as a M&A lawyer and later specialised in finance as Managing Director of a New York-based investment fund. She also launched a consulting business focused on sustainability and corporate governance strategies and is a cofounder of the International Corporate Governance Network. She has served as Chair of Suez SA and Lead Independent Director of Kering.

External appointments: Non-Executive Director, Herbalife (NYSE); Non-Executive Director, Africa50; Non-Executive Director, France Locale; Non-Executive Director, Echiquier Positive Impact Europe funds; Non-Executive Director; Member, HCGE (Haut Comité de Gouvernement d'Entreprise); Vice President, Ideas and Prospective at the MEDEF; Senior Fellow, The Conference Board ESG Center in New York.

9. Charlie Steel
Chief Financial Officer

Nationality: British and Irish

Appointed: 1 November 2022

Experience: Prior to joining IWG, Charlie was Chief Financial Officer of Babylon, a US-listed digital-first, value-based healthcare provider, Global Head of Corporate Development at CMC Markets, a retail-focused financial services business, Vice President at Deutsche Bank AG and held positions at Lehman Brothers and IBM. Charlie holds a degree in Economics and Management from the University of Oxford.

External appointments: Non-Executive Director and Chair of the Audit Committee, Department for Work and Pensions in the UK Government; Non-Executive Director, AICPA.

Matters reserved for the Board

Matters that are considered sufficiently material that they can only be decided by the Board as a whole and cannot be delegated include:

- approval of long-term objectives and commercial strategy;
- approval of the annual plan;
- approval of regulatory announcements including the interim and annual financial statements;
- approval of terms of reference and membership of the Board and its Committees;
- appointment and removal of the Company Secretary;
- approval of risk management strategy;
- changes to the Group's capital structure;
- changes to the Group's management and control structure; and
- capital expenditure in excess of $15 million; and material contracts (with an annual value in excess of $15 million).

Full details of the matters reserved for the Board are available on: www.iwgplc.com

Key: responsibilities and Committee membership

- O Non-Executive Director with oversight of employee engagement and CSR
- A Audit
- N Nomination
- R Remuneration
- ● Chair

Board composition as at 31 December 2025

During 2025, two additional Board members were appointed, further broadening the Board's depth of expertise and increasing the number of independent members. The Board now comprises nine individuals, each valued for the unique combination of skills, experience, knowledge, personal qualities, and commitment they bring to the boardroom.

The benefits of having an experienced and well-balanced Board are clear and in its regular review of Board composition the Nomination Committee considers how new appointments can strengthen our decision-making and ensure we have the expertise needed to meet our strategic ambitions.

Experience of the Board

Read our Directors' biographies on pages 46 and 47

Read more about our Diversity Policy on page 62

Nationality representation on the Board*

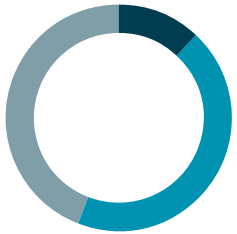
American	56%
British	22%
French	11%
Irish	11%
Luxembourgish	11%
Spanish	11%

* Two Directors are dual nationals.

Length of tenure of Non-Executive Directors

0-3 years	44%
4-6 years	28%
9+ years	28%

Age group representation on the Board



36-50 years	12%
51-65 years	44%
65+ years	44%

Ethnicity group representation on the Board

Asian	11%
White	89%

Gender representation on the Board

Female	33%
Male	67%

Board independence

Independent Non-Executive Directors	67%
Chair – independent on appointment	11%
Executive Directors	22%

Governance Report

Board effectiveness

Our governance framework aims to ensure the Board is effective and able to provide leadership and oversight of the Company within a framework of effective controls that enables risk to be assessed and managed and where assumptions and ideas can be challenged and debated. Our framework enables the Board to function as an effective team in order to develop and promote its collective vision of the Company's purpose, its culture, and the behaviours that the Board wishes to promote in conducting business.

Purpose and strategy

The Board is responsible for reviewing and approving the Group's purpose and strategy as further detailed in our business model and information on how we add value for stakeholders on pages 13 to 19. Our purpose underpins everything we do and is closely aligned with our three-year plan and strategy.

The Board meeting in September 2025 focused on strategy and allowed the Board to make its annual deep-dive strategic assessment. Throughout the year the Board reviews key strategic developments and performance against strategic objectives, organisation, personnel and sustainability as well as presentations from key areas of the business.

The Board is also responsible for approving the Group's operating model and annual plan, ensuring that the right structure, talent and resources are available to implement its strategy and long-term objectives.

Values, culture and ethics

IWG employs 10,000 people and corporate responsibility is a top priority. Our people are at the heart of our culture which is based on our pioneering spirit, mutual empowerment, shared leadership and global network that is united by trust in one another.

Our global reach means we are constantly aware of our environmental impact. We work with local communities to mitigate this and improve sustainability. Your Board is committed to upholding ethical standards, prioritising the wellbeing of our people and the environment. We ensure that our people conduct business activities ethically, without bias or discrimination, in all our business activities and in alignment with our strategic goals.

The Board's monitoring of culture for 2025 indicated that our culture is strongly embedded in our employees from day one on the job and that the policy, practices and behaviour throughout IWG are strongly aligned with our purpose, values, ethics and strategy. No corrective actions were recommended to the senior leadership team. Read more about how we monitor culture on page 50.

Development and support

To ensure continuing development and provide support, all Directors have:

- a customised and comprehensive induction;
- the opportunity to meet with major shareholders;
- access to the Company's operations and employees;
- access to training which is reviewed on an ongoing basis to meet particular needs;
- access to the advice and services of the Company Secretary; and
- access to independent professional advice at the Company's expense.

Induction

The Chairman, supported by the Company Secretary, is responsible for preparing and coordinating a customised and comprehensive induction programme for each newly appointed Director, this is done following discussion with the new director taking into account their previous experience and their new role ensuring they can contribute effectively to discussion and decision-making. Details of the induction programmes designed for Lázaro Campos and Stephen Jennings can be found on pages 59 and 60 respectively.

Conflicts of interest

Directors are required to notify the Company as soon as they become aware of a conflict of interest or a potential conflict. At the start of each Board meeting, each Director is required to confirm whether they have a conflict with any of the matters to be discussed; if a conflict does arise, the Director is excluded from that discussion.

Time commitment

Directors are required to have sufficient time to meet their Board responsibilities. This is considered when making new appointments and in their annual evaluation. Directors are required to seek Board approval before taking on additional external appointments.

Insurance and indemnity

Insurance cover is obtained to protect the Directors in the event of a claim being brought against them. In accordance with our articles and to the extent permitted by law, an indemnity is provided to Directors in respect of liability incurred as a result of their office.

Performance monitoring

The Board receives regular reporting on key performance indicators. Trading and finance updates as well as updates on strategic projects are provided at all scheduled Board meetings, allowing the Board to monitor and measure performance and to make decisions on matters reserved for the Board to support the delivery of its strategy.

The Board is responsible for approving results, dividends and announcements, including the going concern basis for preparing these accounts and reviewing the stress testing and analysis underpinning our Viability statement.

The Board reviews the Group's corporate responsibility activities and reporting, receiving updates on:

- the Group's Net Zero Transition Plan and progress made in achieving the agreed milestones;
- the progress on other environmental objectives, such as reducing water usage and waste; the culture of the Group and the wellbeing of employees;
- the Group's talent; and
- the initiatives we support in the local communities in which we operate.

Prudent and effective controls

The Board is responsible for assessing the nature and extent of the principal risks it is willing to take to achieve its strategy and long-term objectives, and also those risks and emerging risks that threaten its business model, future performance, solvency or liquidity.

The key risks and emerging risks to the Group, both financial and non-financial, and the steps taken to manage and mitigate them which were reviewed and approved by the Board, are detailed on pages 34 to 36. Information on our approach to sustainability risk can also be found in our Task Force on Climate-related Financial Disclosures on pages 38 to 40. The Board has delegated authority for overseeing and reviewing its system of internal controls and risk management to the Audit Committee, which reports regularly to the Board. Details of the system and the Committee's review of its effectiveness are reported on pages 66 and 67.

During 2025, management continued preparations for the introduction of Provision 29 of the Code on internal control which will apply to the Company from the financial year commencing on 1 January 2026. Provision 29 of the Code enhances Directors' responsibilities by requiring a declaration regarding the effectiveness of the Company's material controls. The Board has delegated oversight of preparations for Provision 29 to the Audit Committee which will regularly update the Board on progress. Further information can be found in the Audit Committee Report on page 68.

Culture

The Board has a key responsibility in assessing and monitoring the culture of IWG and ensuring that our culture is embedded throughout the Group and reflected in how we do business. The Board leads from the top by doing what is right for the environment and our people and ensuring we act ethically and without bias in all business activities. The Board uses the following tools to monitor and assess culture and employee engagement at IWG:

Informed decision-making

- **Board decisions:** Our criteria for assessing Board proposals includes considering the environmental impact and the impact on our employees as well as maintaining the reputation of the Company by acting to the highest ethical standards.
- **Director visits:** Non-Executive Directors regularly visit centres, and Group offices to meet with key management individuals as well as attending regional leadership conferences to meet employees and better understand the culture across the Group.
- **Policy review:** The Board regularly reviews the policies underpinning our culture and the onboarding and ongoing training activities for employees in support of the implementation of those policies.

Reward, recognition and development

- **Talent review:** A review of talent and succession is presented to the Board and discussed annually.
- **Employee recognition:** Recognition of individual and team achievements at our management conferences promotes engagement and reinforces our culture and values. From on-the-spot recognition to call outs for long service, IWG continues to recognise performance and loyalty.
- **Training and development:** Our award-winning induction programme includes training on our Code of Conduct and compliance policies and provides employees with an insight into our values and culture from day one. This is further enhanced by the tailored courses and webinars that are available to all employees through our IWG Academy which includes modules on key topics such as health and wellbeing, compliance and IT security and customer best practice. In 2025, 98% of employees participated in training.
- **CSR activities:** We invest in events to raise funds for local communities across the world and provide our centres with a Networking and Fundraising Toolkits which enables all business networking events have a social community or wellbeing impact.

Communication and engagement

- **Employee survey:** Our annual survey assists the Board in measuring how embedded our culture is and to understand employee views on working at IWG; what we do well and areas for future focus. In 2025, 82% of respondents said they would recommend IWG as an employer.
- **Communications:** Internal communications, including town hall meetings, regular business reviews, newsletters and emails from our CEO reinforce our culture and improve employee alignment and pride.
- **Employee representative:** The Board receives regular feedback on employee views and community initiatives from our Non-Executive Director with oversight of employee engagement and CSR. Further information can be found on page 56.
- **Employee feedback:** the Board receives feedback from the new starter and leaver process.

Policies and behaviours

- **Leadership behaviour:** Leading by example, Directors endeavour to always act ethically and without bias, to hold themselves to account and consider the impact of their actions on the wellbeing of our people and on our environment, for example, we use commercial flights and avoid unnecessary travel.
- **Whistleblowing:** Reports through our "Right to Speak" policy, which encourages employees to speak out without fear of repercussions, are reported to our Audit Committee. Details of reports received during 2025 can be found on page 67.
- **Policies:** Our Human Rights Policy and our Fair Treatment policy are available on www.iwgplc.com. We maintain a zero-tolerance policy both to bribery and corruption and to slavery and human trafficking; training is provided to all employees and our statements on these are reviewed annually and made available on our website. All instances of bribery and corruption are investigated and reported to our Audit Committee.

Board activities

The Board meets regularly to oversee the delivery of the Group's strategic objectives to ensure it continues to promote the long-term success of the Company.

How the Board spent its time in 2025

The Chairman and the Company Secretary plan an annual schedule of matters to be considered by the Board, ensuring all key issues are covered and that topics are discussed at appropriate times during the year.

Initially eight meetings were scheduled for 2025, with additional meetings to be arranged as needed to ensure the Board was kept abreast of our strategic projects and to respond to business challenges and opportunities in a timely manner. In total the Board met ten times during 2025. This included a detailed strategy session in September 2025 and additional meetings which were arranged to consider time-sensitive matters. When appropriate for executing previously discussed matters between meetings the Board delegated its authority to a committee.

The Chairman and the Company Secretary set the meeting agendas ensuring that Board meetings are structured to facilitate in-depth discussions on key issues and to allow time for the Chairman to meet with Non-Executive Directors without the Executive Directors present. They ensure that the Board receives clear, concise and timely information on all relevant matters so that discussions are well-informed. Board papers are made available in advance of meetings on a secure board portal. This portal is also used to distribute relevant reference material. Minutes are taken of all Board discussions and decisions.

Non-Executive Directors regularly meet with the Executive Directors and senior leaders outside of the formal meeting schedule. Senior leaders and individuals from the relevant business area are also invited to attend Board meetings in relation to key items, allowing the Board the opportunity to debate and challenge initiatives directly.

In the event that a Director has a concern about the running of the Company or a proposed action, such concerns are recorded in the Board minutes or can be recorded by Non-Executive Directors who are resigning, in a written statement which is circulated to the Board. No such concerns were raised in 2025.

Membership and attendance in 2025

The table below details the Board and Committee meeting attendance during 2025. The number of attendances is shown next to the maximum number of meetings each Director was entitled to attend.

Members	Board	Nomination Committee	Audit Committee	Remuneration Committee
Douglas Sutherland, Chairman	10/10	4/4[3]	-	-
Lázaro Campos[1]	6/6	4/4	5/5	-
Mark Dixon	10/10	-	-	-
Laurie Harris	10/10	8/8	10/10	8/8
Nina Henderson	10/10	8/8	10/10	8/8
Stephen Jennings[2]	6/6	4/4	-	4/4
Tarun Lal	10/10	8/8	10/10	8/8
Sophie L'Hélias	10/10	4/4[4]	10/10	8/8
Charlie Steel	10/10	-	-	-

1. Lázaro Campos was appointed to the Board and joined the Nomination and Audit Committees on 20 May 2025.
2. Stephen Jennings was appointed to the Board and joined the Nomination and Remuneration Committees on 20 May 2025.
3. Douglas Sutherland resigned from the Nomination Committee on 20 May 2025.
4. Sophie L'Hélias was appointed to the Nomination Committee on 20 May 2025.

Governance Report continued

Key activities of the Board in 2025

January/February
- **Approved** the 2024 year-end results and the Preliminary Results Announcement
- **Approved** the recommendation of a final dividend of 0.90c per share in respect of the 2024 financial year
- Reviewed the results from the 2024 Board Performance Review
- **Approved** the Group's principal risks and mitigating actions
- Reviewed sustainability and CSR activities
- **Approved** Viability statement and three-year plan

March/April
- **Approved** the Company's Annual Report and Accounts in respect of the 2024 year-end
- **Approved** the 2025 Share Buyback Programme
- **Approved** the partial repurchase of the Convertible Bond
- **Approved** the appointment of Lázaro Campos and Stephen Jennings as Non-Executive Directors, subject to their election at the 2025 Annual General Meeting
- **Approved** the Notice of the 2025 Annual General Meeting
- Acquisition of the remaining minority interests in the Instant Group

May/June
- **Approved** the Q1 Trading Statement
- **Approved** an increase in the 2025 Share Buyback Programme
- 2025 Annual General Meeting attended by all Directors
- Election of Stephen Jennings and Lázaro Campos as Non-Executive Directors
- Appointment of Stephen Jennings as Nomination Committee Chair
- Appointment of Lázaro Campos as Senior Independent Director
- Reviewed Investor Relations activity and feedback from the Annual General Meeting
- **Approved** Eurobond issuance
- Received updates on Information Technology and Digital Strategy
- Received North American Business update and an Overview of the Regions
- **Approved** US GAAP financial statements for the financial years 2022-2024 and US GAAP transition announcement

July/August
- **Approved** our Viability statement
- **Approved** an increase in the 2025 Share Buyback Programme
- **Approved** payment of an interim dividend of 0.45c per share in respect of the 2025 financial year
- **Approved** the 2025 half-year results and the Interim Results Announcement

September/October
- Off-site strategic review
- Reviewed the Group's talent strategy and culture
- Received an update on sustainability strategy and activities
- **Approved** the introduction of a Sustainability Report in 2026
- Reviewed Investor Relations activity and potential US listing considerations
- Insurance update
- Received an operations update
- Received an update on enterprise customers and sales
- Received an update on growth strategy and execution
- **Approved** the Q3 Trading Statement

November/December
- **Approved** the three-year plan and annual budget
- Assessed the Group's viability over three-years
- Received cyber security update
- Reviewed results of the Employee Engagement Survey
- Reviewed materials for the 2025 Investor Day
- Reviewed sustainability and CSR activities
- 2025 Investor Day, New York City attended by Board members
- US and European Management meeting attended by Board members
- Board Performance Review process launched – interviews with all Directors conducted internally for 2025
- **Approved** the first tranche of the 2026 Share Buyback Programme

Regular Reports
- Monthly Board Report
- Quarterly Finance update

Standing Agenda Items
- Trading update
- Finance update
- Strategy implementation update
- Cyber security update
- Feedback from Committee meetings

Governance Report continued

Board decision-making

Our Board has approved a continuation of our strategy focused on our capital-light network expansion and becoming a platform for work.

The Board previously approved a pivot to achieving growth through capital-light network expansion and in 2025, the Board approved the continuation of this strategy with a focus on providing a comprehensive platform for work. We have already seen the transformative impact of this strategy and below we provide an overview of the factors that contributed to this decision-making and also the outcome of that decision-making as at 31 December 2025.

	The likely consequences of any decision in the long-term	The interests of the Company's employees	The need to foster the Company's business relationships	The impact of the Company's operations on the community and the environment	The desirability of the Company maintaining a reputation for high standards of business conduct	The need to act fairly as between members of the Company
Factor considered	Through our capital-light growth strategy, we are able to position ourselves for continued growth in the long-term whilst generating attractive returns for our shareholders. Providing additional services through our platform for work strengthens our proposition to customers and partners and becomes a catalyst for further growth.	The growth of our business creates new opportunities for employees to develop their careers in a fast-paced exciting environment and to have the benefits associated with working for a global leader with strong sustainability policies.	**Our clients:** This strategy provides cost effective work solutions to our customers which allows our customers to perform better, with more flexibility and agility. We enable their employees to be more productive and fulfilled. **Our partners:** Partners and franchisees have the opportunity to diversify into an exciting and fast-growing market, whilst building owners and developers achieve a good return on their investment.	By expanding our network both nationally and locally, we can significantly reduce carbon emissions by reducing commuting time for workers and providing energy-efficient local offices. Providing local working will benefit the economies of local communities and encourage social connections.	Growth in a sustainable and ethical way creates reputational and cultural benefits. We will always act in accordance with our culture and values, doing what is right for the environment and our people and ensuring we act ethically and without bias in all our business activities.	This is a strategy which will benefit all our shareholders, by driving growth and creating opportunities and attractive returns.
	Rapid network growth	**People excellence**	**Sustainable, long-term partnerships**	**Better for people and planet**	**A portfolio of brands**	**Returns for stakeholders**
Outcome as at 31 December 2025	769 capital-light centres were opened during the year (601 opened in 2024). We have the most extensive coverage on the market operating across more than 120 countries with over 1 million rooms across our brands. Faster scaling through capital-light growth has allowed us to benefit from economies of scale increasing our competitive advantage. Workspace locations globally **4,609**	A growing network has meant additional recruitment and enhancement of our employee practices including our recruitment policy, training and development programmes enabling us to provide a better experience and more interesting work for employees and establishing ourselves as an employer of choice.	Our focus on partnering with building owners and franchisees to create close, symbiotic relationships continues to drive revenue and cash flow generation both for IWG and for our partners now and into the future. System-wide revenue **$4.5bn**	The continued expansion of our unique global network increasingly allows us to provide our clients with locations that suit them – whether in cities, towns, suburbs or rural locations. More than 1,750 of our centres now use certified green electricity enabling our clients to reduce their carbon footprint. Capital-light centres opened in 2025 **769**	The breadth of our brand portfolio allows us to capture all price points and our focus on providing consistent standards, services and work practice across our brands has led to increased customer loyalty, and improved marketing by word of mouth. This also helps us to attract new employees and partners and increases employee engagement.	We have seen that the growth created through our strategy has advantaged all our stakeholders; creating opportunities and careers for employees, increasing revenue for our partners, fulfilling customer needs and enabling us to make returns to shareholders, including through our share buyback programme. Returns to shareholders in 2025 **$144m**

As a Jersey-incorporated Company, we are not required to make a Section 172 Statement under the UK Companies Act; we do, however, maintain the same high standards when complying with our Director duties in accordance with Jersey company law. Our Directors are required to act in good faith and in the best interests of the Company, and in doing this our Directors have regard, amongst other items to the matters highlighted in the above example.

Stakeholder engagement

Building and maintaining strong relationships with our stakeholders is key to the long-term success of our business. During 2025, we worked closely with our partners and our decision-making has been informed by their views and experiences. Your Board seeks to take the views of its key stakeholders, our shareholders, customers, franchise partners, landlords, employees and communities, into account in its discussions and decision-making.

Engagement in numbers

9
White Papers released in the year

10
pulse surveys undertaken

15th
employee engagement survey conducted

395
investor meetings

500
investors directly engaged with, 140 attendees at capital markets day

1st
managed partner survey conducted

Information on how we have placed our stakeholders at the centre of our strategy can be found throughout our Strategic Report and details of how we create value for our primary stakeholders can be found on pages 13 to 19.

The Board receives regular updates from the Chief Executive Officer, the Chief Financial Officer and the Chairman on the views of key stakeholders on the Group's strategic agenda as well as receiving insights from other members of the Board and through the Company's stakeholder engagement initiatives.

Key stakeholder engagement initiatives undertaken in 2025 included:

- the publication of nine White Papers reporting on analysis and research undertaken by IWG which covered areas such as how flexible working boosts employee wellness and business performance and how technology is changing real estate;
- ten pulse surveys with business leaders and employees about the workplace and preferred ways of working;
- IWG's third annual report on HR leaders and hybrid working;
- the 2025 Employee Engagement survey;
- the employee engagement programme overseen from the Board by Nina Henderson as further detailed on page 56;
- leadership conferences attended by our employees, franchise partners and Board members were held in Europe and the US;
- workshops for our franchise partners were held throughout 2025, notably a workshop in the UK included c.20 franchise partners for an in-person event, sponsored by a key construction vendor;
- our first managed partner survey, with routine surveys planned for 2026;
- CSR activities undertaken by our employees throughout the world to engage with communities and reduce our environmental impact; and
- participation in the House of Lords Select Committee on Home-Based Working.

Shareholder engagement

Investor meetings

The Board is kept informed of investor views through the distribution of analyst and broker briefings and regular investor relations updates and Board presentations.

Our Investor Relations ("IR") team continued its active engagement programme during 2025, holding 395 investor meetings either in person or online which allowed IWG to engage directly with more than 500 investors, discussing areas such as market outlook, financial and operating performance, sustainability, remuneration and governance matters. In addition, the Company held a 2025 Investor Day and a number of roadshows, eight conferences were attended across equity and credit investors, and multiple site visits were organised for investors. As well as more formal non-deal roadshows, the Company maintains very proactive dialogue with investors throughout the year.

To reflect our increasingly US-based shareholder base, we hosted our second Investor Day in New York City in December 2025. This was attended in person by over 40 people, and more than 100 people virtually.

Our Investor Day presented an opportunity for the Company's Senior Leadership Team and Board members to meet with investors, potential investors and analysts to provide an update on achievements since the last Investor Day in December 2023 and to present the business and strategy for the next few years. At the 2025 Investor Day, the Company announced the continuation of its capital return programme into 2026. Between the Investor Day in December 2023, and 31 December 2025, the Company has returned over $161 million of capital to shareholders, with the majority in the form of buying back stock.

IR programme | 2025 calendar

Q1
- Investor conferences
- Full-year 2024 results
- Annual Report publication
- Investor roadshow

Q2
- Q1 2025 trading update
- Investor conference
- Eurobond issuance
- Historical results published in US GAAP format and investor teach-ins
- Annual General Meeting

Q3
- 2025 interim results
- Investor roadshow
- Investor conference

Q4
- Q3 2025 trading update
- Investor conferences
- 2025 Investor Day in New York City

The Chairman, Chief Executive Officer and Chief Financial Officer maintain a close dialogue with institutional investors on the Company's performance, sustainability initiatives, governance, plans and objectives. They regularly participate in investor meetings and make themselves available for questions, at the time of major announcements and on request. The Chairman, Chief Executive Officer and Chief Financial Officer regularly update the Board on the results of these meetings and the opinions of investors. All Directors have a standing invitation to participate in investor meetings. Committee Chairs engage with shareholders when there are significant changes within their areas of responsibility.

General meetings

The Annual General Meeting each year is held in May, save in exceptional circumstances, in Switzerland and is attended by all members of the Board. In addition to the formal business of the meeting, there is normally a trading update, and shareholders have the opportunity to ask questions and to meet the Directors afterwards.

All Directors attended our 2025 Annual General Meeting in person and were also available to respond to shareholder queries outside of the meeting. All resolutions were voted on separately by means of a poll and the final results were published after the meeting.

All resolutions at the 2025 Annual General Meeting were passed with at least 87% of votes in favour except for resolutions 2, 5 and 6, being our Remuneration Policy which received an advisory vote of 71% in favour and our Performance Share Plan ("PSP") and Restricted Share Plan ("RSP") which received votes in favour of 78% and 72%, respectively.

The Board recognised the significant minority votes against Remuneration Policy, the PSP and RSP and we announced the steps to be taken to understand the reasons behind the vote following the Annual General Meeting.

In November 2025, an update was provided on the steps taken which included engagement with dissenting shareholders. Further information on this can be found in our Directors' Remuneration report on page 70.

The 2026 Annual General Meeting will be held on Tuesday, 19 May 2026. Notice of the meeting will be in a separate document.

As always, the Directors will be available on request to respond to any shareholder queries outside of the meeting and will publish plans to understand any significant votes against any resolutions.

Company website

Our website www.iwgplc.com has a dedicated IR section which includes our Annual Reports, results, presentations and our financial calendar.

Senior Independent Director

Our Senior Independent Director, Lázaro Campos, is available to address any shareholder concerns that cannot be resolved through normal channels of communication.

Non-Executive Director with oversight of employee engagement and CSR

"Ensuring the health and wellbeing of our employees, understanding employee views and ideas, recognising their achievements and challenges is a key priority for the Board. We recognise that our success is driven by our people and that our decision-making must be informed by them."

Nina Henderson
Independent Non-Executive Director with oversight of employee engagement and CSR

Employee referral rate
82%

Regular meetings with employees at all levels

Elevating employee voices to leadership

Gathering broad employee input

My role

As Non-Executive Director with oversight of employee engagement, I interact with our employees to gather their views. I share my observations with the Board and management.

On an annual basis, with the support of the Chief Talent Officer, management and the Board, a plan of meeting attendance, visitations and informal exchanges with IWG colleagues is developed.

The Board and I receive feedback through the IWG new starter and leaver process, which is designed to ensure team members have a great start to work at IWG and provides an understanding of the reasons why team members might leave the business.

In addition, I have oversight of corporate social responsibility, and I work closely with our sustainability team to understand the initiatives that are being supported by our people across the globe and to provide feedback to the Board.

During 2025 IWG adopted a Corporate Social Responsibility (CSR) Framework covering community partnerships, employee engagement and workplace culture, ethical governance and industry impact. During 2025 our community partnerships contributed to local projects through local community investment, volunteering, and local team empowerment. Additional information on the CSR Framework and activities during 2025 will be presented in our Sustainability Report to be issued during the second half of 2026.

Representing and supporting employees

Feedback I receive from employees is regularly discussed at Board and Committee meetings. The perspectives are also shared with management.

IWG's innovation and strategy to deliver solutions for the evolution of work is dependent on the ideas and contributions of IWG team members. Our approach to employee engagement will continue to foster an avenue for exchange of perspectives and insights.

Activities during 2025

During 2025, I was privileged to interact with a wide variety of employees through multiple channels, this included visits to centres and corporate offices across the globe. During these visits, I interacted with various IWG Associates on sustainability efforts and human resource matters, and was provided perspectives on implementation of business plans. These insights were subsequently shared with Board members. I also attended our 2025 Investor Day.

Our 2025 Employee Engagement Survey reported that 82% (2024: 77%) of employees would recommend IWG to friends and family as a positive employment experience. Our employment survey also identifies that our employees appreciate the clarity in their roles, training opportunities, and support from managers at IWG giving the Board confidence that our practices are embedding our desired culture. We use our Employee Engagement Survey results to identify areas for improvement by management and to ensure that we continue to provide a "great day at work" for our employees – just as we do for our customers.

Division of responsibilities

There is a clear division of responsibilities between the running of the Board and the running of the Company's business. No one individual Director has unfettered powers of decision-making, and all Directors are required to act in the best interests of the Company.

Douglas Sutherland
Chairman

Douglas is responsible for leading the Board, setting high governance standards and focusing the Board on strategic matters. He oversees the Group's business and implementation of the Group's sustainability policies and strategy. He sets the Board's agenda and monitors the effectiveness of the Board. He ensures effective communication with shareholders and that the Board is aware of the views of all major stakeholders. He also facilitates the contribution of the Non-Executive Directors and ensures constructive relations between the Executive and Non-Executive Directors.

Mark Dixon
Chief Executive Officer

Mark is responsible for formulating strategy and for its delivery through the Senior Leadership Team once agreed by the Board. He creates a framework of strategy, values and objectives to ensure the successful delivery of key targets and allocates decision-making and responsibilities accordingly.

Charlie Steel
Chief Financial Officer

Charlie is responsible for leading the finance and accounting functions of the Group. He is also responsible for business ethics, good governance, assisting with strategy and compliance.

Lázaro Campos
Senior Independent Director

Lázaro acts as a sounding board and confidant for the Chairman, as an intermediary for other Directors as required, and leads the appraisal of the Chairman's performance. He is also available to shareholders if they have concerns that cannot be resolved through normal channels.

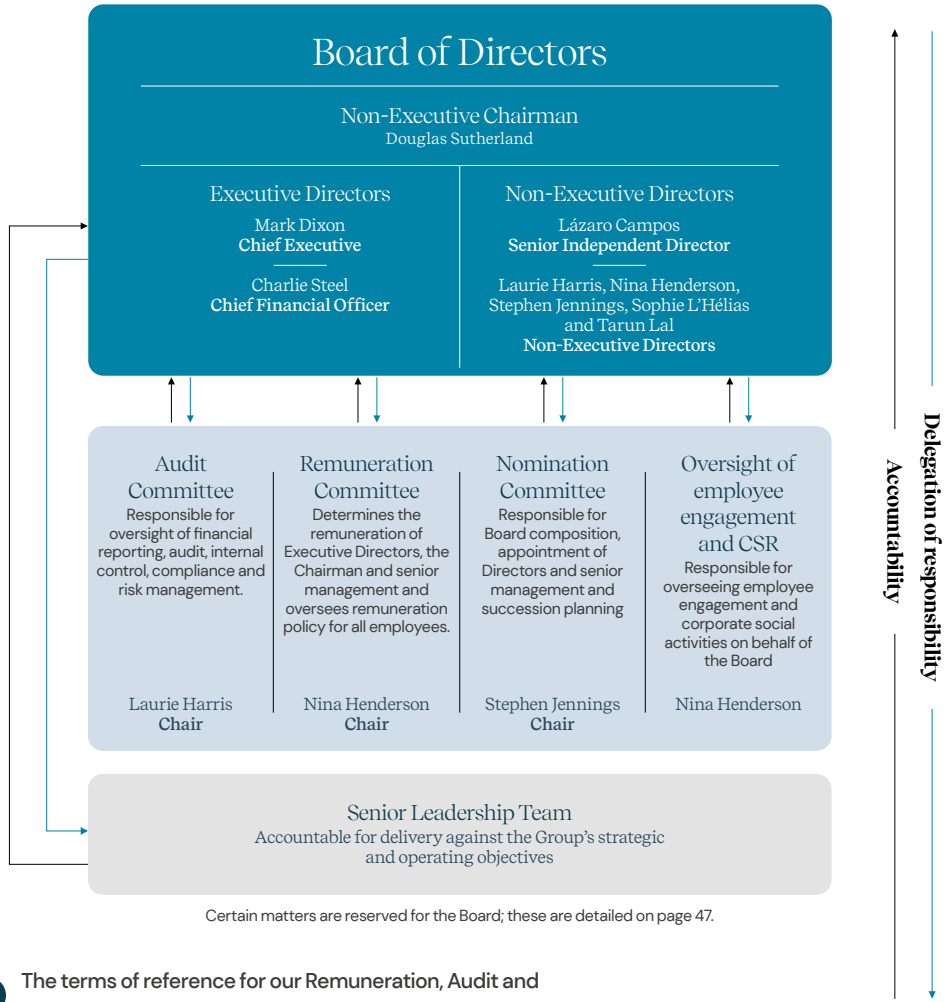
Non-Executive Directors

The independent counsel, character and judgement of the Non-Executive Directors enhance the development of strategy and the overall decision-making of the Board. The Non-Executive Directors scrutinise the performance of management and monitor the reporting of business performance, satisfying themselves as to the integrity of financial information and that financial controls and systems of risk management are robust and defensible. They are also responsible for determining appropriate levels of executive remuneration.

Timothy Regan
Company Secretary

Timothy is responsible for advising the Board, through the Chairman, on all governance matters and ensuring that the Board has the policies, processes, information, time and resources it needs to function efficiently and effectively. He also acts as secretary to the Board Committees.

The responsibilities of the Chairman, the Chief Executive Officer and the Senior Independent Director are available on www.iwgplc.com.



Certain matters are reserved for the Board; these are detailed on page 47.

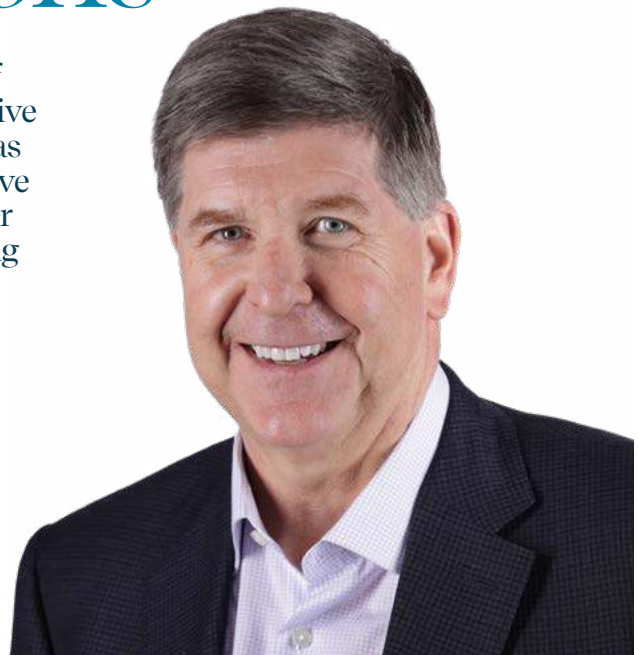
The terms of reference for our Remuneration, Audit and Nomination Committees are available on www.iwgplc.com.

Nomination Committee Report

Succession plans focused on strategic ambitions

"Increasing the number of Independent Non-Executive Directors on our Board has brought a fresh perspective to our boardroom, further ensuring the safeguarding of stakeholder interests."

Stephen Jennings
Chair, Nomination Committee



Dear Shareholder

I am pleased to present to you our report on the work of the Nomination Committee (the "Committee") during 2025. This is my first report as Committee Chair following my appointment on 20 May 2025. Prior to this, Tarun Lal served as interim Chair of the Committee and we thank him for his leadership whilst the Committee continued its work to refresh the Board through the appointment of both Lázaro Campos and me as Non-Executive Directors of the Company, effective 20 May 2025.

2025 has been a productive year for the Committee, with a continued focus on succession planning to further refresh and strengthen the Board and its Committees. This work ensures that we remain forward-looking and well positioned to deliver our strategic ambitions.

Committee membership

The Committee consists entirely of independent Non-Executive Directors. Committee membership and attendance at meetings during the year is set out on page 51. The biographies of all members of the Committee can be found on pages 46 and 47.

Board composition

During 2025, we increased the size of our Board to nine members (seven at 31 December 2024). Increasing the number of Independent Non-Executive Directors on our Board has brought a fresh perspective to our boardroom, further ensuring the safeguarding of stakeholder interests and facilitating our ongoing Board refreshment activities.

Our Board currently comprises nine members, being: the Non-Executive Chairman (independent at the time of appointment); two Executive Directors; and six independent Non-Executive Directors. Further information on Board composition can be found on page 48 and the biographies of individual directors are on pages 46 and 47.

Key activities of the Committee during 2025

Q1
- Non-Executive Director search
- Reviewed results of the external Board Performance Review and implemented recommendations
- Performance evaluation of the Chairman of the Board
- Reviewed independence of Non-Executive Directors
- Reviewed progress against Board diversity objectives for 2024 and set objectives for 2025
- Approved a new Board Diversity Policy
- Approved the 2024 Nomination Committee Report

Q2
- Recommended the appointment of Stephen Jennings and Lázaro Campos as Non-Executive Directors
- 2025 Annual General Meeting which re-elected all serving Directors and elected Stephen Jennings and Lázaro Campos
- Change of Committee Chair and membership

Q3
- Talent discussions and Succession Planning for the Board and Senior Leadership Team
- Launched a search for a new Non-Executive Director

Q4
- Non-Executive Director search
- Launched the 2025 Board Performance Review

Nomination Committee Report continued

Board succession activities

During 2025, the Committee recommended the appointment of Lázaro Campos and me as Non-Executive Directors. We were elected at the Company's 2025 Annual General Meeting and further information on the process for our appointment can be found on pages 59 and 60.

The Committee has kept under review the balance of existing skills, knowledge, cultures and experience on the Board as it refines its plans for the refreshment of senior Board and committee roles. With this in mind, the Committee launched the search for an additional Non-Executive Director, to be completed in 2026. Spencer Stuart have been appointed to identify a longlist of candidates. Spencer Stuart are a signatory to the Voluntary Code of Conduct for Executive Search Firms on gender diversity and best practice and they have no other connection to the Company or any of the Directors.

As part of its succession planning, the Committee has also kept under review the importance of retaining the experience on the Board that is needed in the near-term to deliver through the transformational period which the Company and the flexible workspace market continue to experience and whilst the Board continues to implement value enhancing activities. Following appropriate reviews by the Committee, we are pleased to advise that Nina Henderson and Douglas Sutherland will remain on the Board for the near term.

Board appointments

The Committee leads the process for the appointment of all new directors and, in identifying and recommending candidates to the Board, the Committee considers candidates on merit against objective criteria and in accordance with the Board Diversity Policy. Nominations are based on the existing balance of skills, knowledge and experience on the Board, on the merits and capabilities of the nominee, their alignment with the values and culture of IWG and on the time they are able to give to the role in order to promote the success of the Company. Details of the appointment and induction process for Lázaro Campos and Stephen Jennings can be found on pages 59 and 60 respectively.

Lázaro Campos: Appointment and induction process

Appointment of Lázaro Campos, Senior Independent Director ("SID")

The search process to appoint a new Non-Executive Director who could also fill the role as SID initially began in November 2024, as part of a broader search for Non-Executive Directors who would support our Board refreshment and succession planning activities.

Following the departure of François Pauly on 31 December 2024, an interim appointment of Tarun Lal to the role of SID was made. A rigorous recruitment process was carried out to appoint a permanent successor, as follows:

Skills review: Review of the balance of existing skills, knowledge, diversity and experience on the Board taking into account the results of the 2023 Internal Board Performance Review and the input from Condign Board Consulting who were conducting the 2024 External Board Performance Review.

The Committee used their review to design a briefing on the criteria which would be used for the identification of candidates.

Identification of candidates: The Committee appointed Audeliss Executive Search and Spencer Stuart consultancies (both of which have no other connection to the Company), as well as its industry connections, professional advisers and networks, to identify a longlist of candidates which complied with the Board's Diversity Policy.

Candidates were considered on merit against the criteria set by the Committee, which included relevant characteristics and experience to serve as the SID.

Interviews: Members of the Committee, the Chairman of the Board, the Chief Executive Officer and the Chief Talent Officer met with shortlisted candidates, assessing their alignment to the original brief and to IWG's culture.

Appointment: The Committee extensively discussed the merits of the shortlisted candidates and recommended Lázaro be appointed as SID.

The Board accepted the recommendation of the Committee announcing Lázaro's intended appointment on 26 March 2025. Lázaro was subsequently elected to the Board at the Company's 2025 Annual General Meeting and on 20 May 2025 was appointed as SID. Lázaro also serves on the Company's Audit and Nomination Committees.

Induction: Lázaro has undergone a thorough induction programme including:

- Access to Company documentation and policies, including recent Board and Committee minutes, meeting papers and Board reports, recent Board Performance Reviews, policies and procedures, the Company's articles of association, Directors' duties, matters reserved for the Board, Committee terms of reference, Annual Report and Accounts, investor presentations, and broker and analyst reports.
- Introductory meetings held with the Chairman of the Board, Chief Executive Officer, Chief Financial Officer, all Committee Chairs and Non-Executive Directors, the Company Secretary and certain members of the Senior Leadership Team covering strategy; performance monitoring; culture; sustainability, corporate reporting and regulation, stakeholder engagement; remuneration; talent; succession planning; governance and legal.
- Handover process with Tarun Lal following his interim role as SID. Lázaro spent time with global and geographic leadership and attended our European Management Conference in November 2025, which had approximately 40 participants, including country management and franchisees.

Nomination Committee Report continued

Senior Leadership Team

The Committee oversees changes and succession planning for the Senior Leadership Team and supports initiatives to strengthen the executive talent pipeline. During 2025, talent discussions were held by the Committee with the CEO and the Chief Talent Officer.

Succession planning

We monitor that succession plans are in place for the orderly succession of appointments to the Board and the Senior Leadership Team as well as all senior Board and Committee positions, so that there is an appropriate balance of skills, experience and knowledge. Succession planning discussions and a talent review process continue to be an integral priority of the Company's business planning and review process, as is the continued development of both management capacity and capabilities within the business.

Re-election of the Board

All Directors (unless they are retiring) submit themselves for re-election by shareholders annually. Directors appointed during the period since the last annual general meeting are required to seek election at the next annual general meeting under the Company's articles of association. Reasons why the contribution of Directors offering themselves for re-election or election continues to be important to the long-term success of the Company are described in the notice of annual general meeting.

Stephen Jennings: Appointment and induction process

Appointment of Stephen Jennings, Non-Executive Director and Nomination Committee Chair (the "NomCo Chair")

The search process to appoint a new Non-Executive Director who could also fill the role as NomCo Chair initially began in November 2024 as part of a broader search for Non-Executive Directors who would support our Board refreshment and succession planning activities.

Following the departure of François Pauly on 31 December 2024, an interim appointment of Tarun Lal to the role of NomCo Chair was made. A rigorous recruitment process was carried out to appoint a permanent successor, as follows:

Skills review: Review of the balance of existing skills, knowledge, diversity and experience on the Board taking into account the results of the 2023 Internal Board Performance Review and the input from Condign Board Consulting who were conducting the 2024 External Board Performance Review.

The Committee used their review to design a briefing on the criteria which would be used for the identification of candidates.

Identification of candidates: The Committee appointed Audeliss Executive Search and Spencer Stuart consultancies (both of which have no other connection to the Company), as well as its industry connections, professional advisers and networks, to identify a longlist of candidates which complied with the Board's Diversity Policy.

Candidates were considered on merit against the criteria set by the Committee, which included relevant characteristics and experience to serve as the NomCo Chair.

Interviews: Members of the Committee, the Chairman of the Board, the Chief Executive Officer and the Chief Talent Officer met with shortlisted candidates, assessing their alignment to the original brief and to IWG's culture.

Appointment: The Committee extensively discussed the merits of the shortlisted candidates and recommended Stephen be appointed as NomCo Chair.

The Board accepted the recommendation of the Committee announcing Stephen's intended appointment on 26 March 2025. Stephen was subsequently elected to the Board at the Company's 2025 Annual General Meeting and on 20 May 2025 was appointed as NomCo Chair. Stephen also serves on the Company's Remuneration Committee.

Induction: Stephen has undergone a thorough induction programme including:

- Access to Company documentation and policies, including recent Board and Committee minutes, meeting papers and Board reports, recent Board Performance Reviews, policies and procedures, the Company's articles of association, Directors' duties, matters reserved for the Board, Committee terms of reference, Annual Report and Accounts, investor presentations, and broker and analyst reports.
- Introductory meetings held with the Chairman of the Board, Chief Executive Officer, Chief Financial Officer, all Committee Chairs and Non-Executive Directors, the Company Secretary and certain members of the Senior Leadership Team covering: strategy; performance monitoring; culture; sustainability, corporate reporting and regulation, stakeholder engagement; remuneration; talent; succession planning; governance and legal.
- Handover process with Tarun Lal following his interim role as NomCo Chair.
- Stephen spent time with global and geographic leadership in North America and attended our Investor Day in December 2025, which had approximately 140 in person and virtual participants, including members of the Senior Leadership Team, investors, potential investors and analysts.

Nomination Committee Report continued

Board Performance Review

The performance of your Board, its Committees, the Chairman of the Board and individual Directors is evaluated annually and every third year our evaluation is facilitated externally. In respect of 2025, our Board Performance Review (the "Board Review") has been facilitated internally by our Chairman of the Board. The Board Review was conducted through a series of one-to-one discussions with Board members. The Board Review included enquiry into the other appointments held by each Director (detailed on pages 46 and 47) and the time they were able to commit to performing their role for the Company. The results of the Board Review were discussed by both the Board and the Committee.

The results of the Board Review, which included suggestions for improvements to Board information and reporting and a continued focus on strategic matters and succession activities at the Board level, are being incorporated into our ongoing efforts to continuously improve the processes and effectiveness of the Board.

We continue to have full confidence in the Board's members, their commitment to the Company and in the Board's governance structures and processes.

The Committee uses the review process to monitor effectiveness, performance, balance, independence, leadership and to guide our succession planning, enabling the Committee to identify strengths and weaknesses and ensuring that we are able to identify the capabilities required for particular Board appointments. Our 2024 External Board Performance Review identified that Non-Executive Directors would benefit from additional time being added to our in-person Board meetings. This was implemented in 2025 and its enhancement of both the integration of our new Board members and our Board strategy implementation discussions was noted as an improvement during the 2025 Board Review.

2024	2025	2026	2027
External Board Performance Review	Internal Board Performance Review	Internal Board Performance Review	External Board Performance Review

Evaluation of the Chairman of the Board

The Senior Independent Director led the evaluation of the Chairman of the Board, Douglas Sutherland, which was conducted by the Committee without Douglas being present. The Committee was informed by the Board Evaluation, the views of the Executive Directors and the views of investors.

As previously advised, Douglas, has been on the Board for more than the nine year term recommended under provision 19 of the UK Corporate Governance Code. He was appointed as Chairman of the Board on 18 May 2010 and was considered independent on appointment. From 27 August 2008 until his appointment as Chairman, Douglas served as an independent Non-Executive Director of the Company.

Based on the review of his performance in 2025, the Committee recommends that Douglas Sutherland remain in this role in the near-term. The Committee has concluded that given the near-term strategic plans, succession activities and other ongoing initiatives that his continued leadership of the Board is in the best interests of all stakeholders. This will be subject to regular review by the Committee.

Independence of Non-Executive Directors

The Committee reviewed the independence of all Non-Executive Directors in 2025; all are independent and continue to make independent contributions and effectively challenge management.

The Committee does not consider that independence will necessarily be compromised by the length of service of an individual director and following careful evaluation has determined, despite Nina Henderson's tenure exceeding nine years, that she continues to demonstrate clear independence of character and judgement.

Nomination Committee Report continued

Board Diversity Policy and objectives

All Board appointments and succession plans are based on merit and objective criteria, in the context of the skills, experience, independence and knowledge which the Board as a whole requires to be effective. Within that context, we follow our Board Diversity Policy to ensure we access the broadest pool of potential candidates on an equitable basis.

The objective of the Board Diversity Policy is to ensure that the Board's composition is inclusive, welcoming different cultures, perspectives, skills, and experiences from across the globe. IWG is committed to engaging talented people, irrespective of their race, colour, religion, age, sex, sexual orientation, marital status, national origin, present or past history of mental or physical disability, socio-economic background and any other factors not related to a person's ability to perform the relevant role.

Our disclosure in respect of the Listing Rules Diversity Guidelines and our Board Diversity Policy can be found on pages 62 and 63. As advised last year we anticipated a period during which we would not meet all the targets and in 2025, whilst we have maintained a level of three female Board members, two of whom hold senior positions as Committee Chairs, the increase in our Board size to nine directors (seven at 31 December 2024) has resulted in the percentage of female membership falling below 40%. We aim to address both this, and the appointment in the medium term of a female to a senior Board position (as defined by the Listing Rules), as part of our succession activities.

For 2026, recognising that our succession plans are ongoing, we have rolled forward our Board Diversity objectives, and we will report against these again in 2027.

Performance against Board diversity objectives

Objective	Progress
Maintain or increase the level of female Directors on the Board and its committees.	Throughout 2025, we retained three female Board members. As at 31 December 2025, this represented 33% of our Board (2024: 43%). Current succession activities aim to maintain and enhance the gender balance.
Appoint a female director and/or a director from a non-white ethnic group to one of the positions of Chair, Chief Executive Officer, Senior Independent Director or Chief Financial Officer in the mid-term.	Our ongoing succession plans continue to focus on achieving this objective in the mid-term.
Maintain or increase the current levels of ethnic diversity on the Board and its Committees.	We continue to have two ethnicities represented on our Board and each of our Board Committees. Current succession activities aim to enhance the ethnicity balance.
Increase the level of female and/or non-white male members of the Senior Leadership Team in the mid-term.	During 2025 an additional female was appointed to our Senior Leadership Team. Current succession activities aim to further enhance both the gender and ethnicity balance.
Develop a pipeline of high-calibre candidates by encouraging a broad range of senior individuals within the business to take on additional roles to gain valuable Board experience.	The Committee supports initiatives aimed at strengthening the executive talent pipeline and ensuring that high-potential people at every level are developed within the business. Senior individuals are encouraged to gain Board experience through internal and external Board appointments and are also invited to present at Board meetings.
Consider candidates for appointment as Non-Executive Directors from a wide international pool including those without previous FTSE Board experience.	The profiles, which were used to identify and engage with potential new directors, were drawn up to allow us to consider a wider pool of talent; FTSE experience is not a pre-requisite.
Ensure Non-Executive Director and Senior Leadership Team longlists include a significant representation of highly qualified candidates reflecting diversity including women and candidates with different racial and ethnic backgrounds.	The profiles, which were used to identify and engage with potential new directors and senior leaders, were drawn up to ensure that longlists reflected our desire to continue to improve the diversity of our Board and to ensure that we maintain or improve our levels of gender diversity.

Gender balance

	Board	Senior Leadership Team	Leadership	Country management	Global workforce
Male	67%	77%	66%	30%	35%
Female	33%	23%	34%	70%	65%

Board and Senior Leadership Team gender and ethnicity metrics – Listing Rules 9.8.6R (9) and 14.3.33R (1)

As at 31 December 2025, we do not currently meet all the targets of the Listing Rules diversity guidelines as set out below:

Listing Rules requirement	Detail
At least 40% of the Board are women.	**Not currently achieved:** As at 31 December 2025, we had 33% (2024: 43%) female Board representation. This is primarily due to increasing the size of our Board during 2025 and is being taken into account in ongoing succession activities.
At least one of the senior board positions (Chair, Chief Executive Officer (CEO), Senior Independent Director (SID) or Chief Financial Officer (CFO) is a woman).	**Not yet achieved:** As at 31 December 2025, we did not have a woman in any of the senior board positions as defined by the Listing Rules. We have a mid-term target for the appointment of a woman to a senior position as defined by the Listing Rules.
At least one member of the Board is from an ethnic minority background (which is defined by reference to the categories recommended by the Office for National Statistics (ONS) excluding those listed, by the ONS as coming from a white ethnic background).	**Achieved:** Since May 2022, we have had one director who is not from a white ethnic group.

The numerical data required under the Listing Rules is set out in Table One covering sex/gender representation and Table Two covering ethnicity representation. All data provided has been collected through self-reporting from the individuals concerned. By 'executive management' we refer to our Senior Leadership Team which encompasses the most senior levels of management reporting to the Chief Executive Officer, including the Company Secretary but excluding all administrative and support staff.

Table One: Reporting table on sex/gender representation

	Number of Board members	Percentage of the Board	Number of senior positions on the Board (CEO, CFO, SID and Chair)	Number in executive management	Percentage of executive management
Men	6	67%	4	10	77%
Women	3	33%	–	3	23%
Other categories	–	–	–	–	–
Not specified/prefer not to say	–	–	–	–	–

Table Two: Reporting table on ethnicity representation

	Number of Board members	Percentage of the Board	Number of senior positions on the Board (CEO, CFO, SID and Chair)	Number in executive management	Percentage of executive management
White British or other white (including minority white groups)	8	89%	3	10	77%
Mixed/multiple ethnic groups	–	–	–	3	23%
Asian/Asian British categories	1	11%	–	–	–
Black/African/Caribbean/Black British	–	–	–	–	–
Other ethnic group, including Arab	–	–	–	–	–
Not specified/prefer not to say	–	–	–	–	–

Terms of reference

The Committee's terms of reference are available on the Company's website: www.iwgplc.com.

Stephen Jennings
Chair, Nomination Committee

Audit Committee Report

Managing our business ethically and responsibly

"Responsible corporate behaviour is an integral part of the overall governance framework and our management structures."

Laurie Harris
Chair, Audit Committee

Dear Shareholder

I am pleased to present you with this report on the work of the Audit Committee (the "Committee") during 2025. Your Committee has an important responsibility to act independently of Company management. We ensure, for the benefit of shareholders and all stakeholders, that we provide robust challenge in respect of financial reporting and internal control. This report sets out the role and responsibilities of the Committee and our key activities during the year.

Membership

The Committee consists entirely of independent Non-Executive Directors. In compliance with the UK Corporate Governance Code (the "Code") and as determined by the Nomination Committee and the Board, I am the Committee member possessing recent and relevant financial experience and qualifications. Committee members hold a diverse range of skills, experience, qualifications and industry acumen in areas such as franchising, retail, risk, human resources, corporate responsibility and governance and all Committee members have proven track records in leadership and financial transactions. Taken as a whole the Nomination Committee and the Board have ensured that the Committee has the competence needed to effectively fulfil its role. Committee membership and meeting attendance during the year is set out on page 51. Biographies of Committee members can be found on pages 46 and 47.

Meetings

Ten Committee meetings were held in the year and where time-sensitive approvals were needed authority was delegated to a sub-committee. Meetings are planned with the Company Secretary to co-ordinate with key dates within the financial reporting calendar and audit cycle. The Company Secretary ensures information and meeting papers are provided in a timely manner, takes minutes at all meetings of the Committee, and provides any necessary practical support.

At my request, the external auditors, Executive Directors, the Chairman, the Company Secretary and the Business Assurance Director attend meetings. Executive Directors, internal and external auditors are expected to make information freely available to the Committee, to listen to the views of the Committee and discuss issues openly.

At least annually, the Committee meets independently, without management, with the Company's external auditors and the Business Assurance Director. In addition, I regularly meet with Executive Directors, the Chairman, the external lead audit partner and the Business Assurance Director outside of the formal Committee process.

Performance

The effectiveness of the Committee is reviewed annually as part of the Board Performance Review detailed on page 61.

Training

All Committee members have access to the necessary training to be able to fulfil their role. This includes training as part of their induction programme and ongoing training which includes updates on any new standards, legal or reporting requirements and best practice. Further information can be found on page 49.

Resources

Executive Directors are under an obligation to ensure Committee members are kept properly informed and have the information needed to discharge their duties as Directors of the Company. This obligation includes taking the initiative to supply relevant information in a timely manner rather than waiting to be asked and ensuring that all employees and Directors are advised of the need to cooperate with the Committee and provide it with any information it requires.

If needed, resource is available for the Committee to take independent legal, accounting or other advice.

Terms of reference

The Committee's terms of reference are available on the Company's website: www.iwgplc.com.

Audit Committee Report continued

Key activities of the Committee during 2025

Q1
- Monitored and reviewed 2024 year-end financial reporting
- Reviewed principal risks and emerging risks
- Discussion with KPMG without Executive Management
- Approved the Preliminary Results Announcement
- Approved the 2024 Annual Report and Accounts
- Reviewed effectiveness and independence of the external auditor
- Discussion on audit tendering process/timing
- Recommended reappointment of the external auditor for the 2025 year-end
- Reviewed effectiveness of the Company's system of internal control for 2024
- Approved the 2025 Internal Audit Plan
- Launch of the project to ensure compliance with Provision 29 of the 2024 Corporate Governance Code

Q2
- Monitored and reviewed financial reporting for Q1 2025
- Approved the Q1 Trading Statement
- Training on the Company's transition to US GAAP financial reporting
- Approved the US GAAP financial statements for the financial years 2022-2024

Q3
- Monitored and reviewed financial reporting for the 2025 half year
- Approved the Interim Results Announcement

Q3 continued
- Approved updates to the 2025 Internal Audit Plan
- Approved the external audit plan and strategy for the 2025 financial year
- Reviewed outcome of the "failure to prevent fraud" project

Q4
- Monitored and reviewed financial reporting for Q3 2025
- Approved the Q3 Trading Statement

Regular reports
- Quarterly Finance update

Standing agenda items
- Finance update
- Update on strategic finance projects
- Internal Audit updates including updates against the internal audit plan, statutory compliance and whistleblowing
- Update on project to ensure compliance with Provision 29 of the 2024 Corporate Governance Code

Board reporting
I routinely report to the Board on how the Committee has discharged its responsibilities and on any other matters where the Board has requested the Committee's opinion. This includes highlighting any concerns raised or areas for improvement identified. Where there is disagreement between the Board and the Committee which cannot be resolved through discussion the Committee can report on the matter to the shareholders as part of the Annual Report. There was no such disagreement in 2025.

Activities of the Audit Committee in respect of 2025
This section summarises the main focus areas of the Committee in respect of 2025 and the results of the work undertaken.

Financial reporting
Our main focus was the review of the quarterly results, half-year results and this Annual Report together with the formal announcements relating thereto. Before recommending these to the Board we determined that the actions and judgements made by management were appropriate. Particular focus was given to:
- critical accounting policies and practices and changes thereto;
- changes in the control environment;
- introduction of new IT systems which impact financial reporting;
- control observations identified by the auditor;
- decisions delegated to and requiring judgements by management;
- adjustments resulting from the audit;
- clarity of the disclosures made;
- compliance with accounting standards and relevant financial and governance reporting requirements; and
- the process surrounding compilation of the Annual Report to confirm it is fair, balanced and understandable.

The Committee formally considers, and minutes key audit matters as detailed on page 69 before recommending the financial statements to the Board.

The Committee recommends the Annual Report to the Board. It considers the Annual Report, taken as a whole, to be fair, balanced and understandable, providing the information necessary for shareholders to assess the Company's position and performance, business model and strategy.

During 2025, the Committee also had oversight of ongoing finance projects. This included the adoption of new accounting systems, tax compliance and reporting and treasury activities.

Our transition to US GAAP reporting
The Company transitioned its financial reporting to US GAAP during 2025. This was implemented following a careful review, taking account of feedback from investors, which concluded that US GAAP would better reflect the financial profile of the business and how the business is run; US GAAP is similar to pre-IFRS, which is how the business had reported alongside IFRS.

The Committee had oversight of the transition, and during 2025, this included review and approval of the 2022-2024 financial statements prepared under US GAAP, review of teach-in materials for investors and analysts and review of Company announcements.

The successful transition, combined with our change of functional currency in 2024 and other initiatives, has provided further clarity in our reporting making our financials easier to understand.

Risk management
The Board is responsible for establishing the risk appetite for the Group. The Committee oversees and reviews an ongoing process for identifying, evaluating and managing the risks faced by the Group. Major business risks and their financial implications are appraised by the responsible executives as part of the planning process and are endorsed by regional management. Key risks are reported to the Committee, which reports on them to the Board. The appropriateness of controls is considered by the executives, having regard to cost, benefit, materiality and the likelihood of risks crystallising. Key risks and actions to mitigate those risks were considered by both the Committee and the Board and were formally reviewed and approved.

Audit Committee Report continued

Review of our risk management process and aligning it with the Company's business and strategic ambitions forms part of our ongoing project to prepare for Provision 29 of the UK Corporate Governance Code 2024 as further detailed on page 68 and in 2025, this included the project team updating our risk methodology and developing a risk policy.

Emerging and principal risks

There are a number of existing and emerging risks and uncertainties which could have an impact on the Group's long-term performance. The Group has a risk management structure in place designed to identify, manage and mitigate such business risks. Risk assessment and evaluation are an integral part of the annual planning process, as well as the Group's monthly review cycle.

The Group's principal risks, together with an explanation of how the Group manages these risks, are presented on pages 34 to 36 of this Annual Report.

Sustainability

Sustainability is identified as an operational risk and is a standalone principal risk to the business. Further information can be found on page 35 and on pages 38 to 40.

On the request of the Board, the Committee monitors the Group's implementation of its sustainability policies. In respect of 2025, this included reviewing the limited assurance work performed by an independent third party on our Scope 1, 2 and 3 greenhouse gas emissions information included on pages 41 and 42, The Committee also reviewed the disclosures provided on pages 38 to 40 in compliance with the framework provided by the Task Force on Climate-Related Financial Disclosures.

Internal control

The Committee has a delegated responsibility for the Company's system of internal control and risk management and for reviewing the effectiveness of this system. Such a system is designed to identify, evaluate and control the significant risks associated with the Group's achievement of its business objectives with a view to safeguarding shareholders' investments and the Group's assets. Due to the limitations that are inherent in any system of internal control, this system is designed to meet the Group's particular needs and the risks to which it is exposed and is designed to manage rather than eliminate risk. Accordingly, such a system can provide reasonable, but not absolute, assurance against material misstatement or loss.

In accordance with the FRC's Guidance on Risk Management, Internal Control and Related Financial and Business Reporting (the "FRC Guidance"), the Committee confirms there is an ongoing process for identifying, evaluating and managing significant risks faced by the Group.

During 2025, the Committee continued to revisit its risk identification and assessment processes, inviting Board members and senior management to convene and discuss the Group's key risks and mitigating controls. A risk-based approach has been adopted in establishing the Group's system of internal control and in reviewing its effectiveness. To identify and manage key risks:

- Group-wide procedures, policies and standards have been established;
- a framework for reporting and escalating significant matters is maintained;
- reviews of the effectiveness of management actions in addressing key Group risks identified by the Board have been undertaken; and
- a system of regular reports from management setting out key performance and risk indicators has been developed.

This process is designed to provide assurance by way of cumulative assessment and is embedded in operational management and governance processes.

Key elements of the Group's system of internal control which have operated throughout the year under review are as follows:

- **Risk assessment:** All significant business decisions are assessed at the individual transaction level, and as part of the annual business planning process;
- **Group-wide risk register:** This is maintained and updated at least annually, identifying and assessing all inherent risks with appropriate action plans developed to manage the risk per the risk appetite of the Group as established by the Board. The Board reviews the Group's principal risks at least annually and management periodically reports on the progress against agreed actions, enabling the Committee to monitor how key risks are managed;
- **Annual strategic planning process:** This is designed to ensure consistency with the Company's strategic objectives. The final plan is reviewed and approved by the Board. Performance is reviewed against objectives at each Board meeting;
- **Business review processes:** Performance is reviewed at business line, business centre, area, country, regional and functional levels. Actual results are reviewed against targets, explanations are received for all material movements, and recovery plans are agreed where appropriate;
- **Documented policies and procedures:** Key policies and control procedures (including finance, operations, and health and safety) having Group-wide application are documented and made available to all employees through the IWG Academy;
- **Investment and acquisition processes:** Formal procedures are followed for the review and approval of all investment and acquisition projects. The Group's Investment Committee reviews and approves all investments. Additionally, the form and content of routine investment proposals is standardised to facilitate the review process;
- **Authority limits:** A system of delegated authority limits is followed with regard to the approval of transactions;
- **Performance data:** Targeted, action-oriented reports from the Group's sales and operating systems are produced on a daily, weekly and monthly basis, providing management at all levels with performance data for their area of responsibility ensuring focus on key issues and effective management;
- **Central assurance programme:** Delivery of a centrally coordinated assurance programme by the business assurance department that includes key business risk areas. The findings and recommendations of each review are reported to both management and the Committee; and
- **High standards of behaviour:** Demanded from staff at all levels in the Group. The following procedures support this:
  - a clearly defined organisation structure with established responsibilities;
  - an induction process to educate new team members on the standards required from them in their role, including business ethics and compliance, regulation and internal policies;
  - the availability of Group and country-specific policies via the Group's internal platforms, including the Company's Code of Conduct, detailed guidance on employee policies and the standards of behaviour required of staff;
  - policies, procedure manuals and guidelines are readily accessible through the IWG Academy;
  - operational audit and self-certification tools which require individual managers to confirm their adherence to Group policies and procedures; and
  - a Group-wide policy to recruit and develop appropriately skilled employees of high-calibre and integrity and with appropriate disciplines.

The Committee and the Board regard responsible corporate behaviour as an integral part of the overall governance framework and believe that it should be fully embedded into management structures and systems. Therefore, the risk management policies, procedures and monitoring methods described above apply equally to the identification, evaluation and control of the Company's safety, ethical and environmental risks and opportunities. This approach makes sure that the Company has the necessary and adequate information to identify and assess risks and opportunities affecting the Company's long-term value arising from its handling of corporate responsibility and corporate governance matters.

The Committee has completed its annual review of the effectiveness of the system of internal control for the year to 31 December 2025 and is satisfied that it is in accordance with the FRC Guidance and the Code. The assessment included consideration of the effectiveness of the Board's ongoing process for identifying, evaluating and managing the risks facing the Group.

Whistleblowing policy

A whistleblowing channel, hosted by an independent third party and which may be used anonymously, is available to all employees via email, the web, or on the IWG Academy. We operate a "Right to Speak" policy, the aim of which is to encourage all employees, regardless of seniority, to bring matters that cause them concern to the attention of the Committee, through the whistleblowing channel, without fear of repercussions or retaliation. Employees can monitor the progress of the reports they have made. The Business Assurance Director, in consultation with the Senior Leadership Team, decides on the appropriate method and level of investigation. The Committee is notified of all material disclosures made and receives reports on the results of investigations and actions taken on a regular basis. The Committee has power to request further information, conduct its own enquiries or order additional action as it sees fit.

During 2025, we received 91 reports through our whistleblowing channel. 79 of these were classified as requiring further investigation and were reported to the Committee; of these, 66 have been resolved to date and the remaining reports which were received are under investigation. None of the investigations identified instances of bribery and corruption that needed to be reported to the Committee.

Internal audit

The Committee has overall responsibility for monitoring and reviewing the effectiveness of the Company's internal audit function within the context of the overall risk management system.

This includes responsibility for the appointment and removal of the head of the internal audit function, the Business Assurance Director, and for approving the remit of internal audit; ensuring it is free to work independently and objectively and that it has the necessary resources and access to information to enable it to fulfil its mandate in accordance with appropriate professional standards.

During 2025, the Committee reviewed progress made against the 2025 internal audit plan on a quarterly basis. This included reviewing the outcomes of a fraud audit which had been agreed with the Committee in order to ensure the Company's readiness for the new "failure to prevent fraud" offence under the Economic Crime and Corporate Transparency Act (ECCTA) 2023, effective 1 September 2025. The Committee received regular reports from the Business Assurance Director which were reviewed promptly, and it monitored management's responsiveness to the finding and recommendations of the internal audit team. The Committee held its annual meeting with the Business Assurance Director without the presence of management. The Business Assurance Director had direct access to the Committee Chair and to the Chairman of the Board throughout the year.

To ensure the internal audit function remains agile and able to respond to the business's needs, a rolling internal audit plan has been agreed for 2026, under this approach proposed audits will be presented for approval by the Committee on a quarterly basis.

UK Corporate Governance Code 2024

In 2025, management continued its preparations for the introduction of the Code and in particular, Provision 29 on internal control which will apply to the Company from the financial year commencing on 1 January 2026.

Provision 29 of the Code enhances Directors' responsibilities by requiring a declaration regarding the effectiveness of the Company's material controls. The Board has delegated oversight of preparations for Provision 29 to the Committee and has received regular updates from the Committee.

During the year the Committee has overseen completion of phase one of its preparations for Provision 29, this involved establishing a project team, agreeing the definition of "material controls" and establishing the disclosures and principal risks requiring material controls. Phase two will be completed in 2026 and includes establishing material controls, assigning ownership of them and determining the level of confidence which the Board requires to determine the effectiveness of the material controls and identifying the confidence gap. Enhanced narrative reporting on internal controls will be included in the 2026 Annual Report.

External audit

The Committee has primary responsibility for overseeing the relationship with the external auditor, currently KPMG. This includes making the recommendation on their appointment, reappointment and removal, assessing their independence on an ongoing basis, and approving the statutory audit fee, the scope of the statutory audit and the appointment of the lead audit engagement partner. The Committee is also responsible for ensuring compliance with the requirements of the Code and with the Audit Committees and the External Audit: Minimum Standard which outlines the responsibilities of the Committees in overseeing external audits ensuring they create a culture that recognises and encourages auditor challenge.

Audit Firm	KPMG Ireland
Date of original appointment	2016
Date of appointment following 2018 audit tender	2019
Lead audit partner	Emma O'Driscoll since 2024 (Jersey registered KPMG Ireland audit partner)

Audit scope and process

In respect of the year under review, the Committee oversaw the completion by KPMG of procedures over the Group's Q1 results for the period to 31 March 2025, a review of the half-year results of the Group for the period to 30 June 2025, procedures over the Q3 results for the period to 30 September 2025 and they audited the consolidated financial statements of the Group prepared by management under US GAAP for the year ended 31 December 2025. In addition, they audited the Company's transition from IFRS to US GAAP reporting in respect of the financial years ended 2022 to 2024.

In respect of the 2025 year-end audit, KPMG presented to the Committee its detailed audit plan, which outlined its audit scope, planning materiality and its assessment of key audit risks. The identification of key audit risks is critical in the overall effectiveness of the external audit process. The Committee approved the audit plan.

Throughout the audit process, the Committee has had regular open communication with KPMG and has encouraged them to challenge management by creating an environment where KPMG have had access to both the Committee and management and has had full access to employees and Company information. KPMG have also met with the Committee without management.

The significant issues that the Audit Committee considered and discussed with KPMG and management relating to the financial statements, and how these issues were addressed are detailed on page 69.

Audit fee

The Committee approves the remuneration of the external auditor and their terms of engagement. External audit fees paid to KPMG for the audit of the Group accounts during the year to 31 December 2025 amounted to $5 million (2024: $2 million).

Independence and objectivity of the external auditor

The Committee has assessed and confirmed the continuing independence and objectivity of KPMG.

The value of non-audit services provided by KPMG in 2025 amounted to $1 million (2024: $1 million). Non-audit services primarily related to assurance and audit-related services. During the year there were no circumstances where KPMG were engaged to provide services which might have led to a conflict of interest.

The Committee undertook its annual review of the measures in place to safeguard KPMG's independence as detailed in its policy on non-audit related services, which includes the following measures:

- **Demonstrable benefit:** Use of the external auditor for non-audit related services is only permitted where there is a demonstrable benefit as compared to other providers and where independence and objectivity will not be impaired;
- **Approval process:** All proposals to use KPMG for permitted defined non-audit services are submitted to, and authorised by, the Chief Financial Officer and/or Committee Chair before any work is performed;
- **Permitted non-audit services:** Reviewed annually by the Committee and currently include: consultation on financial accounting and regulatory reporting matters; reviews of internal accounting and risk management controls; reviews of compliance with policies and procedures; non-statutory audits (e.g. regarding acquisitions and disposal of assets and interests in companies) and assurance on finance-related projects;
- **Prohibited non-audit services:** Include: tax compliance and advisory services; legal services; book-keeping and other accounting services; design, provision and implementation of information technology services; internal audit services; valuation services; payroll services; recruitment services in relation to key management positions; HR services relating to the organisation structure and cost control; and transaction (acquisitions, mergers and dispositions) work that includes investment banking services, preparation of forecasts or investment proposals and deal execution services;

- **Objectivity:** KPMG confirm at every Committee meeting that there are no significant issues affecting their objectivity and independence arising from non-audit services; and
- **Rotation:** KPMG are required to rotate the lead audit partner at least every five years.

Effectiveness of the external auditor

The Committee has evaluated and confirmed the effectiveness of KPMG as external auditor in 2025. The Committee's annual assessment covered all aspects of the external audit process including planning, execution, communication and reporting. The Chair discusses the results of the assessment with the audit partner and agrees on the action plans to be put in place as needed.

The Committee's assessment of the effectiveness of the external audit conducted by KPMG in respect of the year ended 31 December 2025 was informed by the views of employees, senior leaders and stakeholders across the Group. Particular focus was given technical competency, specifically relating to the transition to reporting under US GAAP:

- **The audit process as a whole** and its suitability for the challenges facing the Group, this included considering the delivery against the agreed audit plan, reasons for any changes to the audit plan and the actions agreed with the Committee;
- **The risks to audit quality** identified by KPMG and the controls used to address the identified risks;
- **The strength and independence** of the external audit team and the level of resourcing;
- **The exercise of professional scepticism** by the external audit team and evidence of its ability to challenge management assumptions where necessary; it was noted that as part of their audit, KPMG had challenged management to ensure robustness of reporting across a wide set of topics, in particular concerning: valuation of goodwill and intangible assets, lease accounting (including impairment testing of right-of-use assets), income taxes, derivative valuations and differences between IFRS reporting and US GAAP. No material issues were identified as part of this audit challenge;
- **The understanding of the control environment** by KPMG as detailed in their management letter and other communications;
- **The culture in seeking continuous improvement and increased quality** including KPMG's self-assessment of risks to the audit quality and the actions taken in response to previous assessments;
- **The FRC's annual report on KPMG**; and
- **The quality and timeliness of communications** and reports received and the quality of interactions with management.

Audit tendering process

The Company's last audit tender process was undertaken in 2018. The Company will need to conduct another tender process no later than 2028. Given the Company's transition to US GAAP in 2025 and ongoing implementation of the requirements of the Code, the Committee does not believe it is appropriate to consider an audit tender at this time.

Re-appointment of the external auditor

Following the Committee's assessments of the independence, objectivity and effectiveness of KPMG as external auditor, the Committee has recommended to the Board that KPMG Ireland be recommended to the Company's shareholders for reappointment as the Company's external auditor in respect of the financial year ended 31 December 2026.

Laurie Harris
Chair, Audit Committee

Significant financial reporting judgements

The Committee discussed and reviewed the following key audit matter with KPMG and management in relation to the financial statements for 2025. We discussed with KPMG their procedures for challenging and evaluating management's assumptions. The Committee was satisfied with the accounting and disclosures in the financial statements.

Accounting matter	Detail
Goodwill and intangible assets	The Committee has considered the impairment testing undertaken and disclosures made in relation to the value of the Company's goodwill and intangibles and has challenged the key assumptions made by management in their valuation methodology and identification of reporting units. The Committee considers that an appropriate approach has been used by management and is satisfied that no additional impairment of intangibles and goodwill is required. See notes 2 and 14 for further information.

Fostering the long-term success of the Company

Directors' Remuneration Report contents

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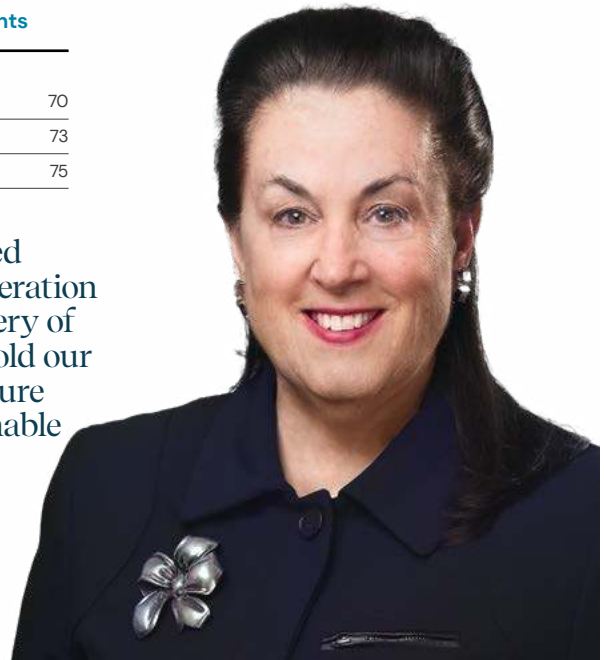
"The Committee has designed performance-driven remuneration policies which reward delivery of our strategic priorities, uphold our values and support our culture to foster the Group's sustainable long-term success."

Nina Henderson,
Chair, Remuneration Committee



Dear Shareholder

On behalf of the Remuneration Committee (the "Committee"), I present the 2025 Directors' Remuneration Report. The Committee has designed performance-driven remuneration policies which reward delivery of our strategic priorities, uphold our values and support our culture to foster the Group's sustainable long-term success.

In 2025, IWG's Executives and Associates met and/or exceeded performance metrics, while expanding IWG's international footprint and portfolio of workplace solutions. These accomplishments position IWG for future marketplace growth.

Notable 2025 performance achievements, linked to our 2025 annual bonus plan, include: an adjusted EBITDA of $531 million (target: $526 million); cash flow from business activities of $360 million (target: $240 million); continued network growth through the opening of 769 (target: 575) new capital-light centres; and the continuation of our carbon reduction journey, with more than 1,750 (target: 1,500) centres now using certified green electricity.

The metrics we set in respect of 2025 Executive Director performance and those metrics which we will apply for 2026 performance evaluation have and will continue to align the interests of our Executives with the long-term interests of our shareholders.

Remuneration Policy

During 2025, we designed and sought input from stakeholders on a new Remuneration Policy (the "Remuneration Policy"), this was approved at the 2025 Annual General Meeting ("2025 AGM"), receiving support from 71% of shareholders. We also received approval for our Long-Term Incentive Plans (our Performance Share Plan ("PSP") and Restricted Share Plan ("RSP")) and our Deferred Bonus Share Plan ("DBSP").

Our Remuneration Policy development was informed by the views of our stakeholders and, in its design as well as in our PSP and RSP, we sought to ensure the Company remains competitive within the external landscape by balancing the upward revision in pay opportunity for Executive Directors with very challenging targets. This combination was endorsed by a large majority of shareholders with whom we extensively consulted prior to the 2025 AGM. Although we recognise that some shareholders and proxy advisers had a concern about the increased level of awards, there was general acknowledgement that this would result only from substantial outperformance. Following the 2025 AGM, the Chairman of the Board and I contacted major shareholders who had not supported these resolutions to further understand the reasons for their vote and to offer further engagement. Overall, having taken shareholder feedback into account, we believe we have taken a balanced approach to designing our Remuneration Policy, PSP and RSP.

The Remuneration Committee will continue to consult with shareholders, as appropriate, in respect of the Company's ongoing remuneration practices.

A summary of our Remuneration Policy can be found on pages 73 and 74.

Annual bonus results for 2025

$531m
adjusted EBITDA

$360m
cash flow from business activities

769
new capital-light centres

+1,750
centres using green certified electricity

Upper quartile
relative TSR vs FTSE 350

Remuneration outcomes for 2025

Annual bonus

The Committee set financial and strategic targets for the 2025 annual bonus. The financial measures consisted of an adjusted EBITDA target (37.5%) and a cash generation from business activities target (22.5%), and the strategic targets consisted of measures relating to network growth (10%) and carbon footprint reduction through the conversion to certified green electricity (5%).

An additional quantum of bonus opportunity (25%) was subject to a new TSR performance condition, with the maximum only payable for upper quartile performance vs. FTSE 350 excluding investment trusts. Achievement of threshold financial targets is a condition for the application of strategic target payouts.

The achieved result for adjusted EBITDA was $531 million (2024: $501 million on a US GAAP basis) versus a target of $526 million and a stretch target of $575 million resulting in a bonus payment equal to 64.08% of maximum for this element (2024: 84% of maximum). Cash flow from business activities of $360 million (2024: $276 million on a US GAAP basis) against a target of $240 million and a stretch target of $295 million was achieved resulting in a bonus payment equal to 100% of maximum for this element (2024: 100% of maximum). These achievements resulted in a bonus payment equal to 77.55% of maximum in respect of the financial objectives (2024: 90% of maximum).

The capital-light growth target was also achieved with the opening of 769 new capital-light centres during the year (2024: 601) against a target of 575 centres and a stretch target of 725 centres. As at 31 December 2025, more than 1,750 centres were using green certified electricity, aligned with RE100 guidelines, (2024: 1,409) against a target of 1,500 centres and a stretch target of 1,750 centres. These achievements resulted in a bonus payment equal to 100% of maximum in respect of the strategic objectives (2024: 100% of maximum).

Performance against the relative TSR condition measured over the 2025 financial year was assessed as being in the upper quartile of the FTSE 350 (excluding investment trusts). This resulted in a bonus payment equal to 25% of maximum in respect of the TSR target.

Overall, the 2025 annual bonus formulaic outcome was 86.53% of maximum (2024: 92% of maximum). The Committee reviewed this formulaic outcome and were comfortable that it was an accurate reflection of performance and in line with shareholders' experience. No discretion was applied.

One-off award

To facilitate the recruitment of Charlie Steel as Chief Financial Officer, a one-off award was granted to him in 2022 in accordance with listing rule 9.4.2(2).

The award was subject to a relative TSR condition measured over a three-year period commencing on 2 November 2022. Performance was assessed as 10.23% compound annual growth above the median of the FTSE 350 (excluding investment trusts). Therefore, the One-Off Award has vested in full. No discretion was applied by the Committee.

Performance share plan

The PSP pays for performance against a predetermined relative Total Shareholder Return ("TSR") target measured over three years as described below. The plan's structure recognises that IWG's strategic plans are designed to drive increasing value over multiple years. Beyond reward, the PSP's intention is to also support retention of key management talent.

The PSP award was made in March 2023. The award was subject to a relative TSR condition measured over three financial years 2023-2025. Performance was assessed as 5.83% compound annual growth above the median of the FTSE 350 (excluding investment trusts). Therefore, the 2023 PSP award has vested at 68.76% of maximum. No discretion was applied by the Committee.

Executive salaries

No changes to Executive Director salaries have been proposed in respect of 2026.

The year ahead

The Committee is implementing its Remuneration Policy in 2026 as follows:

- The maximum annual bonus potential is unchanged at 200% of base salary for Executive Directors with up to 50% of any bonus paid deferred in shares which vest after three years. Performance measures are in line with 2025, with the exception of a new system-wide revenue measure. Weightings have been updated accordingly to reflect this additional measure (see page 75).
- Awards of 150% of base salary will be granted under the PSP subject to a relative TSR performance measured over three financial years, 2026-2028. Awards are subject to a multiplier of up to 1.33x for TSR performance above upper quartile relative to the FTSE 350. This is fully in line with the 2025 grant. Any award that vests is subject to an additional two-year holding period.
- Awards of 75% of base salary will be granted under the RSP subject to an underpin and continued employment over the three-year vesting period. This is fully in line with the 2025 grant.

In making its decisions, the Committee has regard to pay and conditions across the Group's workforce, the Company's performance, and the wider implications for shareholders and other stakeholders, while also recognising the need to reward executive performance that promotes the long-term sustainable success of the Company.

Workforce engagement and global workforce pay

In addition to its review of executive remuneration, the Committee reviews the remuneration approaches and practices in place across the Group.

The Committee ensures that there is strong rationale for how compensation approaches evolve across different levels of the organisation and that we offer competitive and fair pay across the Group.

Directors' Remuneration Report continued

The majority of our 10,000 employees' remuneration is determined by role, performance, location, and longevity within the Group compared to marketplace benchmarks. Salaries are reviewed annually, and all employees share in our success through performance-related incentives. The average pay rise awarded to employees in respect of 2025 was 6% (5% in respect of 2024).

Through my role as Non-Executive Director with oversight of employee engagement, I have continued my programme of meeting with our global workforce to provide feedback to the Board, the Committee and management on the insights I gain. These insights can then be used to inform our decision-making process including our review of the compensation approach and benefits used across the Group and ensuring that the interests of all employees are aligned with the strategic objectives of the Company. Further information on this can be found on page 56.

Annual general meeting

Shareholders will be asked to approve a resolution approving the Annual Report on Remuneration. On behalf of the Committee, I commend this report to you and look forward to your support for this resolution at the Annual General Meeting.

Nina Henderson
Chair, Remuneration Committee

Key activities of the Committee during 2025

Q1
- Designed and approved our Remuneration Policy
- Approved new equity plans (PSP, RSP, DBSP and the Group' Share Option Plan)
- Engagement with shareholders on our Remuneration Policy
- Review of remuneration trends across the Group
- Executive Director compensation review
- Reviewed outcomes of the 2024 Annual Bonus
- Reviewed outcomes of the 2022 PSP
- Approved metrics for the 2025 Annual Bonus
- Approved metrics for the 2025 Long-Term Incentive Awards
- Approved Annual Report on Remuneration for 2024

Q2
- Attended 2025 AGM which approved all remuneration resolutions
- Reviewed actions following minority votes against our Remuneration Policy, PSP and RSP
- Engagement with shareholders in respect of our Remuneration Policy
- Senior leadership compensation review
- 2025 Deferred Bonus Share Awards and Long-Term Incentive Awards issued to Executives

Q3
- Reviewed actions taken following minority vote against our Remuneration Policy, PSP, and RSP
- Reviewed broader approach to employee compensation and benefits, including support programmes, survey results and culture

Q4
- Update announcement issued regarding minority vote against our Remuneration Policy, PSP, and RSP
- Reviewed vesting of the 2022 One-Off Award
- Preliminary review on the outcome of the 2025 Annual Bonus
- Preliminary discussions on metrics for the 2026 Annual Bonus
- Board Chairman's compensation review

Standing agenda items
- Quarterly consideration of proposals in respect of key employee share option awards and remuneration proposals

Directors' Remuneration Report continued

Directors' Remuneration Policy – Summary

This section summarises our Remuneration Policy for Executive and Non-Executive Directors, which was approved at the Annual General Meeting on 20 May 2025. The full version of the shareholder-approved Remuneration Policy can be found on the Company's website at https://investors.iwgplc.com/reports-and-presentations.

Component	Purpose/link to strategy	Operation	Maximum	Performance framework
Base salary	To provide a competitive component of fixed remuneration to attract and retain people of the highest calibre and experience needed to shape and execute the Company's strategy.	Salaries are set by the Committee. The Committee reviews all relevant factors such as the scope and responsibilities of the role, the skills, experience and circumstances of the individual, sustained performance in role, the level of increase for other roles within the business, and appropriate market data. Salaries are normally reviewed annually, and any changes normally made effective from 1 January.	There is no prescribed maximum salary. Salary increases will normally be in line with increases awarded to other employees in the business, although the Committee retains discretion to award larger increases if it considers it appropriate (e.g. to reflect a change in role, development and performance in role, or to align to market data).	While there are no performance targets attached to the payment of salary, performance is a factor considered in the annual salary review process.
Benefits	To provide a competitive benefits package.	Incorporates various cash and non-cash benefits which may include: a company car (or allowance) and fuel allowance, private health insurance, life assurance, and, where necessary, other benefits to reflect specific individual circumstances, such as housing or relocation allowances, representation allowances, reimbursement of school fees, travel allowances, or other expatriate benefits. Any reasonable business-related expenses (including tax thereon) can be reimbursed if determined to be a taxable benefit.	Benefit provision is set at an appropriate competitive market rate for the nature and location of the role. There is no prescribed maximum as some costs may change in accordance with market conditions.	N/A
Pension	To provide retirement benefits in line with the overall Group Policy.	Provided through participation in the Company's money purchase (personal pension) scheme, under which the Company matches individual contributions up to a maximum of base salary.	Set at a level commensurate with the workforce in the executive's location (currently 7% of base salary for existing Directors).	N/A
Annual bonus	To incentivise and reward annual performance and create further alignment with shareholders through the delivery and retention of deferred equity.	Provides an opportunity for additional reward (up to a maximum specified as a % of salary) based on annual performance against targets set and assessed by the Committee. Half of any annual bonus paid will be deferred in shares which will vest after three years, subject to continued employment but no further performance targets. The other half is paid in cash following the relevant year end. Upon meeting or exceeding the shareholding guidelines, 20% of any bonus earned will be deferred. A dividend equivalent provision allows the Committee to pay dividends, at the Committee's discretion, on vested shares at the time of vesting and may assume the reinvestment of dividends on a cumulative basis. Recovery and withholding provisions apply.	200% of base salary.	Performance metrics are selected annually based on the current business objectives. At least 70% will be linked to key financial metrics, of which there will typically be a significant profit-based element. Performance below threshold results in zero payment.

Directors' Remuneration Report continued

Component	Purpose/link to strategy	Operation	Maximum	Performance framework
Long-term incentives	Motivates and rewards the creation of long-term shareholder value. Aligns executives' interests with those of the shareholders. Provides flexibility for the Committee and ensures the appropriate tools are available throughout the Policy period.	Awards may be granted on an annual basis as either Performance Share Plans (PSPs) and/or Restricted Share Plans (RSPs). Awards under the PSP and RSP will take the form of either nil-cost options or conditional share awards. Participation and individual award levels will be determined at the discretion of the Committee within the Policy. Awards vest three years following grant, subject to performance against pre-determined targets for the PSP and subject to an underpin for the RSP. Awards granted via a PSP may be subject to an additional performance multiplier. A dividend equivalent provision allows the Committee to pay dividends, at the Committee's discretion, on vested shares at the time of vesting and may assume the reinvestment of dividends on a cumulative basis. Vested awards are subject to a holding period of two years following achievement of performance conditions. Recovery and withholding provisions apply.	The target amount of awards granted under the awards will have a value equivalent to 150% of base salary. The normal maximum amount (before the application of any multiplier) applicable for vesting under the PSP is equal to twice the target amount. The maximum performance multiplier applicable to PSP awards will be 1.33x the normal maximum amount. The maximum amount of nil-cost options or conditional shares applicable for vesting under the RSP is equal to the target amount. The PSP/RSP mix will be decided by the Committee on an annual basis.	PSP awards have a performance period of three financial years. RSPs will be subject to an underpin, against which the Committee will assess prior to vesting. Performance conditions will measure the long-term success of the Company. The Committee may introduce or reweight performance measures so that they are directly aligned with the Company's strategic objectives for each performance period. In respect of each performance measure, performance below the threshold target results in zero vesting. The starting point for vesting of each performance element will be no higher than 25%.
Shareholding guidelines	To align Executive Directors' interests with those of our long-term shareholders and other stakeholders.	Executive Directors are expected to build a holding in the Company's shares to a minimum value of three times their base salary within five years. This may be built via the retention of the net-of-tax shares vesting under the Company's equity-based share plans. Deferred shares and shares subject to a holding period (net-of-tax) can be counted towards the total.	N/A	N/A
Post-cessation shareholding requirement	To align Executive Directors' interests with those of our long-term shareholders and other stakeholders.	Executive Directors are expected to hold, for up to two years post-cessation, the existing shareholding requirement or the actual shareholding at cessation, if lower.	N/A	N/A

Recovery and withholding provisions

Provisions may be applied in circumstances which include misconduct or material error by a participant, material misstatement in the Company's audited accounts or a material downturn in the performance of the Company, or error in the assessment of performance and in other circumstances in which the Committee thinks the operation of the process is appropriate, including a failure in risk management or material reputational damage. Awards subsequent to the grant, but before the expiry of the holding period, may be reduced or an Executive Director may be required to repay an award at any time within three years of the date on which the award vests, aligned to typical market norms. All annual cash and share bonuses alongside long-term incentives are subject to a malus and clawback policy.

Directors' Remuneration Report continued

Annual Report on Remuneration

Membership and meetings

All members of the Committee are independent. Committee membership and meeting attendance during the year is set out on page 51. In addition to the designated members of the Committee, the Chairman, Chief Executive Officer and Company Secretary also attended Committee meetings during the year although none were present during discussions concerning their own remuneration. Biographies of Committee members are detailed on pages 46 and 47.

Terms of reference

The Committee's terms of reference are available on the Company's website: www.iwgplc.com.

Implementation of the Remuneration Policy for 2026

This Annual Report on Remuneration (including the Committee Chair's annual statement on pages 70 to 72) will be put to a single advisory shareholder vote at the 2026 Annual General Meeting. The information below includes how we intend to operate our Remuneration Policy in 2026, as well as the pay outcomes in respect of the 2025 financial year.

Reporting

The Group used US GAAP results for all reporting in 2025 including performance target setting and measuring achievements against those targets. Therefore, the figures in this report are presented under US GAAP. The reporting currency changed from GBP to USD effective from 1 January 2024, however, remuneration continues to be set in GBP and therefore remuneration outcomes in this report are presented in GBP.

Remuneration for 2026

Base salaries for the Executive Directors

The current salaries as of 1 January 2026 (and compared to 2025) are as follows:

	Effective 1 Jan 2026 (£'000)	Effective 1 Jan 2025 (£'000)	Percentage change
Mark Dixon	£956	£956	0%
Charlie Steel	£510	£510	0%

For context, the average base salary increase paid to global employees in respect of performance in 2025 was 6%.

Benefits and pension

Benefits and pension provisions will operate in line with the approved Policy.

Annual bonus

For 2026 the maximum bonus potential for both Executive Directors is 200% of salary. The on-target bonus is 120% of salary. Directors who have not yet met the shareholding guidelines will receive half of any bonus deferred into shares under the DBSP, which will vest after three years subject to continued employment. For Directors who have met or exceeded the shareholding guidelines, the bonus deferral requirement will reduce to 20% of any bonus earned. The 2026 annual bonus will be measured against the following performance metrics. The targets are not being disclosed prospectively as they are commercially sensitive; however, a description of the performance against targets set will be included in next year's Annual Report.

Measure	Weighting
Adjusted EBITDA	15%
System-wide revenue	15%
Cash generation from business activities	30%
Network growth through new capital-light centres opened[1]	10%
Carbon footprint reduction through use of green certified electricity aligned with RE100 guidelines[1]	10%
Relative TSR vs FTSE 350 excluding investment trusts	20%

1. In line with shareholder feedback in 2023 achievement of threshold financial targets is a condition for the application of our strategic target payouts.

Long-term incentives

For 2026, the hybrid long-term incentive will be granted through the use of PSP and RSP awards, in the same ratio as for our 2025 grants. PSP awards will be granted at a maximum of 150% of salary and RSP awards at 75% of salary (up to the Policy maximum) to Executive Directors.

PSP

Performance will be measured over a three-year period ending 31 December 2028. The PSP awards are subject to a TSR performance metric as summarised below. The Committee will continue to review the suitability of the TSR metric and may revert back to a broader selection of metrics on PSP awards in the future.

Performance conditions	Threshold vesting	Threshold performance	Maximum vesting	Maximum performance
Relative TSR versus FTSE 350 excluding investment trusts (100% weighting)	25%	Median	100%	Upper quartile

In addition, the PSP awards are subject to a multiplier which will enhance the payout available by up to 1.33x in the event that the TSR exceeds the upper quartile of the FTSE 350 index excluding investment trusts. The multiplier will be calibrated as follows:

Relative TSR performance vs FTSE 350 excluding investment trusts	Multiplier
Upper quartile (UQ)	1x
Upper decile (UD)	1.33x
Between UQ and UD	Straight-line between 1x and 1.33x

RSP

The RSP award will vest over a three-year period from the date of grant and will be subject to continued employment and an underpin which will allow the Committee to lapse the award in the event of materially poor performance. The achievement of the underpin will be assessed at vesting.

PSP and RSP awards are subject to a holding period of two years following achievement of performance conditions and underpins, where applicable. This requires the Executive Directors to retain the net-of-tax number of vested shares for a period of two years following vesting.

Chairman and Non-Executive fees

The Committee is responsible for reviewing the Chairman's fees and the Chairman and Executive Directors are responsible for reviewing Non-Executive fees. The current fees as at 1 January 2026 (and compared to 2025) are as follows:

	2026 (£'000)	2025 (£'000)	% change
Non-Executive Chairman	300	300	0%
Basic fee for Non-Executive Director	62	62	0%
Additional fees:			
Chair of Audit Committee	15	15	0%
Chair of Remuneration Committee	15	15	0%
Chair of Nomination Committee	15	15	0%
Senior Independent Director	15	15	0%
Oversight of employee engagement and CSR	15	15	0%
Variable dislocation allowance for non-Swiss Directors[1]	5 to 10	5 to 10	0%

1. The level of dislocation allowance for non-Swiss Directors is determined according to their country of residence.

Remuneration outcomes for 2025

Single total figure of remuneration table (Audited)

The Committee is satisfied that the approved Policy operated as intended in 2025. The following table shows the total remuneration in respect of the year ending 31 December 2025, together with the prior year comparative.

Executive Directors

	Salary		Benefits		Pension[1]		Annual bonus[2]		Long-term incentive awards[3]		Total		Total fixed		Total variable	
£'000	2025	2024	2025	2024	2025	2024	2025	2024	2025	2024	2025	2024	2025	2024	2025	2024
Mark Dixon	956	919	–	–	67	64	1,655	1,268	1,779	–	4,456	2,250	1,023	982	3,433	1,268
Charlie Steel	510	462	–	–	36	32	883	638	2,053	–	3,482	1,132	546	494	2,936	638

Non-Executive Directors

	Fees		Benefits		Pension		Annual bonus		Long-term incentive awards		Total	
£'000	2025	2024	2025	2024	2025	2024	2025	2024	2025	2024	2025	2024
Douglas Sutherland	300	300	–	–	–	–	–	–	–	–	300	300
Lázaro Campos	50	–	–	–	–	–	–	–	–	–	50	–
Laurie Harris	87	87	–	–	–	–	–	–	–	–	87	87
Nina Henderson	102	102	–	–	–	–	–	–	–	–	102	102
Stephen Jennings	54	–	–	–	–	–	–	–	–	–	54	–
Tarun Lal[4]	78	72	–	–	–	–	–	–	–	–	78	72
Sophie L'Hélias	67	67	–	–	–	–	–	–	–	–	67	67

1. Pension – This includes a cash payment to Charlie Steel in lieu of a pension contribution.
2. Annual bonus – The bonus shown is the full award in respect of the relevant financial year. Up to half of the bonus awarded to Executive Directors is deferred into shares for three years.
3. Long-term incentive awards – This includes the 2023 PSP issued to Mark Dixon and Charlie Steel which vested at 68.76% as detailed on page 77 and the one-off award issued to Charlie Steel in 2022, in recognition of the awards being foregone when he resigned from his previous employer, which vested at 100% as detailed on page 78.
4. Tarun Lal received fees for his appointment as interim Senior Independent Director and Nomination Committee Chair for the period 1 January 2025 to 20 May 2025.

Total pension benefits

During the year under review, the Executive Directors received pension contributions of 7% of salary into defined contribution arrangements (or cash equivalent) plus any contributions in accordance with standard local practice or employment regulations. Details of the value of pension contributions received in the year under review are set out in the Pension column of the single total figure of remuneration table, as shown above.

Directors' Remuneration Report continued

Determination of 2025 annual bonus (Audited)

The targets set for the 2025 annual bonus at the start of the year were as follows:

Measure	Weighting	Target (60% of maximum[1])	Maximum (100%)	Achieved	Outcome (% maximum)
Adjusted EBITDA	37.5%	$526m	$575m	$531m	64.08%
Cash generation from business activities	22.5%	$240m	$295m	$360m	100%
Network growth through new capital-light centres open[2]	10%	575 new capital-light centres opened in 2025	725 new capital-light centres opened in 2025	769 new capital-light centres opened in 2025	100%
Carbon footprint reduction through use of green certified electricity aligned with RE100 guidelines[2]	5%	Use of certified green electricity at 1,500 centres	Use of certified green electricity at 1,750 centres	Use of certified green electricity at + 1,750 centres at year end	100%
Relative TSR vs FTSE 350 excluding investment trusts	25%	Median	Upper quartile	Upper quartile	100%
Overall outcome					86.53%

1. With the exception of the Relative TSR measure where median performance pays out at 25% of maximum, with 100% payout for upper quartile performance and straight-line vesting between median and upper quartile performance.
2. Achievement of minimum financial targets was a condition for the application of strategic target payouts.

Director	Bonus maximum (% of base salary)	Bonus awarded (% of award)	Bonus awarded (£'000)	Cash bonus (£'000)	Deferred shares (£'000)[1]
Mark Dixon	200%	86.53%	1,655	1,324	331
Charlie Steel	200%	86.53%	883	442	442

1. Mark Dixon has met his shareholding requirement (as set out on page 80), as such under the terms of our Remuneration Policy 20% of his bonus will be deferred in shares with 80% payable in cash. Charlie Steel has not yet met his shareholding requirement and so 50% of his bonus will be deferred in shares, with 50% payable in cash.

PSP awards vesting in 2025 (Audited)

The award made to Executive Directors under the PSP in 2023 was subject to a TSR performance metric measured over the three financial years ending 31 December 2025. Performance and vesting are as detailed below. No discretion was applied to the outcome by the Committee.

Performance conditions	Threshold vesting	Threshold performance	Maximum vesting	Maximum performance	Performance achieved	Actual % vesting
Relative TSR vs FTSE 350 excluding investment trusts (100% weighting)	25%	Median	100%	10% compound annual growth above median	5.83% compound annual growth above median	68.76%

Director	2023 award number of share options	Total vesting (% of maximum)	No. of share options to vest	Value of award (£'000)[1]
Mark Dixon	1,139,027	68.76%	783,195	£1,779[2]
Charlie Steel	572,768	68.76%	393,836	£895[3]

1. The value of awards reflects a three-month average share price ending 31 December 2025 of 227.14p.
2. The estimated amount attributable to the change in share price between the grant date on 8 March 2023 (192.05p) and vesting is £275k.
3. The estimated amount attributable to the change in share price between the grant date on 8 March 2023 (192.05p) and vesting is £138k.

Awards are subject to a post-vesting holding period of two years. This requires the Executive Directors to hold on to the net-of-tax number of vested shares for a period of two years following vesting.

The Committee believes the above outcome is representative of Company performance and no discretion was applied to the 2023 PSP vesting outcome.

One-Off Award vesting in 2025

The award made to Charlie Steel by the Committee on 2 November 2022 in accordance with Listing Rule 9.4.2(2) in order to facilitate his recruitment was subject to a TSR condition measured over a three-year period commencing on 2 November 2022. This award was made in recognition of awards foregone when leaving his previous employer and was fully disclosed in the 2022 Directors Remuneration Report.

Performance conditions	Threshold vesting	Threshold performance	Maximum vesting	Maximum performance	Performance achieved	Actual % vesting
Relative TSR vs FTSE 350 excluding investment trusts (100% weighting)	25%	Median	100%	10% compound annual growth above median	10.23% compound annual growth above median	100%

Director	2022 award number of share options	Total vesting (% of maximum)	No. of share options to vest	Value of award (£'000)[1]
Charlie Steel	511,751	100%	511,751	£1,159

1. The value is determined using the share price of 226.4p on 1 November 2025. The amount attributable to the change in share price between grant on 1 November 2022 (131.9p) and vesting on 1 November 2025 (226.4p) is £484k.

The award is subject to a post-vesting holding period of two years. This requires the Director to hold on to the net-of-tax number of vested shares for a period of two years following vesting.

The Committee believes the above outcome is representative of Company performance and no discretion was applied to the 2022 One-Off Award vesting outcome.

Long-term incentives

Recognising the substantial increase in opportunity for long-term value to be created for our shareholders, for 2025, the hybrid long-term incentive was granted through the use of PSP and RSP awards. PSP awards were granted at 150% of salary and RSP awards at 75% of salary to Executive Directors.

PSP awards vesting in 2028 (Audited)

PSP awards granted to Executive Directors on 22 May 2025 which vest subject to a three-year performance period ending 31 December 2027 were as follows:

Executive	Number of share options	% of base salary	Value of award (£'000)[1]	% of maximum amount receivable for threshold vesting
Mark Dixon	1,033,164	150%	£1,434	25%
Charlie Steel	551,166	150%	£765	25%

1. Based on a face value grant of 150% of salary and using the share price of 184.6p on 21 May 2025.

The awards are subject to a TSR performance metric as summarised below.

Performance conditions	Threshold vesting	Threshold performance	Maximum vesting	Maximum performance
Relative TSR vs FTSE 350 excluding investment trusts (100% weighting)	25%	Median	100%	Upper quartile

The Company's current share price, including current assumptions regarding the future implementation of the Company's strategic transformation referenced in analysts' reports, has been taken into account when setting stretching relative TSR targets.

In addition, the PSP awards are subject to a multiplier which will enhance the payout available by up to 1.33x in the event that the TSR exceeds the upper quartile of the FTSE 350 Index excluding investment trusts. The multiplier is calibrated as follows:

Relative TSR performance vs FTSE 350 excluding investment trusts	Multiplier
Upper quartile (UQ)	1x
Upper decile (UD)	1.33x
Between UQ and UD	Straight-line between 1x and 1.33x

Awards are subject to a post-vesting holding period of two years. This requires the Executive Directors to hold on to the net-of-tax number of vested shares for a period of two years following vesting.

RSP awards vesting in 2028

RSP awards granted to Executive Directors on 22 May 2025, which will vest on the third anniversary after the date of grant, were as follows:

Executive	Number of share options	% of base salary	Value of award (£'000)[1]
Mark Dixon	388,408	75%	£717
Charlie Steel	207,205	75%	£383

1. Based on a face value grant of 75% of salary and using the share price of 184.6p on 21 May 2025.

There are no performance targets attached to the awards. However, the awards are subject to an underpin. In assessing the underpin, the Committee will consider the Group's overall performance, including financial and non-financial performance over the course of the vesting period and any material factors identified. The Committee may scale back the options (including to zero) if it is not satisfied the underpin has been met.

Awards are subject to a post-vesting holding period of two years. This requires the Executive Directors to hold on to the net-of-tax number of vested shares for a period of two years following vesting.

DBSP awards granted in the year

DBSP awards granted to Executive Directors on 22 May 2025 as a deferred bonus in respect of the financial year ended 31 December 2024 and which become exercisable on the third anniversary after the date of grant, subject to continuous employment, were as follows:

Executive	Number of share options	% of base salary	Value of award (£'000)[1]
Mark Dixon	343,487	69%	£634
Charlie Steel	172,725	69%	£319

1. Based on a face value grant of 69% of salary and using the share price of 184.6p on 21 May 2025.

Directors' Remuneration Report continued

Statement of share scheme interests and shareholdings (Audited)

Executive Directors are expected to build a holding in the Company's shares to a minimum value of two times their base salary within five years of their appointment. This must be built through the retention of the net-of-tax shares vesting under the Company's equity-based share plans. The following table sets out, for Directors who served during the year, the total number of shares held (including the interests of connected persons) as at 31 December 2025 alongside the interests in share schemes for the Executive Directors.

		Shareholding guidelines							
	Shares held outright	% of salary required	Guideline met?	% of salary attained[1]	Unvested DBSP options[2]	Unvested PSP options subject to performance conditions[3]	PSP options for which performance conditions have been achieved	Unvested RSP options subject to achievement of an underpin	Options as a One-Off Award for which performance conditions have been achieved
Executive Directors									
Mark Dixon	254,924,275	300%	Yes	61,803 %	771,054	3,448,233	–	388,408	–
Charlie Steel	–	300%	No[4]	207 %	349,598	1,765,601	–	207,205	511,751[5]
Non-Executive Directors									
Douglas Sutherland	500,000								
Lázaro Campos	–								
Laurie Harris	15,000								
Nina Henderson	30,800								
Stephen Jennings	–								
Tarun Lal	–								
Sophie L'Hélias	–								

1. Based on a share price of 231.4p and base salary as at 31 December 2025. Awards not subject to performance conditions included on a notional net of tax basis.
2. Half of any bonus awarded is deferred in share options which vest after three years, subject to continued employment but no further performance targets.
3. Unvested awards under the 2023, 2024 and 2025 PSP are subject to further performance conditions.
4. Charlie Steel was appointed on 1 November 2022 and has until 1 November 2027 (five years) to meet the guideline.
5. On 2 November 2022 Charlie Steel received a conditional award of over 511,751 shares at nil cost. This was granted as a One-Off Award arrangement established under Listing Rule 9.4.2(2) in order to facilitate his recruitment.

With the exception of the Directors' interests disclosed in the preceding table, no Director had any additional interest in the share capital of the Company during the year. Movements in Directors' share interests since year end to the date of this report are as follows:

- On 19 February 2026, 355,832 options issued to Mark Dixon and 178,932 options issued to Charlie Steel, on 8 March 2023 under the 2023 PSP were lapsed following determination that the performance conditions had not been fully achieved as further detailed on page 77.
- On 5 March 2026 674,507 options were issued to Mark Dixon and 359,831 options were issued to Charlie Steel under the PSP as further detailed on pages 75 and 76.
- On 5 March 2026 337,254 options were issued to Mark Dixon and 179,916 options were issued to Charlie Steel under the RSP as further detailed on pages 75 and 76.
- On 5 March 2026 155,641 options were issued to Mark Dixon and 207,575 options were issued to Charlie Steel under the DBSP as part of the 2025 annual bonus as further detailed on page 77.

Directors' Remuneration Report continued

Supporting disclosures and additional context

Percentage change in remuneration of Directors compared to employees

The table below shows the percentage change in remuneration of each Director compared to our global workforce (determined to be the most representative comparison) on a full-time equivalent basis, between the year ending 31 December 2023 and the year ending 31 December 2025. Between the year ending 31 December 2020 and the year ending 31 December 2023 the percentage change in remuneration of each Director is compared to our employees in Switzerland on a full-time equivalent basis.

	Year-on-year change in Directors' and employees' pay														
	2025			2024			2023			2022			2021		
	Base salary % change	Benefits % change	Annual bonus % change	Base salary % change	Benefits % change	Annual bonus % change	Base salary % change	Benefits % change	Annual bonus % change	Base salary % change	Benefits % change	Annual bonus % change	Base salary % change	Benefits % change	Annual bonus % change
Executive Directors															
Mark Dixon	4%	0%	30%	5%	0%	12%	0%	0%	158%	0%	–	(33)%	0%	–	NM[1]
Charlie Steel	10%	0%	38%	5%	0%	12%	0%[4]	0%	NM[5]	–	–	–	–	–	–
Non-Executive Directors															
Douglas Sutherland	0%	–	–	0%	–	–	0%	–	–	0%	–	–	0%	–	–
Lázaro Campos	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Laurie Harris	0%	–	–	0%	–	–	0%	–	–	0%	–	–	0%	–	–
Nina Henderson	0%	–	–	0%	–	–	0%	–	–	0%	–	–	0%	–	–
Stephen Jennings	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Tarun Lal	0%	–	–	0%	–	–	0%[6]	–	–	–	–	–	–	–	–
Sophie L'Hélias	0%	–	–	0%	–	–	0%[7]	–	–	–	–	–	–	–	–
Employees	6%	6%	(16)[9]	5%	5%	28%	1%	4%	18%[8]	3%	(1)%[3]	3%	6%	(3)%[3]	NM[2]

1. The percentage change is not meaningful due to no annual bonuses being paid in respect of 2020.
2. No annual bonuses were paid to employees in Switzerland in respect of 2020.
3. Reductions in employee benefits during 2021 and 2022 were primarily due to reductions in disturbance allowances and car allowances resulting from changes in the way employees worked during the COVID-19 pandemic.
4. Charlie Steel was appointed as Director and Chief Financial Officer on 1 November 2022. Base salary changes are calculated with reference to time served in the role in the relevant period.
5. No annual bonus was paid to Charlie Steel in respect of 2022. A bonus of £568k was paid in respect of 2023.
6. Tarun Lal was appointed as Non-Executive Director on 10 May 2022. Base salary changes are calculated with reference to time served in the role in the relevant period.
7. Sophie L'Hélias was appointed as Non-Executive Director on 1 December 2022. Remuneration detailed above reflects time served in respect of the role during the relevant period.
8. The lower percentage increase in employee bonuses compared to Executive Directors in respect of 2023, is a result of higher 2022 bonus payouts to employees reflecting achievement against personal goals. The percentage change is not meaningful due to no annual bonuses being paid in respect of 2020.
9. The percentage change in employee bonuses compared to Executive Directors in respect of 2025 is due to the new remuneration structure for the Executive Directors. Both employees and Executive Directors received a smaller percentage of their total potential bonuses in 2025 versus 2024. Executive Remuneration bonus potential was increased to emphasise more Pay at Risk and therefore utilises larger variable pay opportunities based on performance delivery.

Directors' Remuneration Report continued

Relative importance of spend on pay

The table below shows total employee remuneration and distributions to shareholders paid during the years ending 31 December 2025 and 31 December 2024 and the percentage changes between years:

	2025	2024	Change 2024 to 2025
Total employee remuneration	$568m	$544m	4%
Distributions to shareholders via dividends and share buybacks	$144m	$17m	753%

Chief Executive Officer's pay ratio

The table below shows our voluntary disclosure of the Chief Executive Officer's pay ratio information from 2019 and the required disclosure from 2020 to 2025 at the 25th, 50th and 75th percentiles compared to the pay of our UK employees as at 31 December 2025. The ratios have been calculated based on the single total figure of remuneration for Mark Dixon and the total pay of our employees on a full-time equivalent basis under calculation methodology A of the regulations. No element was omitted for the purpose of the calculation.

The median pay ratio was significantly higher this year as compared with last year largely due to (1) the CEO's bonus vesting at 86.2% of maximum following delivery of stretching performance targets as detailed on page 77; (2) the 2023 PSP vesting at 68.76% of maximum in 2025 (2022 PSP: 0%) as further detailed on page 77; and (3) the shareholder approved 2025 Remuneration Policy which increased the CEO bonus potential to 200% of salary (2024: 150%of salary). The CEO's compensation structure is focused on Pay at Risk. Higher weighting of variable pay elements pay out on performance delivery of preset targets.

Overall, the Committee is satisfied that the median ratio is consistent with IWG's pay and reward for all employees. These remuneration designs relate pay levels to all employees' performance and market benchmarks. During 2025, 88% of the Total Bonus Pool was paid to employees below Executive Director level.

Financial year	Methodology	P25 (lower quartile)	P50 (median)	P75 (upper quartile)
2019	Option A	231:1	148:1	102:1
2020	Option A	43:1	35:1	20:1
2021	Option A	74:1	50:1	29:1
2022	Option A	49:1	36:1	24:1
2023	Option A	78:1	55:1	38:1
2024	Option A	89:1	62:1	40:1
2025	Option A	150:1	115:1	76:1

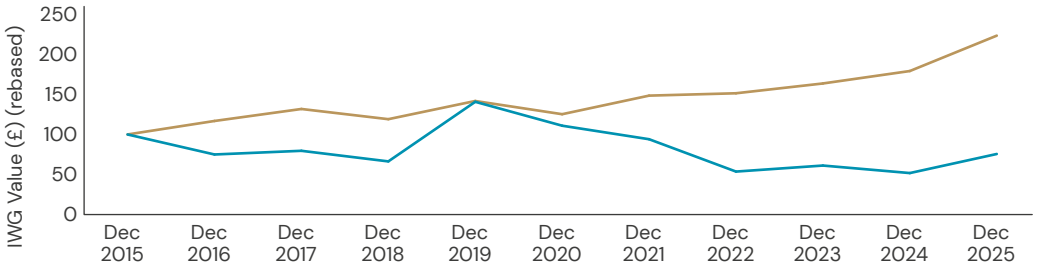
	Mark Dixon (£'000)	P25 (£'000)	P50 (£'000)	P75 (£'000)
Total pay	4,456	29.8	38.8	58.7
Base salary	956	28.4	37.9	55.7

Performance graph and table

The graph below shows the TSR of IWG in the ten-year period to 31 December 2025 against the TSR of the FTSE 350 (excluding investment trusts). TSR reflects share price growth and assumes dividends are reinvested over the relevant period. The Committee considers the FTSE 350 (excluding investment trusts) relevant since it is an index of companies of similar size to IWG.

Historical TSR performance

Movement in the value of a hypothetical £100 holding since 31 December 2015 (to 31 December 2025).



Source: Eikon from Refinitiv

IWG — FTSE 350 (excluding investment trusts)

This graph shows the value, by 31 December 2025, of £100 invested in International Workplace Group plc on 31 December 2015, compared with the value of £100 invested in the FTSE 350 (excluding investment trusts) Index on the same date.

The table below provides remuneration data for the Chief Executive Officer for each of the ten financial years over the equivalent period.

	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
Single total figure of remuneration	£3,035k	£1,132k	£1,451k	£4,181k	£1,454k	£1,890k	£1,374k	£2,065k	£2,250k	£4,456k
Bonus (% of maximum)	93%	0%	43%	100%	0%	50%	33%	86%	92%	87%
Long-term incentive vesting (% of maximum)	91%	11%	2%	100%	33%	17%	0%	0%	0%	69%

Payments to past Directors/payments for loss of office (Audited)

There have been no payments to past Directors or payments for loss of office in 2025.

Directors' Remuneration Report continued

Service agreements/Appointment agreements

Mark Dixon has a Director services agreement which shall continue unless terminated with 12 months' notice on either side. Charlie Steel has an Employment agreement which, following his completion of three years of service in November 2025, shall continue unless terminated with six months' notice on either side.

The Chairman and Non-Executive Directors are appointed for an initial three-year term, which shall continue unless terminated with six months' notice on either side, no contractual termination payments being due and subject to retirement pursuant to the articles of association at the Annual General Meeting.

The Directors' agreements are available for inspection at the Company's registered office within normal business hours. The following table sets out the dates that each Director was first appointed by the Group, the expiry date of the current term and the length of service as of 31 December 2025. All Directors except those retiring will seek re-election at the 2026 Annual General Meeting.

	Current service contract/ appointment agreement	Initial appointment date as Director within the Group	Expiry of current term	Length of service as Director with the Group
Executive Directors				
Mark Dixon	Appointment agreement – 19 December 2016 Director service agreement – 1 July 2020	Founder 1989	–	Founder 1989
Charlie Steel	Appointment agreement – 23 August 2022 Employment agreement – 23 August 2022	1 November 2022	–	3 years 2 months
Non-Executive Directors				
Douglas Sutherland	Appointment agreement – 16 February 2017	27 August 2008	–	17 years 5 months (14 years 8 months as Chairman)
Lázaro Campos	Services Agreement – 18 July 2025	20 May 2025	19 May 2028	8 months
Laurie Harris	Appointment agreement – 14 May 2019	14 May 2019	–	5 years 8 months
Nina Henderson	Appointment agreement – 19 December 2016	20 May 2014	–	11 years 8 months
Stephen Jennings	Appointment Agreement – 25 March 2025	20 May 2025	19 May 2028	8 months
Tarun Lal	Appointment agreement – 7 March 2022	10 May 2022	–	3 years 8 months
Sophie L'Hélias	Appointment agreement – 30 November 2022	1 December 2022	1 December 2025	2 years 1 month

Advisers to the Committee

The Executive Compensation team within PwC provided independent advice to the Committee during the year. No other services were provided by PwC during the year. PwC was appointed by the Committee during 2020. The fees charged by PwC for the provision of independent advice to the Committee during 2025 were £72k (2024: £79k). With regard to remuneration advice, the Committee is comfortable that PwC's engagement partner and team are objective and independent.

Statement of voting at general meeting

The Committee is directly accountable to shareholders and, in this context, is committed to an open and transparent dialogue with shareholders on the issue of executive remuneration. The members of the Committee attend the Company's Annual General Meeting and are available to answer shareholders' questions about Directors' remuneration. Votes cast by proxy and at the Annual General Meeting held on 20 May 2025 in respect of remuneration-related resolutions are shown in the table below:

	Votes for		Votes against			
Resolution	#	%	#	%	Total votes cast	Votes withheld
Approval of Directors' Remuneration Policy	488,762,935	71.42%	195,548,768	28.58%	684,311,703	602,322
Approval of the Annual Report on Remuneration for year ending 31 December 2024	682,347,007	99.71%	1,963,513	0.29%	684,310,520	603,505

Nina Henderson
Chair, Remuneration Committee

Directors' Report

The Directors of the Company present their Annual Report and the audited financial statements of the Company and its subsidiaries (together the "Group") for the year ended 31 December 2025.

Incorporation

The Company was incorporated in Jersey on 27 September 2016 and has a head office branch registered in Switzerland. The Company was renamed International Workplace Group plc on 24 May 2024.

Directors

The Directors of the Company who held office during the financial year under review were:

Executive Directors

- Mark Dixon (Chief Executive Officer)
- Charlie Steel (Chief Financial Officer)

Non-Executive Directors

- Douglas Sutherland (Chairman)
- Lázaro Campos (appointed 20 May 2025)
- Laurie Harris
- Nina Henderson
- Stephen Jennings (appointed 20 May 2025)
- Tarun Lal
- Sophie L'Hélias

Biographical details for the current Directors are shown on pages 46 and 47. Details of the Directors' interests and shareholdings are in the Directors' Remuneration Report on page 80.

Details of the role of the Board can be found on page 57 and the process for the appointment of Directors can be found on page 59.

The Chairman's letter, the Board of Directors, the Governance Report, Nomination Committee Report, Audit Committee Report and Directors' Remuneration Report on pages 45 to 83, the Directors' statement on page 86 and the shareholder information on page 131, together with the sections of the Annual Report incorporated by reference, all form part of this Directors' Report.

Corporate Governance statement

The Directors' Report constitutes our Corporate Governance statement. This includes:

- information on the Company's compliance with the UK Corporate Governance Code published by the Financial Reporting Council in 2024 (the "Code"), and where the Code is publicly available on page 45;
- a description of the main features of our internal control and risk management arrangements in relation to the financial reporting process on pages 65 to 69;
- a description of the composition and operation of the Board and its Committees on pages 46 to 83; and
- information on our Board Diversity Policy and objectives on page 62.

Principal activity

The Company works with franchise partners, landlords and property owners to provide the world's largest network of flexible workspace.

Business review

The Directors have presented a Strategic Report on pages 2 to 43 as follows:

- The Chief Executive Officer's review on pages 8 and 9 addresses:
  - the review of the Company's business; and
  - an indication of the likely future developments in the business.
- The Chief Financial Officer's review on pages 23 to 29 addresses:
  - the development and performance of the business during the financial year; and
  - the position of the business at the end of the year.
- The risk management and principal risks report, on pages 32 to 36, includes a description of the principal risks facing the Company, including financial risks, and the steps taken and policies implemented to mitigate those risks.
- Sustainability has been identified as a standalone principal risk and the steps taken to manage this risk are detailed on page 35 and in our sustainability reporting on pages 38 to 40.
- The Company's activities in research and development are detailed on pages 9 and 34.
- Recognising the increasing expectations on companies to provide clear, and compliant sustainability information, we will publish our inaugural Sustainability Report in H2 2026, setting out our broader CSR strategy, our Net Zero ambitions and further detail on our climate and sustainability related priorities. Our Sustainability reporting on pages 38 to 43 includes:
  - information on sustainability including our carbon reduction journey, pages 40 to 43; and
  - Task Force on Climate-Related Financial Disclosures on pages 38 to 40.
- The Nomination Committee Report on pages 58 to 63 includes information on our Board Diversity Policy.
- The Directors' statement on page 86 includes the statutory statement in respect of disclosure to the auditor.

The Directors do not consider any contractual or other relationships with external parties to be essential to the business of the Group.

Anti-bribery and anti-corruption

The Company is committed to carrying out business in an honest and ethical manner and has zero tolerance of bribery and corruption, this applies to its employees, its suppliers and other third parties working with the Company. All employees receive training on our bribery and corruption policy. The Company's statement of commitment and complimentary suite of policies are reviewed by the Board annually and can be found on the Company website: www.iwgplc.com.

Respect for human rights

The Company has zero tolerance to slavery and human trafficking. Our Modern Slavery Statement is aligned to the Modern Slavery Act 2015 and is reviewed by the Board annually. Our Human Rights Policy is aligned to internationally recognised standards and is reviewed by the Board annually. In addition, our Fair Treatment policy sets out our commitment to protect human rights, promote fairness and equal opportunities. All public policies can be found on the Company website: www.iwgplc.com.

Results and dividends

The profit before taxation for the year was $43 million (2024: $58 million).

The Directors are pleased to recommend a final dividend of 0.93c (2024: 0.90c) per ordinary share. The total dividend for the year will therefore be 1.38c per share (2024: 1.33c) made up of the interim dividend of 0.45c per share paid in October 2025 (2024: 0.43c) and assuming the final dividend is approved by shareholders at the forthcoming Annual General Meeting, to be held on 19 May 2026, an additional 0.93c (2024: 0.90c) per ordinary share which is expected to be paid on 29 May 2026 to shareholders on the register at the close of business on 1 May 2026 (the "Record Date"). Subject to shareholder approval, the final dividend for 2025 will be declared in USD and paid in GBP. The foreign exchange rate at which the final dividend will be converted into GBP will be the New York closing rate on the Record Date, this will be reported on the Company's website as soon as practicable after it has been established. Shareholders wishing to receive their dividend in USD rather than GBP will be able to request this through the Company's Registrars.

Policy and practice on payment of creditors

The Group does not follow a universal code dealing specifically with payments to suppliers but, where appropriate, our practice is to:

- agree the terms of payment upfront with the supplier;
- ensure that suppliers are made aware of these terms of payment; and
- pay in accordance with contractual and other legal obligations.

Employees

The Group treats applicants for employment with disabilities with full and fair consideration according to their skills and capabilities.

Should an employee become disabled during their employment, efforts are made to retain them in their current employment or to explore opportunities for their retraining or redeployment elsewhere within the Group.

All employees are encouraged to become involved in the Company's performance. Employee surveys are routinely fielded to gather information on the Company, employee contribution to performance and other issues.

Political and charitable donations

It is the Group's policy not to make political donations either in the UK or overseas. During the year, the Group made charitable donations of $1.8 million (2024: $1.23 million).

Capital structure

As at 31 December 2025 the Company's share capital (including treasury shares) comprised 1,008,736,226 (2024: 1,057,248,651) issued and fully paid-up ordinary shares of $0.0124 nominal value in the Company. All ordinary shares (excluding treasury shares) have the same rights to vote at general meetings of the Company and to participate in distributions. There are no securities in issue that carry special rights in relation to the control of the Company. The Company's shares are traded on the London Stock Exchange.

Details of the Company's employee share schemes can be found in note 21 of the notes to the accounts on pages 120 to 123. The Company's employee share schemes contain provisions relating to a change of control of the Company. The terms, conditions and discretion for the vesting and exercise of awards and options may be amended in the event of a change of control of the Company.

Power for the Company to issue shares

At the Company's Annual General Meeting held on 20 May 2025, the shareholders of the Company approved resolutions giving authority for the Company to allot ordinary shares in the Company up to one-third of the Company's issued share capital and up to two-thirds of the Company's issued share capital in connection with a rights issue and to disapply pre-emption rights, in each case, until the earlier of the conclusion of the Company's next Annual General Meeting or 19 August 2026.
On 21 December 2020, the shareholders of the Company approved resolutions at a general meeting for the allotment and issue of new ordinary shares on a non-pre-emptive basis upon conversion of £350 million unsubordinated unsecured guaranteed convertible bonds due 2027 (the "Convertible Bonds") into ordinary shares in the Company in accordance with their terms. Such authority is limited to the allotment and issue of new ordinary shares pursuant to the conversion of the Convertible Bonds, with no such conversion occurring during 2025. Following a change of control of the Company, the holder of each Convertible Bond may exercise their conversion right using the formula set out in the terms of the Convertible Bonds or may require the issuer to redeem that Convertible Bond at its principal amount, together with accrued and unpaid interest. During 2025 the Company repurchased £18 million Convertible Bonds and £136 million were redeemed at par on 9 December 2025, as a result only £5 million in aggregate principal amount of the Convertible Bond remains outstanding as at 31 December 2025.

Power for the Company to repurchase shares

At the Company's Annual General Meeting held on 21 May 2024 the shareholders of the Company approved a resolution giving authority for the Company to purchase in the market up to 105,724,865 ordinary shares in the Company, representing approximately 10% of the issued share capital (excluding treasury shares) as at 22 April 2024. This authority expired at the conclusion of the Company's 2025 annual general meeting, held on 20 May 2025. At the Company's 2025 Annual General Meeting the shareholders of the Company approved a resolution giving authority for the Company to purchase in the market up to 104,868,089 ordinary shares in the Company representing approximately 10% of the issued share capital (excluding treasury shares) as at 15 April 2025.

On 4 March 2025 the Company announced an on- market share buyback programme for 2025, with the sole purpose of reducing the Company's share capital, an initial tranche of $50 million was approved, this was later increased to $100 million on 6 May 2025 and further increased to $130 million on 19 August 2025 (the "Share Buyback Programme"). In 2025, 48,512,425 ordinary shares in the Company were repurchased under the Share Buyback Programme and were subsequently cancelled. A share buyback programme for 2026 was announced on 31 December 2025.

Going concern

The Directors, having made appropriate enquiries, have a reasonable expectation that the Group and the Company have adequate resources to continue in operational existence for a period of at least 12 months from the date of approval of the financial statements. For this reason, they continue to adopt the going concern basis in preparing the accounts on pages 92 to 124.

In adopting the going concern basis for preparing the financial statements, the Directors have considered the further information included in the business activities commentary as set out on pages 8 and 9, as well as the Group's principal risks and uncertainties as set out on pages 34 to 36 and the outcomes of modelled and stress-tested scenarios set out in the Viability statement on page 37.

Further details on the going concern basis of preparation can be found on page 29 and in note 2 of the notes to the accounts, on page 97.

Post balance sheet events

Subsequent events occurring after 31 December 2025 are detailed in note 25 of the notes to the accounts on page 124.

Auditors

In accordance with Jersey law, a resolution for the reappointment of KPMG Ireland as auditors of the Company is to be proposed at the forthcoming Annual General Meeting.

Substantial interests

As at 13 March 2026, the Company has been notified of the following substantial interests held in the issued share capital of the Company.

	Number of voting rights	% of issued share capital (excluding treasury shares)
Estorn Limited[1]	254,924,275	25.8%
Toscafund Asset Management LLP[2]	98,287,996	9.7%
Rubric Capital Management LP[3]	50,500,000	5.0%

1. Mark Dixon owns 100% of Estorn Limited.
2. As notified on 4 December 2024.
3. As notified on 21 August 2023.

Approval

This report was approved by the Board on 16 March 2026.

On behalf of the Board

Timothy Regan
Company Secretary
16 March 2026

Directors' statement

Statement of Directors' responsibilities in respect of the Annual Report and financial statements.

The Directors are responsible for preparing the Annual Report and the Group financial statements in accordance with applicable law and regulations.

In accordance with the Companies (Jersey) Law 1991 (the "Law") the Directors are responsible for preparing Group financial statements each financial year using generally accepted accounting principles ("GAAP") as prescribed in the Law. The Directors use U.S. Generally Accepted Accounting Principles (US GAAP) which have been specified as meeting the Law's prescribed standards.

In accordance with the Law, the Directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the Group and its profit or loss for the period. In preparing the Group financial statements, the Directors are required to:

1. select suitable accounting policies and then apply them consistently;
2. make judgements and estimates that are reasonable, relevant and reliable;
3. state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements;
4. assess the Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern; and
5. use the going concern basis of accounting unless they either intend to liquidate the Group or to cease operations, or have no realistic alternative but to do so.

The Directors are responsible for keeping adequate accounting records that are sufficient to show and explain the Group's transactions and disclose with reasonable accuracy at any time the financial position of the Group and enable them to ensure that its financial statements comply with the Law. They are responsible for such internal controls as they determine are necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error, and have general responsibility for taking such steps as are reasonably open to them to safeguard the assets of the Group and to prevent and detect fraud and other irregularities.

Under applicable law and regulations, the Directors are also responsible for preparing a Directors' Report, a Strategic Report, a Directors' Remuneration Report and a Corporate Governance statement that comply with that Law and those regulations.

The Directors are responsible for the maintenance and integrity of the corporate and financial information included on the Company website.

Legislation in the US and Jersey governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

Statutory statement as to disclosure to auditor

The Directors who held office at the date of approval of this Directors' statement confirm that:

- so far as they are each aware, there is no relevant audit information of which the Group's auditor is unaware; and
- each Director has taken all the steps that they ought to have taken as a Director in order to make themselves aware of any relevant audit information and to establish that the Group's auditor is aware of that information.

These financial statements have been approved by the Directors of the Company. The Directors confirm that the financial statements have been prepared in accordance with applicable law and regulations.

Statement of responsibility

We confirm that to the best of our knowledge:

1. the financial statements, prepared in accordance with the applicable set of accounting standards, give a true and fair view of the assets, liabilities, financial position and profit or loss of the Group and the undertakings included in the consolidation taken as a whole; and
2. the Strategic Report includes a fair review of the development and performance of the business and the position of the issuer and the undertakings included in the consolidation taken as a whole, together with a description of the principal risks and uncertainties that they face. We consider the Annual Report and Accounts, taken as a whole, is fair, balanced and understandable and provides the information necessary for shareholders to assess the Group's position and performance, business model and strategy.

By order of the Board

Mark Dixon
Chief Executive Officer

Charlie Steel
Chief Financial Officer

16 March 2026

Financial statements

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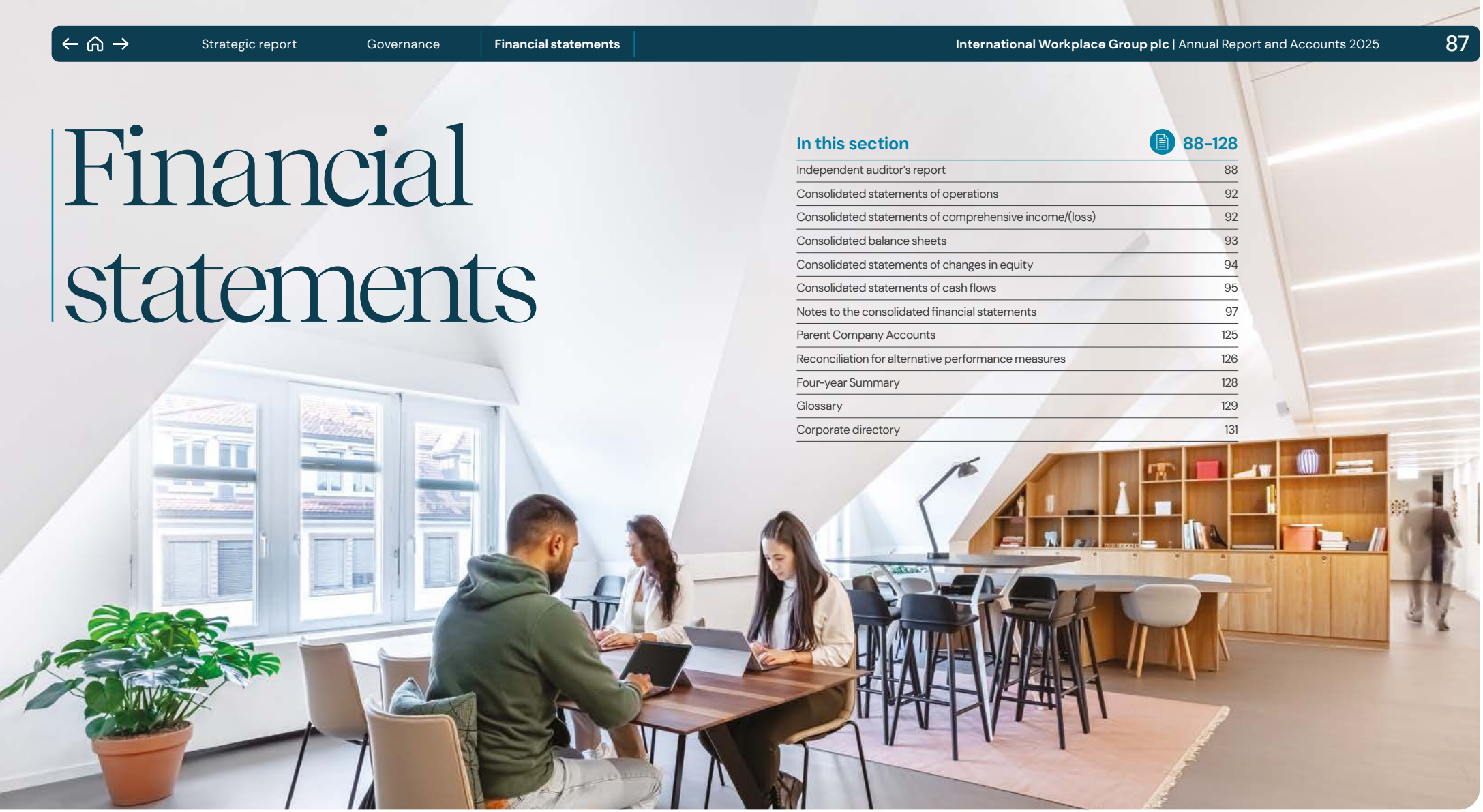

Independent auditor's report to the members of International Workplace Group plc

Report on the audit of the financial statements

Opinion

We have audited the financial statements of International Workplace Group plc and its consolidated undertakings ('the Group') for the year ended 31 December 2025 set out on pages 92 to 124, which comprise the consolidated statements of operations, consolidated statements of comprehensive income/(loss), consolidated balance sheets, consolidated statements of changes in equity and consolidated statements of cash flows and related notes, including the summary of significant accounting policies set out in note 1.

The financial reporting framework that has been applied in their preparation is Companies (Jersey) Law 1991 and Generally Accepted Accounting Principles (US GAAP).
In our opinion:

- the financial statements give a true and fair view of the state of the Group's affairs as at 31 December 2025 and of the Group's profit for the year then ended;
- the financial statements have been properly prepared in accordance with US GAAP;
- the financial statements have been prepared in accordance with the requirements of the Companies (Jersey) Law 1991.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) ("ISAs (UK)") and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We believe that the audit evidence we have obtained is a sufficient and appropriate basis for our opinion. Our audit opinion is consistent with our report to the audit committee.

We were appointed as auditor by the directors on 21 December 2016. The period of total uninterrupted engagement is for the 10 financial years ended 31 December 2025. We have fulfilled our ethical responsibilities under, and we remain independent of the Group in accordance with UK ethical requirements, including the Financial Reporting Council (FRC)'s Ethical Standard as applied to listed public interest entities. No non-audit services prohibited by that standard were provided.

Conclusions relating to going concern

The directors have prepared the financial statements on the going concern basis as they do not intend to liquidate the Group or to cease their operations, and as they have concluded that the Group's financial position means that this is realistic. They have also concluded that there are no material uncertainties that could have cast significant doubt over their ability to continue as a going concern for at least a year from the date of approval of the financial statements ("the going concern period").

In auditing the financial statements, we have concluded that the directors' use of the going concern basis of accounting in the preparation of the financial statements is appropriate. Our evaluation of the directors' assessment of the entity's ability to continue to adopt the going concern basis of accounting included:

Considering the potential economic impact of a prolonged economic downturn impacting the Group's ability to generate revenue adversely affecting the Group's available financial resources over the going concern period.

We considered various downside scenarios applied to the Group's forecasts. A key judgement in the downside scenarios of the Group is that there is a reasonable expectation that the existing committed debt facilities in place are adequate to cover the Group's liquidity requirements in such scenarios.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the Group's ability to continue as a going concern for a period of at least twelve months from the date when the financial statements are authorised for issue.

In relation to the Group's reporting on how they have applied the UK Corporate Governance Code, we have nothing material to add or draw attention to in relation to the directors' statement in the financial statements about whether the directors considered it appropriate to adopt the going concern basis of accounting.

Our responsibilities and the responsibilities of the directors with respect to going concern are described in the relevant sections of this report.

However, as we cannot predict all future events or conditions and as subsequent events may result in outcomes that are inconsistent with judgements that were reasonable at the time they were made, the absence of reference to a material uncertainty in this auditor's report is not a guarantee that the Group will continue in operation.

Detecting irregularities including fraud

We identified the areas of laws and regulations that could reasonably be expected to have a material effect on the financial statements and risks of material misstatement due to fraud, using our understanding of the entity's industry, regulatory environment and other external factors and inquiry with the directors. In addition, our risk assessment procedures included:

- Inquiring with the directors and other management as to the Group policies and procedures regarding compliance with laws and regulations, identifying, evaluating and accounting for litigation and claims, as well as whether they have knowledge of non-compliance or instances of litigation or claims.
- Inquiring of directors, the audit committee, internal audit as to the Group high-level policies and procedures to prevent and detect fraud, including the internal audit function, and the Group's channel for "whistleblowing", as well as whether they have knowledge of any actual, suspected or alleged fraud.
- Inquiring of directors, the audit committee, internal audit regarding their assessment of the risk that the financial statements may be materially misstated due to irregularities, including fraud.
- Inspecting the Group's regulatory and legal correspondence.
- Reading Board, nomination committee, remuneration committee and audit committee minutes.
- Performing planning analytical procedures to identify any unusual or unexpected relationships.
- Using our own forensic specialists to assist us in identifying fraud risk(s) based on discussions of the circumstances of the Group.

We discussed identified laws and regulations, fraud risk factors and the need to remain alert among the audit team. This included communication from the Group auditor to component auditors of relevant laws and regulations and any fraud risk(s) identified at the Group and request for component auditors to report to the Group audit team any instances of fraud that could give rise to a material misstatement at the Group.

Firstly, the Group is subject to laws and regulations that directly affect the financial statements including companies and financial reporting legislation (including related Companies legislation), distributable profits legislation and taxation legislation. We assessed the extent of compliance with these laws and regulations as part of our procedures on the related financial statement items, including assessing the financial statement disclosures and agreeing them to supporting documentation when necessary.

Secondly, the Group is subject to many other laws and regulations where the consequences of non-compliance could have a material effect on amounts or disclosures in the financial statements, for instance through the imposition of fines or litigation or the loss of the Group's licence to operate. We identified the following areas as those most likely to have such an effect: health and safety, employment law and certain aspects of company legislation recognising the nature of the Group's activities.

Auditing standards limit the required audit procedures to identify non-compliance with these non-direct laws and regulations to inquiry of the directors and other management and inspection of regulatory and legal correspondence, if any. These limited procedures did not identify actual or suspected non-compliance.

We assessed events or conditions that could indicate an incentive or pressure to commit fraud or provide an opportunity to commit fraud. As required by auditing standards, we performed procedures to address the risk of management override of controls. On this audit we do not believe there is a fraud risk related to revenue recognition. We did not identify any additional fraud risks.

In response to the fraud risk(s), we also performed procedures including:
- Identifying journal entries to test based on risk criteria and comparing the identified entries to supporting documentation.
- Evaluating the business purpose of significant unusual transactions, if any.
- Assessing significant accounting estimates for bias.
- Assessing the disclosures in the financial statements.

As the Group is regulated, our assessment of risks involved obtaining an understanding of the legal and regulatory framework that the Group operates and gaining an understanding of the control environment including the entity's procedures for complying with regulatory requirements.

Owing to the inherent limitations of an audit, there is an unavoidable risk that we may not have detected some material misstatements in the financial statements, even though we have properly planned and performed our audit in accordance with auditing standards. For example, the further removed non-compliance with laws and regulations (irregularities) is from the events and transactions reflected in the financial statements, the less likely the inherently limited procedures required by auditing standards would identify it.

In addition, as with any audit, there remains a higher risk of non-detection of irregularities, as these may involve collusion, forgery, intentional omissions, misrepresentations or the override of internal controls. We are not responsible for preventing non-compliance and cannot be expected to detect non-compliance with all laws and regulations.

Key audit matters: our assessment of risks of material misstatement

Key audit matters are those matters that, in our professional judgement, were of most significance in the audit of the financial statements and include the most significant assessed risks of material misstatement (whether or not due to fraud) identified by us, including those which had the greatest effect on: the overall audit strategy; the allocation of resources in the audit; and directing the efforts of the engagement team. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

We continue to perform procedures over Deferred Tax Assets associated with the Group's intellectual property in Switzerland and Impairment of Leasehold Property, Plant and Equipment ('PPE') and Right of Use ('ROU') assets. However, following our risk assessment procedure, we have not assessed theses as one of the most significant risks in our current year audit and, therefore, they are not separately identified in our report this year.

In arriving at our audit opinion above, the key audit matter, in decreasing order of audit significance, were as follows (changed from 2024).

Valuation of Goodwill and Intangible assets $1,401m (2024: $1,349m)

Refer to pages 100 to 102 (accounting policy) and pages 113 to 114 (financial disclosures)

The key audit matter	How the matter was addressed in our audit
The Directors assessment of the carrying value of goodwill and intangible assets involves complex and subjective judgments about the future trading performance of the business. The carrying value of goodwill and intangible assets associated with the 'Company owned UK' reporting unit is considered a significant risk due to the material nature of the reporting unit in the context of the Group balance sheet, the associated cashflows, specifically the occupancy rate assumption, the uncertainty associated with estimating future trading conditions and the sensitivity of the impairment model to changes in key assumptions. For the reasons outlined above the engagement team determine this matter to be a key audit matter.	Our audit procedures included: • We gained an understanding of management's process to assess the goodwill and intangible assets for indicators of impairment. • We tested the design and implementation of the key control to assess goodwill and intangible assets for indicators of impairment during the year ending 31 December 2025. • We challenged managements qualitative indictor assessment using our own expectations based on our knowledge of the entity and experience of the industry in which it operates. • We challenged how management calculates the present value of cashflow projections at each reporting unit level gaining an understanding of the assumptions made, changes in the model from prior periods, and why management concluded that the assumptions are reasonable.

Independent auditor's report to the members of International Workplace Group plc continued

The key audit matter continued	**How the matter was addressed in our audit** continued
	• We challenged and evaluated the key assumptions used by management to develop the projected financial information. Key assumptions included assessing revenue growth, cost synergies, occupancy, discount rates and terminal values. Our valuation specialists assisted in assessing the appropriateness of the discount rate assumption. • We challenged management's assumptions in the Company-owned UK reporting unit goodwill impairment analyses given the limited headroom and the sensitivity of the impairment model to changes in key assumptions, using our own expectations based on our knowledge of the entity and experience of the industry in which it operates. • We performed sensitivity analysis by changing certain key assumptions and considering how likely it is that the changes may arise. • We compared key assumptions to external industry specific and general economic data where there was such data available. • We compared the fair value for the Group as a whole to the Group's market capitalisation. • We assessed whether the disclosures as set out in the financial statements are appropriate and in accordance with the accounting principles. Based on evidence obtained, we found that management's key assumptions were reasonable. We found the disclosures to be adequate in providing an understanding of the basis of impairment.

Our application of materiality and an overview of the scope of our audit

Materiality for the Group financial statements as a whole was set at $18.0m (2024: $15.0m), determined with reference to benchmarks of total revenues for the Group of which it represents 0.49% (2024: 0.41%).

Consistent with 2024, we determined that adjusted profit before tax was not an appropriate benchmark in 2025 given the volatility in the Group's results over the past number of years. We have determined, in our professional judgement, that revenue is the principal benchmark within the financial statements relevant to the users of the financial statements in assessing financial performance.

We applied Group materiality to assist us determine the overall audit strategy.

Performance materiality for the Group financial statements financial statements as a whole was set at $13.5m (2024: $11.25m), determined with reference to benchmarks of total revenues for the Group (of which it represents 0.75% (2024: 0.75%). In applying our judgement in determining performance materiality, the following factors were considered; Historically, the Group are receptive to audit findings and have corrected misstatements, disclosure omissions and sought to improve their control environment on receipt of our control deficiencies findings. During the prior year audit, we noted no significant control deficiencies.

We applied Group performance materiality to assist us determine what risks were significant risks for the Group.

We reported to the Audit Committee any corrected or uncorrected identified misstatements exceeding $0.9m (2024: $0.75m), in addition to other identified misstatements that warranted reporting on qualitative grounds.

The structure of the Group's finance function is such that certain transactions and balances are accounted for by central Group finance teams, with the remainder accounted for in the operating units. We performed comprehensive audit procedures, including those in relation to the key audit matters, on those transactions and balances accounted for at Group and operating unit level. In determining those components in the Group on which we perform audit procedures, we considered the relevant size and risk profile of the components.

In relation to the Group's operating units, audits for Group reporting purposes were performed at twelve identified key reporting components, augmented by risk focused audit procedures which were performed for certain other components. These audits covered 82% of total Group revenue. The Group audit team instructed component auditors as to the significant areas to be covered, including the relevant risks detailed above and the information to be reported back.

Planning meetings were held with component auditors in order to assess the key audit risks, audit strategy and work to be undertaken. The Group audit team approved the materiality of each of the components, which ranged from $2.8m to $12.9m, having regard to the mix of size and risk profile of the components. Detailed audit instructions were sent to the auditors of each of these identified locations. These instructions covered the significant audit areas to be covered by these audits (which included the relevant risks of material misstatement detailed above) and set out the information required to be reported to the Group audit team.

Senior members of the Group audit team, including the lead engagement partner, attended each component audit closing meetings via video conferencing facilities, at which the results of component audits were discussed with divisional and Group management. At these meetings, the findings reported to the Group audit team were discussed in more detail, and any further work required by the Group audit team was then performed by the component auditor.

The Group audit team interacted with the component teams where appropriate during various stages of the audit, inspected key working papers and were responsible for the scope and direction of the audit process. This, together with the additional procedures performed at Group level, gave us appropriate evidence for our opinion on the Group financial statements.

We have nothing to report on the other information in the annual report

The directors are responsible for the other information presented in the Annual Report together with the financial statements. The other information comprises the information included in the strategic report and the governance sections of the Annual Report. The financial statements and our auditor's report thereon do not comprise part of the other information. Our opinion on the financial statements does not cover the other information and, accordingly, we do not express an audit opinion or, except as explicitly stated below, any form of assurance conclusion thereon.

Our responsibility is to read the other information and, in doing so, consider whether, based on our financial statements audit work, the information therein is materially misstated or inconsistent with the financial statements or our audit knowledge. Based solely on that work we have not identified material misstatements in the other information.

Corporate governance statement

We have reviewed the directors' statement in relation to going concern, longer-term viability and that part of the Corporate Governance Statement relating to the Group's compliance with the provisions of the UK Corporate Governance Code specified for our review by the Listing Rules.

Based on the work undertaken as part of our audit, we have concluded that each of the following elements of the Corporate Governance Statement is materially consistent with the financial statements and our knowledge obtained during the audit:

- Directors' statement with regards the appropriateness of adopting the going concern basis of accounting and any material uncertainties identified set out on page 86;
- Directors' explanation as to their assessment of the Group's prospects, the period this assessment covers and why the period is appropriate set out on page 86;
- Director's statement on whether it has a reasonable expectation that the Group will be able to continue in operation and meets its liabilities set out on page 86;
- Directors' statement on fair, balanced and understandable and the information necessary for shareholders to assess the Group's position and performance, business model and strategy set out on page 86;
- Board's confirmation that it has carried out a robust assessment of the emerging and principal risks and the disclosures in the annual report that describe the principal risks and the procedures in place to identify emerging risks and explain how they are being managed or mitigated set out on page 49;
- Section of the annual report that describes the review of effectiveness of risk management and internal control systems set out on page 49; and
- Section describing the work of the audit committee set out on page 57 and pages 64 to 69.

Based solely on our work on the other information described above:

- with respect to the Corporate Governance Statement disclosures about internal control and risk management systems in relation to financial reporting processes and about share capital structures:
  - we have not identified material misstatements therein;
  - the information therein is consistent with the financial statements and has been prepared in accordance with the applicable legal requirements; and
- in our opinion, the Corporate Governance Statement has been prepared in accordance with Listing Rules.

We are also required to report to you if a corporate governance statement has not been prepared by the Group. We have nothing to report in these respects.

We have nothing to report on the other matters on which we are required to report by exception

Under the Companies (Jersey) Law 1991, we are required to report to you if, in our opinion:

- proper accounting records have not been kept by the Company, or returns adequate for our audit have not been received from branches not visited by us; or
- the Company's accounts are not in agreement with the accounting records and returns; or
- we have not received all the information and explanations we require for our audit.

We have nothing to report in these respects.

Respective responsibilities and restrictions on use

Responsibilities of directors for the financial statements

As explained more fully in the directors' responsibilities statement set out on page 86, the directors are responsible for: the preparation of the financial statements including being satisfied that they give a true and fair view; such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error; assessing the Group ability to continue as a going concern, disclosing, as applicable, matters related to going concern; and using the going concern basis of accounting unless they either intend to liquidate the Group to cease operations or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud, other irregularities or error, and to issue an opinion in an auditor's report. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud, other irregularities or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

A fuller description of our responsibilities is provided on the FRC's website at www.frc.org.uk/auditorsresponsibilities.

The purpose of our audit work and to whom we owe our responsibilities

Our report is made solely to the Company's members, as a body, in accordance with Article 113A of the Companies (Jersey) Law 1991. Our audit work has been undertaken so that we might state to the Company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Company members, as a body, for our audit work, for this report, or for the opinions we have formed.

Emma O'Driscoll
For and on behalf of KPMG
Chartered Accountants, Statutory Audit Firm
1 Stokes Place,
St. Stephen's Green,
Dublin 2,
Ireland

Consolidated statements of operations

$m except per share amounts	Notes	FY2025	FY2024	FY2023
Revenue	3	**3,762**	**3,756**	**3,764**
Cost of sales exclusive of items shown separately below		2,731	2,808	2,879
Gross profit		**1,031**	**948**	**885**
Selling, general and administrative expenses	2	546	514	496
Allowance for credit losses	3	18	13	19
Impairment of long-lived assets and goodwill	14/15/16	29	83	143
Loss (gain) on disposal of long-lived assets and other closure related (credits) costs	14/15/16	2	(57)	32
Depreciation and amortisation before landlord contributions on leased properties	14/16	357	333	386
Depreciation of landlord contributions (cost reimbursements) on leased properties	16	(64)	(80)	(93)
Operating income (loss)		**143**	**142**	**(98)**
Interest expense		(87)	(64)	(54)
Foreign currency gain (loss)		7	(17)	6
Gain on extinguishment of debt	17	1	16	–
Other finance costs		(21)	(19)	(19)
Income (loss) before income taxes and share of income (loss) from equity method investments		**43**	**58**	**(165)**
Income tax (expense)	6	(32)	(40)	(43)
Share of Income (loss) from equity method investments		4	–	(1)
Net income (loss)		**15**	**18**	**(209)**
Net (loss) attributable to non-controlling interests		(3)	–	(2)
Net income (loss) attributable to the Company		**18**	**18**	**(207)**
Net income (loss) per common share:				
Basic (¢)		1.8	1.8	(20.6)
Diluted (¢)		1.8	1.8	(20.6)

The accompanying notes are an integral part of these Consolidated Financial Statements.

Consolidated statements of comprehensive income/(loss)

$m	Notes	FY2025	FY2024	FY2023
Net income (loss)		**15**	**18**	**(209)**
Other comprehensive income (loss), net of tax:	20			
Foreign currency translation adjustments		47	4	(8)
Changes in unrealised (losses)/gains on cash flow hedges, net of tax		(41)	27	–
Total other comprehensive income (loss)		**6**	**31**	**(8)**
Total comprehensive income (loss)		**21**	**49**	**(217)**
Net loss attributable to non-controlling interests		3	–	2
Foreign currency translation (gains) losses attributable to non-controlling interests		(3)	1	(4)
Comprehensive income (loss) attributable to non-controlling interests		**–**	**1**	**(2)**
Comprehensive income (loss) attributable to the Company		**21**	**50**	**(219)**

The accompanying notes are an integral part of these Consolidated Financial Statements.

Consolidated balance sheets

$m except share and per share amounts	Notes	FY2025	FY2024
Assets			
Current assets:			
Cash and cash equivalents	2	302	137
Accounts receivable, net	3	419	651
Prepaid expenses	9	165	152
Other current assets	8	390	391
Total current assets		**1,276**	1,331
Non-current assets:			
Operating lease right-of-use assets	15	5,293	5,161
Property and equipment, net	16	778	784
Intangible assets, net	14	156	176
Deferred tax asset	6	362	357
Goodwill, net	14	1,245	1,173
Equity method investments		59	54
Other non-current assets		147	76
Total non-current assets		**8,040**	**7,781**
Total assets		**9,316**	**9,112**
Liabilities			
Current liabilities:			
Accounts payable	10	297	232
Short-term debt, net	17	17	212
Deferred revenue	3	334	539
Customer deposits		621	584
Operating lease liabilities	15	1,300	1,154
Accrued expenses and other current liabilities	11	775	887
Total current liabilities		**3,344**	**3,608**
Non-current liabilities:			
Long-term debt, net	17	1,070	633
Long-term operating lease liabilities	15	5,022	4,989
Other non-current liabilities	12	185	91
Total non-current liabilities		**6,277**	**5,713**
Total liabilities		**9,621**	**9,321**

$m except share and per share amounts	Notes	FY2025	FY2024
Shareholders' deficit			
Common Shares; par value $0.0124; 8,000,000,000 shares authorised, 1,008,736,226 issued and outstanding as of 31 December 2025 and 1,057,248,651 issued and outstanding as of 31 December 2024	19	12	13
Treasury Shares at cost; 15,307,650 shares at 31 December 2025, 45,241,020 shares at 31 December 2024	19	(67)	(182)
Additional paid-in capital		324	493
Accumulated deficit		(264)	(268)
Accumulated other comprehensive (loss)	20	(310)	(313)
Total shareholders' deficit		**(305)**	**(257)**
Non-controlling interests		**–**	**48**
Total shareholders' deficit		**(305)**	**(209)**
Total liabilities and shareholders' equity		**9,316**	**9,112**

The accompanying notes are an integral part of these Consolidated Financial Statements.

The financial statements on pages 92 to 124 were approved by the Board on 16 March 2026.

Mark Dixon
Chief Executive Officer

Charlie Steel
Chief Financial Officer

Consolidated statements of changes in equity

$m except share amounts	Notes	Common Stock Shares	Common Stock Amount	Treasury Shares	Additional paid-in capital	Accumulated Deficit	Accumulated other comprehensive income (loss)	Total Shareholders' equity (deficit) – the Company	Non-controlling interests	Total Shareholders' equity (deficit)
Balance as of 1 January 2023		**1,057,248,651**	**13**	**(194)**	**484**	**(61)**	**(333)**	**(91)**	**61**	**(30)**
Net (loss) income		–	–	–	–	(207)	–	(207)	(2)	(209)
Other comprehensive income (loss), net of tax		–	–	–	–	–	(12)	(12)	4	(8)
Share-based compensation		–	–	1	7	(1)	–	7	–	7
Treasury Share purchases		–	–	(1)	–	–	–	(1)	–	(1)
Balance as of 31 December 2023		**1,057,248,651**	**13**	**(194)**	**491**	**(269)**	**(345)**	**(304)**	**63**	**(241)**
Net income		–	–	–	–	18	–	18	–	18
Other comprehensive income (loss), net of tax		–	–	–	–	–	32	32	(1)	31
Share-based compensation		–	–	–	2	–	–	2	–	2
Dividends declared and paid		–	–	–	–	(17)	–	(17)	–	(17)
Purchase of non-controlling interests		–	–	12	–	–	–	12	(14)	(2)
Balance as of 31 December 2024		**1,057,248,651**	**13**	**(182)**	**493**	**(268)**	**(313)**	**(257)**	**48**	**(209)**
Net income (loss)		–	–	–	–	18	–	18	(3)	15
Other comprehensive income, net of tax	20	–	–	–	–	–	3	3	3	6
Retirement of derivative liability on NCI repurchase		–	–	9	(3)	–	–	6	–	6
Share-based compensation	5/21	–	–	–	6	–	–	6	–	6
Share buyback and cancellation	19	(48,512,425)	(1)	–	(129)	–	–	(130)	–	(130)
Issuance of shares under Share compensation plans		–	–	36	(21)	–	–	15	–	15
Dividends declared and paid	19	–	–	–	–	(14)	–	(14)	–	(14)
Purchase of non-controlling interests		–	–	70	(22)	–	–	48	(48)	–
Balance as of 31 December 2025		**1,008,736,226**	**12**	**(67)**	**324**	**(264)**	**(310)**	**(305)**	**–**	**(305)**

The accompanying notes are an integral part of these Consolidated Financial Statements.

Consolidated statements of cash flows

$m	Notes	FY2025	FY2024	FY2023
Cash Flow from Operating Activities:				
Net income (loss)		15	18	(209)
Adjustments to reconcile net income (loss) to net cash provided by Operating Activities:				
Depreciation and amortisation before landlord contributions on leased properties	14/16	357	333	386
Depreciation of landlord contributions (cost reimbursements) on leased properties	16	(64)	(80)	(93)
Operating lease cost	15	1,419	1,394	1,444
Share-based compensation	5/21	6	2	7
Deferred income tax (benefit) expense	6	(9)	(7)	12
Allowance for credit losses		18	13	19
Share of (income) loss from equity method investments		(4)	–	1
Impairment of long-lived assets and goodwill	15/16	29	83	143
(Gain) loss on disposal		(24)	(45)	18
Gain on extinguishment of debt		(1)	(16)	–
Increase (decrease) in provision		1	2	(31)
Changes in operating assets and liabilities:				
Accounts receivable and prepaid expenses		243	(58)	(30)
Other current assets and non-current assets		8	(67)	27
Accounts payable, accrued expenses, and other liabilities		11	34	114
Deferred revenue		(236)	(10)	(13)
Customer deposits		2	21	34
Operating lease liabilities		(1,465)	(1,424)	(1,488)
Proceeds from landlord contributions on leased properties[1]		49	56	57
Other operating activities, net		9	23	1
Net cash provided by operating activities		**364**	**272**	**399**
Cash Flows from Investing Activities:				
Purchases of property and equipment	16	(195)	(137)	(189)
Additions to intangible assets	14	(28)	(31)	(44)
Acquisition of companies, net of cash acquired	13	–	(3)	(7)
Other investing activities, net		6	–	–
Net cash used for investing activities		**(217)**	**(171)**	**(240)**
Cash Flows from Financing Activities:				
Proceeds from issuance of long-term debt	17	2	808	1,237
Proceeds from issue of Eurobonds	17	337	669	–
Payment of debt issuance cost		(5)	(30)	–
Repayment of long-term debt	17	(6)	(1,278)	(1,443)
Repayment of convertible bonds	17	(195)	(228)	–
Dividends paid	19	(14)	(17)	–
Share buybacks	19	(130)	–	–
Contingent consideration payment on acquisition of companies	13	–	(1)	(6)
Share issuance to fund exercise of employees share awards	21	15	–	–
Other financing activities, net		–	(2)	(3)
Net cash provided by (used for) financing activities		**4**	**(79)**	**(215)**
Effects of exchange rate changes on cash, cash equivalents and restricted cash		5	(15)	3
Changes in cash, cash equivalents and restricted cash		151	22	(56)
Net increase (decrease) in cash, cash equivalents and restricted cash		156	7	(53)
Cash, cash equivalents and restricted cash at beginning of period[2]		148	141	194
Cash, cash equivalents and restricted cash at end of period[2]		**304**	**148**	**141**

1. During the years ended 31 December 2025, 2024, and 2023, the total cash proceeds from landlord contributions on leased properties were $49 million, $56 million, and $57 million, respectively. These amounts include cost reimbursements of $7 million, $8 million, and $27 million, as well as lease incentives of $42 million, $48 million, and $30 million. This is offset by the non-cash amortisation of previous landlord contributions on leased properties receivable of $130 million (2024: $117 million).
2. Restricted cash is presented within Other current assets and Other non-current assets. Refer to Footnote 2, *Description of the Business and Summary of Significant Accounting Policies*, for further details. All cash in cash and cash equivalents is unrestricted.

Consolidated statements of cash flows continued

Supplemental Disclosure of Cash Flow Information

$m	FY2025	FY2024	FY2023
Cash paid during the period for interest (net of amount capitalised)	82	74	70
Cash paid during the period for income taxes, net	34	35	43
Supplemental Disclosure of Non-cash Investing & Financing Activities			
Non-cash purchase of property and equipment	28	43	25
Non-cash purchase of intangible assets	–	10	1
Utilisation of treasury shares for acquisition of non-controlling interest	70	12	–
Additional ASC 842 Supplemental Disclosures			
Cash paid for amounts included in the measurement of operating lease liabilities	1,465	1,424	1,488
Cash received for operating lease incentives — landlord contributions	(42)	(48)	(30)
Right-of-use assets obtained in exchange for operating lease obligations	290	276	286
Increase in right-of-use assets and operating lease liabilities for lease reassessment	897	714	670
Reduction in right-of-use assets and operating lease liabilities for lease reassessment	(242)	(422)	(327)

The accompanying notes are an integral part of these Consolidated Financial Statements.

Notes to the consolidated financial statements

Note 1. Authorisation of financial statements

International Workplace Group plc (IWG) is a public limited company incorporated in Jersey and registered and domiciled in Switzerland. The Company's ordinary shares are traded on the London Stock Exchange. The Group and Company financial statements for the year ended 31 December 2025 were authorised for issue by the Board of Directors on 16 March 2026 and the balance sheets were signed on the Board's behalf by CEO Mark Dixon and CFO Charlie Steel. The audited Group accounts are included from pages 92 to 124.

International Workplace Group plc owns, leases, manages and is a franchise operator of, a network of business centres which are utilised by a variety of business customers. Information on the Group's structure is provided in note 24, and information on other related party relationships of the Group is provided in note 23.

The Group financial statements have been prepared and approved by the Directors in accordance with Companies (Jersey) Law 1991 and accounting principles generally accepted in the United States of America ("US GAAP"). The Company prepares its parent company annual accounts in accordance with accounting policies based on the Swiss Code of Obligations. Extracts from these unaudited accounts are present on page 125.

Note 2. Description of the Business and Summary of Significant Accounting Policies

Description of business

International Workplace Group plc, and its subsidiaries (collectively the "Company"), is the world's largest hybrid workspace platform with a network in over 120 countries through flexible workspace brands such as Regus, Spaces, HQ and Signature. International Workplace Group plc owns, manages and is a franchise operator of a network of business centres which are utilised by a variety of business customers. As of 31 December 2025, the Company manages its operations through three operating segments: Company-owned, Managed & Franchised, and Digital and Professional Services. From 1 January 2026, the Company has consolidated its Digital and Professional Services operating segment into its other two operating segments.

All references to "we", "us", "our", "IWG", "Group" and the "Company" are references to International Workplace Group plc and its subsidiaries on a consolidated basis.

Basis of Presentation

The Directors are responsible for preparing the Company's consolidated financial statements using applicable GAAP, as prescribed in the Companies (Jersey) Law 1991. Since the 31 December 2024 Group financial statements were authorised to be issued, the basis of preparation changed from International Financial Reporting Standards as adopted by the European Union ("Adopted IFRSs") to US GAAP. All values are in US dollars and rounded to millions, except where indicated otherwise.

The financial statements have been prepared on a going concern basis, which assumes that the Company will continue in operational existence for a period of at least 12 months from the date of approval of these financial statements.

In assessing the appropriateness of adopting the going concern basis consideration was given to forecast cash flows (including stress testing), liquidity requirements and covenant compliance. The forecasts indicate that the Company will remain within its existing facilities and comply with all banking covenants throughout the assessment period under both base case and reasonably possible downside scenarios.

Based on the assessment performed, there is a reasonable expectation that the Company has adequate resources to continue in operational existence for the foreseeable future. Accordingly, the Company continues to adopt the going concern basis in preparing the financial statements.

Principles of Consolidation

Our consolidated financial statements include the accounts of our wholly-owned subsidiaries and other non-wholly-owned entities in which we have a controlling financial interest, including variable interest entities (VIE) for which we are the primary beneficiary.

The Company consolidates entities in which it has a controlling financial interest based on either the VIE or voting interest model. The Company is required to first apply the VIE model to determine whether it holds a variable interest in an entity, and if so, whether the entity is a VIE. If the Company determines it does not hold a variable interest in a VIE, it then applies the voting interest model. Under the voting interest model, the Company consolidates an entity when it holds a majority voting interest in an entity.

The Company determines, at the inception of each arrangement, whether an entity in which it has made an investment or in which it has other variable interests in is to be considered a VIE. An entity is considered to be a VIE if any of the following conditions exist: (a) the total equity investment at risk is not sufficient to permit the entity to finance its activities without additional subordinated financial support; (b) the holders of the equity investment at risk, as a group, lack either the direct or indirect ability through voting rights or similar rights to make decisions that have a significant effect on the success of the entity or the obligation to absorb the entity's expected losses or right to receive the entity's expected residual returns; or (c) the voting rights of some equity investors are disproportionate to their obligation to absorb losses of the entity, their rights to receive returns from an entity, or both and substantially all of the entity's activities either involve or are conducted on behalf of an investor with disproportionately few voting rights. The Company consolidates a VIE when it is deemed to be the primary beneficiary. The primary beneficiary of a VIE is the party that meets both of the following criteria: (i) has the power to direct the activities that most significantly affect the economic performance of the VIE; and (ii) has the obligation to absorb losses or the right to receive benefits that in either case could potentially be significant to the VIE. Periodically, the Company determines whether any changes in its interest or relationship with the entity impact the determination of whether the entity is still a VIE and, if so, whether the Company is the primary beneficiary. If the Company is not deemed to be the primary beneficiary in a VIE, the Company accounts for the investment or other variable interest in a VIE in accordance with the applicable requirements of US GAAP.

All material intercompany transactions and balances have been eliminated in consolidation. References in these financial statements to net income (loss) attributable to the Company and total shareholders' equity (deficit) – the Company do not include non-controlling interests, which represent the third-party ownership interests of our consolidated non-wholly-owned entities and are reported separately in the Consolidated Balance Sheets, Consolidated Statements of Operations, and Consolidated Statements of Comprehensive Income (Loss) and Consolidated Statements of Changes in Equity.

Non-controlling interests primarily relate to The Instant Group. On 8 March 2022, the Company completed the acquisition of 100% equity interest in The Instant Group (reference Note 13, *Acquisitions*, for further details). In a separate transaction, the Company sold a 13.4% non-controlling equity interest in a subsidiary of the Digital and Professional Services structure for a consideration of $69 million.

Note 2. Description of the Business and Summary of Significant Accounting Policies continued

During the year ended 31 December 2024, the Company increased its equity voting rights in a Digital and Professional Services subsidiary to 89.3% (from 86.6% as of 31 December 2023) for $14 million. The purchase was in accordance with election agreements originally enacted during the establishment of Digital and Professional Services in 2022.

On 30 April 2025, the Company completed the acquisition of the remaining non-controlling interests in the Digital and Professional Services reportable segment in exchange for 23,095,239 common shares of International Workplace Group plc. From May 2025 onward, the Company no longer has any material non-controlling interests.

In 2020, Redox Plc was deconsolidated from the Company due to a loss of control following bankruptcy proceedings. As a result of emergence from bankruptcy on 25 April 2025, the Company reassessed its involvement with Redox Plc in accordance with ASC 810, *Consolidation*, and determined it had regained control of the entity. The criterion for applying fresh start accounting for Redox Plc is not met as the Company held 100% of the voting shares before commencement of the proceedings and upon emergence from bankruptcy. As part of regaining control, the Company received $20 million in cash and recognised $6 million of accrued expenses and other current liabilities, which were recorded on the Consolidated Balance Sheets, with the corresponding Consolidated Statements of Operations impact included in Selling, general and administrative expenses. The results of operations from Redox Plc are included in the Company's Consolidated Financial Statements from 25 April 2025.

Reorganisation

Upon completion of the acquisition of the remaining non-controlling interests in the Digital and Professional Services subsidiary on 30 April 2025, the Company reorganised its reporting structure ("Reorganisation"), changing the composition of operating segments within the Digital and Professional Services reportable segment. To reflect the Reorganisation, assets and liabilities (including goodwill) were reassigned between reportable segments. Please reference Note 4, *Segments*, and Note 14, *Goodwill and intangible assets*, for further information.

Use of Estimates

The preparation of the Consolidated Financial Statements, in accordance with US GAAP, requires management to make estimates and assumptions that affect the amounts reported, disclosed and, accordingly, actual results could differ from those estimates. The Company bases its estimates on the information available at the time and its experiences. The estimates underlying the Company's Consolidated Financial Statements relate to, among other things, cash flows used in the assessment of impairment of goodwill, intangibles, property and equipment and right-of-use assets, reserves for uncertain tax positions, valuation of derivatives, valuation allowances on deferred tax assets, incremental borrowing rates on leases and the fair value of property and equipment, intangibles and leasehold assets and liabilities acquired in business combinations. Adjustments may be made in subsequent periods to reflect more current estimates and assumptions about matters that are inherently uncertain.

Revenue Recognition

The Company's primary activity is the provision of fully integrated, end-to-end flexible global workspace solutions to customers. Revenue represents the total amount receivable for services provided, excluding sales-related taxes and intercompany transactions. The Company's primary revenue categories, related performance obligations and associated revenue recognition patterns are as follows:

Workspace

Within the Company-owned segment, the Company acts as principal in these arrangements as it controls the workspace through direct ownership or a leasing arrangement. Performance obligations are satisfied over time by transferring services relating to the provision of the workspace through contracts with customers which may take the form of sub-leases which are classified as operating leases. These contracts include different forms of workspace including co-working, meeting room, fixed, day and virtual workspaces.

Invoices are issued monthly 30-60 days in advance and initially recognised as deferred revenue (contract liability) with payments due from customers in advance of the provision of the workspace or in accordance with a sub-lease payment schedule. Customer deposits are billed and collected prior to services being provided, enhancing customer collectability.

Customer contracts vary in length and typically include renewal options. Revenue on these contracts is recognised over the initial contract period only. Transaction price is predominantly fixed in customer contracts with any variability in the transaction price relating to the volume of customer usage of the workspace recognised in the period of usage or pricing escalators. When the transaction price is discounted in the opening period of the term of the contract, revenue recognised is constrained to the amount invoiced in the appropriate period. Sub-lease income is typically accounted for on a straight-line basis over the term of the sub-lease.

Fee Income

The Company acts as an agent in these arrangements as it operates but does not lease or control the workspace related to the services that are provided. Performance obligations are satisfied over time by transferring services relating to the provision of management and franchise services relating to the use of physical and virtual workspace.

The Company generates revenue through a management fee model whereby the Company enters into operational support arrangements for the respective centre location on behalf of the partner. The Company also generates revenue through a franchise model whereby the Company enters franchise arrangements licensing its symbolic intellectual property (e.g. Regus, Spaces brands) and proprietary methods/processes.

Fees received for the provision of initial set up fees are recognised at a point-in time when they relate to separate and distinct performance obligations. The contractual price for initial set up fees is typically considered to reflect the attributable transaction price. Subsequent services are recognised over time as the services are rendered. Fees charged for the use of continuing rights granted by the agreement are typically measured based on contractually agreed percentage of revenue generated by the operation. Invoices are generally issued monthly and settled within 30-60 days with invoiced amounts deducted from any amounts due to the partner.

Deposits received from customers against non-performance of contracts are held on the Consolidated Balance Sheets either as customer deposits within current liabilities or as other non-current liabilities until they are either returned to the customer at the end of their relationship with the Company or released to the Consolidated Statements of Operations.

Note 2. Description of the Business and Summary of Significant Accounting Policies continued

Services and other income

The Company typically acts as principal in these arrangements as it controls the technology and processes relating to the provision of workspace bookings, membership programmes, consulting services, office starter kits and inventory management. Services also include ancillary services provided within and outside the Company's leased workspace such as virtual office services, day offices and short-term meeting rooms. In some circumstances where the Company acts as an agent for the sale and purchase of goods to customers, only the agent fee earned is recognised as revenue.

Invoices are issued at point of sale or monthly depending on the nature of the service being provided and recognised as revenue when the services are rendered in the period that the invoices are raised with the exception of memberships which are deferred and recognised over time within the period that the benefits of the membership card are expected to be provided. Customer payments may be collected at the point of sale or immediately upon receipt of the invoice.

Transaction price is predominantly fixed in customer contracts with any variability in the transaction price relating to the volume of customer activity recognised in the period of the activity.

Contract Assets and Contract Liabilities

Contract Assets represent amounts due from customers in advance of collection invoices being raised. These amounts include certain services provided relating to office space sub-leased under the Digital and Professional Services segment and amounts invoiced in a subsequent month relating to variable revenue based upon the volume of customer usage in the prior month.

Contract liabilities represent collections from customers in advance of services being provided in accordance with contractual arrangements with customers. Contract liabilities are presented as deferred revenue and classified as current liabilities as they are expected to be recognised as revenue within the next twelve months.

Cost of Sales

Cost of sales includes expenses related to the operation of the Company's business centres and provision of digital and professional services. These include, but are not limited to, operating lease costs such as base rent and tenancy costs including the Company's share of real estate and related taxes and common area maintenance charges, employee and related expenses, building operational costs such as utilities, maintenance and cleaning, insurance costs, office expenses such as telephone, internet and printing costs, security expenses, parking expense, credit card processing fees, building events, food and other consumables, and other costs of operating the business centre locations. Employee compensation costs included in location operating expenses relate to the salaries, bonuses and benefits relating to the teams managing the business centres on a daily basis including facilities management.

Selling, General and Administrative Expenses

Selling, general and administrative expenses consist primarily of sales and marketing expenses, advertising costs, personnel and related expenses for corporate employees, technology, consulting, legal and other professional services expenses, lease costs for our corporate offices, and various other costs we incur to manage and support our business. General and administrative expenses are expensed as incurred. The Company recorded external marketing expenses of $168 million, $135 million and $136 million for the years ended 31 December 2025, 2024 and 2023, respectively.

Share-Based Compensation

The share awards programme entitles certain directors and employees to acquire shares of the ultimate parent company (International Workplace Group plc); these awards are granted by the ultimate parent company (International Workplace Group plc) and are equity-settled. The fair value of the options and awards granted under the Company's share-based payment plans outlined in Note 21 *Stock-based Compensation* are included in the same line item on the Consolidated Statements of Operations as the underlying director and employee expenses with a corresponding increase in equity. The fair value is measured at grant date and spread over the period during which the employees become unconditionally entitled to the options. The fair value of the options granted are measured using either the Black-Scholes valuation model or the Monte Carlo method, taking into account the terms and conditions upon which the options were granted. The amount recognised as an expense is adjusted to reflect the actual number of share options that vest in respect of non-market conditions except where forfeiture is due to the expiry of the option.

Income Taxes

The Company accounts for income taxes under the asset and liability method. Under this method, deferred tax assets and liabilities are recognised based upon the estimated future tax consequences attributable to bases differences between the financial statement carrying amount of existing assets and liabilities and their respective tax basis, as well as operating loss and tax credit carry forwards. Deferred tax assets and liabilities are measured using enacted tax rates expected to apply to taxable income in the years in which those temporary differences are expected to be recovered or settled. The effect on deferred tax assets and liabilities of a change in tax rates is recognised in income tax expense (benefit) in the period the tax rates are enacted.

The Company's deferred tax assets are reduced by a valuation allowance if, based on the weight of available evidence, it is more likely than not (a likelihood of more than 50 percent) that some portion or all of the deferred tax assets will not be realised. The Company evaluates the realisability of deferred tax assets for each of the jurisdictions in which they operate by assessing all positive and negative evidence. This includes historical operating results, known or planned operating developments, the period of time over which certain temporary differences will reverse, consideration of the reversal of certain deferred tax liabilities, tax law carry back capability in the particular country, and prudent and feasible tax planning strategies. After evaluation of these factors, if the deferred tax assets are expected to be realised within the tax carry forward period allowed for that specific country, the Company would conclude that no valuation allowance would be required. To the extent that the deferred tax assets exceed the amount that is expected to be realised within the tax carry forward period for a particular jurisdiction, the Company establishes a valuation allowance.

The Company recognises benefits from tax positions only if it is more likely than not that the tax position will be sustained on examination by the taxing authorities, based on the technical merits of the positions. The tax benefits recognised in the combined financial statements from such positions are measured as the largest amount of tax benefit that is greater than 50 percent likely of being realised upon settlement. Judgement is required in evaluating tax positions and determining unrecognised tax benefits. The Company re-evaluates the technical merits of its tax positions and may recognise the benefit of a tax position in certain circumstances, including when: (1) a tax examination is completed; (2) applicable tax laws change, including through a tax case ruling or legislative guidance; or (3) the applicable statute of limitations expires. The Company recognises interest and penalties associated with income taxes in income tax expense (benefit) in the Consolidated Statements of Operations.

Note 2. Description of the Business and Summary of Significant Accounting Policies continued

The Company is within the scope of the OECD Pillar Two model rules. Pillar Two legislation has been enacted or substantively enacted in many of the jurisdictions where IWG operates. In Switzerland, a domestic minimum tax rule was introduced with effect from 1 January 2024 followed by an Income Inclusion Rule (IIR) from 1 January 2025.

Earnings Per Share

Basic earnings per share is calculated by dividing net income attributable to common shareholders by the weighted average number of common shares outstanding for the period. Diluted earnings per share is computed by giving effect to all potentially dilutive common shares outstanding during the period. Potentially dilutive common shares include outstanding share options calculated using the treasury share method and potentially issuable shares to bondholders calculated using the if-converted method.

Cash and Cash Equivalents

Cash and cash equivalents consist of cash at bank and in hand, as well as all highly liquid investments with a maturity of three months or less when purchased.

Restricted Cash

The Company is required to maintain cash deposits with certain banks which consist of deposits restricted under contractual agreements or legal disputes. Deposits with landlords are presented separately as security deposits and are not considered restricted cash.

The following represents a reconciliation of cash and cash equivalents in the Consolidated Balance sheets to cash, cash equivalents and restricted cash in the Consolidated Statements of Cash Flows:

$m	FY2025	FY2024
Cash and cash equivalents	302	137
Restricted cash[1]	2	11
Cash, cash equivalents and restricted cash	**304**	**148**

1. As of 31 December 2025 and 2024, the following amounts of restricted cash were included in other current assets: $2 million and $8 million, respectively. Otherwise, all other restricted cash was included within other non-current assets.

Acquisitions

The Company allocates the fair value of purchase consideration to tangible assets and intangible assets purchased and liabilities assumed on the basis of their fair values at the date of acquisition. Any excess of fair value of net tangible and intangible assets acquired is allocated to goodwill. In determining the fair values of assets acquired and liabilities assumed, the Company uses various recognised valuation methods when a market value is not readily available. Further, assumptions are made within certain valuation techniques, including discount rates and the amount and timing of future cash flows. During the measurement period, which is up to one year from the acquisition date, the Company may record adjustments to the fair value of the purchase consideration and the allocation of the purchase consideration to all tangible and intangible assets acquired and identified and liabilities assumed if the Company obtains new information about facts and circumstances that existed as of the acquisition date. Net assets and results of operations of an acquired entity are recorded in the Financial Statements from the acquisition date. Acquisition-related costs are expensed as they are incurred.

Goodwill and Indefinite-Lived Intangible Assets

Goodwill represents the excess of the purchase price over the fair value of the assets acquired less liabilities assumed in business combinations. Goodwill is assigned to reporting units, which are the business centres, grouped by country/geographical region of operation and type (managed or owned), and Digital and Professional Services. Acquired intangible assets are recorded at fair value. The Company also carries the Regus brand of which the value of is intrinsically linked to the continuing operation of the Company, thus it has been determined to have an indefinite useful life. Goodwill and indefinite-lived intangible assets are not amortised, but instead are tested for impairment at least annually, or more frequently, if events or changes in circumstances indicate that the carrying amount may be impaired and is required to be written down when impaired. Impairment of goodwill and indefinite-lived intangible assets is included in Impairment of long-lived assets and goodwill and other assets on the Consolidated Statements of Operations.

The Company tests goodwill for potential impairment at least annually in the fourth quarter, or more frequently if an event or other circumstance indicates that we may not be able to recover the carrying amount of the net assets of the reporting unit. The guidance for impairment testing begins with an optional qualitative assessment to determine whether it is more likely than not that goodwill or the brand is impaired. The Company is not required to perform a quantitative impairment test unless it is determined, based on the results of the qualitative assessment, that it is more likely than not that goodwill or the brand is impaired. The quantitative impairment test is prepared at the reporting unit level for goodwill and qualitative factors considered include but are not limited to general economic conditions, outlook for the industry, and the Company's recent and forecasted financial performance. In performing the goodwill impairment test, management compares the estimated fair values of the applicable reporting units to their aggregate carrying values, including goodwill. If the carrying amounts of a reporting unit including goodwill were to exceed the fair value of the reporting unit, an impairment loss is recognised within our Consolidated Statements of Operations in an amount equal to that excess, limited to the total amount of goodwill allocated to that reporting unit.

The determination of the fair value of the reporting units requires the Company to make significant estimates and assumptions with respect to the business and financial performance of the Company's reporting units. These estimates and assumptions primarily include, but are not limited to, discount rates, terminal growth rates, occupancy rates, forecasts of revenue, operating income, working capital requirements and capital expenditure.

Impairment of Long-Lived Assets and Finite-Lived Intangible Assets

Long-lived assets, including right-of-use assets, property and equipment and other finite-lived intangible assets are evaluated for recoverability when events or changes in circumstances indicate that the asset may have been impaired. In evaluating an asset for recoverability, the Company considers the future cash flows expected to result from the continued use of the asset and the eventual disposition of the asset. If the sum of the expected future cash flows, on an undiscounted basis, is less than the carrying amount of the asset, an impairment loss equal to the excess of the carrying amount over the fair value of the asset is recognised. Impairment losses cannot be reversed in subsequent periods.

Note 2. Description of the Business and Summary of Significant Accounting Policies continued

We evaluate potential impairment at the asset group level. We allocate the impairment loss related to an asset group among the various assets within the asset group pro rata based on the relative carrying values of the respective assets. Impairment of long-lived and finite-lived intangible assets, including right-of-use assets, is included in Impairment of long-lived assets and goodwill on the Consolidated Statements of Operations.

Leases

The Company primarily leases property for its collaborative workspaces and other locations globally and determines if an arrangement contains a lease at the inception of a contract. At the inception of each lease, the Company determines if an arrangement is or contains a lease and classifies it as operating or financing lease depending on the underlying nature of the arrangement. Substantially all of the Company's leases are classified as operating leases.

Right-of-use assets represent the Company's right to use an underlying asset for the lease term and lease liabilities represent the Company's obligation to make lease payments arising from the lease during the lease term. Right-of-use assets and lease liabilities are recognised at the commencement date based on the present value of the minimum lease payments to be made over the lease term, adjusted for initial direct costs.

The lease term is the non-cancelable period of the lease adjusted for any renewal or termination options which are reasonably certain to be exercised. Management applies judgement in determining whether it is reasonably certain that a renewal or termination option will be exercised, taking into account the length of time remaining before the option is exercisable, macro-economic environment, socio-political environment and other lease specific factors. Where the lease term has been determined as the period from inception up to a break clause and break penalties exist, these amounts are included in the measurement of the lease liability. Short-term leases with an initial term of 12 months or less are not recorded on the Consolidated Balance Sheets and expenses are recognised in the Consolidated Statements of Operations as incurred.

In calculating the present value of lease payments, the Company utilises its incremental borrowing rate to discount the lease payments as the interest rate implicit in the lease is not readily determinable. The determination of applicable incremental borrowing rates on leases at the commencement of lease contracts also requires judgement. The Company determines its incremental borrowing rates by obtaining interest rates from various external financing sources and makes certain adjustments to reflect the terms of the lease. The Company considers the relevant market interest rate, based on the weighted average of the timing of the lease payments under the lease obligation. In addition, a spread over the market rate is applied based on the cost of funds to the Company, plus a spread that represents the risk differential of the lessee entity compared to the Company funding cost.

Lease payments included in the measurement of the lease liability comprise the following: Fixed payments, including in-substance fixed payments, owed over the lease term (including termination penalties the Company would owe if the lease term reflects the Company's exercise of a termination option) and variable lease payments that depend on an index or rate, initially measured using the index or rate at the lease commencement date.

For operating leases, the lease liability is measured at the present value of the unpaid lease payments at the reporting date. Variable lease costs are not included as lease payments in the calculation of the lease obligation and are included in variable lease costs in the Consolidated Statements of Operations, as incurred and when probable. Variable lease payments consist of escalation terms on the amount of base rent which may vary by market due to changes in a rate or index and of contingent rent payments based on percentages of revenue or other profitability metrics as defined in the lease.

The right-of-use asset is measured as the amount of the lease liability with adjustments, if applicable, for remaining balances of any lease prepayments made prior to or at lease commencement, initial direct costs incurred by us, and lease incentives, recorded net of impairment. Operating leases costs relating to fixed lease payments are expensed on a straight-line basis over the lease term in the Consolidated Statements of Operations. For operating leases for which the right-of-use asset has been impaired, the lease expense is determined as the sum of the amortisation of the right-of-use asset remaining after impairment, if any, on a straight-line basis over the remaining term of the lease and the accretion of the lease liability based on the discount rate applied to the lease liability.

The Company monitors for events or changes in circumstances that require a reassessment of one of its leases. When a reassessment results in the remeasurement of a lease liability, a corresponding adjustment is made to the carrying amount of the corresponding right-of-use asset unless doing so would reduce the carrying amount of the right-of-use asset to an amount less than zero. In that case, the right-of-use asset is reduced to zero and the remainder of the adjustment is recorded in the Consolidated Statements of Operations.

The Company expends cash for leasehold improvements and to build out and equip its leased properties. Generally, a portion of the cost of leasehold improvements is reimbursed to the Company by business partners (property owners and landlords) as landlord contributions. Landlord contributions are substantially received at or near the lease commencement date for commercial reasons and, where the Company retains accounting ownership of the fit-out assets, are accounted for as a lease incentive and recognised by reducing the right-of-use asset. If accounting ownership is not retained, the landlord contributions are recognised as cost reimbursements by reducing the related leasehold improvements within property, plant and equipment.

(Gain) loss on disposal of long-lived assets and other closure related (credits) costs

(Gain) loss on disposal of long-lived assets and other closure related (credits) costs income statement financial statement line item includes the derecognition of leases liabilities and right-of-use assets previously recognised on early terminated leases and other closure costs relating to closed centres, as well as the (gain) loss of the disposal of long-lived assets, including property and equipment.

Finite-lived Intangible Assets, net

Acquired intangible assets are carried at cost and finite-lived intangible assets are amortised on a straight-line basis over their estimated useful lives. Intangible assets, net consists of purchased software, customer lists, and the Regus corporate tradename. The Company capitalises purchased software when the amounts have a useful life or contractual term greater than 12 months. Purchased software consists of software products and licenses which are amortised over the lesser of their estimated useful life or the contractual term, generally up to five years.

Notes to the consolidated financial statements continued

Note 2. Description of the Business and Summary of Significant Accounting Policies continued

Intangible assets are amortised on a straight-line basis over the estimated useful life of the assets as follows:

Brand – Regus Brand	indefinite Life
Brand – Other acquired brands	20 years
Computer and internal use software	up to 5 years
Customer lists – service agreements	2 years
Customer lists – sub-lease agreements	up to 5 years

Finite-lived intangible asset amortisation is included in Depreciation and amortisation on the Consolidated Statements of Operations.

The Company capitalises costs incurred to develop internal-use software during the application development and enhancement phase in Intangible assets, net on the Consolidated Balance Sheets. Costs related to preliminary project and post-implementation activities are expensed as incurred. Upgrades and enhancements that result in additional functionality are also capitalised. Costs are capitalised only when management has formally approved and funded the project, and it is probable that the project will be completed and the software will be used as intended. Once these criteria are met, costs incurred during the application development or enhancement phase are capitalised within Intangible assets net on the Consolidated Balance Sheets.

Amortisation is included in Depreciation and amortisation on the Consolidated Statements of Operations once the software is substantially complete and ready for its intended use. The estimated useful life is typically 5 years.

The Company capitalises all software implementation costs that meet the criteria for capitalisation, including those that relate to a service contract (e.g. hosting arrangements). All contracts which are hosting arrangements, or which contain a hosting element are assessed to determine whether the contract is a service arrangement. The capitalised implementation costs for contracts which are not service arrangements are included in Intangible assets, net in the Consolidated Balance Sheets and are amortised together with the costs of the related software license through Depreciation and amortisation in the Consolidated Statements of Operations. The implementation costs for service contracts are treated as prepaid assets and are expensed through General and administrative expenses on the Consolidated Statements of Operations over the term of the arrangement. The implementation costs for hosting arrangements are amortised over the life of the hosting arrangement, including reasonably certain renewal periods.

Property and Equipment, net

Property and equipment are stated at cost, less accumulated depreciation and impairment losses. Depreciation is provided on a straight-line basis over the estimated useful lives of owned assets. The estimated useful lives of the Company's property and equipment are as follows:

Buildings	50 years
Leasehold improvements	Shorter of lease term or 10 years
Computer hardware	3 to 5 years
Furniture and equipment	5 to 10 years

The Company incurs a variety of costs to customise or enhance leased premises to suit its operational needs in the construction of leasehold improvements. These improvements may include structural modifications, installation of fixtures or interior enhancements made to the leased property. After a determination is made to capitalise a cost, it is allocated to the specific component of a project that is benefited. Leasehold improvements are capitalised when they provide future economic benefits and are directly attributable to preparing the leased space for its intended use. The Company capitalises costs until a project is substantially completed. Subsequent expenditures that extend the useful life of an asset are also capitalised.

The Company commonly undertakes leasehold improvements at the beginning of a lease. Certain lease agreements contain provisions that require us to remove leasehold improvements at the end of the lease term. When such an obligation exists, we record an asset retirement obligation at the inception of the lease at its estimated fair value, so long as a reasonable estimate of the fair value can be made. These obligations are recorded within other non-current liabilities on the Consolidated Balance Sheets. Accretion costs associated with the obligations are recognised as depreciation expense.

Allowance for Credit Losses

Accounts receivable are stated at the amount the Company expects to collect, which is net of an allowance for expected credit losses. The Company calculates expected credit losses for trade accounts primarily based upon the aging of the underlying receivable. Other factors such as the assumptions related to the business prospects and financial condition of customers and marketing affiliates, macroeconomic conditions, inflationary pressures, potential recession and the Company's ability to collect the receivable or recover the receivable may also impact the allowance. Recorded liabilities associated with customer deposits held are also considered when estimating the allowance for credit losses as we have the contractual right to apply the customer deposits to outstanding receivables.

Fair Value Measurement

The Company applies fair value accounting for financial assets and liabilities and certain non-financial assets and liabilities that are recognised or disclosed at fair value in the financial statements on a recurring and non-recurring basis. Fair value is the price that would be received for an asset or paid to transfer a liability in an orderly transaction between market participants on the measurement date. The Company has not elected to apply a fair value option to measure assets and liabilities at fair value.

Note 2. Description of the Business and Summary of Significant Accounting Policies continued

When considering market participant assumptions in fair value measurements, the following fair value hierarchy distinguishes between observable and unobservable inputs, which are categorised in one of the following levels:

Level 1 – Unadjusted quoted prices in active markets that are accessible at the measurement date for identical assets or liabilities in an active market. The fair value hierarchy gives the highest priority to Level 1 inputs.
Level 2 – Observable inputs other than quoted prices in active markets, such as quoted prices in less active markets or model-derived valuations, that are observable either directly or indirectly for substantially the full term of the asset or liability.
Level 3 – Unobservable inputs for which there is little or no market data available that are significant to the fair value of the assets or liabilities at the measurement date.

Transfers between the categories above are presented as occurring at the end of the financial period.

Reference Note 18, *Fair Value Measurements*, for further discussion.

Interest-bearing borrowings and other financial liabilities

Financial liabilities, including interest-bearing borrowings such as the Eurobonds, are recognised initially at fair value less attributable transaction costs. Subsequent to initial recognition, financial liabilities are stated at amortised cost with any difference between cost and redemption value being recognised in the Consolidated Statements of Operations over the period of the borrowings on an effective interest rate method.

Convertible bonds issued by the Company and convertible to ordinary shares or cash at the option of the holder are recognised as debt at fair value and subsequently at amortised cost using the effective interest rate method. Directly attributable transaction costs are deducted from the fair value of the debt.

Derivatives

From time to time the Company uses derivative financial instruments to manage its transactional foreign exchange exposures where these exposures cannot be eliminated through balancing the underlying risks. No transactions of a speculative nature are undertaken.

All derivatives are recorded at fair value. On the date the derivative contract is entered into, the Company may designate the derivative as a hedging instrument, and, if so, all relationships between hedging activities are formally documented. If a derivative is not specifically designated as a cash flow hedge or another type of hedging instrument, changes in the fair value of the undesignated derivative are reported in current period earnings. Cash flows from undesignated derivatives are included as an investing activity in the Consolidated Statements of Cash Flows.

Derivative Instruments Designated as Cash Flow Hedge

The Company uses derivative financial assets and liabilities as hedging instruments to manage exposure to variability in cash flows arising from changes in interest rates and foreign currency related to the Company's debt. These derivatives are designated as cash flow hedges and are considered to be highly effective. The Company does not use derivatives for trading or speculative purposes. Changes in the unrealised fair value of these derivatives are recognised in accumulated other comprehensive income/(loss) on the Consolidated Balance Sheets and transferred to the Consolidated Statements of Operations in the same period as the underlying hedged transaction.

If the hedge no longer meets the criteria for hedge accounting or the hedging instrument is sold, expires, is terminated or is exercised, then hedge accounting is discontinued prospectively. When hedge accounting for cash flow hedges is discontinued, the amount that has been accumulated within Accumulated other comprehensive income/(loss) on the Consolidated Balance Sheets remains until it is reclassified to Consolidated Statements of Operations in the same period or periods and same line item as the hedged expected future cash flows affect profit or loss.

If the hedged future cash flows are no longer expected to occur, then the amounts that have been recorded within Accumulated other comprehensive income/(loss) on the Consolidated Balance Sheets and the corresponding cost are immediately reclassified to Consolidated Statements of Operations.

Cash receipts or payments on settlement of a derivative contract are reported in the Consolidated Statements of Cash Flows consistent with the nature of the underlying hedged item.

Accounts payable

Accounts payable consist of amounts the Company owes to third parties, such as suppliers or vendors, for goods and services that have been received but not yet paid for.

Equity Investments

The Company's equity investments relate to individual business centres in various locations that are accounted for using the equity method of accounting, given each investment provides the ability to exercise significant influence, but not control, over operating and financial policies of the investee. Judgement regarding the level of influence over investment includes considering key factors such as the Company's ownership interest, legal form of the investee, representation on the board of directors, participation in policy-making decisions and material intra-entity transactions. The Company's equity investments are recorded at cost minus impairment, if any, plus or minus the Company's share of the investees' income or loss included in Share of (loss) income from equity method investments on the Consolidated Statements of Operations. Losses in excess of the carrying amount of equity investments are recognised even if the Company does not have a legal or constructive obligation to fund such losses.

Dividends received from equity investments are recorded against the carrying amount of the Company's investment. Equity investments are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. Factors considered by the Company when reviewing an equity investment for impairment include the length of time (duration) and the extent (severity) to which the fair value of the equity investment has been less than cost, the investee's financial condition and near-term prospects and the intent and ability to hold the investment for a period of time sufficient to allow for anticipated recovery. An impairment that is other-than-temporary is recognised in the period identified.

Foreign Currency

The reporting currency of the Company is the US dollar. Effective 1 January 2024, the Company's ultimate parent adopted the U.S. dollar as its functional currency. Prior to 1 January 2024, the functional currency of the Company's ultimate parent was the British pound sterling. The functional currency of the Company's ultimate parent and each subsidiary is based on the currency of the primary economic environment in which they operate, which is generally their local currency.

Note 2. Description of the Business and Summary of Significant Accounting Policies continued

The change in functional currency of the Company's ultimate parent is due to a change in the economic facts and circumstances of the entity due to the increased exposure to the U.S. dollar primarily as a result of the growth in international operations, redenomination of its Revolving Credit Facility, the issuance of Eurobonds, the majority of the proceeds which were swapped into US dollars, and the conversion of other arrangements to US dollars. The effect of the change in functional currency for the Company's ultimate parent was applied prospectively in the Consolidated Financial Statements effective 1 January 2024.

Assets and liabilities of non-USD functional currency operations are translated into USD at the prevailing foreign currency exchange rates in effect as of the financial statement date. Non-monetary assets and liabilities that are measured in terms of historical cost in a foreign currency are translated using the exchange rate at the date of the transaction. Revenues, expenses and cash flows are translated at the average foreign currency exchange rates for the period. Equity is translated primarily at historical exchange rates and the resulting cumulative translation adjustments are included as a component of Accumulated other comprehensive income (loss) in the Consolidated Balance Sheets. Gains and losses from foreign currency exchange rate changes related to transactions denominated in a currency other than an entity's functional currency are included in Foreign currency gains (loss) in the Consolidated Statements of Operations.

Contingencies

Commitments represent legally binding arrangements that obligate the Company to future performance under contractual agreements. Commitments primarily include non-cancelable operating and finance lease agreements, purchase commitments, capital expenditure commitments and other executory contracts.

Lease commitments, including related lease guarantees, are accounted for in accordance with ASC 842, *Leases*. Purchase and other non-lease commitments are not recognised as liabilities until goods or services are received or the Company becomes otherwise obligated under the terms of the agreement. Significant commitments are disclosed when material.

The Company assesses its liabilities and contingencies for outstanding legal proceedings and reserves are established on a case-by-case basis for those legal claims for which management concludes that it is probable that a loss will be incurred and that the amount of such loss can be reasonably estimated. The determination of whether a loss is probable and whether the amount of the loss can be reasonably estimated requires significant judgement and evaluation of all the underlying facts and circumstances including judgements about the potential actions of third-party claimants, regulatory authorities and courts. If the amount of the loss cannot be reasonably estimated, information about the contingency is disclosed in the financial statements. Legal costs incurred in connection with loss contingencies are expensed as incurred.

The Company accounts for guarantees in accordance with ASC 460 *Guarantees*.

At inception, the Company recognises a liability for the fair value of an obligation undertaken in issuing a guarantee, unless the guarantee is excluded from the initial recognition and measurement provisions of ASC 460.

Recent Accounting Pronouncements Not Yet Adopted

The recently issued but not yet effective Accounting Standard Update (ASU) applicable to the Company during the year ended 31 December 2025 are disclosed below. None of the *Recent Accounting Pronouncements Not Yet Adopted* disclosed in Note 1, *Description of the Business and Summary of Significant Accounting Policies*, of the audited consolidated US GAAP financial statements as of and for the year ended 31 December 2024, were adopted during the year ended 31 December 2025.

Business Combinations and Consolidation

In May 2025, the Financial Accounting Standards Board issued ASU 2025-03 Business Combinations (Topic 805) and Consolidation (Topic 810): Determining the Accounting Acquirer in the Acquisition of a Variable Interest Entity. The amendments in the update require an entity involved in an acquisition transaction primarily through the exchange of equity interests, where the legal acquiree is a VIE that meets the definition of a business, to consider specific factors outlined in paragraphs 805-10-55-12 through 55-15 to determine which entity qualifies as the accounting acquirer. This ASU is effective for fiscal years beginning after 15 December 2026, and interim reporting periods within those annual reporting periods. The amendments are applied prospectively. The Company will consider this guidance and assess the likely impact when accounting for any future acquisitions.

Income Statement – Expense Disaggregation Disclosures

New guidance issued under ASU 2025-01 clarified that the amendments in ASU 2024-03 Expense Disaggregation Disclosures require the Company to provide enhanced disaggregation of operating expense categories within the financial statement footnotes for annual periods beginning after 15 December 2026 and interim reporting periods within annual reporting periods beginning after 15 December 2027. The amendments introduce a standardised set of natural expense categories, such as employee-related costs, depreciation and amortisation, and other operating expenses. The amendments do not change the recognition, measurement or presentation of expenses in the primary financial statements, but instead expand the disclosures provided in the notes. The Company intends to comply with the new requirements in the effective periods and expects them to result in additional disclosures.

Income Taxes Disclosures

In December 2023, the FASB issued ASU 2023-09, which enhances disclosure requirements for income taxes by requiring greater disaggregation of the effective tax rate reconciliation and income taxes paid. The standard does not change the underlying recognition or measurement of income tax balances. It is effective for public business entities for annual periods beginning on or after 15 December 2024. The Company has adopted the requirements and reflected in disclosures for the year ending 31 December 2025.

Note 3. Revenue from Contracts with Customers

The Company's primary activity is the provision of global workspace solutions. Please reference Note 2, *Description of the Business and Summary of Significant Accounting Policies*, for detailed discussion of the Company's revenue recognition policies and Note 4, *Segments*, for revenue disaggregated by product categories.

Notes to the consolidated financial statements continued

Note 3. Revenue from Contracts with Customers continued

Receivables

A summary of the components of accounts receivable, net is as follows:

$m	FY2025	FY2024
Receivables related to contracts with customers[1]	434	665
Allowance for current expected credit losses	(15)	(14)
Total accounts receivable, net	**419**	**651**

1 Includes $51 million and $48 million, respectively of related-party receivables as of 31 December 2025 and 2024. See Note 23, *Related-Party Transactions*, for further information.

The following table presents the change in balance for expected credit losses:

$m	FY2025	FY2024
Beginning balance	14	8
Additional provision	18	13
Write-offs	(17)	(7)
Ending balance	**15**	**14**

Contract Liabilities

The Company's contract liabilities, which are included in Deferred revenue on the Consolidated Balance Sheets, were $334 million and $539 million as of 31 December 2025 and 2024, respectively and are based on the Company's billing cycle which changed during 2025. Contract liabilities are classified as current due to the nature of the Company's invoicing arrangements. All contract liabilities as of 31 December 2024 were recognised as revenue during the year ending 31 December 2025.

The Company elected the practical expedient as per ASC 606-10-50-14 and does not disclose information related to remaining performance obligations due to their original expected terms being one year or less. The Company also elected the practical expedient as per ASC 340-40-25-4 and expenses costs of obtaining contracts, which would otherwise have an amortisation period of one year or less, as incurred.

Note 4. Segments

As at 31 December 2025, the Company is organised into three operating segments. These operating segments reflect the service lines with the business, which is how management monitors performance and makes decisions. The segment composition, as further described below, reflects the Reorganisation described in Note 2, *Description of the Business and Summary of Significant Accounting Policies* which did not result in a change in the identification of reportable business segments:

- *Company-owned*: Locations the Company operates directly and recognises full revenue and costs of the centre.
- *Managed & Franchised*: Locations the Company receives a franchise or management fee for providing services to centres. Managed centres are operated by the Company; franchise locations are operated by the franchise holder. The Company only recognises the fee income as revenue. The Company is not responsible for capital expenditures in the centres and does not recognise the related centre operating costs.
- *Digital & Professional Services*: Services and technology provided to customers and landlords.

Company-owned and Managed & Franchised are aggregated into the Networks reportable business segment. Digital and Professional Services meets the criteria for separate disclosure as a reportable business segment at 31 December 2025. The Company has determined its Chief Executive Officer (CEO) is its Chief Operating Decision Maker (CODM). The CEO reviews the Company's financial performance based on these segments, specifically using Gross profit to assess performance and make resource allocation decisions. Adjusted gross profit is also used by the CODM in assessing segmental performance and determining how to allocate resources because landlord contributions on leased properties are evaluated in totality in commercial negotiations, rather than being dependent upon whether they are accounted for as lease incentives. Adjusted gross profit (including landlord contributions on leases) has been presented for the first time in 2025. The following table reflects results of operations of the Company's reportable segments:

Notes to the consolidated financial statements continued

Note 4. Segments continued

$m	Company-Owned	Managed & Franchised	Digital and Professional Services	FY2025
Total revenue	**3,212**	**126**	**424**	**3,762**
Workstation revenue	*2,368*	–	–	*2,368*
Fee income	–	*126*	–	*126*
Services and other income	*844*	–	*424*	*1,268*
Cost of sales	2,502	–	229	2,731
Gross profit	**710**	**126**	**195**	**1,031**
Selling, general and administrative expenses				546
Allowance for credit losses				18
Impairment of long-lived assets and goodwill				29
Loss on disposal of long-lived assets and other closure-related credits				2
Depreciation and amortisation before landlord contributions on leased properties				357
Depreciation of landlord contributions (cost reimbursements) on leased properties				(64)
Operating income				**143**
Interest expense				(87)
Foreign currency gain				7
Gain on extinguishment of debt				1
Other finance costs				(21)
Income before income taxes and share of (loss) income from equity method investments				**43**
Gross profit	**710**	**126**	**195**	**1,031**
Landlord contributions on leased properties included in depreciation and amortisation	41	–	23	64
Adjusted gross profit (non-GAAP measure)	**751**	**126**	**218**	**1,095**

$m	Company-Owned	Managed & Franchised	Digital and Professional Services	FY2024
Total revenue	**3,222**	**79**	**455**	**3,756**
Workstation revenue	*2,398*	–	–	*2,398*
Fee income	–	*79*	–	*79*
Services and other income	*824*	–	*455*	*1,279*
Cost of sales	2,575	–	233	2,808
Gross profit	**647**	**79**	**222**	**948**
Selling, general and administrative expenses				514
Allowance for credit losses				13
Impairment of long-lived assets and goodwill				83
Gain on disposal of long-lived assets and other closure-related credits				(57)
Depreciation and amortisation before landlord contributions on leased properties				333
Depreciation of landlord contributions (cost reimbursements) on leased properties				(80)
Operating income				**142**
Interest expense				(64)
Foreign currency loss				(17)
Gain on extinguishment of debt				16
Other finance costs				(19)
Income before income taxes and share of (loss) income from equity method investments				**58**
Gross profit	**647**	**79**	**222**	**948**
Landlord contributions on leased properties included in depreciation and amortisation	80	–	–	80
Adjusted gross profit (non-GAAP measure)	**727**	**79**	**222**	**1,028**

Notes to the consolidated financial statements continued

Note 4. Segments continued

$m	Company-Owned	Managed & Franchised	Digital and Professional Services	FY2023
Total revenue	**3,230**	**61**	**473**	**3,764**
Workstation revenue	*2,364*	–	–	*2,364*
Fee income	–	*61*	–	*61*
Services and other income	*866*	–	*473*	*1,339*
Cost of sales	2,634	–	245	2,879
Gross profit	**596**	**61**	**228**	**885**
Selling, general and administrative expenses				496
Allowance for credit losses				19
Impairment of long-lived assets and goodwill				143
Loss on disposal of long-lived assets and other closure-related costs				32
Depreciation and amortisation before landlord contributions on leased properties				386
Depreciation of landlord contributions (cost reimbursements) on leased properties				(93)
Operating loss				**(98)**
Interest expense				(54)
Foreign currency gain				6
Other finance costs				(19)
Loss before income taxes and share of (loss) income from equity method investments				**(165)**
Gross profit	**596**	**61**	**228**	**885**
Landlord contributions on leased properties included in depreciation and amortisation	93	–	–	93
Adjusted gross profit (non-GAAP measure)	**689**	**61**	**228**	**978**

Asset information

Total assets by Segment as of 31 December 2025 and 2024 were:

$m	FY2025	FY2024
Company-owned	8,517	8,386
Managed & Franchised	36	–
Digital and Professional Services	763	726
Total	**9,316**	**9,112**

Following the Reorganisation, assets and liabilities (including goodwill) were reassigned between reportable segments resulting in total assets being presented as part of the Managed & Franchised reportable segment.

Total capital expenditures by Segment for the years ended 31 December 2025 and 2024 were:

$m	FY2025	FY2024
Company-owned	158	155
Managed & Franchised	–	–
Digital and Professional Services	65	13
Total capital expenditures	**223**	**168**

Geographic information

The table below disaggregates revenue by geographic region, determined by the location of the entity providing the related services

$m	FY2025	FY2024	FY2023
Americas	1,486	1,455	1,468
EMEA	1,923	1,920	1,931
Asia Pacific	353	381	365
Total Revenue	**3,762**	**3,756**	**3,764**

The table below disaggregates long-lived assets by geographic region:

$m	FY2025	FY2024
Americas	2,567	2,633
EMEA	3,016	3,046
Asia Pacific	488	266
Total long-lived assets	6,071	5,945

The Company has a diversified customer base and no single customer accounts for more than 5% of the Company's revenue for any of the periods presented. All amounts relating to investments in equity method investees are part of the Managed and Franchised segment.

Notes to the consolidated financial statements continued

Note 5. Staff Costs

The aggregate payroll costs were as follows:

$m	FY2025	FY2024	FY2023
Wages and salaries	490	465	456
Social security	62	68	72
Pension costs	10	9	8
Share-based payments	6	2	8
Total payroll costs	**568**	**544**	**544**

The average number of persons employed by the Group (including Executive Directors), analysed by category, was as follows:

	FY2025	FY2024	FY2023
Centre staff	6,069	6,329	6,536
Sales and marketing staff	738	615	572
Finance and shared service centre staff	837	750	709
Other staff	1,581	1,313	1,238
Total	**9,225**	**9,007**	**9,055**

Details of the Directors' emoluments and interests are given in the Directors' Remuneration report on pages 70 to 83, with audited schedules identified where relevant.

Note 6. Income Taxes

The components of Income (loss) before income taxes and share of income (loss) from equity method investments are as follows:

$m	FY2025	FY2024	FY2023
Switzerland	105	99	89
Other	(62)	(41)	(254)
Total	**43**	**58**	**(165)**

The income tax (expense) on income (loss) from continuing operations is comprised of:

$m	FY2025	FY2024	FY2023
Current:			
Switzerland – federal	(8)	(11)	(11)
Switzerland – local	(2)	(3)	–
Foreign	(31)	(33)	(20)
Total current (expense)	**(41)**	**(47)**	**(31)**
Deferred:			
Switzerland – federal	(8)	(10)	(2)
Switzerland – local	(3)	(4)	–
Foreign – local	20	21	(10)
Total deferred benefit (expense)	**9**	**7**	**(12)**
Income tax (expense)	**(32)**	**(40)**	**(43)**

Notes to the consolidated financial statements continued

Note 6. Income Taxes continued

The Company is domiciled in the canton of Zug in Switzerland. The difference between the Swiss statutory rate of (8.5%) and the effective tax rate is as follows, presented pursuant to the new disclosure requirements of ASU 2023-09:

	FY2025		FY2024	
	$m	%	$m	%
Profit before tax at the statutory rate (8.5%)	**(4)**	**8.5%**	**(5)**	**8.5%**
Domestic tax effects				
Non-Taxable or non-deductible items	(7)	15%	(31)	53%
Effect of cross-border tax laws	(3)	6%	(7)	11%
Changes in unrecognised tax benefits	(2)	4%	4	(7%)
Changes in valuation allowances	(11)	25%	57	(99%)
State and local taxes	(2)	4%	(2)	4%
Prior year adjustment	5	(12%)	–	–
Other	10	(22%)	(19)	33%
Foreign tax effects				
Luxembourg				
Statutory tax rate difference	(3)	6%	32	(57%)
Changes in valuation allowance	(4)	8%	(51)	87%
Other	1	(3%)	1	1%
United Kingdom				
Changes in valuation allowance	(32)	72%	22	(38%)
Non-deductible interest	–	–	(5)	9%
Other	2	(4%)	–	–
United States				
Statutory tax rate difference	(1)	3%	3	(5%)
Changes in valuation allowance	47	(106%)	(3)	6%
Non-deductible fees	(8)	18%	(11)	19%
Other	–	1%	3	(5%)
Germany				
Changes in valuation allowance	3	(8%)	(8)	15%
Prior year adjustment	5	(10%)	(2)	3%
Other	(6)	13%	(2)	3%
France				
Statutory tax rate difference	6	(14%)	3	(5%)
Changes in valuation allowance	(10)	22%	(4)	8%
Other	–	–	(1)	2%
Other foreign jurisdictions				
Changes in valuation allowances	1	(1%)	(22)	36%
Other	(19)	48%	8	(14%)
Income tax expense	**(32)**	73%	**(40)**	**68%**

The below comparison table is a rate reconciliation of the Swiss statutory rate (8.5% federal and 3.35% cantonal) to the effective tax rate for the year ended 31 December 2023.

	FY2023 $m
Loss from continuing operations, before income taxes	**165**
Income tax benefit at the Swiss statutory rate	20
Foreign rate differential	23
Non-deductible expenses	(33)
Income not taxable	2
Gain/loss on disposal	(10)
Valuation allowance	(51)
Prior year adjustment	10
Withholding and other taxes	(5)
Uncertain tax positions	(1)
Other	4
Local taxes	(2)
Income tax (expense)	**(43)**

The components of income taxes paid are as follows:

$m	FY2025	FY2024
Switzerland – national	8	9
Switzerland – local	2	1
Foreign	24	25
Total	**34**	**35**

Notes to the consolidated financial statements continued

Note 6. Income Taxes continued

The deferred tax assets and liabilities included in the Consolidated Balance Sheets consist of the following:

$m	FY2025	FY2024
Deferred tax assets:		
Property and equipment	223	218
Intangible assets	514	542
Leases	1,590	1,624
Tax losses	3,465	2,859
Prepaid expenses	24	20
Provisions	3	7
Allowance for credit losses	81	63
Interest	22	20
Other temporary differences	61	53
Less: Valuation allowance	*(4,188)*	*(3,692)*
Total deferred tax assets	**1,795**	1,714
Deferred tax liabilities:		
Property and equipment	(70)	(55)
Intangible assets	(75)	(78)
Leases	(1,253)	(1,203)
Other temporary differences	(35)	(21)
Total deferred tax liabilities	**(1,433)**	**(1,357)**
Net deferred tax asset	**362**	**357**

Additional tax losses have been recorded since 31 December 2024, primarily resulting from the impairment of investments held by holding entities in Luxembourg. These losses are subject to recapture under certain conditions and are included in the table above as part of the valuation allowance.

As of 31 December 2025, the Company has gross net operating loss carry forwards of $1,952 million that can be carried forwarded indefinitely and $12,551 million of gross net operating losses that will expire between 2026 and 2045. At 31 December 2024, the Company had gross net operating loss carry forwards of $1,881 million that can be carried forwarded indefinitely and $10,142 million of gross net operating losses that will expire between 2025 and 2044.

A valuation allowance has been provided where it is more likely than not that the deferred tax assets related to those operating loss carry forwards and other temporary differences will not be realised. The valuation allowance increased by $496 million and $1,860 million in 2025 and 2024, respectively.

The Company is asserting indefinite reinvestment on foreign earnings. As of 31 December 2025 and 2024, the temporary difference arising from unremitted earnings of overseas subsidiaries were $17 million and $15 million, respectively. The only tax that would arise on these reserves if they were remitted would be non-creditable withholding tax.

The Company conducts operations globally, and, as part of their global business, files numerous tax returns. The Company is routinely examined by various taxing authorities. The Company's global tax positions are reviewed by management on a quarterly basis. Based on these reviews, the results of discussions and resolutions of matters with certain tax authorities, tax rulings and court decisions and the expiration of statute of limitations, unrecognised tax benefits are adjusted as necessary.

The following table summarises tax years that remain subject to examination by tax authorities as of 31 December 2025:

Jurisdiction	Open Tax Years Based on Originally Filed Returns
Germany	2018–2025
Luxembourg	2021–2025
Switzerland	2020–2025
United States	2022–2025
United Kingdom	2022–2025

The Company recognises benefits from tax positions only if it is more likely than not that the tax position will be sustained on examination by the taxing authorities, based on the technical merits of the positions. The tax benefits recognised in the consolidated financial statements from such positions are measured as the largest amount of tax benefit that is greater than 50 percent likely of being realised upon settlement.

The following table provides a reconciliation of the total amounts of unrecognised tax benefits:

$m	FY2025	FY2024	FY2023
Balance at beginning of year	25	28	26
Gross increases related to tax positions in a prior period	2	1	4
Gross decreases related to tax positions in a prior period	(6)	(3)	(4)
Gross increases related to tax positions in the current period	2	4	1
Gross decreases related to expiration of statute of limitations	–	(3)	–
Settlements with taxing authorities	–	(2)	–
Foreign exchange and others	–	–	1
Balance at end of year	**23**	**25**	**28**

At 31 December 2025 and 2024, $23 million and $25 million, respectively, of unrecognised tax benefits would favourably impact the effective tax rate if recognised.

Notes to the consolidated financial statements continued

Note 6. Income Taxes continued

The Company recognises interest and penalties in income tax expense in the Consolidated Statements of Operations. At 31 December 2025 and 31 December 2024, the Company had accrued interest and penalties of $1 million and $2 million, respectively. For the years ended 31 December 2025 and 2024, the amount reported in income tax expense related to interest and penalties was $(1) million and $(2) million, respectively.

Note 7. Earnings Per Share

The table below illustrates the calculation of basic and diluted earnings per share:

$m	FY2025	FY2024	FY2023
Income (loss) attributable to ordinary shareholders – basic and diluted			
Net income (loss)	18	18	(207)
Weighted average shares outstanding used in computing earnings per share – basic and diluted			
Weighted average shares – basic	1,007,813,563	1,009,815,216	1,006,685,491
Weighted average shares – diluted	1,022,506,926	1,019,135,504	1,012,972,933
Basic income (loss) per common share (¢)	**1.8**	**1.8**	**(20.6)**
Diluted income (loss) per common share (¢)	**1.8**	**1.8**	**(20.6)**
Antidilutive securities			
Weighted average number of share options	56,002,688	32,708,366	17,380,163
Weighted average number of share awards under the CIP, PSP, DSBP and One-off Award	3,268,467	2,824,696	2,210,401
Weighted average number of shares that would have been issued at average market price	(44,577,793)	(26,212,684)	(13,303,122)
Potentially issuable shares on convertible bonds at 31 December	950,675	34,786,815	76,408,203

Options are considered dilutive when they would result in the issue of ordinary shares for less than the market price of ordinary shares in the period. The amount of the dilution is taken to be the average market price of shares during the period minus the exercise price. During the years ended 31 December 2025 and 2024, share awards of 14,693,363 and 9,320,378, respectively, had a dilutive effect with a negligible impact on the basic earnings per share (2023: all awards were considered anti-dilutive).

Note 8. Other Current Assets

Other current assets consist of the following:

$m	FY2025	FY2024
VAT receivable	155	206
Corporate tax receivable	30	34
Landlord contributions receivable	23	35
Contract assets	36	10
Receivable from payment processors	29	15
Security deposits	8	8
Other current assets	109	83
Total other current assets	**390**	**391**

Other current assets primarily include amounts due from managed centre partners and our businesses that are accounted for using the equity method. Contract Assets reflect amounts for services provided to customers in the current period that are expected to be invoiced to customers within twelve months. All contract assets at 31 December 2024 were invoiced in the year ending 31 December 2025.

Note 9. Prepaid Expenses

Prepaid expenses consist of the following:

$m	FY2025	FY2024
Other prepayments	80	57
Property Fees	49	71
Agents commission prepayment	21	18
Insurance and marketing prepayment	6	2
Legal and other professional fees	9	4
Total prepaid expenses	**165**	**152**

Other prepayments relate to the following types of expenses: centre operating, credit cards, information technology, property and equipment, and utilities, among others.

Notes to the consolidated financial statements continued

Note 10. Accounts Payable

Accounts payable consist of the following:

$m	FY2025	FY2024
Trade payables	240	232
Obligations under PSA	57	–
Total accounts payable	**297**	**232**

In November 2025, the Company entered into a Payment Service Agreement Contract (PSA). Under this PSA, a third party settles some trade creditor invoices of IWG directly with their suppliers upon the contractual maturity of the supplier invoices in exchange for a fixed payment fee. The Company repays amounts due under the PSA monthly.

During the year ended 31 December 2025, obligations amounting to $57 million were added to the programme and obligations amounting to $0 million were settled. These obligations were settled in January 2026.

Note 11. Accrued Expenses and Other Current Liabilities

Accrued expenses and other current liabilities consist of the following:

$m	FY2025	FY2024
Corporation tax liabilities	68	40
Other accruals	334	405
Other current liabilities	33	37
Other payables	258	228
Other tax and social security	31	34
VAT payable	51	143
Total Accrued expenses and other current liabilities	**775**	**887**

Other accruals relate to the following types of accrued expenses: utilities, information technology and insurance, among others. Other payables primarily include amounts due to managed centre partners and our businesses that are accounted for using the equity method.

Note 12. Other Non-Current Liabilities

Other non-current liabilities consist of the following:

$m	FY2025	FY2024
Long-term provisions	86	77
Long-term customer deposits	87	–
Other long-term payables	12	14
Total Other non-current liabilities	**185**	**91**

As of 31 December 2025, the Company presented long-term customer deposits of $87 million. As of 31 December 2024 all customer deposits were presented as current liabilities.

Note 13. Acquisitions

2025 acquisitions

On 30 April 2025, the Company completed the acquisition of the remaining non-controlling interests in the Digital and Professional Services reportable segment in exchange for 23,095,239 common shares of International Workplace Group plc. From May 2025 onward, the Company no longer has material non-controlling interests.

2024 acquisitions

During the year ended 31 December 2024, the Company made various individually immaterial acquisitions for a total consideration of $16 million, of which $14 million related to the acquisition of the non-controlling interest in the Digital and Professional Services reportable segment and was satisfied primarily through the utilisation of treasury shares and $2 million related to other acquisitions.

2023 acquisitions

During the year ended 31 December 2023, the Company made various individually immaterial acquisitions for a total consideration of $21 million.

Notes to the consolidated financial statements continued

Note 14. Goodwill and Intangible Assets

Goodwill, net

The following tables show the Company's goodwill balances as of 31 December 2025 and 2024:

$m	FY2025 Gross Carrying Amount	FY2025 Accumulated Impairment Losses	FY2025 Net Carrying Amount
Company-owned	959	(16)	943
Managed & Franchised	28	–	28
Digital and Professional Services	274	–	274
Total goodwill	**1,261**	**(16)**	**1,245**

$m	FY2024 Gross Carrying Amount	FY2024 Accumulated Impairment Losses	FY2024 Net Carrying Amount
Company-owned	882	(16)	866
Managed & Franchised	–	–	–
Digital & Professional Services	307	–	307
Total goodwill	**1,189**	**(16)**	**1,173**

The following table shows changes in goodwill:

$m	Company-Owned	Managed & Franchised	Digital and Professional Services	Total
1 January 2024	**885**	**–**	**312**	**1,197**
Goodwill acquired	2	–	–	2
Currency translation adjustment	(21)	–	(5)	(26)
31 December 2024	**866**	**–**	**307**	**1,173**
Currency translation adjustment	36	–	19	55
30 April 2025 (pre-reallocation)	**902**	**–**	**326**	**1,228**
30 April 2025 reallocation	26	26	(52)	–
30 April 2025 (post-reallocation)	**928**	**26**	**274**	**1,228**
Currency translation adjustment	15	2	–	17
31 December 2025	**943**	**28**	**274**	**1,245**

The 30 April 2025 reallocation was a result of the Reorganisation. There was no goodwill impairment recorded during the years ended 31 December 2025, 2024 and 2023. In assessing whether goodwill is subject to impairment, judgements are made relating to the identification of reporting units, pre-tax discount rates based on the underlying weighted average cost of capital (WACC) for the Group adjusted for country specific market risk, assumptions relating to future cash flows such as customer pricing, centre occupancy and maintenance capital expenditure, methodology for the allocation of overhead costs between reporting units and terminal value growth rate assumptions.

Notes to the consolidated financial statements continued

Note 14. Goodwill and Intangible Assets continued

Intangible Assets

The carrying amount and accumulated amortisation of intangible assets consist of the following:

$m	FY2025	FY2024
Gross finite-lived intangible assets		
Tradenames	111	102
Customer relationships	146	138
Capitalised software	270	232
Total gross finite-lived intangible assets	**527**	**472**
Accumulated amortisation		
Tradenames	62	62
Customer relationships	146	118
Capitalised software	178	130
Total accumulated amortisation	**386**	**310**
Total finite-lived intangible assets, net	**141**	**162**
Indefinite-lived intangible assets		
Tradenames – Regus brand	15	14
Total indefinite-lived intangible assets	**15**	**14**
Total intangible assets, net	**156**	**176**

Intangible asset amortisation expense was $55 million, $54 million and $61 million in the years ended 31 December 2025, 2024 and 2023, respectively.

The estimated future annual amortisation expense for the Company's intangible assets at 31 December 2025 is as follows:

$m	Total
For the years ending	
2026	43
2027	29
2028	21
2029	16
2030	10
Thereafter	22
Total future amortisation expense	**141**

Note 15. Leases

The Company has operating leases for the rental of commercial office real estate premises globally. The following table details the components of lease cost recognised within the Consolidated Statements of Operations:

$m	FY2025	FY2024	FY2023
Operating lease cost[1]	1,419	1,394	1,444
Short-term lease cost	–	–	1
Variable lease cost	129	162	107
Sub-lease income	(66)	(66)	(75)
Total lease cost	**1,482**	**1,490**	**1,477**

1. During the years ended 31 December 2025, 2024, and 2023, the total operating lease cost was offset by the wind-down of previously capitalised lease incentives of $66 million, $37 million, and $34 million, respectively.

The Company's weighted average remaining lease term and discount rate for operating leases are as follows:

$m	FY2025	FY2024
Weighted average remaining lease term (in years):	6.4	6.7
Weighted average discount rates:	6.0%	5.5%

Notes to the consolidated financial statements continued

Note 15. Leases continued

Maturity of the Company's operating lease liabilities as of 31 December 2025 are as follows:

$m	Operating lease payments
2026	1,475
2027	1,291
2028	1,121
2029	959
2030	772
Thereafter	1,826
Total minimum undiscounted lease payments	**7,444**
Less: imputed interest	1,122
Total lease liabilities	**6,322**

As of 31 December 2025, the Company had no significant rights and obligations from lease agreements that have not yet commenced.

Impairment of right-of-use assets was $21 million, $54 million and $100 million for the years ended 31 December 2025, 2024 and 2023, respectively. The recorded impairment related to the Company-owned segment and was due to underperforming business centres.

Of the impairment recorded during the year ended 31 December 2025, $0 million related to the 31 March assessment, $11 million related to the 30 June assessment, $1 million related to the 30 September assessment and $9 million to the 31 December assessment. Of the impairment recorded during the year ended 31 December 2024, $11 million related to the 31 March assessment, $9 million related to the 30 June assessment, $12 million related to the 30 September assessment and $22 million to the 31 December assessment. Please reference Note 18, *Fair Value Measurements*, for more information regarding the underlying impairment assessments.

Note 16. Property and Equipment, net

Property and equipment, net consisted of the following:

$m	FY2025	FY2024
Land and buildings	214	202
Leasehold improvements	2,082	1,889
Furniture and equipment	1,050	973
Computer hardware	165	155
Total property and equipment, gross	**3,511**	**3,219**
Less: accumulated depreciation	(2,733)	(2,435)
Total property and equipment, net	**778**	**784**

Depreciation expense was $238 million, $199 million and $232 million for the years ended 31 December 2025, 2024 and 2023, respectively. These expenses include the offset by the wind-down of previous landlord contributions on leased properties recognised as reimbursements for costs of $64 million, $80 million and $93 million, respectively.

Impairment of property and equipment was $8 million, $29 million and $43 million for the years ended 31 December 2025, 2024 and 2023, respectively. The recorded impairment related to Company-owned segment and was due to underperforming business centres.

Of the impairment recorded during the year ended 31 December 2025, $0 million related to the 31 March assessment, $3 million related to the 30 June assessment, $1 million related to the 30 September assessment and $4 million to the 31 December assessment. Of the impairment recorded during the year ended 31 December 2024, $9 million related to the 31 March assessment, $5 million related to the 30 June assessment, $9 million related to the 30 September assessment and $6 million to the 31 December assessment. Please reference Note 18, *Fair Value Measurements*, for more information regarding the underlying impairment assessments.

For the years ended 31 December 2025, 2024 and 2023, the Company recognised losses of $2 million, $14 million and $58 million, respectively, on the sale of property and equipment related to network rationalisations that occurred, including the write-off of the book value of assets and direct closure costs related to these centres. The losses are recorded in Loss (gain) on disposal of long-lived assets and other closure related (credits) costs in the Consolidated Statements of Operations.

Notes to the consolidated financial statements continued

Note 16. Property and Equipment, net continued

Asset Retirement Obligations

The following table presents the change in balance for asset retirement obligations:

$m	FY2025	FY2024
Beginning balance	**27**	**26**
Liabilities settled in the current period	(1)	(1)
Liabilities incurred in the current period	1	–
Accretion of liability	2	3
Revisions in estimated cash flows	1	(1)
Ending balance	**30**	**27**

Note 17. Debt

The carrying value of debt as of 31 December 2025 and 2024, is as follows:

$m	FY2025	FY2024
Short-term debt:		
Bank overdrafts	17	15
Convertible bonds	–	197
Total short-term debt	**17**	**212**

As of 31 December 2025, the future maturities of long-term debt, excluding debt issuance costs of $20 million consisted of the following:

	$m
2026	3
2027	6
2028	–
2029	–
2030	731
Thereafter	350
Total long-term debt	**1,090**

Eurobonds

The Company issued a €575 million corporate bond on 28 June 2024 at a fixed coupon rate of 6.5% and a bullet maturity of June 2030. An additional €50 million was issued on 10 September 2024. On 14 May 2025, the Company issued €300 million Eurobonds at an issuance price of 99.369%, a fixed coupon rate of 5.125% and a bullet maturity of 14 May 2032. These issuances on 28 June 2024, 10 September 2024 and 14 May 2025 resulted in the Company receiving cash proceeds of $613 million, $56 million and $337 million, respectively. The bonds are traded on the London Share Exchange's International Securities Market.

Convertible bonds

The Company issued £350 million of convertible bonds on 9 December 2020. The bondholders had the option to cash settle in December 2025 at par. As a result, in December 2024, the convertible bonds were reclassed to short-term debt.

During January 2024, the Company entered into a series of forward exchange rate contracts related to its convertible debt, contracting to purchase £350 million for $445 million in 2025.

During the year ended 31 December 2024, the Company repurchased £192 million ($244 million) face value of the convertible bonds at a weighted average price of £0.926, including accrued interest, representing a consideration of £178 million ($228 million). The Company also closed out £192 million of the forward exchange contracts relating to the repurchased convertible bonds. At 31 December 2024, amounts outstanding were presented as short-term debt because of the option the bondholders have to cash settle at par in December 2025.

During the year ended 31 December 2025, prior to the bondholders exercising their option to cash settle at par, the Company repurchased £18 million ($23 million) face value of the convertible bonds at a weighted average price of £0.966, including accrued interest, representing a consideration of £17 million ($22 million). The Company also closed out £18 million of the forward exchange contracts relating to the repurchased convertible bonds.

On 9 December 2025, bondholders exercised the option to cash settle at par and the Company repurchased £136 million ($183 million) face value of the convertible bonds at a weighted average price of £1, including accrued interest, representing consideration of £136 million ($183 million). Following expiration of this option, all amounts outstanding have been presented as long-term debt.

The Company also closed out all of the remaining £141 million of the forward exchange contracts entered into during January 2024. For the years ended 31 December 2025 and 2024, the repurchases of convertible bonds and settlement of the foreign exchange rate contracts result in a gain on extinguishment of debt of $1 million and $16 million, respectively.

$m	FY2025	FY2024	FY2023
Contractual interest expense	1	3	2
Amortisation of premium, discount and issuance costs	1	–	2
Total Interest recognised during the period	**2**	**3**	**4**
Effective interest rate	3.8%	3.8%	3.8%

Note 17. Debt continued

Revolving Credit Facility

The Company has a $720 million multi-currency Revolving Credit Facility ("RCF") through 17 June 2029. No cash amounts were drawn under the RCF at 31 December 2025 or 2024. The rate of interest on any cash amounts drawn under the RCF is variable and based upon the period selected when a utilisation request is made by the Company.

The amount available and undrawn on the RCF as of 31 December 2025 and 2024 was $436 million and $381 million, respectively because of ancillary facility commitments relating to guarantees of $284 million and $339 million, respectively.

On 31 December 2025, the Group complied with all financial covenants related to the RCF.

Note 18. Fair Value Measurements

Fair value is defined as the amount that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date.

Reference the Fair Value Measurement accounting policy included within Note 2, *Description of the Business and Summary of Significant Accounting Policies*, for the level of inputs outlined below to determine fair value. The carrying amounts of cash and cash equivalents, restricted cash, accounts receivable, accounts payable and accrued liabilities approximate fair value because of the short maturity of these instruments.

Recurring fair value measurements

The following table presents the carrying amounts and estimated fair values of the Company's financial instruments as of 31 December 2025 and 31 December 2024. Fair value is defined as the amount that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date.

	FY2025				
$m	Carrying amount	Level 1	Level 2	Level 3	Total
Assets:					
Cross-currency swaps	87	–	87	–	87
Total assets	**87**	**–**	**87**	**–**	**87**
Liabilities:					
Contingent consideration	2	–	2	–	2
Eurobonds	1,061	–	1,156	–	1,156
Convertible bonds	6	–	5	–	5
Forward exchange contracts	–	–	–	–	–
Total liabilities	**1,069**	**–**	**1,163**	**–**	**1,163**

	FY2024				
$m	Carrying amount	Level 1	Level 2	Level 3	Total
Assets:					
Cross-currency swaps	6	–	–	6	6
Total assets	**6**	**–**	**–**	**6**	**6**
Liabilities:					
Contingent consideration	7	–	–	7	7
Eurobonds	629	–	694	–	694
Convertible bonds	197	–	187	–	187
Forward exchange contracts	3	–	–	3	3
Total liabilities	**836**	**–**	**881**	**10**	**891**

During the year ended 31 December 2025, the Company transferred the Cross-currency swaps from Level 3 to Level 2 of the fair value hierarchy. Following management's review of the valuation inputs, this was determined to be market observable data and was determined to be the primary basis for valuation. As such, the instruments no longer required significant unobservable inputs, which is more indicative of a Level 2 classification.

The valuation techniques used in measuring level 2 and 3 fair values consist of a combination of broker quotes, forward pricing and swap models with the significant inputs into the valuations relating to interest rates and foreign exchange rates.

Contingent consideration

The fair value of contingent consideration is based on contractually defined targets of financial performance in connection with earn outs and other considerations. The fair value of the convertible bonds is based on the published price on the open market. There were no transfers between levels for the years ending 31 December 2025 and 2024.

Forward exchange contracts

During January 2024, the Company entered into a series of forward exchange rate contracts related to its convertible debt, contracting to purchase £350 million for $445 million in 2025. These contracts were designated as cash flow hedges. The fair value of the foreign exchange contracts were based on a combination of forward pricing and swap models. During 2025 and 2024, due to the partial repurchase of the convertible bonds, £154 million and £192 million, respectively of the forward exchange rate contracts entered into were closed out.

As of 31 December 2025 and 2024, the fair value of the forward exchange contract was a $0 million and $3 million liability, respectively.

Note 18. Fair Value Measurements continued

Cross-currency swaps

Simultaneous to the closing of the Eurobonds (reference Note 17, *Debt*) during 2024, the Company entered into a hedging arrangement to swap €400 million of the issuance and the related interest into $428 million, with a weighted average fixed coupon of 8.153%. On 12 September 2024, the Company entered into arrangements to swap an additional €50 million and the related interest into $55 million, with a weighted average fixed coupon of 7.820%. On 29 October 2024, the Company entered into hedging arrangements to swap an additional €75 million Eurobonds notional plus interest into $81 million, with a weighted average fixed coupon of 8.264%. At 31 December 2024, a total of €525 million of the issuance was hedged, with arrangements to swap into $564 million with a weighted average fixed coupon of 8.137%.

As of 31 December 2024, the fair value of the swap contract was a $6 million asset. The remaining of the €100 million issuance and the related interest at a fixed coupon of 6.50% was maintained in euros as these amounts were anticipated to be covered by a natural currency hedge due to the anticipated geographic diversity of operations of the Company and have been designated as net investment hedges.

On 11 April 2025, the Company entered into hedging arrangements to swap the remaining €100 million of the Eurobonds notional plus interest into $110 million, with a weighted average fixed coupon of 8.265%. As of 31 December 2025, a total of €625 million of the 2024 issuance was hedged, with arrangements to swap into $674 million with a weighted average fixed coupon of 8.158%. The hedges are expected to remain in place for the life of the bonds and are designated as cash flow hedges. As of 31 December 2025, the fair value of the swap contract was an $87 million asset.

As a result of this hedging arrangement, the Company discontinued its net investment hedge over the Company's European subsidiaries' operations. Prior to the discontinuation of the net investment hedge, its impact on other comprehensive income for both the years ended 31 December 2025 and 2024, was $0 million and $3 million, respectively.

Simultaneous to the closing of the Eurobonds issued during May 2025, the Company entered into hedging arrangements to swap €300 million of the issuance and the related interest into $341 million, with a weighted average fixed coupon of 6.902%. The hedges will remain in place for the life of the bonds and have been designated as a cash flow hedge.

Fair Value of Derivative Instruments

Derivative instruments were recorded at fair value in the Consolidated Balance Sheets as follows:

$m	FY2025 Other non-current assets
Cash flow hedges:	
Cross-currency interest rate swaps – Eurobond €625 million	78
Cross-currency interest rate swaps – Eurobond €300 million	9

As of 31 December 2025 and 31 December 2024 respectively, $0 million derivative asset (2024: $2 million derivative liability) relating to the forward exchange contract – Convertible bond liability and $70 million derivative asset (2024: $19 million derivative liability) relating to the cross-currency interest rate swap – Eurobond liability hedge the principal component of debt.

	FY2024	
$m	Other non-current assets	Other non-current liabilities
Cash flow hedges:		
Forward exchange contracts – Convertible bonds £158 million	–	3
Cross-currency interest rate swaps – Eurobond €525 million	6	–
Net investment hedges:		
Eurobond €100 million	–	111

Derivative Volume

The gross notional values of our derivative instruments were:

$m	FY2025
Cross-currency interest rate swaps – Eurobond €625 million	674
Cross-currency interest rate swaps – Eurobond €300 million	341

$m	FY2024
Forward exchange contracts – Convertible bonds £158 million	201
Cross-currency interest rate swaps – Eurobond €525 million	564
Net investment hedge:	
Eurobond €100 million	104

Cash Flow Hedges

Cash flow hedge activity, net of taxes, is recorded within accumulated other comprehensive income/(losses). Amounts are then reclassified into interest expense in the Consolidated Statements of Operations. Refer to Note 20, *Accumulated Other Comprehensive Income/(loss)*, for further information.

Notes to the consolidated financial statements continued

Note 18. Fair Value Measurements continued

Financial Instruments Not Measured at Fair Value on a Recurring Basis

The following table presents the carrying amounts and estimated fair values of the Company's financial instruments not measured at fair value on a recurring basis as of 31 December 2025 and 31 December 2024.

	FY2025				
$m	Carrying amount	Level 1	Level 2	Level 3	Total
Assets:					
Cash	302	302	–	–	302
Account receivable, net	419	–	–	–	–
Total assets	**721**	**302**	**–**	**–**	**302**
Liabilities:					
Short-term borrowings (including overdraft)	17	17	–	–	17
Total liabilities	**17**	**17**	**–**	**–**	**17**

	FY2024				
$m	Carrying amount	Level 1	Level 2	Level 3	Total
Assets:					
Cash	137	137	–	–	137
Account receivable, net	651	–	–	–	–
Total assets	**788**	**137**	**–**	**–**	**137**
Liabilities:					
Short-term borrowings (including overdraft)	15	15	–	–	15
Total liabilities	**15**	**15**	**–**	**–**	**15**

Non-recurring fair value measurements

During the years ended 31 December 2025 and 2024, the long-lived assets (which include property & equipment held in centres and right-of-use assets) warranted non-recurring fair value measurements due to the existence of qualitative and quantitative impairment indicators. For the affected centres, which are each considered an asset group for purposes of impairment testing, the non-recurring fair value measurements recorded in 2025 were $0 million, $27 million, $27 million and $86 million as of 31 March, 30 June, 30 September and 31 December, respectively. The corresponding non-recurring fair value measurements in 2024 were $162 million, $200 million, $159 million and $73 million as of 31 March, 30 June, 30 September and 31 December, respectively.

The categorisation of the framework used to value these long-lived assets is considered Level 3, due to the limited data and subjective nature of the unobservable inputs used to determine the fair value. Such judgements and estimates included within the cash flow forecasts include assessment of the extent to which historical cash flows are indicative of future cash flows, discount rate applied to the cash flows, location of the centre, the local economic situation, competition, local environmental factors, status of current discussions with the landlord and customers relating to matters such as potential future customer contract terms, lease amendments or centre closure, the management of the centre, future changes in occupancy, customer pricing and costs of the centre. As a result of the non-recurring fair value measurements, the Company recognised property & equipment and right-of-use assets impairment. Please reference Note 15, *Leases*, and Note 16, *Property and Equipment, net*, for more detail.

Note 19. Equity

Cash Dividends

On 30 May 2025, the Company approved and paid out a dividend of $9 million ($0.009 per ordinary share). On 17 October 2025, the Company approved and paid out a dividend of $5 million ($0.0045 per ordinary share). On 31 May 2024, the Company approved and paid out a dividend of $13 million (£0.01 per ordinary share). On 4 October 2024, the Company approved and paid out a dividend of $4 million ($0.0043 per ordinary share). No other dividends were declared or paid during the other reporting periods presented in the consolidated financial statements. The consolidated shareholders' deficit does not impact the Company's ability to make dividend payments.

Treasury Shares

As at 16 March 2026, 14,591,563 treasury shares were held. The holders of ordinary shares in International Workplace Group plc are entitled to receive such dividends as are declared by the Company and are entitled to one vote per share. Treasury shares do not carry such rights until they are reissued.

	FY2025		FY2024		FY2023	
	Number of shares	$m	Number of shares	$m	Number of shares	$m
1 January	45,241,020	182	50,558,201	194	50,564,853	194
Net treasury shares purchased/ (utilised)	(29,933,370)	(115)	(5,317,181)	(12)	(6,652)	–
31 December	15,307,650	67	45,241,020	182	50,558,201	194

During the year, 23,095,239 treasury shares (2024: 5,283,597, 2023: zero) were utilised to increase the Group's equity voting rights in the non-controlling interest. In addition, out of the share awards exercised by employees during 2025, 6,838,131 (2024: 33,584, 2023: 6,652) treasury shares were used to satisfy the awards. Additionally, during the years 31 December 2025, 2024, and 2023 the Company purchased zero, 118,054 and 399,158 shares, respectively, of its common Share to support the exercise of share awards by employees in the open market for $0 million, $0 million and $1 million, respectively.

Notes to the consolidated financial statements continued

Note 19. Equity continued

Common Shares

On 4 March 2025, the Company announced a $50 million share repurchase programme, then on 6 May 2025 the Company extended the share repurchase programme by an additional $50 million to a total of $100 million and further increased to $130 million on 19 August 2025. Pursuant to the share repurchase programme, during the year ended 31 December 2025, the Company repurchased 48,512,425 of its common shares for $130 million, all of which were subsequently cancelled.

Note 20. Accumulated Other Comprehensive Income/(loss)

The changes in the components of accumulated other comprehensive income/(loss), net of taxes, were as follows:

$m	Foreign Currency Translation Adjustment	Cash Flow Hedge Adjustment	Net Investment Hedges, Adjustment	Total Accumulated Other Comprehensive Income/(loss)
Balance as of 31 December 2022	**(333)**	**–**	**–**	**(333)**
Current-period other comprehensive income (loss)	(12)	–	–	(12)
Amounts reclassified from accumulated other comprehensive income (loss), net of taxes	–	–	–	–
Balance as of 31 December 2023	**(345)**	**–**	**–**	**(345)**
Current-period other comprehensive income	6	44	3	53
Amounts reclassified from accumulated other comprehensive income (loss), net of taxes	–	(21)	–	(21)
Balance as of 31 December 2024	**(339)**	**23**	**3**	**(313)**
Current-period other comprehensive income	44	61	–	105
Amounts reclassified from accumulated other comprehensive income (loss), net of taxes	–	(99)	(3)	(102)
Balance as of 31 December 2025	**(295)**	**(15)**	**–**	**(310)**

Note 21. Stock-based Compensation

The Company provides share-based compensation to certain of the Company's directors, officers and employees under four plans: the IWG Group Share Option Plan, the Performance Share Plan, Restricted Share Plan and the Deferred Bonus Share Plan.

The Company recognised share-based compensation expense of $6 million, $2 million and $8 million during the years ended 31 December 2025, 2024 and 2023, respectively, and the related tax benefit recognised was $1 million, $1 million and $1 million for the years ended 31 December 2025, 2024 and 2023, respectively.

IWG Group Share Option Plan

The Company operates the IWG Group Share Option Plan that entitles eligible employees to purchase shares in the Company. In accordance with this programme, holders of vested options are entitled to purchase shares at the mid-market closing price of the shares at the day before the date of grant.

The IWG Group also operates the IWG Group Share Option Plan (France) which is included within the numbers for the IWG Share Option Plan (UK, Swiss, US and other) disclosed above. The terms of the IWG Share Option Plan (France) are materially the same as the IWG Group Share Option Plan with the exception that they are only exercisable from the fourth anniversary of the date of grant compare to the remainder of the plans are exercisable in part or in full between 3 and 10 years from the grant date, assuming the performance conditions have been met.

The IWG Group Share Option Plan grants share options to eligible employees and entitles the grantee to receive shares of the Company at the end of a performance period of three to seven years if the applicable performance goals are achieved and generally subject to continued service through the applicable performance period. These performance goals include profitability and KPI targets specific to the recipient of the award. Personal performance targets are subject to review, in line with changes to the Group's strategy, at the discretion of the Remuneration Committee.

The share options subject to TSR targets are vested based on the Group ranking at or above the median for TSR performance relative to a comparator group over a period of three years with a minimum performance threshold of achieving a ranking at the median TSR or above and the maximum award being given for exceeding the comparator group median TSR performance by 10% or more.

The following table provides information about the IWG Group Share Option Plan grants:

	FY2025	FY2024	FY2023
Number of options granted (in thousands)	14,686	9,341	3,986
Weighted average grant date fair value per share	178p	157p	151p
Aggregate intrinsic value of options exercised (in millions)	£4.31	–	£0.04

The weighted average grant date fair value per share of the option grants for each year was determined using the Monte Carlo simulation or Black-Scholes option-pricing model with the following weighted average assumptions:

	FY2025	FY2024	FY2023
Expected volatility[1]	34.78% – 51.08%	38.28% – 51.43%	40.64% – 60.04%
Dividend yield[2]	0.58%	0.32%	-
Risk-free rate[3]	3.85% – 4.26%	3.7% – 4.47%	3.12% – 4.61%
Expected term (in years)[4]	3 – 5	3 – 5	3 – 5

1. Expected volatility is based on the historic volatility, adjusted for any abnormal movement in share prices.
2. Based on the expected annualised dividend payment at the date of grant.
3. The risk-free interest rate was estimated based on UK Treasury instruments with similar expected life.
4. Expected term in years was calculated using vesting periods and the contractual terms of the options as we do not have sufficient historical share option exercise data to estimate the term of our option grants.

Notes to the consolidated financial statements continued

Note 21. Stock-based Compensation continued

The following table summarises the activity for the IWG Group Share Option Plan during the year ended 31 December 2025:

	Number of Shares (in thousands)	Weighted-average Exercise Price
Balance as of 31 December 2024	**54,141**	**165p**
Granted	14,686	178p
Exercised	(6,671)	167p
Forfeited	(5,762)	198p
Balance as of 31 December 2025[1]	**56,394**	**165p**
Exercisable as of 31 December 2025[2]	16,286	186p

1. The aggregate intrinsic value was $37 million and the weighted average remaining contractual term was 7 years.
2. The aggregate intrinsic value was $7 million and the weighted average remaining contractual term was 5 years.

Performance Share Plan ("PSP")

The Remuneration Committee of the Board has authority to grant standalone awards, based on normal plan limits, up to a maximum of 250% of base salary. The number of awards that vest is dependent upon the Company's achievement of certain specified financial performance criteria over a three-year period. Awards entitle the grantee to receive shares of the Company, which vest over a five-year service period, subject to continued service over the performance period. The awards are exercisable in part or in full, between 5 and 10 years from the grant date.

Performance conditions vest based on measures assessed over a three-year performance period. These include earnings per share (EPS) depending on the level of EPS improvement achieved, return on investment (ROI) based on ROI performance over the period and TSR similar to the Group Share Option Plan.

	FY2025	
	Grant 1	Grant 2
Number of shares granted (in thousands)	1,584	–
Weighted average grant date fair value per share	154.43p	–

	FY2024	
	Grant 1	Grant 2
Number of shares granted (in thousands)	1,826	91
Weighted average grant date fair value per share	159.01p	159.63
Aggregate intrinsic value of shares vested (in millions)	£0.09	

None of the shares vested during the year ended 31 December 2025, 2024 or 2023. The weighted average grant date fair value per share was determined using the Monte Carlo simulation or the Black-Scholes pricing model with the following weighted average assumptions:

	FY2025	FY2024	FY2023
Expected volatility[1]	41.10%	51.90%	52.70%
Dividend yield[2]	0.54%	–	–
Risk-free rate[3]	4.20%	3.97%	3.12%
Expected term (in years)[4]	5	5	5

1. Expected volatility is based on the historic volatility, adjusted for any abnormal movement in share prices.
2. The expected dividend yield assumption is based on the expected annualised dividend payment at the date of grant.
3. The risk-free interest rate was estimated based on UK Treasury instruments with similar expected life.
4. Expected term in years was calculated using the contractual terms of the awards.

The following table summarises the activity for the Performance Share Plan during the year ended 31 December 2025:

	Number of Shares (in thousands)	Weighted-average Grant Date Fair Value per Share
Balance as of 31 December 2024	**4,580**	**176p**
Granted	1,584	154p
Vested	–	–
Forfeited	(859)	225p
Balance as of 31 December 2025[1]	**5,305**	**165p**
Exercisable as of 31 December 2025[2]	92	188p

1. The weighted average remaining contractual term was 8 years.
2. The weighted average remaining contractual term was 3 years.

Restricted Share Plan ("RSP")

The Restricted Share Plan enables the Board to award restricted shares to selected employees on a discretionary basis that is subject to an underpin. In assessing the underpin, the Committee will consider the Group's overall performance, including financial and non-financial performance over the course of the vesting period and any material factors identified. RSP awards, by design, offer a more certain level of reward and provide immediate alignment to shareholders. Share awards vest over a 5-year period and are subject to continued service by the grantee. The scheme was adopted in 2025.

Notes to the consolidated financial statements continued

Note 21. Stock-based Compensation continued

The following table provides information about the Restricted Share Plan grants:

$m	FY2025
Number of restricted shares granted (in thousands)	596
Weighted average grant date fair value per share	154p

The weighted average grant date fair value per share of the grants for each year was determined using the Black-Scholes pricing model with the following weighted average assumptions:

$m	FY2025
Expected volatility[1]	41.10%
Dividend yield[2]	0.54%
Risk-free rate[3]	4.20%
Expected term (in years)[4]	5

1. Expected volatility is based on the historic volatility, adjusted for any abnormal movement in share prices.
2. The expected dividend yield assumption is based on the expected annualised dividend payment at the date of grant.
3. The risk-free interest rate was estimated based on UK Treasury instruments with similar expected life.
4. Expected term in years was calculated using vesting periods and the contractual terms of the awards.

The following table summarises the activity for the Restricted Share Plan during the year ended 31 December 2025:

	Number of Shares	Weighted average Grant Date Fair Value per Share
Balance as of 31 December 2024	–	–
Granted	596	154p
Exercised	–	–
Forfeited	–	–
Expired	–	–
Balance as of 31 December 2025[1]	**596**	**154p**
Exercisable as of 31 December 2025	–	

1. The weighted average remaining contractual term was 9 years.

Deferred Bonus Share Plan

The Deferred Bonus Share Plan enables the Board to award shares to selected employees on a discretionary basis equal in value to the amount of annual bonus deferred. There are no performance conditions linked to this plan. Share awards vest over a three-year period and are subject to continued service by the grantee.

The awards are exercisable in part or in full between 3 and 10 years from the grant date.

The following table provides information about the Deferred Bonus Share Plan grants:

	FY2025	FY2024	FY2023
Number of shares granted (in thousands)	516	471	181
Weighted average grant date fair value per share	174p	179p	191p
Aggregate intrinsic value of shares exercised (in millions)	£0.03	–	£0.07

The weighted average grant date fair value per share of the award grants for each year was determined using the Black-Scholes pricing model with the following weighted average assumptions:

	FY2025	FY2024	FY2023
Expected volatility[1]	39.10%	40.50%	60.00%
Dividend yield[2]	0.54%	–	–
Risk-free rate[3]	4.06%	4.08%	3.21%
Expected term (in years)[4]	3	3	3

1. Expected volatility is based on the historic volatility, adjusted for any abnormal movement in share prices.
2. The expected dividend yield assumption is based on the expected annualised dividend payment at the date of grant.
3. The risk-free interest rate was estimated based on U.K. Treasury instruments with similar expected life.
4. Expected term in years was calculated using vesting periods and the contractual terms of the awards.

Notes to the consolidated financial statements continued

Note 21. Stock-based Compensation continued

The following table summarises the activity for the Deferred Bonus Share Plan during the year ended 31 December 2025:

	Number of Shares (in thousands)	Weighted average Grant Date Fair Value per Share
Balance as of 31 December 2024	**1,427**	**292p**
Granted	516	174p
Exercised	(128)	254p
Forfeited	–	–
Expired	–	–
Balance as of 31 December 2025[1]	**1,815**	**172p**
Exercisable as of 31 December 2025[2]	92	

1. The weighted average remaining contractual term was 9 years.
2. The weighted average remaining contractual term was 5 years.

On 2 November 2022, the Chief Financial Officer received a conditional award over 511,571 ordinary shares in the Company. This was granted as a one-off award arrangement established under Listing Rule 9.4.2(2) in order to facilitate his recruitment. This award vests 5 years after the date of grant and has been included within the table above.

If all vesting and performance conditions are met, as of 31 December 2025 the total compensation costs related to all unvested awards shown above not yet recognised in the Statements of Operations is approximately $33 million which is expected to be recognised over a weighted average period of 3 years.

Note 22. Commitments and Contingencies

Contingencies

From time to time, the Company is party to litigation and other legal proceedings in the ordinary course of business. The Company accrues for loss contingencies when it is both probable that it will incur the loss and when the Company can reasonably estimate the amount of the loss or range of loss. If an unfavourable outcome was to occur, there exists the possibility of a material adverse impact on the results of operations in the period in which the outcome occurs or in future periods. The Company expenses legal costs relating to its lawsuits, claims and proceedings as incurred. Information about material reasonably possible loss contingencies is also disclosed in the financial statements.

Commitments

The Company has contractual obligations related to centre fit outs wherein the Company has to finish or improve the interior space of a leased property. Capital commitments in respect of centre fit-out obligations that are not offset by contractually committed landlord contributions are immaterial at 31 December 2025.

The Company has bank guarantees and letters of credit held with certain banks, predominantly in support of leasehold contracts with a variety of landlords. As of 31 December 2025 and 2024, the guarantees were $344 million and $332 million, respectively.

During 2025, the Company maintains a guarantees and indemnities facility (the "Sureties Facility"), that supports the issuance of guarantees related to rent lease obligations. The amount available under the Sureties Facility is $120 million. $49 million under the Sureties Facility was utilised on 31 December 2025.

Note 23. Related-Party Transactions

During the years ended 31 December 2025, 2024 and 2023, the Company acquired goods and services from an entity indirectly controlled by a Director of the Company amounting to $0.1 million, $0.1 million and $0.1 million, respectively. As of both 31 December 2025 and 2024, the Company had no outstanding balance.

Equity Method Investments

As of 31 December 2025 and 2024, the Company had 87 and 78 equity method investments, respectively, all of which relate to various leasing and management operating centre.

The Company had the following related-party balances on its Consolidated Balance Sheets as of 31 December 2025 and 2024:

$m	FY2025	FY2024
Accounts receivable, net:	51	48
Accounts payable:	52	45

During the years ended 31 December 2025, 2024 and 2023, the Company recorded revenue transactions with related parties of:

$m	FY2025	FY2024	FY2023
Revenue:	9	9	9

The Company had no expense transactions with equity method investees during the periods presented.

Notes to the consolidated financial statements continued

Note 24. Principal Companies

As of 31 December 2025, the Company's principal subsidiary undertakings, their principal activities and countries of incorporation are set out below:

Name of undertaking	Country of incorporation	% of ordinary shares and votes held
Trading companies		
Regus Australia Management Pty Ltd	Australia	100
Regus Belgium SA	Belgium	100
Regus do Brasil Ltda	Brazil	100
Regus Business Service (Shenzen) Ltd	China	100
Regus Management ApS	Denmark	100
Regus Management (Finland) Oy	Finland	100
IWG France Management Sarl	France	100
Regus Deutschland GmbH	Germany	100
Regus Netherlands B.V	Netherlands	100
Regus CME Ireland Limited	Ireland	100
Regus Business Centres Limited	Israel	100
Regus Business Centres Italia S.r.l.	Italy	100
Regus Management Malaysia Sdn Bhd	Malaysia	100
Regus Management de Mexico, SA de CV	Mexico	100
IWG Management Services Morocco	Morocco	100
Regus New Zealand Management Ltd	New Zealand	100
Regus Business Centre Norge AS	Norway	100
IWG Management Sp z.o.o.	Poland	100
Regus Business Centre, Lda	Portugal	100
Regus Management Singapore Pte Ltd	Singapore	100
Regus Management España SL	Spain	100
IWG Management (Sweden) AB	Sweden	100
Avanta Managed Offices Ltd	United Kingdom	100
Basepoint Centres Limited	United Kingdom	100
Green (Topco) Limited	United Kingdom	100
HQ Global Workplaces LLC	United States	100
RGN National Business Centre LLC	United States	100
RB Centres LLC	United States	100
Regus Management Group LLC	United States	100
Management companies		
RGN Management Limited Partnership	Canada	100
Regus Service Centre Philippines B.V.	Philippines	100
Franchise International GmbH	Switzerland	100
Pathway IP II GmbH	Switzerland	100
Regus Global Management Centre SA	Switzerland	100
Regus Group Services Ltd	United Kingdom	100
IW Group Services (UK) Ltd	United Kingdom	100
Regus Management Group LLC	United States	100
Holding and finance companies		
IWG Enterprise Sarl	Luxembourg	100
IWG Group Holdings Sarl	Luxembourg	100
IWG International Holdings Sarl	Luxembourg	100
Ibiza Holdings Limited.	Jersey	100
Global Platform Services GmbH	Switzerland	100
Regus Group Limited	United Kingdom	100
Regus Corporation	United States	100
Ibiza Finance Limited.	Jersey	100
Genesis Finance GmbH	Switzerland	100
Pathway Finance GmbH	Switzerland	100
Pathway Finance EUR 2 GmbH	Switzerland	100
Pathway Finance USD 2 GmbH	Switzerland	100
IWG US Finance LLC	United States	100

Note 25. Subsequent Events

Proposed dividend

On 3 March 2026, the Board of Directors has recommended a final dividend for 2025 of 0.93c giving a total dividend for 2025 of 1.38c. It is expected that the dividend will be paid on 29 May 2026 to shareholders on the register at the close of business on 1 May 2026.

Share buyback programme

The Company announced the first tranche of the 2026 share buyback on 31 December 2025 for $50m, and announced an increase of another $50m on 3 March 2026.

Acquisitions

On 16th March 2026 the Company acquired Design Offices which has nearly 50 locations in Germany.

Parent Company Accounts
Summarised extract of unaudited company balance sheet
(Accounting policies are based on the Swiss Code of Obligations)

$m	As at 31 Dec 2025	As at 31 Dec 2024
Trade and other receivables	2	3
Trade and other receivables from Group Companies	3	
Prepayments	1	–
Total current assets	**6**	3
Loans receivable from Group Companies	12	–
Investments	3,667	3,680
Total non-current assets	**3,679**	3,680
Total assets	**3,685**	3,683
Trade and other payables	6	7
Trade payables due to Group Companies	10	–
Accrued expenses	7	4
Total short-term liabilities	**23**	11
Long-term interest-bearing liabilities	91	–
Other long-term liabilities	5	4
Total long-term liabilities	**96**	4
Total liabilities	**119**	14
Issued share capital	12	13
Reserves from capital contributions	2,953	3,096
Retained earnings	704	767
Income/(loss) for the year	(35)	(25)
Treasury shares	(68)	(182)
Total shareholders' equity	**3,566**	3,669
Total liabilities and shareholders' equity	**3,685**	3,683

The values of the investments recognised have been considered by the Directors and are considered fully recoverable.

Approved by the Board on 16 March 2026.

Mark Dixon
Chief Executive Officer

Charlie Steel
Chief Financial Officer

Accounting policies
Basis of preparation
These financial statements were prepared in accordance with accounting policies based on the Swiss Code of Obligations.

The Company is included in the consolidated financial statements of International Workplace Group plc.

The balance sheet has been extracted from the non-statutory accounts of International Workplace Group plc for the year ended 31 December 2025, which are available from the Company's registered office, Baarerstrasse 52, CH-6300, Zug, Switzerland.

Investments
The value of the investment held in IWG Group is measured at acquisition cost.

Reconciliation for alternative performance measures

The Company reports certain alternative performance measures (APMs) that are not required under US GAAP which represents the generally accepted accounting principles (GAAP) under which the Company reports. The Company believes that the presentation of these APMs provides useful supplemental information, when viewed in conjunction with our US GAAP financial information as follows:

- To evaluate the historical and planned underlying results of our operations;
- To set Director and management remuneration; and
- To discuss and explain the Company's performance with the investment analyst community.

None of the APMs should be considered as an alternative to financial measures derived in accordance with GAAP. The APMs can have limitations as analytical tools and should not be considered in isolation or as a substitute for an analysis of our results as reported under GAAP. These performance measures may not be calculated uniformly by all companies and therefore may not be directly comparable with similarly titled measures and disclosures of other companies.

Adjusted EBITDA:

$m	Reference	FY2025	FY2024	FY2023
Operating income (loss)		**143**	**142**	**(98)**
Add back:	p 92[1]	357	333	386
Depreciation and amortisation before landlord contributions on leased properties	p 92[1]	293	253	293
Depreciation of landlord contributions (cost reimbursements) on leased properties	p 92[1]	64	80	93
Adjusting items:	p 92[1]	31	26	175
Impairment of long-lived assets and goodwill	p 92[1]	29	83	143
Loss (gain) on disposal of long-lived assets and other closure related (credits) costs	p 92[1]	2	(57)	32
Adjusted EBITDA	CFO review, p 26	**531**	**501**	**463**

Net Debt:

$m	Reference	FY2025	FY2024
Cash and cash equivalents[1]	Consolidated balance sheets, p 93	(302)	(137)
Short-term debt, net[1]	Consolidated balance sheets, p 93	17	212
Long-term debt, net[1]	Consolidated balance sheets, p 93	1,070	633
Cash flow hedges[2]	Note 18, p 118	(70)	21
Net Debt	CFO review, p 28	**715**	**729**

1. Consolidated Statements of Operations, p 92.

Adjusted gross profit:

$m	Reference	Company-Owned	Managed & Franchised	Digital and Professional Services	Total
31 December 2025					
Gross profit		**710**	**126**	**195**	**1,031**
Landlord contributions on leased properties included in depreciation and amortisation	CFO review, p 26	41	–	23	64
Adjusted gross profit	CFO review, p 26	**751**	**126**	**218**	**1,095**
31 December 2024					
Gross profit		647	79	222	948
Landlord contributions on leased properties included in depreciation and amortisation	CFO review, p 26	80	–	–	80
Adjusted gross profit	CFO review, p 26	727	79	222	1,028
31 December 2023					
Gross profit	Adjusted EBITDA, p 126	596	61	228	885
Landlord contributions on leased properties included in depreciation and amortisation	CFO review, p 26	93	–	–	93
Adjusted gross profit		689	61	228	978

Adjusted EPS:

$m	Reference	FY2025	FY2024	FY2023
Net income (loss)		**18**	**18**	**(207)**
Impairment of long-lived assets	Consolidated statements of operations, p 92	29	83	143
Loss (gain) on disposal of long-lived assets and other closure related (credits) costs	Consolidated statements of operations, p 92	2	(57)	32
(Gain) on extinguishment of debt	Consolidated statements of operations, p 92	(1)	(16)	–
Adjusted Net Income (Loss)		48	28	(32)

Reconciliation for alternative performance measures continued

	Reference	FY2025	FY2024	FY2023
Net income (loss) per common share				
Basic (¢)	Consolidated statement of operations, p 92	1.8	1.8	(20.6)
Diluted (¢)	Consolidated statement of operations, p 92	1.8	1.8	(20.6)

	Reference	FY2025	FY2024	FY2023
Adjusted net income (loss) per common share				
Basic (¢)	CFO review, p 23	4.8	2.8	(3.2)
Diluted (¢)	CFO review, p 23	4.7	2.7	(3.2)

Capital Expenditure:
Year ended 31 December 2025

		FY2025		
Analysed as:	Reference	Net capital expenditure	Landlord contributions	Gross capital expenditure
Maintenance capital expenditure	CFO review, p 27	92	(8)	100
Growth capital expenditure	CFO review, p 27	82	(41)	123
Total	Consolidated statements of cash flows, p 95	**174**	**(49)**	**223**

Year ended 31 December 2024

		FY2024		
Analysed as:	Reference	Net capital expenditure	Landlord contributions	Gross capital expenditure
Maintenance capital expenditure	CFO review, p 27	49	(12)	61
Growth capital expenditure	CFO review, p 27	63	(44)	107
Total	Consolidated statements of cash flows, p 95	**112**	**(56)**	**168**

Segmental Reporting:

		FY2025			FY2024		
$m	Reference	As reported	Reclass from DPS	Management Segmental	As reported	Reclass from DPS	Management Segmental
Company-owned	CFO review, p 24	3,212	365	3,577	3,222	393	3,615
Managed & Franchised	CFO review, p 24	817	59	876	620	62	682
Digital & Professional Services	CFO review, p 24	424	(424)	–	455	(455)	–
System-wide revenue	CFO review, p 24	**4,453**	**–**	**4,453**	**4,297**	**–**	**4,297**

		FY2025			FY2024		
$m	Reference	As reported	Reclass from DPS	Management Segmental	As reported	Reclass from DPS	Management Segmental
Company-owned	Note 4, p 106	3,212	365	3,577	3,222	393	3,615
Managed & Franchised	Note 4, p 106	126	59	185	79	62	141
Digital & Professional Services	Note 4, p 106	424	(424)	–	455	(455)	–
Group revenue	CFO review, p 24	**3,762**	**–**	**3,762**	**3,756**	**–**	**3,756**

		FY2025			FY2024		
Adjusted Gross Profit ($m)	Reference	As reported	Reclass from DPS	Management Segmental	As reported	Reclass from DPS	Management Segmental
Company-owned	Note 4, p 106	751	194	945	727	193	920
Managed & Franchised	Note 4, p 106	126	24	150	79	29	108
Digital & Professional Services	Note 4, p 106	218	(218)	–	222	(222)	–
Adjusted gross profit		**1,095**	**–**	**1,095**	**1,028**	**–**	**1,028**
Adjusted gross profit margin	CFO review, p 25	*29%*		*29%*	*27%*		*27%*

Four-year Summary

$m except share and per share amounts	FY2025	FY2024	FY2023	FY2022
Income statement (full year ended)				
Revenue	**3,762**	**3,756**	**3,764**	**3,432**
Cost of sales	2,731	2,808	2,879	2,804
Gross profit	**1,031**	**948**	**885**	**628**
Selling, general and administration expenses	546	514	496	489
Allowance for (recovery of) credit losses	18	13	19	(8)
Impairment of long-lived assets and goodwill	29	83	143	84
(Gain) loss on disposal of long-lived assets and other closure related (credits) costs	2	(57)	32	(33)
Depreciation and amortisation before landlord contributions on leased properties	357	333	386	369
Depreciation of landlord contributions (cost reimbursements) on leased properties	(64)	(80)	(93)	(104)
Operating profit/(loss)	**143**	**142**	**(98)**	**(169)**
Interest expense	(87)	(64)	(54)	(34)
Foreign currency gain (loss)	7	(17)	6	(6)
Gain on extinguishment of debt	1	16	–	–
Other finance costs	(21)	(19)	(19)	(21)
Income (loss) before income taxes and share of (loss) income from equity method investments	**43**	**58**	**(165)**	**(230)**
Income tax (expense) benefit	(32)	(40)	(43)	39
Share of income (loss) from equity method investments	4	–	(1)	(1)
Net income (loss)	**15**	**18**	**(209)**	**(192)**
Net (loss) attributable to non-controlling interests	(3)	–	(2)	(4)
Net income (loss) attributable to the Company	**18**	**18**	**(207)**	**(188)**

$m except share and per share amounts	FY2025	FY2024	FY2023	FY2022
Earnings/(loss) per ordinary share (EPS):				
Attributable to ordinary shareholders				
Basic (¢)	1.8	1.8	(20.6)	(18.7)
Diluted (¢)	1.8	1.8	(20.6)	(18.7)
Weighted average number of shares outstanding (000s)	1,007,813	1,009,815	1,006,685	1,006,885
Balance sheet data (as at 31 December)				
Current assets	1,276	1,331	1,308	
Non-current assets	8,040	7,781	8,675	
Total assets	**9,316**	**9,112**	**9,983**	
Current liabilities	3,344	3,608	3,529	
Non-current liabilities	6,277	5,713	6,695	
Equity	(305)	(209)	(241)	
Total equity and liabilities	**9,316**	**9,112**	**9,983**	

Glossary

Adjusted EPS
EPS excluding adjusting items.

Adjusted EBITDA
EBITDA excluding adjusting items and depreciation on landlord contributions on leased properties – cost re-imbursements.

Adjusted gross profit
Gross profit excluding adjusting items.

Adjusted Net Income
Net income excluding adjusting items.

Adjusting items
Adjusting items reflects the impact of adjustments, both incomes and costs not indicative of the underlying performance, which are considered to be significant in nature and/or size.

Ancillary services
Additional services provided alongside workspace solutions that include virtual office services, day offices, short-term meeting rooms and other on demand support services.

Capital-light
Business centres in Managed & Franchised operated under arrangements where the Company does not recognise lease liabilities and is not responsible for capital expenditures.

Company-owned ("CO")
Locations the Company operates directly and recognises full revenue and costs of the centre.

Digital & Professional Services ("DPS")
Services and technology provided to customers and landlords.

EBIT
Earnings before interest and tax.

EBITDA
Earnings before interest, tax, depreciation and amortisation.

EPS
Earnings per share.

Expansions
A general term which includes new business centres established by IWG and acquired centres in the year.

Fee income
Total fee income relating to the Managed & Franchised business.

Franchise and JV Fees
Fees earned from partners who operate IWG-branded business centres.

Growth capital expenditure
Capital expenditure in respect of centres which opened during the current or prior financial period and technology spend supporting operational growth.

Growth-related landlord contributions (leased properties)
Landlord contributions received in respect of leased properties which opened during the current or prior financial period.

IWG Network
Company-owned and Managed & Franchised comprises the IWG Network.

Maintenance capital expenditure (leased properties)
Capital expenditure in respect of centres owned for a full 12-month period prior to the start of the financial year and operated throughout the current financial year.

Maintenance-related landlord contributions (leased properties)
Landlord contributions received in respect of properties leased for a full 12-month period prior to the start of the financial year and operated throughout the current financial year, which therefore have a full-year comparative.

Managed & Franchised ("M&F")
Locations the Company receives a franchise or management fee for providing services to centres. Managed centres are operated by the Company; franchise locations are operated by the franchise holder. The Company only recognises the fee as revenue. The Company is not responsible for capital expenditures in the centres and does not recognise the related centre operating costs.

Net debt
Operations cash and cash equivalents, adjusted for both short and long-term debt, and the portion of derivatives that hedge the principal component of debt. Net debt excludes lease liabilities and restricted cash.

Occupancy
Occupied square metres divided by total inventory square metres expressed as a percentage where contracts are in place with a minimum term of one month.

Glossary continued

Other fee income
Other fees received including those in connection with the set up and opening of centres.

Rooms
The yearly average total business centre square metres divided by a standard room of seven square metres.

Recurring fee revenue
Ongoing monthly revenue earned from Managed & Franchised customers for the continued use of workspaces, centres and related services.

Recurring management fees
Ongoing monthly fees on System-wide revenue earned from Managed partnerships for the continued use of workspaces, centres and related services.

RevPAR
Monthly average IWG Network revenue, divided by the average available number of rooms, excluding rooms opened and closed in the period.

Share buyback programme
Refers to the programme that permits the Company to repurchase its own shares in the open market.

System-wide revenue
Refers to the total revenue generated across IWG network, including revenue from franchise, managed centre and joint-venture partners, but excluding related fee income.

Tenant Incentive ('TI') amortisation
The amortisation of tenant improvements (often called leasehold improvements allowances or landlord contributions) received from landlords on properties that the company leases.

TSR
Total shareholder return.

Corporate directory

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International Workplace Group plc

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IWG International Workplace Group

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