Our Code of Conduct

The way we work at IHG, wherever we are in the world
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At IHG, doing business responsibly is a core part of our culture. It underpins our entire strategy and our commitment to providing True Hospitality for everyone.

We have worked hard to build an excellent reputation and need to work just as hard to protect it. It’s essential that the way we operate is trusted by our guests, those who do business with us, the communities we work in and by you, our colleagues. This means that wherever we are in the world and whoever we are working with, we must always operate with honesty, integrity and the highest ethical standards.

Our Code of Conduct sets out the principles that help us to act responsibly at all times. We all want to work somewhere where doing the right thing is recognised. Please take the time to familiarise yourself with the Code, so that you can understand the way we work together at IHG.

Thank you,

Keith Barr
Chief Executive Officer

"We all want to work somewhere where doing the right thing is recognised."
Introduction

What is the Code of Conduct?

The IHG Code of Conduct (Code) supports all of us in making the right decisions. It sets out the principles we must all work by at IHG, wherever we are in the world. It also provides guidance on where to go if you are faced with a difficult issue and need further help.

Failure to work in accordance with the Code will be treated seriously. This may result in disciplinary action being taken which, in some cases, may include dismissal in accordance with our internal policies and local labour and employment laws.

Additional requirements

The information in the Code cannot address each and every difficult situation that may confront colleagues throughout the world. It is an important guide and provides an introduction to many of our key global policies, but it does not cover everything that may be relevant to you. It is important to remember that there may be other policies, procedures and requirements that apply to your role and which you must comply with in addition to the Code.

Who does the Code apply to?

All colleagues working in IHG corporate offices, reservation centres and managed hotels must comply with the Code and the policies and procedures it refers to. Throughout the Code, where we refer to IHG, this includes all the companies in the IHG group.

IHG franchised hotels are independently owned and operated. However, all of our hotels and owners, both managed and franchised, have a shared vision to continue strengthening the IHG® brands and a commitment to responsible business. The principles, spirit and purpose of the Code are relevant to all of IHG including to our franchised hotels.

"We are committed to operating honestly and upholding the highest ethical standards."
Further help

If you are faced with a difficult issue and are unsure what to do, consider the following questions:

• Is it legal?
• Is it ethical?
• Is it safe?
• Is it consistent with our Code and policies and procedures?
• Is it consistent with our Winning Ways?
• Would I be comfortable explaining it to my friends and family?
• How would I feel if it was made public in the newspapers or online?

If the answer to any of these is ‘no’ or you are not sure, you should always talk to someone – your line manager or supervisor, Human Resources representative, or any of the Legal team (contact details on Merlin) will be able to provide you with support and guidance.

IHG also offers a confidential reporting channel to report ethical concerns. Please see "Reporting Concerns" for further information.

Additional responsibilities of managers

If you manage others, as well as following the Code yourself, you must also:

• Ensure that everyone who reports to you has read and understands the Code and completes all required training.
• Create an environment in which colleagues feel able to ask questions and raise concerns.
• Always follow up if you are aware of, or suspect, misconduct.

Legal compliance

We are committed to compliance with the laws and regulations of the countries and jurisdictions in which we operate. If a law or regulation conflicts with the Code, you must comply with whichever applies the strictest standard. If you are not sure, you should always contact the Legal team.

"The Code helps us do the right thing wherever we are in the world."
Our Winning Ways are how we behave every day. They reflect the values that are important to us and they are a framework to help shape the way we work at IHG. Along with the other principles set out in this document they are a core part of the way we do business.

**Do the right thing**
We always do what we believe is right and have the courage and conviction to put it into practice, even when it might be easier not to. We are honest and straightforward and see our decisions through.

**Show we care**
We want to be the company that understands people’s needs better than anyone else in our industry. This means being sensitive to others, noticing the things that matter and taking responsibility for getting things right.

**Aim higher**
We aim to be acknowledged leaders in our industry, so we have built a team of talented people who have a real will to win. We strive for success and value individuals who are always looking for a better way to do things.

**Celebrate difference**
We believe that it’s the knowledge of our people that really brings our brands to life. Our global strength comes from celebrating local differences whilst understanding that some things should be kept the same.

**Work better together**
When we work together we are stronger. We’re at our best when we collaborate to form a powerful, winning team. We listen to each other and combine our expertise to create a strong, focused and trusted group of people.

"The Code helps us to live our Winning Ways and do business responsibly."
Conflicts of interest

We must always act in the best interests of IHG and avoid any conflict of interest.

We must avoid situations where personal, family or financial interests conflict with those of IHG. It is important that we also avoid even the appearance of conflicts, as we want to make sure suppliers and other business partners trust us to do business fairly and transparently. If you encounter a potential conflict of interest you must disclose the details to your line manager and stand back from any related decision-making process.

Q
There is a job opening in my hotel. Can my brother apply for it?

A
Your brother may be able to apply but you must have no involvement in the recruitment process and the role must not be one that reports into you. If you will work in the same team you must disclose this potential conflict of interest to your line manager and to the person managing the recruitment process.

Q
I am reviewing bids from several companies for the supply of hotel linen. My wife works in the Sales team of the company that has made the best offer. My decision has not been affected by the fact that my wife is involved so do I really need to disclose this?

A
Yes, you must disclose this to your line manager and you may need to step back from the selection process. Even if the bid from your wife’s company is the best and we decide to select that company we still need to be careful to avoid the appearance of any conflicts of interest.
We are committed to operating with integrity. Bribery and any form of financial crime, including improper payments, money laundering and tax evasion or the facilitation of tax evasion, are not permitted under any circumstances. This also applies to any agents, consultants and other service providers who do work on our behalf.

Bribes are intended to influence or encourage someone to act improperly. They can include payments or anything of value, such as complimentary rooms. We must never offer, promise or give bribes in connection with IHG or hotel business and we must never ask for or accept bribes. This applies globally, regardless of local ways of working. It applies to government and public officials and to bribery of individuals and entities in the private sector.

Facilitation payments (also known as expediting or grease payments) are also prohibited. These are small unofficial payments made to government or public officials to perform or speed up routine acts such as clearing goods through customs or obtaining a licence.

For further information, please see the IHG Anti-Bribery Policy.
Trade restrictions and sanctions

We are committed to complying with and continually monitoring all applicable trade restrictions that may affect our business.

Trade restrictions, such as sanctions or export controls, may restrict or prohibit us from doing business in other countries or with certain governments, entities or individuals.

If you have any concerns in relation to restrictions that may apply to you or your activities on behalf of IHG, you must always contact the Legal team for advice.
Gifts and entertainment

While they can often build goodwill in business relationships, we must always think carefully about gifts and entertainment.

Do not give or accept any gifts, complimentary arrangements, hospitality, entertainment or favours which might place you under an obligation or could reasonably be viewed as improperly influencing business transactions. Offering or accepting gifts, entertainment or hospitality is only acceptable if the value is modest and the practice is consistent with local business culture.

We must comply with reporting and approval requirements contained in the IHG Gifts and Entertainment Policy when offering or accepting gifts and entertainment. This applies in addition to normal IHG travel and expense reporting requirements. The IHG Gifts and Entertainment Policy sets out reporting and approval requirements for gifts and entertainment which exceed certain values. It also provides guidance on which types of gifts and entertainment are never acceptable.

For further information, please see the IHG Gifts and Entertainment Policy, and the IHG Global Travel and Expense Policy.

I was recently given a very expensive gift by a guest staying at the hotel. I don’t know if I should have accepted it but I didn’t want to offend the guest. What should I do?

In most cases, expensive gifts must be reported and approved in advance. However, in some cultures it may be insulting to refuse a gift. In this case, you should report the gift and seek the required approvals as soon as possible. You may be able to retain the gift or it may need to be returned, retained by IHG or sold for charity.

We are trying to increase our meetings revenue. We want to offer individual bookers a personal incentive of £500 cash for every meeting they book. Is this OK?

No, these payments must not be offered. This would breach both our IHG Anti-Bribery Policy and our IHG Gifts and Entertainment Policy. You should contact the Legal team to advise you.
Any judgments and accounting estimates must be reasonable and prudent. We must be honest and never falsify or include misleading information in any documents, reports or other records, either on behalf of IHG or at the request of any third party. This includes expense claims, invoices, tax returns and all other reports and records.

Falsifying or making misleading records, reports or expenses or approving any reports, records or expenses that you are aware are inaccurate may constitute fraud.

For further information, please see the Hotel Accounting Manual, and the IHG Global Travel and Expense Policy.
Delegation of authority

Colleagues must not commit expenditures or enter into contracts without obtaining the required approvals.

The Delegation of Authority Policy sets out the levels at which IHG colleagues can approve commitments and expenditures, initiate projects, and sign contracts. It also sets out whether prior review by the Legal or Procurement teams is required. The Hotel Accounting Manual and the relevant Hotel Management Agreement contain additional requirements for IHG managed hotels.

For further information, please see the IHG Delegation of Authority Policy, and the Hotel Accounting Manual.
We all utilise and have access to IHG assets as part of our jobs. This includes tangible assets such as stock, equipment and cash, in addition to intangible items such as intellectual property, computer systems and confidential information.

IHG assets must not be used for personal gain. We will not tolerate fraud of any description. You must report any suspicions of fraud to your line manager or in accordance with the reporting process set out at the end of the Code.
Intellectual property

Intellectual property is one of our most valuable assets and must be treated correctly.

Our Intellectual property (IP) includes IHG trademarks (names and logos), patents, copyrights, “know how” and trade secrets. Our trademarks, which represent our brands, must be used properly or protection for these marks will be lost. Contact the Legal team for guidance on the correct use of our trademarks and to report misuse of any IHG IP.

If you develop or create any IP as part of your role or while using IHG resources or information, this is IHG property. This includes designs, ideas, artwork, software programmes, inventions and other original materials.

We must also respect the IP of others, including photographs, music, movies, software and other written information. These types of materials may be copyright protected and IHG may need a licence before they can be used, copied or downloaded.

For further information, please see the IHG Trademark Usage Guidelines.

I am using a consultant for some design work. Do I need to think about IP?

If IP will be created by external consultants you must make sure that an appropriate written agreement is in place to ensure that IHG will own the rights before any work on the project begins.
Information held within IHG is an asset with a business value and must be protected accordingly. Certain types of information, such as personal data of our guests and colleagues, must also be handled legally and responsibly. We must all follow IHG’s information security policies, standards and procedures.

Confidential information, such as business plans, pricing and financial data, must not be disclosed outside IHG without a legitimate business reason. If you are transferring confidential information to someone outside IHG you must make sure that a written agreement is in place to protect confidentiality and that the transfer complies with our information security requirements.

Our suppliers, owners and other business partners may also share their confidential information with us. We must ensure we protect this and treat it responsibly including complying with any confidentiality obligations. Information gathered about competitors must only be obtained legally and ethically. Never use a competitor’s confidential or proprietary information if you suspect it has been obtained improperly.

For further information, please see the IHG Information Security Policies.
IHG handles huge amounts of personal data such as names, contact details and other information that directly or indirectly identifies an individual – from guests, colleagues, shareholders, owners and business partners. We may also handle more sensitive personal data, such as information revealing racial or ethnic origin or data concerning health. Global data privacy laws (also known as data protection laws) determine how we need to treat this data. Complying with these laws is an essential part of doing business responsibly. In particular, we must safeguard personal data from loss, disclosure or misuse in accordance with data protection laws, procedures and contractual obligations.

In addition to information security requirements, we must always consider data privacy implications whenever we are handling personal data or whenever setting up any new system or process that involves personal data. We must identify, assess and address any risks to the rights and freedoms of individuals in relation to the processing of personal data. We must also consider what information we need to give people about how we handle their personal data to ensure we are acting fairly and transparently. If any personal data is being transferred outside IHG, for instance to a service provider, the contract must always be reviewed by the Legal team.

For further information, please see the IHG Handling Personal Data Policy.

Handling personal data

It is up to all of us to ensure that everyone we deal with trusts the way we handle their data.

One of our guests wants more information about how IHG handles personal data. What shall I tell them?

The privacy and security of our guest’s personal data is extremely important to us. You can direct the guest to our privacy statement which is available on the IHG website. This provides information on how we manage personal data. It also contains contact details for the IHG Privacy Office who can be contacted with any questions or concerns regarding personal data.

I have some papers that include a lot of employee personal data and salary details and which I no longer need. Can I just throw these in the general recycling bin?

No. Records containing personal data need to be disposed of securely, for instance, by shredding or using secure document disposal facilities.

For further information, please see the IHG Handling Personal Data Policy.
Our Global Corporate Affairs and Investor Relations teams will coordinate any external announcements, statements or responses to questions from the media, particularly those which relate to share price or commercially sensitive information. Matters relating to the activities and performance of IHG must not be discussed with representatives of the media unless specifically authorised as part of your role.

As another form of external communications, IHG’s official social media activity is coordinated at a global, regional and brand level to ensure consistency and accuracy. Only those colleagues specifically authorised to do so as part of their role may post updates on behalf of IHG. If you are authorised to update social media channels on behalf of IHG, you must be transparent about your association with IHG and you must make clear that you are posting on behalf of IHG.

For further information, please see the IHG Global Social Media Policy.
Inside information and insider dealing

As a publicly listed group, we must comply with laws and regulations relating to the disclosure of “inside information”.

Inside information is information relating to IHG which is not publicly available and which an investor could use as part of their decision to buy or sell IHG securities.

If you are in possession of inside information, you must not buy or sell or otherwise deal in the company’s securities. You must not provide inside information to any other person for them to deal. Insider dealing is a criminal offence in the UK, US and many other countries.

If you are concerned that you may have inside information you should contact the Company Secretariat or Legal team for advice before trading in any IHG securities.

It is important to remember that even if information is not inside information, it still may be confidential to IHG and must not be disclosed outside of IHG without a legitimate business reason. If you are in any doubt, you should contact the Legal team for guidance before disclosing any information.

For further information, please see the IHG Disclosure Procedures Manual, and the Code of Practice for Dealing in IHG PLC Securities.

Q

The half-yearly results have not been published yet. Is it OK if I share the profit figures for our region with my team members?

A

No. Any IHG-related information which is not publicly available and could be used as part of an investment decision to buy or sell IHG securities should be treated with caution, as it may be considered to be inside information. In addition, results information is highly confidential and must not be included in internal updates or given to colleagues generally. Wait until it has been publicly announced before you share this information with your team.
Competition laws (also known as antitrust laws) promote fair competition between companies and help protect consumers. We should compete vigorously on price and service but we must not discuss, agree or coordinate prices with our competitors or share any information with competitors that may influence market conduct or pricing decisions.

IHG colleagues who attend hotel or trade association meetings are required to follow the IHG Trade Association Guidelines.

IHG colleagues who provide revenue management services to hotels are required to follow the IHG Revenue Management Guidelines.

For further information, please see the IHG Antitrust/Competition Law Policy and Guidelines.

My hotel is in a country that does not have competition laws. Do I still have to comply with the IHG Antitrust/Competition Law Policy?

Competition laws from some countries can apply anywhere in the world. Wherever you are located you must comply with the IHG Antitrust/Competition Law Policy. If requirements conflict with local law you must contact the Legal team.

I met the General Manager of a competitor hotel at a local event. He mentioned they were thinking of raising their prices next year and that we should all avoid price wars. What should I do?

You must be very clear with the individual that you cannot agree or even discuss pricing. Even casual conversations like this can breach competition laws.
Harassment includes sexual harassment and derogatory remarks, slurs, threats or jokes relating to race, colour, ethnic or national origin, gender, sexual orientation, gender identity or expression, age, religion, marital status, or disability. Any manager or colleague who engages in such objectionable conduct will be subject to disciplinary action, up to and including termination of employment.

All managers are responsible for creating an atmosphere free of discrimination and harassment and all colleagues are responsible for respecting the rights of their co-workers and ensuring that we treat each other with courtesy and professionalism.

**Q**

I am being harassed or bullied, what should I do?

**A**

If you believe you are being subjected to harassment, or you become aware of such conduct towards others, you should immediately talk to your line manager, to Human Resources or to a senior manager.
We value our colleagues as unique individuals, with the different ideas, perspectives and energy they bring. To support this, we have created an inclusive culture where people are encouraged to be themselves.

IHG is committed to providing equality of opportunity without discrimination. We recruit and promote individuals based solely on their suitability for the job and do not discriminate on the grounds of race, colour, ethnic or national origin, gender, sexual orientation, gender identity or expression, age, religion, marital status, disability, or any other characteristic protected by national, state or local legal requirements.

For further information, please see the IHG Global Diversity and Inclusion Policy.
All our operations must comply with all applicable health, safety and security laws as well as IHG’s internal standards. This is a fundamental part of doing business responsibly.

We all have a responsibility to work in a safe manner and a role in helping to maintain a safe, secure and healthy environment. Our commitment to safety and security is supported by our standards, guidance, tools, training and resources. We must all learn and follow the safety procedures that apply to our role and work location.

In addition, we all need to be alert to safety risks as we go about our jobs. You should report all safety and security incidents and if you have a safety or security related concern you should immediately talk to your line manager, to Human Resources or other members of your leadership team.

**Q**

We recently had a fire in our hotel that prevented some guest rooms being used for a few days. No one was hurt but my manager says that we are not to tell anyone about this. Is this right?

**A**

The incident should be reported to a senior manager who has a duty to report to IHG’s Risk Management team and the appropriate insurance company. If it is not reported, we will not learn why the fire occurred and how to prevent a similar fire. It could invalidate any insurance claim and also affect the trusted reputation of IHG if it was reported in the press and we did nothing about it.

IHG firmly believes in the importance of providing a safe, secure and healthy environment for all its colleagues, guests and visitors.
Environment

The environment is an investment in all our futures – our business decisions should always take environmental impact into account.

We are committed to complying with environmental regulations, preserving and protecting the environment and reducing our environmental impact. We endeavour to reduce our use of energy and water. We re-use and recycle the resources consumed by our business, wherever practical, and encourage the development and integration of sustainable technologies. One way we do this is through IHG Green Engage™, our online sustainability programme which tells both existing and new hotels what they can do to be a ‘green’ hotel. We are also committed to constructive participation with all stakeholders in the ongoing process of sustainable growth.

For further information, please see the IHG Environment Policy.

Q: Our local authority requires that we separate trash and recyclables at the hotel. Can’t I simply send everything to the landfill?

A: No, if recycling is available, your hotel should use the service. Our hotels are committed to reducing our environmental impact and protecting the communities in which we operate.

Q: Our team always leaves the lights on in our back of house office. It’s only a few light bulbs. Is this OK?

A: You should always turn out lights when not in use. The second highest cost for most hotels is energy and we strive to reduce our impact on the environment. We must all actively work to reduce energy consumption at our hotels.
Community activities and charitable donations

Each one of our hotels and offices around the world plays an important role in its local community.

The activities we support in our communities must be aligned with our Winning Ways, and the values set out in the Code. Charitable giving should only be done in accordance with the IHG Supporting our Communities Policy.

Donations should never be made where it could be viewed as improperly influencing IHG business. All requests for charitable donations from IHG should be made through the online donation request form, which is available on our website. Donations must not be expensed using a corporate credit card.

Two important ways we support our local communities are through the IHG Academy and the IHG Foundation.

IHG Academy is dedicated to providing hospitality skills to local communities. Together with education providers and community groups, IHG Academy offers work placements and training, helping local people improve their employability.

The IHG Foundation is an independent charitable organisation that was launched in February 2016 to help build stronger, healthier more prosperous communities around the world. By working with selected charities and supporting projects with lasting impact, the IHG Foundation helps to deliver True Hospitality to the people in those communities, helping to make a difference every day. For more information on the work of the IHG Foundation and how to support it, please visit ihgfoundation.org.

For further information, please see the IHG Supporting our Communities Policy, the IHG Group Travel and Expense Policy, and the online donation request form.
Political activities

IHG does not make party political donations or involve itself in party political matters.

We are all free to take part personally in political activities in our own time. However, we must not create the impression that we represent IHG in these matters. In dealing with regulatory and policy issues that affect IHG, we do not make party political donations but deal with the government of the day on matters which concern the business.
Human rights and modern slavery

Helping combat human rights abuses, including in areas such as modern slavery, is an important part of our commitment to responsible business.

We must always respect human rights and consider whether our operations could have any adverse impacts on human rights, including those of our colleagues, guests, the parties we do business with and the communities where we operate.

We will not tolerate human rights abuses including forced labour, any form of modern slavery or the exploitation of children either within our own operations or our supply chains. We must also ensure that our hotels are not used as locations for human rights violations such as human trafficking or sexual exploitation.

We will take seriously any allegations that human rights are not being respected. If you ever have any concerns about the state or safety of guests or colleagues, you should notify your line manager or supervisor as soon as possible.

For further information, please see the IHG Human Rights Policy and Guidance.

I heard a rumour that an agency that provides our temporary staff makes people work very long hours and does not pay them for all the hours they work. We have never had any problems with the agency. Do I need to do anything?

Even though the rumours may be incorrect, this must be investigated. If we confirm the rumours and the agency does not satisfactorily address the issues, we will need to terminate our contract with them and may need to report them to the relevant authorities.
Reporting concerns

We all have a responsibility to report concerns.

Speak up!

While we must all uphold our responsibility to behave ethically and protect the reputation of IHG, it is possible that a small number of colleagues may act in a way which conflicts with the principles set out in the Code.

We hope that you will feel able to report any ethical concerns directly to your line manager, Human Resources, or to another member of management at your hotel or office. However, IHG also offers a confidential reporting channel to report such incidents, should you prefer.

Use the following approach for raising questions or concerns over interpretation or violation of the Code. We do not permit retaliation against employees making good faith reports of suspected breaches of the Code, even if it may result in a loss of business to IHG.

1. Report your concern locally/within your business unit
   • Contact your line manager or supervisor
   • Contact another manager or your local Human Resources representative

2. Report your concern confidentially online or by telephone
   • Online reports can be filed at www.ihgethics.com
   • Telephone reports can be made using the toll free number for your country. This number can be found on the IHG ethical concerns poster displayed in your hotel or office or online at www.ihgethics.com

If neither of these steps deliver a satisfactory outcome, contact the Head of Internal Audit or the General Counsel and Company Secretary, both based at IHG’s UK Head Office (contact details can be found on Merlin in the Business Reputation and Responsibility pages).