



INTERCONTINENTAL HOTELS GROUP PLC
(incorporated with limited liability in England and Wales)

unconditionally and irrevocably guaranteed by

SIX CONTINENTS LIMITED
(incorporated with limited liability in England and Wales)
and

INTERCONTINENTAL HOTELS LIMITED
(incorporated with limited liability in England and Wales)

£3,000,000,000 Euro Medium Term Note Programme

InterContinental Hotels Group PLC (the “**Issuer**”) has established a Euro Medium Term Note Programme (the “**Programme**”) described in this base prospectus (the “**Base Prospectus**”). Pursuant to the Programme, the Issuer may from time to time issue notes (“**Notes**”) unconditionally and irrevocably guaranteed by Six Continents Limited and InterContinental Hotels Limited (each a “**Guarantor**” and together, the “**Guarantors**”) up to the maximum aggregate principal amount of £3,000,000,000.

Notes will be issued in series (each a “**Series**”) in bearer form. Each Series may comprise one or more tranches (each a “**Tranche**”) issued on different issue dates. Each Tranche of Notes will be issued on the terms set out herein under “Terms and Conditions of the Notes” (the “**Conditions**”) as amended and/or supplemented by a document setting out the final terms of such Tranche (the “**Final Terms**”) or in a separate prospectus specific to such Tranche (the “**Drawdown Prospectus**”) as described under “*Final Terms and Drawdown Prospectuses*” below. In the case of a Tranche of Notes which is the subject of a Drawdown Prospectus, each reference in this Base Prospectus to information being specified or identified in the relevant Final Terms shall be read and construed as a reference to such information being specified or identified in the relevant Drawdown Prospectus unless the context requires otherwise. This Base Prospectus must be read and construed together with all documents incorporated by reference herein, any amendments or supplements hereto and, in relation to any Tranche of Notes which is the subject of Final Terms, must be read and construed together with the relevant Final Terms.

The Notes are constituted by, have the benefit of and are in all respects subject to an amended and restated trust deed dated 14 September 2020 (as amended, restated and/or supplemented from time to time, the “**Trust Deed**”) between the Issuer, the Guarantors and HSBC Corporate Trustee Company (UK) Limited (the “**Trustee**”, which expression shall include all persons appointed for the time being as trustee or trustees under the Trust Deed) as trustee for the holders of the Notes (the “**Noteholders**”). The Notes also have the benefit of an agency agreement dated 14 September 2020 (as amended, restated and/or supplemented from time to time, the “**Agency Agreement**”) between the Issuer, the Guarantors, the Trustee and HSBC Bank plc as principal paying agent (the “**Principal Paying Agent**”).

This Base Prospectus has been approved by the United Kingdom Financial Conduct Authority (the “**FCA**”), which is the United Kingdom competent authority under Regulation (EU) 2017/1129 (the “**Prospectus Regulation**”). The FCA only approves this Base Prospectus as meeting the standards of completeness, comprehensibility and consistency imposed by the Prospectus Regulation and such approval should not be considered as an endorsement of (a) the Issuer or the Guarantors; or (b) the quality of any Notes that are the subject of this Base Prospectus. Investors should make their own assessment as to the suitability of investing in any such Notes. This Base Prospectus comprises a base prospectus for the purposes of Article 8 of the Prospectus Regulation for the purpose of giving information with regard to the issue of Notes issued under the Programme described in this Base Prospectus during the period of twelve months after the date hereof. Applications have been made for the Notes to be admitted to listing on the Official List of the FCA and to trading on the Regulated Market of the London Stock Exchange plc (the “**London Stock Exchange**”) during the period of twelve months after the date hereof. The Regulated Market of the London Stock Exchange is a regulated market for the purposes of Directive 2014/65/EU (as amended, “**MiFID II**”).

This Base Prospectus (as supplemented as at the relevant time, if applicable) is valid for 12 months from its date in relation to Notes which are to be admitted to trading on a regulated market in the European Economic area (the “**EEA**”). For these purposes, reference to the EEA includes the United Kingdom (the “**UK**”). The obligation to supplement this Base Prospectus in the event of a significant new factor, material mistake or material inaccuracy does not apply when this Base Prospectus is no longer valid.

Notes which are to be admitted to trading on a market which is a regulated market for the purposes of MiFID II (each a “**Regulated Market**”) or offered to the public in any Member State of the EEA may only be issued under the Programme in minimum denominations of at least €100,000 (or its equivalent in another currency), save that Notes with a minimum denomination of less than €100,000 (or its equivalent in another currency) will (i) only be admitted to trading on an EEA regulated market (as defined in MiFID II), or a specific segment of an EEA regulated market, to which only qualified investors (as defined in the Prospectus Regulation) can have access (in which case they shall not be offered or sold to non-qualified investors) or (ii) only be offered to the public in an EEA Member State pursuant to an exemption under Article 1(4) and Article 3(2) of the Prospectus Regulation (and for these purposes, references to the EEA include the UK).

The Issuer has been rated BBB- by S&P Global Ratings Europe Limited, UK Branch (“**S&P**”). The Programme has been rated BBB- by S&P. S&P is established in the United Kingdom and is registered under Regulation (EC) No. 1060/2009 (as amended) on credit rating agencies (the “**CRA Regulation**”). Certain Tranches of Notes to be issued under this Programme may be rated or unrated. Where a Tranche of Notes is rated, such rating will not necessarily be the same as the ratings specified above and will be specified in the relevant Final Terms. A rating is not a recommendation to buy, sell, or hold securities and may be subject to suspension, reduction or withdrawal at any time by the assigning rating agency.

The Notes have not been and will not be registered under the U.S. Securities Act of 1933, as amended (the “**Securities Act**”) or with any securities regulatory authority of any state or other jurisdiction of the United States and may not be offered, sold or delivered within the United States or to, or for the account or benefit of, U.S. persons (as defined in Regulation S under the Securities Act (“**Regulation S**”)) except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the Securities Act and the securities laws of the applicable state or other jurisdiction of the United States.

Investing in Notes issued under the Programme involves certain risks. The principal risk factors that may affect the ability of the Issuer to fulfil its obligations under the Notes are discussed under “Risk Factors” below.

Arranger
HSBC
Dealers

BARCLAYS
COMMERZBANK
MUFJ

WELLS FARGO SECURITIES

BOFA SECURITIES
HSBC
TRUIST SECURITIES

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IMPORTANT NOTICES

This Base Prospectus together with all documents which are deemed to be incorporated herein by reference (see “*Documents Incorporated by Reference*”) constitutes a base prospectus for the purposes of Article 8 of the Prospectus Regulation. When used in this Base Prospectus, “**Prospectus Regulation**” means Regulation (EU) 2017/1129.

The Issuer and the Guarantors accept responsibility for the information contained in this Base Prospectus and any Final Terms and declare that the information contained in this Base Prospectus is, to the best of their knowledge, in accordance with the facts and the Base Prospectus makes no omission likely to affect its import.

This Base Prospectus is to be read in conjunction with all documents which are incorporated herein by reference (see “*Documents Incorporated by Reference*”). This Base Prospectus shall be read and construed on the basis that such documents are incorporated in and form part of this Base Prospectus.

Other than in relation to the documents which are deemed to be incorporated by reference (See “*Documents Incorporated by Reference*”), the information on the websites to which this Base Prospectus refers does not form part of this Base Prospectus and has not been scrutinised or approved by the FCA.

Information contained in this Base Prospectus under the heading “*Description of the Issuer*” has been supplied by the Issuer. Neither Six Continents Limited nor InterContinental Hotels Limited accept any responsibility for the accuracy of such information, nor have they independently verified the accuracy of any such information.

Information contained in this Base Prospectus under the heading “*Description of Six Continents Limited*” has been supplied by Six Continents Limited. Neither the Issuer nor InterContinental Hotels Limited has verified the accuracy of any such information.

Information contained in this Base Prospectus under the heading “*Description of InterContinental Hotels Limited*” has been supplied by InterContinental Hotels Limited. Neither the Issuer nor Six Continents Limited has verified the accuracy of any such information.

No person has been authorised to give any information or to make any representation not contained in or not consistent with this Base Prospectus or any other document entered into in relation to the Programme or any information supplied by the Issuer and the Guarantors and, if given or made, such information or representation must not be relied upon as having been authorised by the Issuer, the Guarantors, the Trustee or any Dealer.

Neither the Dealers nor any of their respective affiliates nor the Trustee have authorised the whole or any part of this Base Prospectus and none of them makes any representation or warranty or accepts any responsibility as to the accuracy or completeness of the information contained in this Base Prospectus. No Dealer nor the Trustee accepts any liability in relation to the information contained or incorporated by reference in this Base Prospectus or any other information provided by the Issuer or the Guarantors in connection with the Programme. Neither the delivery of this Base Prospectus or any Final Terms nor the offering, sale or delivery of any Note shall, in any circumstances, create any implication that the information contained in this Base Prospectus is true subsequent to the date hereof or the date upon which this Base Prospectus has been most recently amended or supplemented or that there has been no adverse change, or any event reasonably likely to involve any adverse change, in the prospects or financial or trading position of the Issuer or the Guarantors since the date thereof or, the date upon which this Base Prospectus has been most recently amended or supplemented or that any other information supplied in connection with the Programme is correct at any time subsequent to the date on which it is supplied or, if different, the date indicated in the document containing the same.

The distribution of this Base Prospectus and any Final Terms and the offering, sale and delivery of the Notes in certain jurisdictions may be restricted by law. Persons into whose possession this Base Prospectus or any Final Terms comes are required by the Issuer, the Guarantors and the Dealers to inform themselves about and to observe any such restrictions. For a description of certain restrictions on offers, sales and deliveries of Notes and on the distribution of this Base Prospectus or any Final Terms and other offering material relating to the Notes, see “*Subscription and Sale*”. In particular, Notes have not been and will not be registered under the Securities Act and are subject to U.S. tax law

requirements. Subject to certain exceptions, Notes may not be offered, sold or delivered within the United States or to U.S. persons.

Neither this Base Prospectus nor any Final Terms constitutes an offer or an invitation to subscribe for or purchase any Notes and should not be considered as a recommendation by the Issuer, the Guarantors, the Dealers or any of them that any recipient of this Base Prospectus or any Final Terms should subscribe for or purchase any Notes. Each recipient of this Base Prospectus or any Final Terms shall be taken to have made its own investigation and appraisal of the condition (financial or otherwise) of the Issuer or the Guarantors.

The maximum aggregate principal amount of Notes outstanding at any one time under the Programme will not exceed £3,000,000,000 (and for this purpose, any Notes denominated in another currency shall be translated into pounds sterling at the date of the agreement to issue such Notes (calculated in accordance with the provisions of the Dealer Agreement)). The maximum aggregate principal amount of Notes which may be outstanding at any one time under the Programme may be increased from time to time, subject to compliance with the relevant provisions of the Dealer Agreement as defined under “*Subscription and Sale*”.

Tranches of Notes to be issued under this Programme may be rated or unrated. Where a Tranche of Notes is rated, such rating will not necessarily be the same as the ratings specified on the front cover of this Base Prospectus and will be specified in the relevant Final Terms. In general, European Union (“EU”) and UK regulated investors are restricted from using a rating for regulatory purposes if such rating is not issued by a credit rating agency established in the EU or in the UK and registered under the CRA Regulation unless the rating is provided by a credit rating agency operating in the EU or in the UK before 7 June 2010 which has submitted an application for registration in accordance with the CRA Regulation and such registration has not been refused. If the status of the rating agency rating the Notes changes, EU (including the UK) regulated investors may no longer be able to use the rating for regulatory purposes and the Notes may have a different regulatory treatment. This may result in EU (including the UK) regulated investors selling the Notes which may impact the value of the Notes and any secondary market. A rating is not a recommendation to buy, sell or hold Notes and may be subject to suspension, change or withdrawal at any time by the assigning rating agency.

IMPORTANT – EEA AND UK RETAIL INVESTORS

If the Final Terms in respect of any Notes includes a legend entitled “*Prohibition of Sales to EEA and UK Retail Investors*”, the Notes are not intended to be offered, sold or otherwise made available to and should not be offered, sold or otherwise made available to any retail investor in the EEA or in the UK. For these purposes, a retail investor means a person who is one (or more) of: (i) a retail client as defined in point (11) of Article 4(1) of MiFID II; (ii) a customer within the meaning of Directive (EU) 2016/97 (as amended), where that customer would not qualify as a professional client as defined in point (10) of Article 4(1) of MiFID II; or (iii) not a qualified investor as defined in the Prospectus Regulation. Consequently no key information document required by Regulation (EU) No 1286/2014 (as amended, the “**PRIIPs Regulation**”) for offering or selling the Notes or otherwise making them available to retail investors in the EEA or in the UK has been prepared and therefore offering or selling the Notes or otherwise making them available to any retail investor in the EEA or in the UK may be unlawful under the PRIIPs Regulation.

MIFID II PRODUCT GOVERNANCE AND TARGET MARKET

The Final Terms in respect of any Notes may include a legend entitled “MiFID II product governance” which will outline the target market assessment in respect of the Notes and which channels for distribution of the Notes are appropriate. Any person subsequently offering, selling or recommending the Notes (a “**distributor**”) should take into consideration the target market assessment; however, a distributor subject to MiFID II is responsible for undertaking its own target market assessment in respect of the Notes (by either adopting or refining the target market assessment) and determining appropriate distribution channels.

A determination will be made in relation to each issue about whether, for the purpose of the Product Governance rules under EU Delegated Directive 2017/593 (the “**MiFID Product Governance Rules**”), any Dealer subscribing for any Notes is a manufacturer in respect of such Notes, but otherwise neither the Arranger nor the Dealers nor any of their respective affiliates will be a manufacturer for the purpose of the MiFID Product Governance Rules.

SUITABILITY OF INVESTMENT

The Notes may not be a suitable investment for all investors

Each potential investor in the Notes must make its own assessment as to the suitability of that investment in light of its own circumstances. In particular, each potential investor may wish to consider, either on its own or with the help of its financial or other professional advisers, whether it:

- (a) has sufficient knowledge and experience to make a meaningful evaluation of the Notes, the merits and risks of investing in the Notes and the information contained or incorporated by reference in this Base Prospectus or any applicable supplement;
- (b) has access to, and knowledge of, appropriate analytical tools to evaluate, in the context of its particular financial situation, an investment in the Notes and the impact such investment will have on its overall investment portfolio;
- (c) has sufficient financial resources and liquidity to bear all of the risks of an investment in the Notes, including Notes with principal or interest payable in one or more currencies, or where the currency for principal or interest payments is different from the potential investor's currency;
- (d) understands thoroughly the terms of the Notes and be familiar with the behaviour of any relevant indices and financial markets;
- (e) is able to evaluate (either alone or with the help of a financial adviser) possible scenarios for economic, interest rate and other factors that may affect its investment and its ability to bear the applicable risks; and
- (f) is subject to legal investment laws and regulations, or review or regulation by certain authorities.

Each potential investor should consult its legal advisers to determine whether and to what extent (1) Notes are legal investments for it, (2) Notes can be used as collateral for various types of borrowing and (3) other restrictions apply to its purchase or pledge of any Notes. Financial institutions should consult their legal advisers or the appropriate regulators to determine the appropriate treatment of Notes under any applicable risk-based capital or similar rules.

In this Base Prospectus, unless otherwise specified, references to a “**Member State**” are references to a Member State of the European Economic Area and the United Kingdom, references to a “**Relevant Member State**” are references to a Member State to which the Prospectus Regulation applies, references to “**U.S.\$**”, “**U.S. dollars**” or “**dollars**” are to United States dollars, references to “**Euro**” or “**euro**” are to the single currency introduced at the start of the third stage of European Economic and Monetary Union pursuant to the Treaty on the functioning of the EU, as amended and references to “**£**” or “**sterling**” are to the lawful currency for the time being of the United Kingdom.

Certain figures included in this Base Prospectus have been subject to rounding adjustments; accordingly, figures shown for the same category presented in different tables may vary slightly and figures shown as totals in certain tables may not be an arithmetic aggregation of the figures which precede them.

STABILISATION

In connection with the issue of any Tranche of Notes, any Dealer or Dealers acting as the Stabilisation Manager(s) (or persons acting on behalf of any Stabilisation Manager(s)) may over allot Notes or effect transactions with a view to supporting the market price of the Notes at a level higher than that which might otherwise prevail. However, stabilisation may not necessarily occur. Any stabilisation action may begin on or after the date on which adequate public disclosure of the terms of the offer of the relevant Tranche of Notes is made and, if begun, may cease at any time, but it must end no later than the earlier of 30 days after the issue date of the relevant Tranche of Notes and 60 days after the date of the allotment of the relevant Tranche of Notes. Any stabilisation action or over-allotment must be conducted by the relevant Stabilisation Manager(s) (or persons acting on behalf of any Stabilisation Manager(s)) in accordance with all applicable laws and rules.

BENCHMARK REGULATION

Interest and/or other amounts payable under Floating Rate Notes may be calculated by reference to certain reference rates. Any such reference rate may constitute a benchmark for the purposes of Regulation (EU) 2016/1011 (as amended, the “**Benchmark Regulation**”). If any such reference rate does constitute such a benchmark, the applicable Final Terms will indicate whether or not the benchmark is provided by an administrator included in the register of administrators and benchmarks established and maintained by the European Securities and Markets Authority (“**ESMA**”) pursuant to Article 36 of the Benchmark Regulation. Not every reference rate will fall within the scope of the Benchmark Regulation. Transitional provisions in Article 51 of the Benchmark Regulation may have the result that the administrator of a particular benchmark is not required to appear in the register of administrators and benchmarks at the date of the relevant Final Terms (or, if located outside the EU or the UK, recognition, endorsement or equivalence). The registration status of any administrator under the Benchmark Regulation is a matter of public record and, save where required by applicable law, the Issuer does not intend to update the relevant Final Terms to reflect any change in the registration status of the administrator.

NOTIFICATION UNDER SECTION 309B(1) OF THE SECURITIES AND FUTURES ACT (CHAPTER 289) OF SINGAPORE (THE “SFA”)

Unless otherwise stated in the Final Terms in respect of any Notes, all Notes issued or to be issued under the Programme shall be prescribed capital markets products (as defined in the Securities and Futures (Capital Markets Products) Regulations 2018) and Excluded Investment Products (as defined in the Monetary Authority of Singapore (the “**MAS**”) Notice SFA 04-N12: Notice on the Sale of Investment Products and MAS Notice FAA-N16: Notice on Recommendations on Investment Products).

DESCRIPTION OF THE PROGRAMME

This description of the Programme must be read as an introduction to this Base Prospectus, and any decision to invest in the Notes should be based on a consideration of the Base Prospectus as a whole, including all documents incorporated by reference.

This Overview constitutes a general description of the Programme for the purposes of Article 25(1) of Commission Delegated Regulation (EU) No 2019/980.

Words and expressions defined in the “*Terms and Conditions of the Notes*” below or elsewhere in this Base Prospectus have the same meanings in this description.

Issuer:	InterContinental Hotels Group PLC
Guarantors:	Six Continents Limited InterContinental Hotels Limited
Risk Factors:	Investing in Notes issued under the Programme involves certain risks. The principal risk factors that may affect the abilities of the Issuer to fulfil its obligations under the Notes and the Guarantors to fulfil their obligations under the Guarantees are discussed under “ <i>Risk Factors</i> ” below and include, without limitation, risks relating to the Notes and risks relating to the Issuer, the Guarantors and the Group generally.
Arranger:	HSBC Bank plc
Dealers:	Barclays Bank PLC, Commerzbank Aktiengesellschaft, HSBC Bank plc, Merrill Lynch International, MUFG Securities EMEA plc, Truist Securities Inc., and Wells Fargo Securities International Limited and any other Dealer appointed from time to time by the Issuer either generally in respect of the Programme or in relation to a particular Tranche of Notes.
Trustee:	HSBC Corporate Trustee Company (UK) Limited
Principal Paying Agent:	HSBC Bank plc
Final Terms or Drawdown Prospectus:	Notes issued under the Programme may be issued either (1) pursuant to this Base Prospectus and associated Final Terms; or (2) pursuant to a Drawdown Prospectus. The terms and conditions applicable to any particular Tranche of Notes will be the Terms and Conditions of the Notes as completed by the relevant Final Terms or, as the case may be, supplemented, amended and/or replaced by the relevant Drawdown Prospectus.
Listing and Trading:	Application has been made for Notes to be admitted during the period of twelve months after the date hereof to listing on the Official List of the FCA and to trading on the Regulated Market of the London Stock Exchange.
Clearing Systems:	Euroclear and/or Clearstream, each as defined under “ <i>Forms of the Notes</i> ” below, and/or, in relation to any Tranche of Notes, any other clearing system as may be specified in the relevant Final Terms.
Initial Programme Amount:	Up to £3,000,000,000 (or its equivalent in other currencies) aggregate principal amount of Notes outstanding at any one time. The Issuer and the Guarantors may increase the amount of the Programme at any time, subject to compliance with the relevant provisions of the Dealer Agreement as defined under “ <i>Subscription and Sale</i> ”.

Issuance in Series:	Notes will be issued in Series. Each Series may comprise one or more Tranches issued on different issue dates. The Notes of each Series will all be subject to identical terms, except that the issue date, issue price and the amount of the first payment of interest may be different in respect of different Tranches.
Forms of Notes:	Notes may only be issued in bearer form. Each Tranche of Notes will initially be in the form of either a Temporary Global Note or a Permanent Global Note, in each case as specified in the relevant Final Terms. Each Global Note which is not intended to be issued in new global note form (a “ Classic Global Note ” or “ CGN ”), as specified in the relevant Final Terms, will be deposited on or around the relevant issue date with a depository or a common depository for Euroclear and/or Clearstream and/or any other relevant clearing system and each Global Note which is intended to be issued in new global note form (a “ New Global Note ” or “ NGN ”), as specified in the relevant Final Terms, will be deposited on or around the relevant issue date with a common safekeeper for Euroclear and/or Clearstream. Each Temporary Global Note will be exchangeable for a Permanent Global Note or, if so specified in the relevant Final Terms, for Definitive Notes. If the TEFRA D Rules are specified in the relevant Final Terms as applicable, certification as to non-U.S. beneficial ownership will be a condition precedent to any exchange of an interest in a Temporary Global Note or receipt of any payment of interest in respect of a Temporary Global Note. Each Permanent Global Note will be exchangeable for Definitive Notes in accordance with its terms. Definitive Notes will, if interest-bearing, have Coupons attached and, if appropriate, a Talon for further Coupons.
Currencies:	Notes may be denominated in any currency or currencies, subject to compliance with all applicable legal and/or regulatory and/or central bank requirements.
Status of the Notes:	Notes will be issued on an unsubordinated basis and will constitute direct, general, unsubordinated and unconditional obligations of the Issuer, as described in “ <i>Terms and Conditions of the Notes – Status of the Notes and Guarantees.</i> ”
Status of the Guarantees:	The guarantees given by the Guarantors in the Trust Deed will constitute unsecured and unsubordinated obligations of the Guarantors, as described in “ <i>Terms and Conditions of the Notes – Status of the Notes and Guarantees.</i> ”
Issue Price:	Notes may be issued at their nominal amount or at a discount or premium to their nominal amount. The price and amount of Notes to be issued under the Programme will be determined by the Issuer and the relevant Dealer(s) at the time of issue in accordance with prevailing market conditions.
Maturities:	Such maturity as may be agreed between the Issuer and the relevant Dealer(s), subject to such minimum or maximum maturities as may be allowed or required from time to time by the Bank of England (or equivalent body) or any laws or regulations applicable to the Issuer or the relevant currency. Any Notes having a maturity of less than one year must (a) have a minimum redemption value of £100,000 (or its equivalent in other currencies) and be issued only to persons whose ordinary activities involve them in acquiring, holding, managing or disposing of investments (as principal or agent) for the purposes

of their businesses; or who it is reasonable to expect will acquire, hold, manage or dispose of investments (as principal or agent) for the purposes of their businesses or (b) be issued in other circumstances which do not constitute a contravention of section 19 of the Financial Services and Markets Act 2000, as amended (the “FSMA”) by the Issuer.

- Redemption:** Notes may be redeemable at par or at such other redemption amount (detailed in a formula, index or otherwise) as may be specified in the relevant Final Terms.
- Optional Redemption:** Notes may be redeemed before their stated maturity at the option of the Issuer (either in whole or in part) and/or at the option of the Noteholders to the extent (if at all) specified in the relevant Final Terms.
- Change of Control Redemption:** Notes may be redeemed before their stated maturity at the option of the Noteholders to the extent (if at all) specified in the relevant Final Terms following the occurrence of a Change of Control Put Event (as defined in the Conditions).
- Tax Redemption:** Except as described in “*Optional Redemption*” above, early redemption will only be permitted for tax reasons as described in Condition 9(b) (*Redemption and Purchase – Redemption for tax reasons*).
- Interest:** Notes may be interest-bearing or non-interest bearing. Interest (if any) may accrue at a fixed rate or a floating rate and the method of calculating interest may vary between the issue date and the maturity date of the relevant Series.
- Denominations:** Notes will be issued in such denominations as may be specified in the relevant Final Terms, subject to compliance with all applicable legal and/or regulatory and/or central bank requirements, **PROVIDED THAT** Notes which are to be admitted to trading on a Regulated Market or offered to the public in any Member State will only be issued in minimum denominations of at least €100,000 (or its equivalent in another currency), or, where Notes are to be admitted to trading on a Regulated Market, or a specific segment or a Regulated Market, to which only qualified investors (as defined in the Prospectus Regulation) have access, €1,000 (or its equivalent in another currency). Notes may be issued under the Programme in minimum Specified Denominations and integral multiples in excess thereof of another smaller amount.
- Negative Pledge:** The Notes will have the benefit of a negative pledge as further described in Condition 5 (*Negative Pledge*).
- Cross Default:** The Notes will have the benefit of a cross default provision as further described in Condition 12(c) (*Events of Default – Cross Default*).
- Taxation:** All payments in respect of Notes will be made free and clear of withholding taxes of the United Kingdom, unless the withholding is required by law. In that event, the Issuer and/or the Guarantors, as the case may be, will (subject as provided in Condition 11 (*Taxation*)) pay such additional amounts as will result in the Noteholders receiving such amounts as they would have received in respect of such Notes had no such withholding been required.
- Governing Law:** The Notes, the Agency Agreement and the Trust Deed, and any non-contractual obligations arising out of or in connection with

the Notes, the Agency Agreement and the Trust Deed, are governed by, and construed in accordance with, English law.

Ratings:

Notes issued under the Programme may be rated or unrated. Where a Series of Notes is rated, such rating will be disclosed in the applicable Final Terms and will not necessarily be the same as the ratings assigned to the Programme.

A rating is not a recommendation to buy, hold or sell securities and may be subject to suspension, or withdrawal at any time.

Selling Restrictions:

For a description of certain restrictions on offers, sales and deliveries of Notes and on the distribution of offering material in the United States of America, the EEA (including Belgium and, for these purposes, the UK), Japan and Singapore, see “*Subscription and Sale*” below.

CAUTIONARY NOTE REGARDING FORWARD-LOOKING STATEMENTS

This Base Prospectus contains certain forward-looking statements about the Issuer and the Guarantors. Forward looking statements include statements concerning the Issuer's and the Guarantors' plans, objectives, goals, strategies, future operations and performance and the assumptions underlying these forward looking statements. The Issuer and the Guarantors believe such forward-looking statements, identified by words such as 'anticipates', 'believes', 'expects', 'predict', 'continue', 'assume', 'should', 'intends', 'may', 'will', or 'should' or in each case their negative, or other variations or comparable terminology are based on reasonable assumptions. However, forward-looking statements involve inherent risks and uncertainties such as those summarised below, and may be influenced by factors beyond the Issuer's and the Guarantors' control and/or may have actual outcomes materially different from the Issuer's and the Guarantors' expectations. These forward looking statements are contained in sections entitled "Risk Factors", "Description of the Issuer", "Description of Six Continents Limited" and "Description of InterContinental Hotels Limited" and other sections of this Base Prospectus. The Issuer and Guarantors have based these forward looking statements on the current view of their management with respect to future events and financial performance. There can be no assurance that the results and events contemplated by the forward-looking statements contained in this Base Prospectus will, in fact, occur. These forward-looking statements speak only as at the date of this Base Prospectus. The Issuer and the Guarantors will not undertake any obligation to release publicly any revisions to these forward-looking statements to reflect events, circumstances or unanticipated events occurring after the date of this Base Prospectus except as required by law or by any appropriate regulatory authority.

RISK FACTORS

The Issuer and the Guarantors believe that the factors described below represent the principal risks inherent in investing in Notes issued under the Programme, but the inability of the Issuer or the Guarantors to pay interest, principal or other amounts on or in connection with any Notes may occur for other reasons which may not be considered significant risks by the Issuer or the Guarantors based on information currently available to them or which they may not currently be able to anticipate and neither the Issuer nor the Guarantors represent that the statements below regarding the risks of holding any Notes are exhaustive.

In purchasing Notes, investors assume the risk that the Issuer and the Guarantors may become insolvent or otherwise be unable to make all payments due in respect of the Notes or under the Guarantees. There is a wide range of factors which individually or together could result in the Issuer and the Guarantors becoming unable to make all payments due.

The Issuer and Guarantors have identified in this Base Prospectus a number of factors which could materially adversely affect their businesses and ability to make payments due. In addition, factors which are material for the purpose of assessing the market risks associated with Notes issued under the Programme are also described below.

Prospective investors should also read the detailed information set out elsewhere in, or incorporated by reference in, this Base Prospectus and the applicable Final Terms and reach their own views prior to making any investment decision.

Words and expressions defined in the “*Terms and Conditions of the Notes*” below or elsewhere in this Base Prospectus have the same meanings in this section.

RISKS RELATING TO THE ISSUER AND ITS BUSINESS

This section describes the risks that could materially affect the business of the Issuer, the Guarantors and their subsidiaries (together, the “**Group**”). The risks below are not the only ones that the Group faces. All of these risks could materially affect the Group’s business operations, financial condition, turnover, profits, brand and reputation.

IMPACT OF COVID-19

The long-term impact of COVID-19 on the Group’s operations is highly uncertain and cannot be predicted. The extent of any adverse impact on the Group’s operations will depend on the global duration, extent and severity of the pandemic.

In the short-term, the spread of COVID-19 has caused an unprecedented level of social distancing measures and travel restrictions being imposed by governments around the world. As a result of these restrictions, the Group has experienced a significant decline in occupancy levels in its hotels since March 2020. In addition, the crisis constrained the Group’s resources, including financial and management time, creating the potential for additional disruption and increasing stress on operations as a result of closures of hotels and key locations and remote working arrangements.

The Group remains exposed to several risks including ensuring the safety and security of the Group’s colleagues and guests, further waves of the pandemic leading to further domestic, national and international travel restrictions, reduced demand for hotel rooms as a result of the global economic downturn, slow industry recovery and low consumer confidence, increased operating costs as a result of implementing safety measures and restrictions on guest numbers, for example, and foreign exchange fluctuations.

The pandemic has also increased the levels of uncertainty in relation to many of the Group’s existing principal risks, including risks around consumer demand, guest safety and access to finance. Secondary impacts of the pandemic include a backdrop of scrutiny of social performance and compliance with guidelines. Failure to properly manage such risks could have a material adverse effect on the Group’s business, results of operations, financial condition and prospects.

STRATEGIC

The Group is exposed to the risks of political and economic developments

The Group is exposed to political, economic and financial market developments such as recession, inflation and availability of credit and currency fluctuations that could lower revenues and reduce

income. The outlook for 2020 may worsen due to continued uncertainty in relation to Brexit; the Eurozone; the continuing impact from COVID-19 on travel patterns globally; potential disruptions in the U.S. economy; the impact of fluctuating commodity prices (including oil) on economies dependent on such exports; continued unrest in parts of the Middle East, Africa and Asia; and barriers to global trade, including unforeseeable changes in regulations, imposition of tariffs or embargoes, and other trade restrictions or controls. The interconnected nature of economies suggests any of these, or other events, could trigger a recession that reduces leisure and business travel to and from affected countries and adversely affects room rates and/or occupancy levels and other income-generating activities. Specifically, the Group is most exposed to the U.S. market and, increasingly, to Greater China. The owners or potential owners of hotels franchised or managed by the Group face similar risks that could adversely impact their solvency and the Group's ability to secure and retain franchise or management agreements.

Accordingly, the Group is particularly susceptible to adverse changes in these economies as well as changes in their currencies. In addition to trading conditions, the economic outlook also affects the availability of capital to current and potential owners, which could impact existing operations and the health of the pipeline.

The Group is exposed to the risk of events or stakeholder expectations that adversely impact domestic or international travel, including climate change

The room rates and occupancy levels of the hotels in the Group's portfolio could be adversely impacted by events that reduce domestic or international travel, such as actual or threatened acts of terrorism or war, political or civil unrest, epidemics or threats thereof, travel-related accidents or industrial action, natural or man-made disasters, or other local factors impacting specific countries, cities or individual hotels, as well as increased transportation and fuel costs. Additionally, the Group may be adversely impacted by increasing stakeholder and social expectations and attitudes in relation to factors contributing to climate change including over-travel and over-tourism, and those linked directly to hotels including waste, water, energy, or impact on local communities. A decrease in the demand for business and/or leisure hotel rooms as a result of such events or attitudinal/demand shifts may have an adverse impact on the Group's operations or growth prospects and financial results. In addition, inadequate planning, preparation, response or recovery in relation to a major incident or crisis may cause loss of life, prevent operational continuity, or result in financial loss, and consequently impact the value of the Group's brands and/or the reputation of the Group.

The Group is exposed to the risks of the hotel industry supply-and-demand cycle

The future operating results of the Group could be adversely affected by industry overcapacity (by number of rooms) and weak demand due, in part, to the cyclical nature of the hotel industry, or other differences between planning assumptions and actual operating conditions. These conditions could result in reductions in room rates and occupancy levels, which would adversely impact the financial performance of the Group.

The Group operates in a competitive and changing industry

The Group operates in a competitive industry and must compete effectively against traditional competitors such as other global hotel chains, local hotel companies and independent hotels to win the loyalty of guests, employees and owners. The competitive landscape also includes other types of businesses, both global and specific to certain markets, such as web-based booking channels (which include online travel agents and intermediaries), and alternative sources of accommodation such as short-term lets of private property. Failure to compete effectively in traditional and emerging areas of the business could impact the Group's market share, the System (as defined herein on page 76), profitability and relationships with owners and guests. The hospitality industry has experienced recent consolidation and it is likely that this trend will continue as companies seek to maintain or increase competitive advantage. Further consolidation by competitors may result in such competitors having access to increased resources, capabilities or capacity and provide advantages from scale of revenues, marketing funds and/or cost structures. Failure to compete effectively could result in a decrease in the Group's market share which could have a material negative impact on the Group's results of operations.

The Group is exposed to risks related to executing and realising benefits from strategic transactions, including acquisitions and restructuring

The Group may seek to make strategic transactions, including acquisitions, divestments or investments in the future. The Group may not be able to identify opportunities or complete transactions on commercially reasonable terms, or at all, and may not realise the anticipated benefits from such transactions.

Strategic transactions come with inherent valuation, financial and commercial risks, and regulatory and insider information risks during the execution of the transactions. The Group may also continue to make organisational adjustments to support delivery of its growth ambitions, including the integration of acquisitions into the Group's operating processes and systems. This creates inherent risks of complexity and that any changes made could be unsustainable or that the Group is unable to achieve the return envisaged through reinvestment. In addition, the Group may face unforeseen costs and liabilities, diversion of management attention, as well as longer-term integration and operational risks, which could result in a failure to realise benefits, financial losses, lower employee morale and loss of talent.

The Group is exposed to increasing competition from online travel agents and intermediaries

A proportion of the Group's bookings originate from large multinational, regional and local online travel agents and intermediaries with which the Group has contractual arrangements and to which it pays commissions. These platforms offer a wide range of products, often across multiple brands, have growing booking and review capabilities, and may create the perception that they offer the lowest prices. Some of these online travel agents and intermediaries have strong marketing budgets and aim to create brand awareness and brand loyalty among consumers and may seek to commoditise hotel brands through price and attribute comparison. Further, if these companies continue to gain market share, they may impact the Group's profitability, undermine the Group's own booking channels and value to its hotel owners, and may be able to increase commission rates and negotiate other favourable contract terms.

The Group is exposed to a variety of risks related to identifying, securing and retaining franchise and management agreements

The Group's growth strategy depends on its success in identifying, securing and retaining franchise and management agreements. This is an inherent risk for the hotel industry and the franchising business and management model. Competition with other hotel companies may generally reduce the number of suitable franchise, management and investment opportunities offered to the Group and increase the bargaining position of property owners seeking to become a franchisee or engage a manager. The terms of new franchise or management agreements may not be as favourable as current arrangements; the Group may not be able to renew existing arrangements on similarly favourable terms, or at all.

There can also be no assurance that the Group will be able to identify, retain or add franchisees to the Group's System, to secure management contracts or open hotels in the Group's development pipeline. For example, the availability of suitable sites, market saturation, planning and other local regulations or the availability and affordability of finance may all restrict the supply of suitable hotel development opportunities under franchise or management agreements and mean that not every hotel in the Group's development pipeline may develop into a new hotel that enters the Group's system. In connection with entering into franchise or management agreements, the Group may be required to make investments in, or guarantee the obligations of, third parties or guarantee minimum income to third parties. There are also risks that significant franchisees or groups of franchisees may have interests that conflict, or are not aligned, with those of the Group including, for example, the unwillingness of franchisees to support brand or system improvement initiatives. This could result in franchisees prematurely terminating contracts, which could lead to disputes, litigation, damages and other expenses and would adversely impact the Group's overall System size and the Group's financial performance.

The Group is reliant on the reputation of its existing brands and exposed to inherent reputation risks

Any event that materially damages the reputation of one or more of the Group's brands and/or fails to sustain the appeal of the Group's brands to its customers and owners may have an adverse impact on the value of that brand and subsequent revenues from that brand or business.

In particular, if the Group is unable to create consistent, valued and quality products and guest experiences across the owned, leased and managed lease, managed and franchised estates, or if the Group, its franchisees or business partners fail to act responsibly, this could result in an adverse impact on its brand reputation.

In addition, the value of the Group's brands could be influenced by a number of external factors outside the Group's control, such as, but not limited to, changes in sentiments against global brands or the travel and hotel industries, changes in applicable regulations related to the hotel industry or to franchising, successful commoditisation of hotel brands by online travel agents and intermediaries, or changes in owners' perceptions of the value of the Group.

The Group is exposed to inherent uncertainties associated with brand development and expansion

The Group has recently launched or acquired a number of new brands, such as EVEN Hotels, HUALUXE, avid Hotels, voco, Kimpton Hotels & Restaurants, Regent Hotels, Six Senses Hotels resorts and spas, and entered into co-branded credit card relationships to support the IHG Rewards Club programme and an exclusive loyalty partnership with Mr & Mrs Smith. As the roll out, integration and growth of these brands (including associated loyalty programmes) is dependent on market conditions, guest preference and owner investment, and also continued cooperation with third parties, there are inherent risks that the Group will be unable to recover costs incurred in developing or acquiring the brands or any new programmes or products, or those brands, programmes, or products will not succeed as the Group intends. The Group's ongoing agenda to accelerate growth and strategic initiatives creates risks relating to the transition of systems, operating models and processes, and may result in failures to improve commercial performance, leading to financial loss and undermining stakeholder confidence.

OPERATIONAL

The Group is dependent upon a wide range of external stakeholders and business partners

The Group relies on the performance, behaviours and reputation of a wide range of business partners and external stakeholders, including, but not limited to, owners, contractors, lenders, suppliers, outsourced providers, vendors, joint-venture partners, online travel agents, third-party intermediaries and other business partners which may have different ethical values, interests and priorities. Further, the number and complexity of interdependencies with stakeholders is evolving. Breakdowns in relationships, contractual disputes, deterioration of the financial health of the Group's partners, poor vendor performance, insolvency, stakeholder behaviours or adverse reputations, which may be outside of the Group's control, could adversely impact on the Group's performance and competitiveness, delivery of projects, guest experiences or the reputation of the Group or its brands.

The Group is exposed to a variety of risks associated with safety, security and crisis management

There is a constant need to protect the safety and security of the Group's guests, employees and assets against natural and man-made threats. These include, but are not limited to, exceptional events such as extreme weather, civil or political unrest, violence and terrorism, serious and organised crime, fraud, employee dishonesty, cybercrime, pandemics or contagious diseases, fire and day-to-day accidents, incidents and petty crime which impact the guest or employee experience, could cause loss of life, sickness or injury and result in compensation claims, fines from regulatory bodies, litigation and impact reputation. Serious incidents or a combination of events could escalate into a crisis which, if managed poorly, could further expose the Group and its brands to significant reputational damage.

The Group requires the right people, skills and capability to manage growth and change

In order to remain competitive, the Group must employ the right people. This includes hiring and retaining highly skilled employees with particular expertise or leadership capability. The implementation of the Group's strategic business plans could be undermined by failure to build and sustain a resilient corporate culture, failure to recruit or retain key personnel, the unexpected loss of key senior employees, failures in the Group's succession planning and incentive plans, or a failure to invest in the development of key skills.

Across the markets in which the Group operates, the Group must compete against other companies inside and outside the hospitality industry for suitably qualified or experienced employees, up to and including Executive Directors. Furthermore, some emerging markets may not have the required local expertise to operate a hotel and may not be able to attract the right talent. Failure to attract and retain

employees and increasing labour costs may threaten the ability of the Group to operate hotels and the Group's corporate support functions, achieve business growth targets or may impact the profitability of the Group's operations. Additionally, unless skills are supported by a sufficient infrastructure to enable knowledge and skills to be passed on, the Group risks losing accumulated knowledge if key employees leave the Group.

Collective bargaining activity could disrupt operations, increase labour costs or interfere with the ability of the Group's management to focus on executing its business strategy

A significant number of colleagues at the Group's managed, owned, leased and managed lease hotels (approximately 22 per cent. of the Group's colleagues in the U.S., Canada, Mexico, Grand Cayman and Dutch Antilles as at 31 December 2019) are covered by collective bargaining agreements and similar agreements. If relationships with those colleagues or the unions that represent them become adverse, the properties the Group owns, leases or manages could experience labour disruptions such as strikes, lockouts, boycotts and public demonstrations. Collective bargaining agreements representing half of the Group's organised colleagues in the U.S. expired during 2018. These agreements were successfully renegotiated during 2019. Hotel sector union member participation continues to increase in key markets within the Americas region, which may require the Group to enter into new labour agreements as more employees become unionised in the future. Labour disputes, which are generally more likely when collective bargaining agreements are being renegotiated, could harm the Group's relationship with its colleagues, result in increased regulatory inquiries and enforcement by governmental authorities and deter guests. Further, adverse publicity related to a labour dispute could harm the Group's reputation and reduce customer demand for its services.

Labour regulation and the negotiation of new or existing collective bargaining agreements could lead to higher wage and benefit costs, changes in work rules that raise operating expenses, legal costs and limitations on the Group's ability or the ability of its third-party property owners to take cost saving measures during economic downturns. The Group does not have the ability to control the negotiations of collective bargaining agreements covering unionised labour employed by its third-party property owners and franchisees. Increased unionisation of the Group's workforce, new labour legislation or changes in regulations could disrupt its operations, reduce profitability or interfere with the ability of the Group's management to focus on executing its business strategies.

The Group may face difficulties insuring its business

Historically, the Group has maintained insurance at levels determined to be appropriate in light of the cost of cover and the risk profile of the business. However, forces beyond the Group's control, including those related to the market, may limit the scope of coverage the Group can obtain and its ability to obtain coverage at reasonable rates. Other forces beyond the Group's control, such as terrorist attacks, pandemics or natural disasters, may be uninsurable or simply too expensive to insure. Inadequate or insufficient insurance carried by the Group, its owners or other partners for damage, other potential losses or liabilities to third parties involving properties that the Group owns, manages or franchises could expose the Group to large claims or could result in the loss of capital invested in properties.

TECHNOLOGY

The Group is exposed to inherent risks in relation to changing technology and systems

As the use of internet, artificial intelligence, mobile and data technology grows, and new and disruptive technology solutions are developed, customer needs evolve at pace. The Group may find that its evolving technology capability is not sufficient and may have to make substantial additional investments in new technologies or systems to remain competitive. Failure to keep pace with developments in technologies or systems, and also with regulatory, risk and ethical considerations of how these developments are used, may put the Group at a competitive disadvantage. In addition, the technologies or systems that the Group chooses to deploy may not be commercially successful or the technology or system strategy may not be sufficiently aligned with the needs of the business. Any such failure could adversely affect guest experiences, and the Group may lose customers, fail to attract new customers, incur substantial costs or face other losses. This could further impact the Group's reputation in regards to innovation.

The Group is reliant upon the resilience of its reservation system and other key technology platforms and is exposed to risks that could disrupt their operation and/or integrity

The value of the Group is partly derived from the ability to drive reservations through its reservation system and technology platforms which are highly integrated with other processes and systems and linked to multiple sales channels, including the Group's own websites, in-house and third-party managed call centres, hotels, third-party intermediaries and travel agents. The scope and complexity of the Group's technology infrastructure, including increasing reliance on third-party suppliers to support and protect its systems and information, as well as the rapidly evolving cyber threats, means that the Group is inherently vulnerable to physical damage, failures, disruptions, denial of service, phishing or other malware attacks, cyber terrorism and fraud, as well as human error, negligence and wilful misuse. The Group's franchisees and suppliers are also inherently vulnerable to the same risks.

Lack of resilience and operational availability of these systems provided by the Group or third-party technology providers and inability or difficulty in updating existing or implementing new functionality could lead to prolonged service disruption. This might result in significant business interruption, impact the guest booking experience, lead to loss of or theft of data, and subsequently adversely impact Group revenues, incur financial costs to remediate or investigate, lead to regulatory and/or contractual enforcement actions or lawsuits, or damage the Group's reputation and relationships with hotel owners.

LEGAL AND REGULATORY

The Group is exposed to risks associated with its intellectual property

Given the importance of brand recognition to the Group's business, the protection of its intellectual property poses a risk due to the variability and changes in controls, laws and effectiveness of enforcement globally, particularly in jurisdictions which may not have developed levels of protection for corporate assets such as intellectual property, trade secret, know-how and customer information, and records. Any widespread infringement, misappropriation or weakening of the control environment could materially harm the value of the Group's brands and its ability to develop the business and compete currently or in the future. Third party claims that the Group infringes their intellectual property could lead to disputes, litigation, damages and other expenses. (See also "*The Group is exposed to the risks related to cybersecurity and data privacy*").

The Group is exposed to the risk of litigation

Certain companies in the Group are the subject of various claims and proceedings. The ultimate outcome of these matters is subject to many uncertainties, including future events and uncertainties inherent in litigation. In addition, the Group could be at risk of litigation claims made by many parties, including but not limited to: guests, customers, joint-venture partners, suppliers, employees, regulatory authorities, franchisees and/or the owners of the hotels it manages. Claims filed may include requests for punitive damages as well as compensatory damages. Unfavourable outcomes of claims or proceedings could have a material adverse impact on the Group's results of operations, cash flow and/or financial position. Exposure to significant litigation or fines may also affect the reputation of the Group and its brands.

The Group is exposed to risks related to cybersecurity and data privacy

The Group is increasingly dependent upon the collection, usage, retention, availability, integrity and confidentiality of information, including, but not limited to, guest, employee and owner credit card, financial and personal data; business performance, financial reporting and commercial development. The information is sometimes held in different formats such as digital, paper, voice recordings and video and could be stored in many places, including facilities managed by third-party service providers, in the Group's managed hotels, and by the Group's franchisees, who are subject to the same or similar risks.

The threats towards the hospitality industry and the Group's information are dynamic, and include cyber-attacks, fraudulent use, loss or misuse by employees and breaches of vendors' security arrangements amongst others.

The Group has experienced cybersecurity incidents including; (a) at a number of Kimpton hotels that resulted in unauthorised access to guest payment card data; and (b) security incidents at a number of hotels including the installation of malware on servers that processed payment cards used at restaurants and bars of 12 of the Group's managed properties, that the Group became aware of in 2016. These

incidents resulted in the Group reimbursing the impacted card networks for counterfeit fraud losses and related expenses and the Group may become subject to investigations regarding compliance with applicable State and Federal data security standards, and legal action from individuals and organisations impacted by these security incidents. As at the date of this Base Prospectus, four lawsuits have been filed against Group entities relating to these security incidents, one of these has subsequently been withdrawn and two have been settled.

The legal and regulatory environment around data privacy and requirements set out by the payment-card industry surrounding information security across the many jurisdictions in which the Group operates are constantly evolving (such as EU General Data Protection Regulation, China cybersecurity law and Californian privacy law). If the Group fails to protect information and ensure relevant controls are in place to enable the acceptable use and release of information through the appropriate channels in a timely and accurate manner, Group System performance, guest experience and the reputation of the Group may be adversely affected. This can lead to revenue losses, fines, penalties, litigation and other additional costs.

The Group is also required to comply with marketing and advertising laws relating to its direct marketing practices, including email marketing, online advertising, and postal mailings. Further restrictions to the content or interpretations of these laws could adversely impact current and planned activities and the effectiveness or viability of the Group's marketing strategies to maintain, extend and acquire relationships with customers, and impact the amount and timing of sales of certain products.

The Group is required to comply with existing and changing regulations across numerous countries, territories and jurisdictions

Government regulations affect many aspects of the Group's business ranging from corporate governance, health and safety, the environment, bribery and corruption, employment law and diversity, disability access, data privacy and information protection, financial, accounting and tax. Regulatory changes may require significant changes to the way the business operates and may inhibit the Group's strategy including the markets the Group operates in, brand protection, and use or transmission of customer data. If the Group fails to comply with existing or changing regulations, it may be subject to fines, prosecution, loss of licence to operate or reputational damage.

The Group is exposed to risks related to ethics and responsible business practice

The reputation of the Group and the value of its brands are influenced by a wide variety of factors, including the perception of stakeholder groups such as guests, owners, suppliers and communities in which the Group operates. The social and environmental impacts of its business are under increasing scrutiny, and the Group is exposed to the risk of damage to its reputation if it fails to (or fails to influence its business partners to) undertake responsible practices and engage in ethical behaviour or fails to comply with relevant regulatory requirements.

Environmental laws and regulations may cause the Group to incur substantial costs or subject the Group to potential liabilities

The Group is exposed to certain compliance costs and potential liabilities under various national, federal, state and local environmental, health and safety laws and regulations. These laws and regulations govern actions including air emissions, the use, storage and disposal of hazardous and toxic substances, and wastewater disposal. The Group's failure to comply with such laws, including any required permits or licenses, could result in substantial fines or possible revocation of the Group's authority to conduct some of its operations. The Group could also be liable under such laws for the costs of investigation, removal or remediation of hazardous or toxic substances at its currently or formerly owned, leased or operated real property (including managed and franchised properties) or at third-party locations in connection with the Group's waste disposal operations, regardless of whether or not the Group knew of, or caused, the presence or release of such substances. The Group may also be required to remediate such substances or remove, abate or manage asbestos, mould, radon gas, lead or other hazardous conditions at its properties. The presence or release of such toxic or hazardous substances could result in third-party claims for personal injury, property or natural resource damages, business interruption or other losses. Such claims and the need to investigate, remediate or otherwise address hazardous, toxic or unsafe conditions could adversely affect the Group's operations, the value of any affected real property, or the Group's ability to sell, lease or assign its rights in any such property, or could otherwise harm the Group's business or reputation.

Environmental, health and safety requirements have also become increasingly stringent, and the Group's costs may increase as a result. New or revised laws and regulations or new interpretations of existing laws and regulations, such as those related to climate change, could affect the operation of properties or result in significant additional expense and restrictions on the Group's business operations.

The Group's financial performance may be affected by changes in taxes

Many factors will affect the Group's future tax rate, the key ones being future legislative developments, future profitability of underlying subsidiaries and tax uncertainties. There are many potential future changes to worldwide taxation systems as a result of the potential adoption by individual territories of recommendations of the Organisation for Economic Co-operation and Development's ("OECD") Base Erosion and Profit Shifting project, and other similar initiatives being driven by the OECD, governments and tax authorities. The Group continues to monitor activity in this area. Tax liabilities or refunds may also differ from those anticipated, in particular as a result of changes in tax law, changes in the interpretation of tax law, or clarification of uncertainties in the application of tax law.

FINANCIAL

The Group is exposed to an impairment of the carrying value of its brands, goodwill or other tangible and intangible assets negatively affecting its consolidated operating results

The Group holds significant amounts of goodwill, intangible assets, right-of use assets, property and equipment, and investments. The Group reviews the value of its goodwill and indefinite-lived intangible assets for impairment annually (or whenever events or circumstances indicate impairment may have occurred). Changes to estimated fair values could result from shifts in the business climate, the competitive environment, the perceived reputation of the Group's brands (by guests or owners), or changes in interest rates, operating cash flows, market capitalisation, or developments in the legal or regulatory environment. Because of the significance of its goodwill and other intangible assets, the Group has incurred and may incur future impairment charges for goodwill, other intangible assets and right-of-use assets, which may require material non-cash charges to the Group's results of operations, which could have an adverse effect on the Group's financial results.

The Group is exposed to fluctuations in exchange rates, currency devaluations or restructurings and to interest rate risk in relation to its borrowings

The U.S. dollar is the predominant currency of the Group's revenue and cash flows. Movements in foreign exchange rates can affect the Group's reported profit, net liabilities and interest cover. The most significant exposures of the Group are in currencies that are freely convertible. The Group's reported debt has an exposure to borrowings held in pounds sterling. Conducting business in currencies other than U.S. dollars exposes the Group to fluctuations in exchange rates, currency devaluations, or restructurings. This could potentially lower the Group's reported revenues, increase costs, reduce profits or disrupt operations. The Group's exposure to these factors is linked to the pace of its growth in territories outside the U.S. and, if the proportion of its revenues grows, this may increase the potential sensitivity to currency movements having an adverse impact on the Group's results.

From time to time, the Group hedges a portion of forecast foreign currency income by taking out forward exchange contracts and also uses short-dated foreign exchange swaps to manage sterling surplus cash and reduce U.S. dollar borrowings whilst maintaining operational flexibility. These arrangements may not eliminate foreign exchange risk exposures entirely, and involve inherent risks of their own, including management time, expertise and external costs.

The Group is also exposed to interest rate risk in relation to its fixed and floating rate borrowings and may use interest rate swaps to manage the exposure.

The Group's operations are dependent on maintaining sufficient liquidity to meet all foreseeable medium-term requirements and provide headroom against unforeseen obligations

Cash and cash equivalents is held in short-term deposits and cash funds which allow daily withdrawals of cash. Most of the Group's funds are held in the UK or U.S., although as at 31 December 2019 U.S.\$16 million was held in countries where repatriation is restricted as a result of foreign exchange regulations. Medium and long-term borrowing requirements are met through committed bank facilities and bonds. Short-term borrowing requirements may be met from drawings under uncommitted overdrafts and facilities. If the Group fails to maintain sufficient liquidity or the headroom maintained

is insufficient to meet unforeseen obligations, the Group's financial position and its ability to meet financial obligations, including its obligations under the Notes, may be adversely affected.

The Group could be affected by credit risk on treasury transactions

The Group uses long-term credit ratings from Standard and Poor's, Moody's and Fitch Ratings as a basis for setting its counterparty limits. In order to manage the Group's credit risk exposure, the treasury function sets counterparty exposure limits using metrics including credit ratings, the relative placing of credit default swap pricings, tier 1 capital and share price volatility of the relevant counterparty. The Group trades only with recognised, creditworthy third parties. It is the Group's policy that all customers who wish to trade on credit terms are subject to credit verification procedures. In respect of credit risk arising from financial assets, the Group's exposure to credit risk arises from default of the counterparty, with a maximum exposure equal to the carrying amount of these instruments. The carrying amount of financial assets represents the maximum exposure to credit risk. If a counterparty is in financial difficulty, there is a risk that the Group will be unable to complete the transaction and may suffer a loss as a result.

The Group is exposed to a variety of risks associated with its financial stability and ability to borrow and satisfy debt covenants

While the strategy of the Group is to grow through activities that do not involve significant amounts of its own capital, the Group does require capital to fund some development opportunities, strategic acquisitions and to maintain and improve owned hotels. The Group is reliant upon having financial strength and access to borrowing facilities to meet these expected capital requirements. The majority of the Group's borrowing facilities are only available if the financial covenants in the facilities are complied with. Non-compliance with covenants could result in the Group's lenders demanding repayment of the funds advanced. If the Group's financial performance does not meet market expectations, it may not be able to refinance existing facilities on terms considered favourable.

The Issuer and the Guarantors are reliant upon dividend and other payments being received from their respective subsidiaries

The Issuer is the holding company of the Group and the Guarantors are intermediate holding companies of the Group. Accordingly, substantially all of the assets of the Issuer and the Guarantors are comprised of their respective shareholdings in other companies in the Group. The ability of the Issuer to satisfy any payment obligations under the Notes, and the ability of the Guarantors to perform their obligations under the Guarantees, will be dependent on dividend and/or other payments received by the Issuer or, as applicable, the Guarantors, from other members of the Group.

RISKS RELATING TO THE STRUCTURE OF A PARTICULAR ISSUE OF NOTES

Notes subject to optional redemption by the Issuer

An optional redemption feature is likely to limit the market value of Notes. During any period where the Issuer may elect to redeem Notes, the market value of those Notes generally will not rise substantially above the price at which they can be redeemed. This may also be true prior to any redemption period.

The Issuer may be expected to redeem Notes when its cost of borrowing is lower than the interest rate on the Notes. At such times, an investor generally would not be able to reinvest the redemption proceeds at an effective interest rate as high as the interest rate on the Notes being redeemed and may only be able to do so at a significantly lower rate. Potential investors should consider reinvestment risk in light of other investments available at that time.

Zero Coupon Notes

Zero coupon notes do not pay current interest but are issued at a discount from their nominal value. Instead of periodic interest payments, the difference between the redemption price and the issue price constitutes interest income until maturity and reflects the market interest rate. A holder of zero coupon notes is exposed to the risk that the price of such notes falls as a result of changes in the market interest rate. Prices of zero coupon notes are more volatile than prices of fixed rate notes and are likely to respond to a greater degree to market interest rate changes than interest bearing notes with a similar maturity.

Fixed/floating rate Notes

Fixed/floating rate Notes may bear interest at a rate that converts from a fixed rate to a floating rate or from a floating rate to a fixed rate. Where the Issuer has the right to effect such a conversion, this will affect the secondary market and the market value of the Notes since the Issuer may be expected to convert the rate when it is likely to produce a lower overall cost of borrowing. If the Issuer converts from a fixed rate to a floating rate in such circumstances, the spread on the fixed/floating rate Notes may be less favourable than then prevailing spreads on comparable floating rate Notes tied to the same reference rate. In addition, the new floating rate at any time may be lower than the rates on other Notes. If the Issuer converts from a floating rate to a fixed rate in such circumstances, the fixed rate may be lower than then prevailing market rates and could affect the market value of an investment in the relevant Notes.

Notes issued at a substantial discount or premium

The market values of securities issued at a substantial discount or premium from their principal amount tend to fluctuate more in relation to general changes in interest rates than do prices for conventional interest-bearing securities. Generally, the longer the remaining terms of a security, the greater the price volatility as compared to a conventional interest-bearing security with comparable maturity. Such volatility could have a material adverse effect on the value of and return on any such Notes.

The Notes may be redeemed prior to maturity

In the event that the Issuer (or, in certain cases, a Guarantor) would be obliged to increase the amounts payable in respect of any Notes due to any withholding or deduction for or on account of, any present or future taxes, duties, assessments or governmental charges of whatever nature imposed, levied, collected, withheld or assessed by or on behalf of the United Kingdom (or other jurisdiction as per Condition 11(b) (*Taxing jurisdiction*)) or any political subdivision thereof or any authority therein or thereof having power to tax, the Issuer may redeem all outstanding Notes in accordance with the Conditions.

In addition, if in the case of any particular Tranche of Notes the relevant Final Terms specify that the Notes are redeemable at the Issuer's option in certain other circumstances the Issuer may choose to redeem the Notes at times when prevailing interest rates may be relatively low. In such circumstances, an investor may not be able to reinvest the redemption proceeds in a comparable security at an effective interest rate as high as that of the relevant Notes.

The regulation and reform of "benchmarks" may adversely affect the value of Notes linked to or referencing such "benchmarks"

Interest rates and indices which are deemed to be "benchmarks" (including the London interbank offered rate ("**LIBOR**") and the euro interbank offered rate ("**EURIBOR**"), are the subject of recent national and international regulatory guidance and proposals for reform. Some of these reforms are already effective whilst others are still to be implemented. These reforms may cause such "benchmarks" to perform differently than in the past, to disappear entirely, or have other consequences which cannot be predicted. Any such consequence could have a material adverse effect on any Notes linked to or referencing such a benchmark.

The Benchmark Regulation applies, subject to certain transitional provisions, to the provision of benchmarks, the contribution of input data to a benchmark and the use of a benchmark within the EU (which, for these purposes, includes the UK). It will, among other things, (i) require benchmark administrators to be authorised or registered (or, if non-EU-based, to be subject to an equivalent regime or otherwise recognised or endorsed); and (ii) prevent certain uses by EU supervised entities of benchmarks of administrators that are not authorised or registered (or, if non-EU based, not deemed equivalent or recognised or endorsed).

The Benchmark Regulation could have a material impact on any Notes linked to or referencing a benchmark, in particular, if the methodology or other terms of the benchmark are changed in order to comply with the requirements of the Benchmark Regulation. Such changes could, among other things, have the effect of reducing, increasing or otherwise affecting the volatility of the published rate or level of the relevant benchmark.

The FCA has publicly announced that it will no longer persuade or compel banks to submit rates for the calculation of the LIBOR "benchmark" after 2021, and accordingly the continuation of LIBOR on

the current basis will not be guaranteed after 2021. As a result, there is significant regulatory scrutiny of continued use of LIBOR and other inter-bank offered rates (“**IBORs**”) and increasing pressure and momentum for banks and other financial institutions to transition relevant products to replacement rates.

More broadly, any of the national or international reforms, or the general increased regulatory scrutiny of benchmarks, could increase the costs and risks of administering or otherwise participating in the setting of a benchmark and complying with any such regulations or requirements.

Separately, the euro risk free-rate working group for the euro area has published a set of guiding principles and high level recommendations for fallback provisions in, amongst other things, new euro denominated cash products (including bonds) referencing EURIBOR. The guiding principles indicate, among other things, that continuing to reference EURIBOR in relevant contracts (without robust fallback provisions) may increase the risk to the euro area financial system. It is not possible to predict with certainty whether, and to what extent, LIBOR and/or EURIBOR will continue to be supported going forwards. This may cause LIBOR and/or EURIBOR to perform differently than they have done in the past and may have other consequences which cannot be predicted. The potential transition from LIBOR to the Sterling Overnight Index Average or the elimination of LIBOR, EURIBOR or any other benchmark, or changes in the manner of administration of any benchmark, could require an adjustment to the Terms and Conditions of the Notes, or result in other consequences, in respect of any Notes referencing such benchmark. Such factors may have (without limitation) the following effects on certain benchmarks: (i) discouraging market participants from continuing to administer or contribute to a benchmark; (ii) triggering changes in the rules or methodologies used in the benchmark and/or (iii) leading to the disappearance of the benchmark. Any of the above changes or any other consequential changes as a result of international or national reforms or other initiatives or investigations, could have a material adverse effect on the value of and return on any Notes linked to, referencing, or otherwise dependent (in whole or in part) upon, a benchmark.

Investors should consult their own independent advisers and make their own assessment about the potential risks imposed by the Benchmark Regulation or any of the international or national reforms in making any investment decision with respect to any Notes linked to or referencing a benchmark.

In respect of any Notes issued with a specific use of proceeds, such as a Green Bond, there can be no assurance that such use of proceeds will be suitable for the investment criteria of an investor

The Final Terms relating to any specific Tranche of Notes may provide that it will be the Issuer’s intention to apply the proceeds from an offer of those Notes specifically for projects and activities that promote climate-friendly and/or other environmental purposes (either in those words or otherwise) (“**Green Projects**”). Prospective investors should have regard to the information in the relevant Final Terms regarding such use of proceeds and must determine for themselves the relevance of such information for the purpose of any investment in such Notes together with any other investigation such investor deems necessary. In particular no assurance is given by the Issuer that the use of such proceeds for any Green Projects will satisfy, whether in whole or in part, any present or future investor expectations or requirements as regards any investment criteria or guidelines with which such investor or its investments are required to comply, whether by any present or future applicable law or regulations or by its own by-laws or other governing rules or investment portfolio mandates, in particular with regard to any direct or indirect environmental or sustainability impact of any projects or uses, the subject of or related to, any green, social or sustainability framework prepared by the Issuer. For the avoidance of doubt, as at the date of this Base Prospectus, the Issuer has not implemented and approved any definitive green, social or sustainability framework.

Furthermore, it should be noted that there is currently no clearly defined definition (legal, regulatory or otherwise) of, nor market consensus as to what constitutes, a “green” or “sustainable” or an equivalently-labelled project or as to what precise attributes are required for a particular project to be defined as “green” or “sustainable” or such other equivalent label nor can any assurance be given that such a clear definition or consensus will develop over time. Accordingly, no assurance is or can be given to investors that any projects or uses the subject of, or related to, any Green Projects will meet any or all investor expectations regarding such “green”, “Green” or other equivalently labelled performance objectives or that any adverse environmental, social and/or other impacts will not occur during the implementation of any projects or uses the subject of, or related to, any Green Projects. Each

prospective investor should have regard to the factors described in any green, social or sustainability framework prepared by the Issuer following the date of this Base Prospectus.

No assurance or representation is given as to the suitability or reliability for any purpose whatsoever of any opinion or certification of any third party (whether or not solicited by the Issuer) which may be made available in connection with the issue of any Notes and in particular with any Green Projects to fulfil any environmental, sustainability, social and/or other criteria. For the avoidance of doubt, any such opinion or certification is not, nor shall be deemed to be, incorporated in and/or form part of this Base Prospectus. Any such opinion or certification is not, nor should be deemed to be, a recommendation by the Issuer or any other person to buy, sell or hold any such Notes. Any such opinion or certification is only current as of the date that such opinion or certification was initially issued. Prospective investors must determine for themselves the relevance of any such opinion or certification and/or the information contained therein and/or the provider of such opinion or certification for the purpose of any investment in such Notes. Currently, the providers of such opinions and certifications are not subject to any specific regulatory or other regime or oversight.

In the event that any such Notes are listed or admitted to trading on any dedicated “green”, “environmental”, “sustainable” or other equivalently-labelled segment of any stock exchange or securities market (whether or not regulated), no representation or assurance is given by the Issuer or any other person that such listing or admission satisfies, whether in whole or in part, any present or future investor expectations or requirements as regards any investment criteria or guidelines with which such investor or its investments are required to comply, whether by any present or future applicable law or regulations or by its own by-laws or other governing rules or investment portfolio mandates, in particular with regard to any direct or indirect environmental, sustainability or social impact of any projects or uses, the subject of or related to, any Green Projects. Furthermore, it should be noted that the criteria for any such listings or admission to trading may vary from one stock exchange or securities market to another. Nor is any representation or assurance given or made by the Issuer or any other person that any such listing or admission to trading will be obtained in respect of any such Notes or, if obtained, that any such listing or admission to trading will be maintained during the life of the Notes.

While it is the intention of the Issuer to apply the proceeds of any Notes so specified for Green Projects in, or substantially in, the manner described in the relevant Final Terms, there can be no assurance that the relevant intended project(s) or use(s) the subject of, or related to, any Green Projects will be capable of being implemented in or substantially in such manner and/or in accordance with any timing schedule and that accordingly such proceeds will be totally disbursed for the specified Green Projects. Nor can there be any assurance that such Green Projects will be completed within any specified period or at all or with the results or outcome (whether or not related to the environment) as originally expected or anticipated by the Issuer. Any such event or failure by the Issuer will not constitute an Event of Default under the Notes.

Any such event or failure to apply the proceeds of any issue of Notes for any Green Projects as aforesaid and/or withdrawal of any such opinion or certification or any such opinion or certification attesting that the Issuer is not complying in whole or in part with any matters for which such opinion or certification is opining or certifying on and/or any such Notes no longer being listed or admitted to trading on any stock exchange or securities market as aforesaid may have a material adverse effect on the value of such Notes and also potentially the value of any other Notes which are intended to finance Green Projects and/or result in adverse consequences for certain investors with portfolio mandates to invest in securities to be used for a particular purpose.

Investors should carefully consider these matters when making their investment decision with respect to any such Notes.

RISKS RELATED TO THE NOTES GENERALLY

Because the Global Notes are held by or on behalf of Euroclear and Clearstream, investors will have to rely on their procedures for transfers, payments and communications with the Issuer

Notes issued under the Programme may be represented by one or more Global Notes. Such Global Notes will be deposited with a common depositary or, as the case may be, common safekeeper for Euroclear and Clearstream. Except in the circumstances described in the relevant Global Note, investors will not be entitled to receive Definitive Notes. Euroclear and Clearstream will maintain records of the beneficial interests in the Global Notes. While the Notes are represented by one or more

Global Notes, investors will be able to trade their beneficial interests only through Euroclear and Clearstream.

While the Notes are represented by one or more Global Notes the Issuer will discharge its payment obligations under the Notes by making payments to Euroclear and Clearstream for distribution to their account holders. A holder of a beneficial interest in a Global Note must rely on the procedures of Euroclear and Clearstream to receive payments under the relevant Notes. The Issuer has no responsibility or liability for the records relating to, or payments made in respect of, beneficial interests in the Global Notes.

Holders of beneficial interests in the Global Notes will not have a direct right to vote in respect of the relevant Notes. Instead, such holders will be permitted to act only to the extent that they are enabled by Euroclear and Clearstream to appoint appropriate proxies.

Modification, waivers and substitution

The Conditions contain provisions for calling physical or virtual meetings of Noteholders to consider and vote on matters affecting their interests generally, or to pass resolutions in writing or through the use of electronic consents. These provisions permit defined majorities to bind all Noteholders including Noteholders who did not attend and vote at the relevant meeting or, as the case may be, did not sign the written resolution or give their consent electronically, and including those Noteholders who voted in a manner contrary to the majority.

The Conditions also provide that the Trustee may, without the consent of Noteholders, agree to (i) any modification of, or to the waiver or authorisation of any breach or proposed breach of, any of the provisions of Notes or (ii) determine without the consent of the Noteholders that any Event of Default or potential Event of Default shall not be treated as such.

Change of law

The Conditions are based on English law in effect as at the date of issue of the relevant Notes. No assurance can be given as to the effect of any possible judicial decision or change to English law or administrative practice after the date of issue of the relevant Notes.

Notes with integral multiples

In relation to any issue of Notes which have a denomination consisting of the minimum Specified Denomination plus a higher integral multiple of another smaller amount, it is possible that the Notes may be traded in amounts in excess of the Specified Denomination that are not integral multiples of the Specified Denomination. In such a case, a Noteholder who, as a result of trading such amounts, holds an amount which is less than the minimum Specified Denomination in his account with the relevant clearing system at the relevant time may not receive a definitive Note in respect of such holding (should definitive Notes be printed) and would need to purchase a principal amount of Notes such that its holding amounts to a Specified Denomination.

If such Notes in definitive form are issued, holders should be aware that definitive Notes which have a denomination that is not an integral multiple of the minimum Specified Denomination may be illiquid and difficult to trade.

RISKS RELATED TO THE MARKET GENERALLY

Set out below is a brief description of the principal market risks, including liquidity risk, exchange rate risk, interest rate risk and credit risk:

Exchange rate risks and exchange controls

The Issuer will pay principal and interest on the Notes (as appropriate) and the Guarantors will make any payments under the Guarantees in the Specified Currency. This presents certain risks relating to currency conversions if an investor's financial activities are denominated principally in a currency or currency unit (the "**Investor's Currency**") other than the Specified Currency. These include the risk that exchange rates may significantly change (including changes due to devaluation of the Specified Currency or revaluation of the Investor's Currency) and the risk that authorities with jurisdiction over the Investor's Currency may impose or modify exchange controls. An appreciation in the value of the Investor's Currency relative to the Specified Currency would decrease (1) the Investor's Currency-

equivalent yield on the Notes, (2) the Investor's Currency-equivalent value of the principal payable on the Notes and (3) the Investor's Currency-equivalent market value of the Notes.

Government and monetary authorities may impose (as some have done in the past) exchange controls that could adversely affect an applicable exchange rate. As a result, investors may receive less interest or principal than expected, or no interest or principal.

The secondary market

Notes may have no established trading market when issued, and one may never develop. If a market does develop, it may not be very liquid. Therefore, investors may not be able to sell their Notes easily or at prices that will provide them with a yield comparable to similar investments that have a developed secondary market. This is particularly the case for Notes that are especially sensitive to interest rate, currency or market risks, are designed for specific investment objectives or strategies or have been structured to meet the investment requirements of limited categories of investors. These types of Notes generally would have more limited secondary market and more price volatility than conventional debt securities. Illiquidity may have a severely adverse effect on the market value of Notes.

Interest rate risks

Investment in Fixed Rate Notes involves the risk that subsequent changes in market interest rates may adversely affect the value of the Fixed Rate Notes as an equivalent investment issued at the current market interest rate may be more attractive to investors.

Credit ratings may not reflect all risks

One or more independent credit rating agencies may assign credit ratings to the Notes. The ratings may not reflect the potential impact of all risks related to structure, market, additional factors discussed above, and other factors that may affect the value of the Notes. A credit rating is not a recommendation to buy, sell or hold securities and may be revised or withdrawn by the rating agency at any time.

In general, European (including the UK) regulated investors are restricted under the CRA Regulation from using credit ratings for regulatory purposes, unless such credit rating agency is established in the EU or the UK and registered under the CRA Regulation (and such registration has not been withdrawn or suspended, subject to transitional provisions that apply in certain circumstances). Such general restriction will also apply in the case of credit ratings issued by non-EU and non-UK credit rating agencies, unless the relevant credit ratings are endorsed by an EU-registered or UK-registered credit rating agency or the relevant non-EU and non-UK rating agency is certified in accordance with the CRA Regulation (and such endorsement action or certification, as the case may be, has not been withdrawn or suspended, subject to transitional provisions that apply in certain circumstances). If the status of the rating agency rating the Notes changes, European (including UK) regulated investors may no longer be able to use the rating for regulatory purposes and the Notes may have a different regulatory treatment. This may result in European (including UK) regulated investors selling the Notes which may impact the value of the Notes and any secondary market. The list of registered and certified rating agencies published by the ESMA on its website in accordance with the CRA Regulation is not conclusive evidence of the status of the relevant rating agency included in such list, as there may be delays between certain supervisory measures being taken against a relevant rating agency and the publication of the updated ESMA list. Certain information with respect to the credit rating agencies and ratings is set out on the cover of this Base Prospectus.

DOCUMENTS INCORPORATED BY REFERENCE

The following documents (excluding all information incorporated by reference in any such documents either expressly or implicitly and excluding any information or statements included in any such documents either expressly or implicitly that is or might be considered to be forward looking) which have previously been published or are published simultaneously with this Base Prospectus shall be incorporated in, and form part of, this Base Prospectus:

- the audited consolidated financial statements (including the notes and the auditors' report in respect thereof) of the Issuer for the financial year ended 31 December 2018, as set out on pages 89 to 161 of the Issuer's Annual Report and Form 20-F 2018 (available at <https://www.ihgplc.com/investors/2018-annual-report>);
- the audited consolidated financial statements (including the notes and the auditors' report in respect thereof) of the Issuer for the financial year ended 31 December 2019 (the "**2019 Annual Report**"), as set out on pages 121 to 203 of the Issuer's Annual Report and Form 20-F 2019, and the definition, description and reconciliation of Global revenue per available room ("**RevPAR**") growth, Total gross revenue in IHG's System, Revenue from reportable segments, Operating profit from reportable segments, Underlying Revenue, Underlying Operating Profit, Underlying Fee Revenue, Fee Margin, Adjusted Interest, Net Debt, Net Capital Expenditure, Gross Capital Expenditure and Free Cash Flow on pages 55 to 59, 214 to 218 and 248 to 249 of the 2019 Annual Report (available at <https://www.ihgplc.com/en/investors/annual-report>);
- the unaudited consolidated financial statements (including the notes and the auditors' report in respect thereof) of the Issuer and the Interim Management Report for the six months ended 30 June 2020 (the "**2020 Interim Report**"), as set out on pages 34 to 60 of the Issuer's Interim Results Announcement for the six months to 30 June 2020, and the definition, description and reconciliation of RevPAR growth, Total gross revenue in IHG's System, Revenue from reportable segments, Operating profit from reportable segments, Underlying Revenue, Underlying Operating Profit, Underlying Fee Revenue, Fee Margin, Adjusted Interest, Net Debt, Net Capital Expenditure, Gross Capital Expenditure and Free Cash Flow as set out on pages 27 to 31 of the 2020 Interim Report (available at <https://www.ihgplc.com/en/investors/results-and-presentations>);
- the Terms and Conditions set out on pages 24 to 50 of the Issuer's Base Prospectus dated 9 November 2012 (available at http://www.rns-pdf.londonstockexchange.com/rns/8061Q_-2012-11-9.pdf);
- the Terms and Conditions set out on pages 25 to 54 of the Issuer's Base Prospectus dated 16 June 2015 (available at http://www.rns-pdf.londonstockexchange.com/rns/3311Q_-2015-6-16.pdf);
- the Terms and Conditions set out on pages 24 to 53 of the Issuer's Base Prospectus dated 11 August 2016 (available at https://www.rns-pdf.londonstockexchange.com/rns/9789G_-2016-8-11.pdf); and
- the Terms and Conditions set out on pages 24 to 53 of the Issuer's Base Prospectus dated 13 August 2018 (available at https://www.rns-pdf.londonstockexchange.com/rns/6554X_1-2018-8-13.pdf),

save that any statement contained herein or in a document which is incorporated by reference herein shall be deemed to be modified or superseded for the purpose of this Base Prospectus to the extent that a statement contained in any document which is subsequently incorporated by reference herein by way of a supplement prepared in accordance with Article 23 of the Prospectus Regulation modifies or supersedes such earlier statement (whether expressly, by implication, or otherwise). Any statement so modified or superseded shall not, except as so modified or superseded, constitute a part of this Base Prospectus.

Any non-incorporated parts of documents referred to herein are either not relevant for an investor or are otherwise covered elsewhere in this Base Prospectus.

Any documents themselves incorporated by reference in the documents incorporated by reference in this Base Prospectus shall not form part of this Base Prospectus.

The Issuer will, in the event of any significant new factor, material mistake or material inaccuracy relating to information contained in this Base Prospectus which may affect the assessment of any Notes, prepare a supplement to this Base Prospectus or, as the case may be, a Drawdown Prospectus, for use in connection with any subsequent issue of Notes.

The Issuer has represented and warranted to the Dealers in the Dealer Agreement (as defined in “*Subscription and Sale*” below) that the Base Prospectus contains the information required by the Prospectus Regulation.

FINAL TERMS AND DRAWDOWN PROSPECTUSES

In this section the expression “**necessary information**” means, in relation to any Tranche of Notes, the information necessary to enable investors to make an informed assessment of the assets and liabilities, profits and losses, financial position and prospects of the Issuer and of the Guarantors and of the rights attaching to the Notes and the reasons for the issuance and the impact on the Issuer. In relation to the different types of Notes which may be issued under the Programme the Issuer has endeavoured to include in this Base Prospectus all of the necessary information except for information relating to the Notes which is not known at the date of this Base Prospectus and which can only be determined at the time of an individual issue of a Tranche of Notes.

Any information relating to the Notes which is not included in this Base Prospectus and which is required in order to complete the necessary information in relation to a Tranche of Notes will be contained either in the relevant Final Terms or in a Drawdown Prospectus, as determined by the Issuer and the Guarantors.

For a Tranche of Notes which is the subject of Final Terms, those Final Terms will, for the purposes of that Tranche only, supplement this Base Prospectus and must be read in conjunction with this Base Prospectus. The terms and conditions applicable to any particular Tranche of Notes which is the subject of Final Terms are the Conditions as completed by the relevant Final Terms.

The terms and conditions applicable to any particular Tranche of Notes which is the subject of a Drawdown Prospectus will be the Conditions as supplemented, amended and/or replaced to the extent described in the relevant Drawdown Prospectus. In the case of a Tranche of Notes which is the subject of a Drawdown Prospectus, each reference in this Base Prospectus to information being specified or identified in the relevant Final Terms shall be read and construed as a reference to such information being specified or identified in the relevant Drawdown Prospectus unless the context requires otherwise.

Each Drawdown Prospectus will be constituted either (1) by a single document containing the necessary information relating to the Issuer and/or the Guarantors and the relevant Notes or (2) by a registration document (the “**Registration Document**”) containing the necessary information relating to the Issuer and/or the Guarantors, a securities note (the “**Securities Note**”) containing the necessary information relating to the relevant Notes. In addition, if the Drawdown Prospectus is constituted by a Registration Document and a Securities Note, any significant new factor, material mistake or material inaccuracy relating to the information included in the Registration Document which arises or is noted between the date of the Registration Document and the date of the Securities Note which may affect the assessment of the relevant Notes will be included in the Securities Note.

FORMS OF NOTES

Each Tranche of Notes will initially be in the form of either a temporary global note (the “**Temporary Global Note**”), without interest coupons, or a permanent global note (the “**Permanent Global Note**”), without interest coupons, in each case as specified in the relevant Final Terms. Each Temporary Global Note or, as the case may be, Permanent Global Note (each a “**Global Note**”) which is not intended to be issued in new global note (“**NGN**”) form, as specified in the relevant Final Terms, will be deposited on or around the issue date of the relevant Tranche of the Notes with a depositary or a common depositary for Euroclear Bank SA/NV (“**Euroclear**”) and/or Clearstream Banking S.A. (“**Clearstream**”) and/or any other relevant clearing system and each Global Note which is intended to be issued in NGN form, as specified in the relevant Final Terms, will be deposited on or around the issue date of the relevant Tranche of the Notes with a common safekeeper for Euroclear and/or Clearstream.

On 13 June 2006, the European Central Bank (the “**ECB**”) announced that Notes in NGN form are in compliance with the “Standards for the use of EU securities settlement systems in ESCB credit operations” of the central banking system for the euro (the “**Eurosystem**”), **PROVIDED THAT** certain other criteria are fulfilled. At the same time the ECB also announced that arrangements for Notes in NGN form will be offered by Euroclear and Clearstream as of 30 June 2006 and that debt securities in global bearer form issued through Euroclear and Clearstream after 31 December 2006 will only be eligible as collateral for Eurosystem operations if the NGN form is used.

Where the Global Notes issued in respect of any Tranche are in NGN form, the applicable Final Terms will indicate whether or not such Global Notes are intended to be held in a manner which would allow Eurosystem eligibility. Any indication that the Global Notes are to be so held does not necessarily mean that the Notes of the relevant Tranche will be recognised as eligible collateral for Eurosystem monetary policy and intra-day credit operations by the Eurosystem either upon issue or at any times during their life as such recognition depends upon satisfaction of the Eurosystem eligibility criteria. The common safekeeper for NGNs will either be Euroclear or Clearstream.

The relevant Final Terms will also specify whether United States Treasury Regulation §1.163-5(c)(2)(i)(C) (the “**TEFRA C Rules**”) or United States Treasury Regulation §1.163-5(c)(2)(i)(D) (the “**TEFRA D Rules**”) are applicable in relation to the Notes or, if the Notes do not have a maturity of more than 365 days, that neither the TEFRA C Rules nor the TEFRA D Rules are applicable.

Temporary Global Note exchangeable for Permanent Global Note

If the relevant Final Terms specifies the form of Notes as being “Temporary Global Note exchangeable for a Permanent Global Note”, then the Notes will initially be in the form of a Temporary Global Note which will be exchangeable, in whole or in part, for interests in a Permanent Global Note from the 40th day after the issue date of the relevant Tranche of the Notes upon certification as to non-U.S. beneficial ownership. No payments will be made under the Temporary Global Note unless exchange for interests in the Permanent Global Note is improperly withheld or refused. In addition, interest payments in respect of the Notes cannot be collected without such certification of non-U.S. beneficial ownership.

Whenever any interest in the Temporary Global Note is to be exchanged for an interest in a Permanent Global Note, the Issuer shall procure (in the case of first exchange) the prompt delivery (free of charge to the bearer) of such Permanent Global Note to the bearer of the Temporary Global Note or (in the case of any subsequent exchange) an increase in the principal amount of the Permanent Global Note in accordance with its terms against:

- (a) presentation and (in the case of final exchange) surrender of the Temporary Global Note to or to the order of the Principal Paying Agent; and
- (b) receipt by the Principal Paying Agent of a certificate or certificates of non-U.S. beneficial ownership,

within 7 days of the bearer requesting such exchange.

The principal amount of the Permanent Global Note shall be equal to the aggregate of the principal amounts specified in the certificates of non-U.S. beneficial ownership; **PROVIDED, HOWEVER, THAT** in no circumstances shall the principal amount of the Permanent Global Note exceed the initial principal amount of the Temporary Global Note.

The Permanent Global Note will be exchangeable in whole, but not in part, for Notes in definitive form (“**Definitive Notes**”):

- (a) on the expiry of such period of notice as may be specified in the relevant Final Terms; or
- (b) at any time, if so specified in the relevant Final Terms; or
- (c) if the relevant Final Terms specifies “in the limited circumstances described in the Permanent Global Note”, then if (a) Euroclear or Clearstream or any other relevant clearing system is closed for business for a continuous period of 14 days (other than by reason of legal holidays) or announces an intention permanently to cease business or, (b) any of the circumstances described in Condition 12 (*Events of Default*) occurs or (c) the Issuer has or will become subject to adverse tax consequences which would not be suffered were the Notes represented by the Permanent Global Note in definitive form.

For the avoidance of doubt, Notes will only be issued with a minimum Specified Denomination and in integral multiples of another smaller amount in excess thereof if the relevant Final Terms specifies “in the limited circumstances described in the Permanent Global Note” in accordance with paragraph (c) above.

Whenever the Permanent Global Note is to be exchanged for Definitive Notes, the Issuer shall procure the prompt delivery (free of charge to the bearer) of such Definitive Notes, duly authenticated and with Coupons and Talons attached (if so specified in the relevant Final Terms), in an aggregate principal amount equal to the principal amount of the Permanent Global Note to the bearer of the Permanent Global Note against the surrender of the Permanent Global Note to or to the order of the Principal Paying Agent within 30 days of the bearer requesting such exchange.

Temporary Global Note exchangeable for Definitive Notes

If the relevant Final Terms specifies the form of Notes as being “Temporary Global Note exchangeable for Definitive Notes” and also specifies that the TEFRA C Rules are applicable or that neither the TEFRA C Rules or the TEFRA D Rules are applicable, then the Notes will initially be in the form of a Temporary Global Note which will be exchangeable, in whole but not in part, for Definitive Notes from the 40th day after the issue date of the relevant Tranche of the Notes.

If the relevant Final Terms specifies the form of Notes as being “Temporary Global Note exchangeable for Definitive Notes” and also specifies that the TEFRA D Rules are applicable, then the Notes will initially be in the form of a Temporary Global Note which will be exchangeable, in whole or in part, for Definitive Notes from the 40th day after the issue date of the relevant Tranche of the Notes upon certification as to non-U.S. beneficial ownership. Interest payments in respect of the Notes cannot be collected without such certification of non-U.S. beneficial ownership.

Whenever the Temporary Global Note is to be exchanged for Definitive Notes, the Issuer shall procure the prompt delivery (free of charge to the bearer) of such Definitive Notes, duly authenticated and with Coupons and Talons attached (if so specified in the relevant Final Terms), in an aggregate principal amount equal to the principal amount of the Temporary Global Note to the bearer of the Temporary Global Note against the surrender of the Temporary Global Note to or to the order of the Principal Paying Agent within 30 days of the bearer requesting such exchange.

Permanent Global Note exchangeable for Definitive Notes

If the relevant Final Terms specifies the form of Notes as being “Permanent Global Note exchangeable for Definitive Notes”, then the Notes will initially be in the form of a Permanent Global Note which will be exchangeable in whole, but not in part, for Definitive Notes:

- (a) on the expiry of such period of notice as may be specified in the relevant Final Terms; or
- (b) at any time, if so specified in the relevant Final Terms; or
- (c) if the relevant Final Terms specifies “in the limited circumstances described in the Permanent Global Note”, then if (i) Euroclear or Clearstream or any other relevant clearing system is closed for business for a continuous period of 14 days (other than by reason of legal holidays) or announces an intention permanently to cease business or does in fact do so and no other clearing system acceptable to the Trustee is then in existence, or (ii) any of the circumstances described in Condition 12 (*Events of Default*) occurs or (iii) the Issuer has or will become

subject to adverse tax consequences which would not be suffered were the Notes represented by the Permanent Global Note in definitive form.

Whenever the Permanent Global Note is to be exchanged for Definitive Notes, the Issuer shall procure the prompt delivery (free of charge to the bearer) of such Definitive Notes, duly authenticated and with Coupons and Talons attached (if so specified in the relevant Final Terms), in an aggregate principal amount equal to the principal amount of the Permanent Global Note to the bearer of the Permanent Global Note against the surrender of the Permanent Global Note to or to the order of the Principal Paying Agent within 30 days of the bearer requesting such exchange.

The exchange of a Permanent Global Note for Definitive Notes upon notice from Euroclear and/or Clearstream (acting on the instructions of any holder) or at any time at the request of the Issuer should not be expressed to be applicable in the applicable Final Terms if the Notes are issued with a minimum Specified Denomination such as €100,000 (or its equivalent in another currency) plus one or more higher integral multiples of another smaller amount such as €1,000 (or its equivalent in another currency). Furthermore, such Specified Denomination construction is not permitted in relation to any issue of Notes which is to be represented on issue by a Temporary Global Note exchangeable for Definitive Notes.

Terms and Conditions applicable to the Notes

The terms and conditions applicable to any Definitive Note will be endorsed on that Note and will consist of the terms and conditions set out under “*Terms and Conditions of the Notes*” below and the provisions of the relevant Final Terms which supplement, amend and/or replace those terms and conditions.

The terms and conditions applicable to any Note in global form will differ from those terms and conditions which would apply to the Note were it in definitive form to the extent described under “*Summary of Provisions Relating to the Notes while in Global Form*” below.

Legend concerning United States persons

In the case of any Tranche of Notes having a maturity of more than one year, the Notes in global form (other than Temporary Global Notes), the Notes in definitive form and any Coupons and Talons appertaining thereto will bear the following legend:

“Any United States person who holds this obligation will be subject to limitations under the United States income tax laws, including the limitations provided in Sections 165(j) and 1287(a) of the Internal Revenue Code.”

TERMS AND CONDITIONS OF THE NOTES

The following is the text of the terms and conditions which, as completed by the relevant Final Terms, will be endorsed on each Note in definitive form issued under the Programme. The terms and conditions applicable to any Note in global form will differ from those terms and conditions which would apply to the Note were it in definitive form to the extent described under “*Summary of Provisions Relating to the Notes while in Global Form*” below.

1. Introduction

(a) Programme

InterContinental Hotels Group PLC (the “**Issuer**”) has established a Euro Medium Term Note Programme (the “**Programme**”) for the issuance of up to £3,000,000,000 in aggregate principal amount of notes (the “**Notes**”) unconditionally and irrevocably guaranteed by Six Continents Limited (“**Six Continents**”) and by InterContinental Hotels Limited (“**Intercontinental**”) and, together with Six Continents, each a “**Guarantor**” and together, the “**Guarantors**”).

(b) Final Terms

Notes issued under the Programme are issued in series (each a “**Series**”) and each Series may comprise one or more tranches (each a “**Tranche**”) of Notes. Each Tranche is the subject of final terms (the “**Final Terms**”) which supplements these terms and conditions (the “**Conditions**”). The terms and conditions applicable to any particular Tranche of Notes are these Conditions as supplemented and amended by the relevant Final Terms.

(c) Trust Deed

The Notes are constituted by, have the benefit of and are in all respects subject to an amended and restated trust deed dated 14 September 2020 (as amended, restated and/or supplemented from time to time, the “**Trust Deed**”) between the Issuer, the Guarantors and HSBC Corporate Trustee Company (UK) Limited (the “**Trustee**”, which expression shall include all persons for the time being the trustee or trustees under the Trust Deed) as trustee for the Noteholders (as defined below).

(d) Agency Agreement

The Notes are the subject of an agency agreement dated 14 September 2020 (the “**Agency Agreement**”) between the Issuer, the Guarantors, HSBC Bank plc as principal paying agent (the “**Principal Paying Agent**”, which expression includes any successor principal paying agent appointed from time to time in connection with the Notes) and the Trustee.

(e) Guarantees

Each of the Guarantors has in the Trust Deed given an unconditional and irrevocable guarantee (each a “**Guarantee**” and together, the “**Guarantees**”) on a joint and several basis for the due payment of all sums expressed to be payable by the Issuer under the Trust Deed, the Notes and the Coupons.

(f) The Notes

All subsequent references in these Conditions to “**Notes**” are to the Notes which are the subject of the relevant Final Terms. Copies of the relevant Final Terms are available for viewing during normal business hours and copies may be obtained from the Specified Office(s) of the Paying Agent(s), the initial Specified Office of the Principal Paying Agent being set out at the end of these Conditions. If the Notes are to be admitted to trading on the regulated market of the London Stock Exchange, the relevant Final Terms will be published on the website of the London Stock Exchange through a regulatory information service.

(g) Summaries

Certain provisions of these Conditions are summaries of the Trust Deed and the Agency Agreement and are subject to their detailed provisions. The holders of the Notes (the “**Noteholders**”) and the holders of the related interest coupons, if any, (the “**Coupon holders**” and the “**Coupons**”, respectively) are entitled to the benefit of, are bound by, and are deemed

to have notice of, all the provisions of the Trust Deed and the Agency Agreement applicable to them. Copies of the Trust Deed and the Agency Agreement are available for inspection by Noteholders during normal business hours at the Specified Office(s) of the Paying Agency(s).

2. Interpretation

(a) Definitions

In these Conditions the following expressions have the following meanings:

“**Accrual Yield**” has the meaning given in the relevant Final Terms;

“**Additional Business Centre(s)**” means the city or cities specified as such in the relevant Final Terms;

“**Additional Financial Centre(s)**” means the city or cities specified as such in the relevant Final Terms;

“**Additional Rating Agency**” means Moody’s and Fitch;

“**Borrowings**” means, as at any particular time, the aggregate outstanding principal, capital or nominal amount (and any fixed or minimum premium payable on redemption) of the Financial Indebtedness of members of the Group, other than:

- (a) any indebtedness referred to in paragraph (g) of the definition of Financial Indebtedness;
- (b) any Project Finance Indebtedness; and
- (c) any indebtedness referred to in paragraphs (i) and (j) of the definition of Financial Indebtedness except to the extent any such obligation or liability specified in such paragraphs has been provided for in the annual audited consolidated financial statements or interim unaudited consolidated financial statements of the Group or is disclosed as a contingency in the notes thereto and is quantified,

and deducting, to the extent included, amounts attributable to interests of third parties in members of the Group.

For this purpose, any amount outstanding or repayable in a currency other than U.S.\$ shall on that day be taken into account in its U.S.\$ equivalent at the rate of exchange that would have been used had an audited consolidated balance sheet of the Group been prepared as at that day in accordance with IFRS as applicable to the Original Financial Statements and taking into account the mark-to-market value of any derivative instruments taken out by a member of the Group specifically to hedge currency movements of any Financial Indebtedness otherwise constituting Borrowings and not denominated in U.S.\$;

“**Business Day**” means:

- (a) in relation to any sum payable in euro, a TARGET Settlement Day and a day on which commercial banks and foreign exchange markets settle payments generally in each (if any) Additional Business Centre; and
- (b) in relation to any sum payable in a currency other than euro, a day on which commercial banks and foreign exchange markets settle payments generally, in the Principal Financial Centre of the relevant currency and in each (if any) Additional Business Centre;

“**Business Day Convention**”, in relation to any particular date, has the meaning given in the relevant Final Terms and, if so specified in the relevant Final Terms, may have different meanings in relation to different dates and, in this context, the following expressions shall have the following meanings:

- (a) “**Following Business Day Convention**” means that the relevant date shall be postponed to the first following day that is a Business Day;
- (b) “**Modified Following Business Day Convention**” or “**Modified Business Day Convention**” means that the relevant date shall be postponed to the first following

day that is a Business Day unless that day falls in the next calendar month in which case that date will be the first preceding day that is a Business Day;

- (c) **“Preceding Business Day Convention”** means that the relevant date shall be brought forward to the first preceding day that is a Business Day;
- (d) **“FRN Convention”, “Floating Rate Convention” or “Eurodollar Convention”** means that each relevant date shall be the date which numerically corresponds to the preceding such date in the calendar month which is the number of months specified in the relevant Final Terms as the Specified Period after the calendar month in which the preceding such date occurred, provided, however, that:
 - (i) if there is no such numerically corresponding day in the calendar month in which any such date should occur, then such date will be the last day which is a Business Day in that calendar month;
 - (ii) if any such date would otherwise fall on a day which is not a Business Day, then such date will be the first following day which is a Business Day unless that day falls in the next calendar month, in which case it will be the first preceding day which is a Business Day; and
 - (iii) if the preceding such date occurred on the last day in a calendar month which was a Business Day, then all subsequent such dates will be the last day which is a Business Day in the calendar month which is the specified number of months after the calendar month in which the preceding such date occurred; and
- (e) **“No Adjustment”** means that the relevant date shall not be adjusted in accordance with any Business Day Convention;

“Calculation Agent” means the Principal Paying Agent or such other Person specified in the relevant Final Terms as the party responsible for calculating the Rate(s) of Interest and/or Interest Amount(s) and/or Redemption Amount(s);

“Calculation Amount” has the meaning given in the relevant Final Terms;

a **“Change of Control”** will be deemed to have occurred if:

- (a) any person or any persons acting in concert (as defined in the City Code on Takeovers and Mergers), other than a holding company (as defined in Section 1159 of the Companies Act 2006) whose shareholders are or are to be substantially similar to the pre-existing shareholders of the Issuer, shall become interested (within the meaning of Part 22 of the Companies Act 2006) in (A) more than 50 per cent. of the issued or allotted ordinary share capital of the Issuer or (B) shares in the capital of the Issuer carrying more than 50 per cent. of the voting rights normally exercisable at a general meeting of the Issuer; or
- (b) any person or any persons acting in concert (as defined in the City Code on Takeovers and Mergers), other than a holding company (as defined in Section 1159 of the Companies Act 2006) whose shareholders are or are to be substantially similar to the pre-existing shareholders of any direct or indirect holding company of the Issuer, shall become interested (within the meaning of Part 22 of the Companies Act 2006) in (A) more than 50 per cent. of the issued or allotted ordinary share capital of any direct or indirect holding company of the Issuer or (B) shares in the capital of any direct or indirect holding company of the Issuer carrying more than 50 per cent. of the voting rights normally exercisable at a general meeting of any such direct or indirect holding company of the Issuer;

“Change of Control Optional Redemption Amount” means, in respect of any Note, its principal amount or such other amount as may be specified in the relevant Final Terms;

“Change of Control Optional Redemption Date” has the meaning given in the relevant Final Terms;

“Change of Control Period” means the period commencing on the Relevant Announcement Date and ending 90 days after the Change of Control (or such longer period for which the Notes are under consideration (such consideration having been announced publicly within the period ending 90 days after the Change of Control) for rating review or, as the case may be, rating by a Rating Agency, such period not to exceed 60 days after the public announcement of such consideration);

a **“Change of Control Put Event”** will be deemed to occur if a Change of Control has occurred and:

- (a) on the Relevant Announcement Date, the Notes carry from any Rating Agency:
 - (i) an investment grade credit rating (Baa3/BBB-, or equivalent, or better), and such rating from any Rating Agency is, within the Change of Control Period, either downgraded to a Non-Investment Grade Rating or withdrawn and is not, within the Change of Control Period, subsequently (in the case of a downgrade) upgraded or (in the case of a withdrawal) reinstated to an investment grade credit rating by such Rating Agency; or
 - (ii) a Non-Investment Grade Rating and such rating from any Rating Agency is, within the Change of Control Period, either downgraded by one or more notches (by way of example, Ba1 to Ba2 being one notch) or withdrawn and is not, within the Change of Control Period, subsequently (in the case of a downgrade) upgraded or (in the case of a withdrawal) reinstated to its earlier credit rating or better by such Rating Agency; or
 - (iii) no credit rating and a Negative Rating Event also occurs within the Change of Control Period, provided that if, at the time of the occurrence of the Change of Control, the Notes carry a credit rating from more than one Rating Agency, at least one of which is investment grade, then subparagraph (i) will apply; and
- (b) in making any decision to downgrade or withdraw a credit rating pursuant to paragraphs (i) and (ii) above or not to award a credit rating of at least investment grade as described in paragraph (ii) of the definition of “Negative Rating Event”, the relevant Rating Agency announces publicly or confirms in writing to the Issuer or the Trustee that such decision(s) resulted, in whole or in part, from the occurrence of the Change of Control or the Relevant Potential Change of Control Announcement;

“Change of Control Put Event Notice” means the notice to be given pursuant to Condition 9(f) (*Change of Control redemption*) by the Issuer or, as the case may be, the Trustee to the Noteholders in accordance with Condition 18 (*Notices*) specifying the nature of the Change of Control Put Event and the procedure for exercising the Change of Control Put Option;

“Change of Control Put Option” means the option of the Noteholders exercisable pursuant to Condition 9(g) (*Change of Control redemption*);

“Change of Control Put Period” means the period of 45 days after a Change of Control Put Event Notice is given;

“Consolidated Gross Assets” means the consolidated current assets plus consolidated non-current assets of the Group;

“Coupon Sheet” means, in respect of a Note, a coupon sheet relating to the Note;

“Day Count Fraction” means, in respect of the calculation of an amount for any period of time (the **“Calculation Period”**), such day count fraction as may be specified in these Conditions or the relevant Final Terms and:

- (a) if **“Actual/Actual (ICMA)”** is so specified, means:
 - (i) where the Calculation Period is equal to or shorter than the Regular Period during which it falls, the actual number of days in the Calculation Period divided by the product of (1) the actual number of days in such Regular Period and (2) the number of Regular Periods in any year; and

- (ii) where the Calculation Period is longer than one Regular Period, the sum of:
 (A) the actual number of days in such Calculation Period falling in the Regular Period in which it begins divided by the product of (1) the actual number of days in such Regular Period and (2) the number of Regular Periods in any year; and (B) the actual number of days in such Calculation Period falling in the next Regular Period divided by the product of (a) the actual number of days in such Regular Period and (2) the number of Regular Periods in any year;
- (b) if “**Actual/Actual (ISDA)**” is so specified, means the actual number of days in the Calculation Period divided by 365 (or, if any portion of the Calculation Period falls in a leap year, the sum of (A) the actual number of days in that portion of the Calculation Period falling in a leap year divided by 366 and (B) the actual number of days in that portion of the Calculation Period falling in a non-leap year divided by 365);
- (c) if “**Actual/365 (Fixed)**” is so specified, means the actual number of days in the Calculation Period divided by 365;
- (d) if “**Actual/360**” is so specified, means the actual number of days in the Calculation Period divided by 360;
- (e) if “**30/360**” is so specified, the number of days in the Calculation Period divided by 360, calculated on a formula basis as follows:

$$\text{Day Count Fraction} = \frac{[360 \times (Y_2 - Y_1) + [30 \times (M_2 - M_1)] + (D_2 - D_1)]}{360}$$

where:

“**Y₁**” is the year, expressed as a number, in which the first day of the Calculation Period falls;

“**Y₂**” is the year, expressed as a number, in which the day immediately following the last day included in the Calculation Period falls;

“**M₁**” is the calendar month, expressed as a number, in which the first day of the Calculation Period falls;

“**M₂**” is the calendar month, expressed as number, in which the day immediately following the last day included in the Calculation Period falls;

“**D₁**” is the first calendar day, expressed as a number, of the Calculation Period, unless such number would be 31, in which case D₁ will be 30; and

“**D₂**” is the calendar day, expressed as a number, immediately following the last day included in the Calculation Period, unless such number would be 31 and D₁ is greater than 29, in which case D₂ will be 30”;

- (f) if “**30E/360**” or “**Eurobond Basis**” is so specified, the number of days in the Calculation Period divided by 360, calculated on a formula basis as follows:

$$\text{Day Count Fraction} = \frac{[360 \times (Y_2 - Y_1) + [30 \times (M_2 - M_1)] + (D_2 - D_1)]}{360}$$

where:

“**Y₁**” is the year, expressed as a number, in which the first day of the Calculation Period falls;

“**Y₂**” is the year, expressed as a number, in which the day immediately following the last day included in the Calculation Period falls;

“**M₁**” is the calendar month, expressed as a number, in which the first day of the Calculation Period falls;

“**M₂**” is the calendar month, expressed as a number, in which the day immediately following the last day included in the Calculation Period falls;

“**D₁**” is the first calendar day, expressed as a number, of the Calculation Period, unless such number would be 31, in which case D₁ will be 30; and

“**D₂**” is the calendar day, expressed as a number, immediately following the last day included in the Calculation Period, unless such number would be 31, in which case D₂ will be 30; and

- (g) if “**30E/360 (ISDA)**” is so specified, the number of days in the Calculation Period divided by 360, calculated on a formula basis as follows:

$$\text{Day Count Fraction} = \frac{[360 \times (Y_2 - Y_1) + [30 \times (M_2 - M_1)] + (D_2 - D_1)]}{360}$$

where:

“**Y₁**” is the year, expressed as a number, in which the first day of the Calculation Period falls;

“**Y₂**” is the year, expressed as a number, in which the day immediately following the last day included in the Calculation Period falls;

“**M₁**” is the calendar month, expressed as a number, in which the first day of the Calculation Period falls;

“**M₂**” is the calendar month, expressed as a number, in which the day immediately following the last day included in the Calculation Period falls;

“**D₁**” is the first calendar day, expressed as a number, of the Calculation Period, unless (i) that day is the last day of February or (ii) such number would be 31, in which case D₁ will be 30; and

“**D₂**” is the calendar day, expressed as a number, immediately following the last day included in the Calculation Period, unless (i) that day is the last day of February but not the Maturity Date or (ii) such number would be 31, in which case D₂ will be 30,

PROVIDED, HOWEVER, THAT in each such case the number of days in the Calculation Period is calculated from and including the first day of the Calculation Period to but excluding the last day of the Calculation Period;

“**Early Redemption Amount (Tax)**” means, in respect of any Note, its principal amount or such other amount as may be specified in the relevant Final Terms;

“**Early Termination Amount**” means, in respect of any Note, its principal amount or such other amount as may be specified in the relevant Final Terms;

“**EBITDA**” means, in relation to any Relevant Period, the total consolidated operating profit of the Group for that Relevant Period:

- (a) before taking into account:
 - (i) Net Interest Payable;
 - (ii) Tax; and
 - (iii) all exceptional items; and
- (b) after adding back all amounts provided for depreciation and amortisation; and
- (c) deducting, to the extent included, amounts attributable to interests of third parties in members of the Group;

“**Extraordinary Resolution**” has the meaning given in the Trust Deed;

“**Final Redemption Amount**” means, in respect of any Note, its principal amount or such other amount as may be specified in the relevant Final Terms;

“Financial Indebtedness” means any indebtedness (without double counting) for or in respect of:

- (a) moneys borrowed;
- (b) any amount raised by acceptance under any acceptance credit facility or dematerialised equivalent;
- (c) any amount raised pursuant to any note purchase facility or the issue of bonds, notes, debentures, loan stock, commercial paper or any similar instrument (entered into or issued primarily as a method of raising finance) **PROVIDED THAT** Notes from time to time issued and outstanding under the Programme shall at the relevant time be valued as Financial Indebtedness having regard to the net effect of the marked-to-market value of any related interest and currency hedging arrangements in effect at that time;
- (d) the amount of any liability in respect of any lease or hire purchase contract which would, in accordance with IFRS (as at the date of this Base Prospectus), be treated as a finance or capital lease;
- (e) receivables sold or discounted (other than any receivables to the extent they are sold or discounted on a non-recourse basis);
- (f) any amount raised under any other transaction (including any forward sale or purchase agreement) required by IFRS to be shown as a borrowing in the audited consolidated balance sheet of the Group;
- (g) any derivative transaction entered into in connection with protection against or benefit from fluctuation in any rate or price (and, when calculating the value of any derivative transaction, only the marked-to-market value shall be taken into account);
- (h) shares which are expressed to be redeemable prior to 20 March 2020;
- (i) any counter-indemnity obligation in respect of a guarantee, indemnity, bond, letter of credit or any other instrument issued by a bank or financial institution; and
- (j) the amount of any liability in respect of any guarantee or indemnity for any of the items referred to in paragraphs (a) to (i) above,

but excluding indebtedness owing by a member of the Group to another member of the Group;

“First Interest Payment Date” means the date specified in the relevant Final Terms;

“Fitch” means Fitch Ratings Ltd. or any successor;

“Fixed Coupon Amount” has the meaning given in the relevant Final Terms;

“Green Projects” means projects and activities that promote climate-friendly and/or other environmental purposes (either in those words or otherwise);

“Group” means the Issuer and its Subsidiaries for the time being;

“Gross Redemption Yield” on the Notes and on the Reference Stock will be expressed as a percentage and will be calculated by the Calculation Agent on the basis as published by the Treasury Publisher on an annual compounding basis rounded up (if necessary) to three decimal places, 0.0005 being rounded up, or on such other basis as the Trustee may in its sole discretion approve;

“Guarantee” and **“Guarantees”** have the meaning stated in Condition 1(e);

“Guarantor” and **“Guarantors”** have the meaning stated in Condition 1(a);

“IFRS” means international accounting standards within the meaning of IAS Regulation 1606/2002 to the extent applicable to the relevant financial statements;

“Indebtedness” means any indebtedness (whether being principal, premium, interest or other amounts) for or in respect of any notes, bonds, debentures, debenture stock, loan stock or other securities or any borrowed money or any liability under or in respect of any acceptance or acceptance credit;

“**Interest Amount**” means, in relation to a Note and an Interest Period, the amount of interest payable in respect of that Note for that Interest Period;

“**Interest Commencement Date**” means the Issue Date of the Notes or such other date as may be specified as the Interest Commencement Date in the relevant Final Terms;

“**Interest Determination Date**” has the meaning given in the relevant Final Terms;

“**Interest Payment Date**” means the First Interest Payment Date and any date or dates specified as such in, or determined in accordance with the provisions of, the relevant Final Terms and, if a Business Day Convention is specified in the relevant Final Terms:

- (a) as the same may be adjusted in accordance with the relevant Business Day Convention; or
- (b) if the Business Day Convention is the FRN Convention, Floating Rate Convention or Eurodollar Convention and an interval of a number of calendar months is specified in the relevant Final Terms as being the Specified Period, each of such dates as may occur in accordance with the FRN Convention, Floating Rate Convention or Eurodollar Convention at such Specified Period of calendar months following the Interest Commencement Date (in the case of the first Interest Payment Date) or the previous Interest Payment Date (in any other case);

“**Interest Period**” means each period beginning on (and including) the Interest Commencement Date or any Interest Payment Date and ending on (but excluding) the next Interest Payment Date;

“**ISDA Definitions**” means the 2006 ISDA Definitions (as amended and updated as at the date of issue of the first Tranche of the Notes of the relevant Series (as specified in the relevant Final Terms) as published by the International Swaps and Derivatives Association, Inc.);

“**Issue Date**” has the meaning given in the relevant Final Terms;

“**Make Whole Amount**” means, in respect of any Note, the higher of:

- (a) its principal amount; or
- (b) an amount equal to the product of the Calculation Amount and the price, expressed as a percentage (rounded to three decimal places, 0.0005 being rounded up), at which the Gross Redemption Yield on the Note, if it were to be purchased at such price on the third dealing day prior to the date of publication of the notice of redemption, would be equal to the sum of the Make Whole Premium (expressed as a percentage) and the Gross Redemption Yield on such dealing day of the Reference Treasury or, if such stock is no longer in issue, of such other government stock issued by the central government of such sovereign country that issued the Reference Treasury as the Trustee, with the advice of three leading brokers operating in the Reference Treasury market and/or the Reference Treasury market makers or such other three persons operating in the Reference Treasury market as the Trustee may approve, shall determine to be appropriate (the “**Reference Stock**”) on the basis of the middle market price of the Reference Stock prevailing at 11.00 a.m. on such dealing day as determined by the Calculation Agent;

“**Make Whole Premium**” has the meaning given in the relevant Final Terms;

“**Margin**” has the meaning given in the relevant Final Terms;

“**Material Subsidiary**” means, at any time, any Subsidiary of the Issuer:

- (a) whose gross assets represent 10 per cent. or more of Consolidated Gross Assets or whose EBITDA represents 5 per cent. or more of consolidated EBITDA of the Group, in each case, as calculated by reference to the latest financial statements of such Subsidiary (which shall be audited if such statements are prepared by that Subsidiary) and the latest audited consolidated financial statements of the Group adjusted in such manner as the auditors of the Issuer may determine (which determination shall be conclusive in the absence of manifest error) (i) to reflect the gross assets and EBITDA of any person which has become or ceased to be a member

of the Group since the end of the financial year to which the latest audited consolidated financial statements of the Group relate where such adjustment is requested by the Issuer and (ii) so that for the purposes of this definition, the gross assets of the relevant Subsidiary shall be calculated on the same basis as Consolidated Gross Assets are calculated and/or, as the case may be, EBITDA of the relevant Subsidiary shall be calculated on the same basis as consolidated EBITDA for the Group (but, in each case, relating only to the relevant Subsidiary) and making such adjustments and eliminations as are required to show the same as the contribution of the relevant Subsidiary to Consolidated Gross Assets and/or, as the case may be, consolidated EBITDA of the Group; or

- (b) to which is transferred all or substantially all of the business, undertaking or assets of a Subsidiary which immediately prior to such transfer is a Material Subsidiary, whereupon the transferor Subsidiary shall cease to be a Material Subsidiary and the transferee Subsidiary shall become a Material Subsidiary under this sub-paragraph (b) upon the completion of such transfer.

Any determination made by the auditors of the Issuer as to whether a Subsidiary of the Issuer is or is not a Material Subsidiary at any time shall be conclusive in the absence of manifest error. The Trustee may rely on a report of the auditors of the Issuer, whether or not addressed to the Trustee, that, in their opinion, a Subsidiary is a Material Subsidiary, without liability to any person and without further enquiry or evidence, notwithstanding that such report and/or any engagement letter or other document entered into by the Trustee in connection therewith contains a monetary or other limit on the liability of the auditors of the Issuer and notwithstanding that the scope and/or basis of such a report may be limited by any engagement or similar letter or by the terms of the report itself;

“**Maturity Date**” has the meaning given in the relevant Final Terms;

“**Maximum Redemption Amount**” has the meaning given in the relevant Final Terms;

“**Minimum Redemption Amount**” has the meaning given in the relevant Final Terms;

“**Moody’s**” means Moody’s Investors Service, Inc. or any successor;

a “**Negative Rating Event**” shall be deemed to have occurred if at such time as there is no rating assigned to the Notes by a Rating Agency (i) the Issuer does not, either prior to, or not later than 21 days after, the occurrence of the Change of Control seek, and thereafter throughout the Change of Control Period use all reasonable endeavours to obtain, a rating of the Notes, or any other unsecured and unsubordinated debt of the Issuer or (ii) if the Issuer does so seek and use such endeavours, it is unable to obtain such a rating of at least investment grade by the end of the Change of Control Period;

“**Net Interest Payable**” means, in relation to any Relevant Period, the aggregate amount of interest and any other finance charges accrued by the Group in that Relevant Period in respect of Borrowings including:

- (a) the interest element of leasing and hire purchase payments;
- (b) commitment fees, commissions and guarantee fees; and
- (c) amounts in the nature of interest payable in respect of any shares other than equity share capital,

adjusted (but without double counting) by:

- (i) deducting interest income of the Group in respect of that Relevant Period;
- (ii) adding back the net amount payable (or deducting the net amount receivable) by members of the Group in that Relevant Period as a result of close-out or termination of any interest or (so far as they relate to interest) currency hedging activities;
- (iii) adding back the amount payable as a premium on any bond buy-back by members of the Group in that Relevant Period;

- (iv) deducting, to the extent included, the amount payable by members of the Group in that Relevant Period for arrangement or related fees in respect of Borrowings (to include, for the avoidance of doubt, underwriting, syndication and fees of a similar nature); and
- (v) deducting, to the extent included, the amount of interest and other finance charges attributable to interests of third parties in members of the Group and adjusting, as appropriate, the additions or deductions specified in paragraphs (i) to (iv) (inclusive) above as a consequence of interests of third parties in members of the Group,

but shall exclude in relation to the Relevant Period (A) net mark-to-market gains or losses on revaluation of financial instruments, and (B) for the avoidance of doubt, any amount of interest paid to the Group's loyalty programme on the accumulated balance of cash received in advance of the redemption of loyalty points awarded;

"Non-Investment Grade Rating" means a non-investment grade credit rating (Ba1/BB+, or equivalent, or worse);

"Optional Redemption Amount (Call)" means, in respect of any Note, its principal amount or, if specified in the relevant Final Terms, the Make Whole Amount;

"Optional Redemption Amount (Put)" means, in respect of any Note, its principal amount or such other amount as may be specified in the relevant Final Terms;

"Optional Redemption Date (Call)" has the meaning given in the relevant Final Terms;

"Optional Redemption Date (Put)" has the meaning given in the relevant Final Terms;

"Original Financial Statements" means the audited consolidated financial statements of the Group for the financial period ended 31 December 2008;

"Participating Member State" means a Member State of the European Communities which adopts the euro as its lawful currency in accordance with the Treaty;

"Paying Agents" means the Principal Paying Agent and any substitute or additional paying agents appointed in accordance with the Agency Agreement and a **"Paying Agent"** means any of them;

"Payment Business Day" means:

- (a) if the currency of payment is euro, any day which is:
 - (i) a day on which banks in the relevant place of presentation are open for presentation and payment of bearer debt securities and for dealings in foreign currencies; and
 - (ii) in the case of payment by transfer to an account, a TARGET Settlement Day and a day on which dealings in foreign currencies may be carried on in each (if any) Additional Financial Centre(s); or
- (b) if the currency of payment is not euro, any day which is:
 - (i) a day on which banks in the relevant place of presentation are open for presentation and payment of bearer debt securities and for dealings in foreign currencies; and
 - (ii) in the case of payment by transfer to an account, a day on which dealings in foreign currencies may be carried on in the Principal Financial Centre of the currency of payment and in each (if any) Additional Financial Centre(s);

"Person" means any individual, company, corporation, firm, partnership, joint venture, association, organisation, state or agency of a state or other entity, whether or not having separate legal personality;

"Principal Financial Centre" means, in relation to any currency, the principal financial centre for that currency, **PROVIDED, HOWEVER, THAT:**

- (a) in relation to euro, it means the principal financial centre of such Participating Member State of the European Communities as is selected (in the case of a payment) by the payee or (in the case of a calculation) by the Calculation Agent; and
- (b) in relation to Australian dollars, it means either Sydney or Melbourne and, in relation to New Zealand dollars, it means either Wellington or Auckland; in each case as is selected (in the case of a payment) by the payee or (in the case of a calculation) by the Calculation Agent;

“Project Finance Indebtedness” means Financial Indebtedness (in respect of which Security has been given) incurred by a member of the Group (a **“Project Group Member”**) for the purposes of financing the acquisition, construction, development and/or operation of an asset (a **“Project Asset”**) where the provider of the Financial Indebtedness has no recourse against any member of the Group, except for recourse to:

- (a) the Project Asset of the Project Group Member or receivables arising from the Project Asset;
- (b) a Project Group Member for the purpose of enforcing Security given by it so long as:
 - (i) the recourse is limited to recoveries in respect of the Project Asset; and
 - (ii) if the Project Asset does not comprise all or substantially all of the business of that Project Group Member, the provider of the Financial Indebtedness does not have the right to take any steps towards its winding up or dissolution or the appointment of a liquidator, administrator, receiver or similar officer or person, other than in respect of the Project Asset or receivables arising therefrom; or
- (c) a member of the Group to the extent only of its shareholding in a Project Group Member;

“Project Group Member” has the meaning given to it in the definition of Project Finance Indebtedness **provided that** the principal assets and business of such member of the Group is constituted by Project Assets and it has no other Financial Indebtedness except Project Finance Indebtedness;

“Put Option Notice” means a notice which must be delivered to a Paying Agent by any Noteholder wanting to exercise a right to redeem a Note at the option of the Noteholder pursuant to Condition 9(f) (*Redemption at the option of Noteholders*);

“Put Option Receipt” means a receipt issued by a Paying Agent to a depositing Noteholder upon deposit of a Note with such Paying Agent by any Noteholder wanting to exercise a right to redeem a Note at the option of the Noteholder;

“Rate of Interest” means the rate or rates (expressed as a percentage per annum) of interest payable in respect of the Notes specified in the relevant Final Terms or calculated or determined in accordance with the provisions of these Conditions;

“Rating Agency” means S&P or any of its respective successors or any Substitute Rating Agency and, for the purposes of Condition 9(g) (*Change of Control redemption*), includes any Additional Rating Agency;

“Redemption Amount” means, as appropriate, the Final Redemption Amount, the Early Redemption Amount (Tax), the Optional Redemption Amount (Call), the Residual Call Early Redemption Amount, the Optional Redemption Amount (Put), the Change of Control Optional Redemption Amount, the Early Termination Amount or such other amount in the nature of a redemption amount as may be specified in the relevant Final Terms;

“Redemption of Relevant Debt” means the redemption in whole of the £400,000,000 3.875 per cent. notes due 28 November 2022 by the Issuer pursuant to their terms;

“Reference Price” has the meaning given in the relevant Final Terms;

“Reference Rate” has the meaning given in the relevant Final Terms;

“Reference Treasury” has the meaning given in the relevant Final Terms;

“Regular Period” means:

- (a) in the case of Notes where interest is scheduled to be paid only by means of regular payments, each period from and including the Interest Commencement Date to but excluding the first Interest Payment Date and each successive period from and including one Interest Payment Date to but excluding the next Interest Payment Date;
- (b) in the case of Notes where, apart from the first Interest Period, interest is scheduled to be paid only by means of regular payments, each period from and including a Regular Date falling in any year to but excluding the next Regular Date, where “Regular Date” means the day and month (but not the year) on which any Interest Payment Date falls; and
- (c) in the case of Notes where, apart from one Interest Period other than the first Interest Period, interest is scheduled to be paid only by means of regular payments, each period from and including a Regular Date falling in any year to but excluding the next Regular Date, where **“Regular Date”** means the day and month (but not the year) on which any Interest Payment Date falls other than the Interest Payment Date falling at the end of the irregular Interest Period;

“Relevant Announcement Date” means the date that is the earlier of (a) the date of the first public announcement of the relevant Change of Control and (b) the date of the earliest Relevant Potential Change of Control Announcement (if any);

“Relevant Date” means, in relation to any payment, whichever is the later of (a) the date on which the payment in question first becomes due and (b) if the full amount payable has not been received in the Principal Financial Centre of the currency of payment by the Principal Paying Agent on or prior to such due date, the date on which (the full amount having been so received) notice to that effect has been given to the Noteholders;

“Relevant Financial Centre” has the meaning given in the relevant Final Terms;

“Relevant Indebtedness” means (a) any present or future indebtedness (whether being principal, premium, interest or other amounts) for or in respect of any notes, bonds, debentures, debenture stock, loan stock or other securities which have an initial stated maturity of not less than one year and which are or are of a type which is customarily quoted, listed or ordinarily dealt in on any stock exchange, over-the-counter or other securities market, and (b) any guarantee or indemnity in respect of any such indebtedness;

“Relevant Period” means:

- (a) each financial year of the Issuer; and
- (b) each period beginning on the first day of the second half of a financial year of the Issuer and ending on the last day of the first half of its next financial year;

“Relevant Potential Change of Control Announcement” means any public announcement or statement by or on behalf of the Issuer, any actual or potential bidder or any adviser acting on behalf of any actual or potential bidder relating to any potential Change of Control where within 180 days following the date of such announcement or statement, a Change of Control occurs;

“Reserved Matter” means any proposal:

- (a) to change any date fixed for payment of principal or interest in respect of the Notes, to reduce the amount of principal or interest payable on any date in respect of the Notes or to alter the method of calculating the amount of any payment in respect of the Notes on redemption or maturity;
- (b) to effect the exchange or substitution of the Notes for, or the conversion of the Notes into, shares, bonds or other obligations or securities of the Issuer or any other person or body corporate formed or to be formed (other than as permitted under Clause 7.3 of the Trust Deed);
- (c) to change the currency in which amounts due in respect of the Notes are payable;

(d) to change the quorum required at any meeting of Noteholders or the majority required to pass an Extraordinary Resolution; or

(e) to amend this definition;

“**Residual Call Early Redemption Amount**” has the meaning given in the relevant Final Terms;

“**S&P**” means Standard & Poor’s Rating Services, a division of The McGraw-Hill Companies Inc. or any successor;

“**Security**” means a mortgage, pledge, lien, hypothecation, security interest or other charge or encumbrance entered into for the purpose of securing any obligation of any person;

“**Security Interest**” means any mortgage, charge, pledge, lien or other security interest including, without limitation, anything analogous to any of the foregoing under the laws of any jurisdiction;

“**Specified Currency**” has the meaning given in the relevant Final Terms;

“**Specified Denomination(s)**” has the meaning given in the relevant Final Terms;

“**Specified Office**” has the meaning given in the Agency Agreement;

“**Specified Period**” has the meaning given in the relevant Final Terms;

“**Step Down Rating Change**” means the first public announcement after a Step Up Rating Change by the Rating Agency of an increase in, or as the case may be the reinstatement of, the credit rating of the Issuer’s senior unsecured long-term debt with the result that, following such public announcement(s), the Rating Agency rates the Issuer’s senior unsecured long-term debt as BBB- or higher. For the avoidance of doubt, any further increases in the credit rating of the Issuer’s senior unsecured long-term debt by the Rating Agency above BBB- shall not constitute a Step Down Rating Change;

“**Step Up Rating Change**” means the first public announcement by the Rating Agency of a decrease in the credit rating of the Issuer’s senior unsecured long-term debt to below BBB-. For the avoidance of doubt, any further decrease in the credit rating of the Issuer’s senior unsecured long-term debt by the Rating Agency from below BBB- shall not constitute a Step Up Rating Change;

“**Step Up/Step Down Margin**” has the meaning given in the relevant Final Terms;

“**Subsidiary**” means any company where the Issuer:

- (a) holds a majority of the voting rights in the company; or
- (b) is a member of the company and has the right to appoint or remove a majority of its board of directors; or
- (c) is a member of the company and controls alone, pursuant to an agreement with other members, a majority of the voting rights in it,

or if the company is a subsidiary of a company that is itself a subsidiary of the Issuer;

“**Substitute Rating Agency**” means any rating agency of international standing substituted for the Rating Agency by the Issuer from time to time with the prior written approval of the Trustee, such approval not to be unreasonably withheld or delayed;

“**Talon**” means a talon for further Coupons;

“**TARGET2**” means the Trans-European Automated Real-Time Gross Settlement Express Transfer payment system which utilises a single shared platform and which was launched on 19 November 2007;

“**TARGET Settlement Day**” means any day on which TARGET2 is open for the settlement of payments in euro;

“**Tax**” means any tax, levy, impost, duty or other charge or withholding of a similar nature (including any penalty or interest payable in connection with any failure by the Issuer to pay or any delay in paying by the Issuer any of the same);

“**Treasury Publisher**” has the meaning given in the relevant Final Terms;

“**Treaty**” means the Treaty on the functioning of the European Union, as amended;

“**Wholly-Owned Subsidiary**” means any Person in which the Issuer, and/or one or more of its Wholly-Owned Subsidiaries, controls, directly or indirectly, all of the stock with ordinary voting power to elect the board of directors of that Person; and

“**Zero Coupon Note**” means a Note specified as such in the relevant Final Terms.

(b) **Interpretation**

In these Conditions:

- (i) if the Notes are Zero Coupon Notes, references to Coupons and Couponholders are not applicable;
- (ii) if Talons are specified in the relevant Final Terms as being attached to the Notes at the time of issue, references to Coupons shall be deemed to include references to Talons;
- (iii) if Talons are not specified in the relevant Final Terms as being attached to the Notes at the time of issue, references to Talons are not applicable;
- (iv) any reference to principal shall be deemed to include the Redemption Amount, any additional amounts in respect of principal which may be payable under Condition 11 (*Taxation*), any premium payable in respect of a Note and any other amount in the nature of principal payable pursuant to these Conditions;
- (v) any reference to interest shall be deemed to include any additional amounts in respect of interest which may be payable under Condition 11 (*Taxation*) and any other amount in the nature of interest payable pursuant to these Conditions;
- (vi) references to Notes being “**outstanding**” shall be construed in accordance with the Trust Deed;
- (vii) if an expression is stated in Condition 2(a) (*Definitions*) to have the meaning given in the relevant Final Terms, but the relevant Final Terms gives no such meaning or specifies that such expression is “not applicable” then such expression is not applicable to the Notes; and
- (viii) any reference to the Agency Agreement or the Trust Deed shall be construed as a reference to the Agency Agreement or the Trust Deed, as the case may be, as amended and/or supplemented up to and including the Issue Date of the Notes.

3. Form, Denomination and Title

The Notes are in bearer form in the Specified Denomination(s) with Coupons and, if specified in the relevant Final Terms, Talons attached at the time of issue. In the case of a Series of Notes with more than one denomination (the “**Specified Denomination**”) specified in the relevant Final Terms, Notes of one Specified Denomination will not be exchangeable for Notes of another Specified Denomination. Title to the Notes and the Coupons will pass by delivery. The holder of any Note or Coupon shall (except as otherwise required by law) be treated as its absolute owner for all purposes (whether or not it is overdue and regardless of any notice of ownership, trust or any other interest therein, any writing thereon or any notice of any previous loss or theft thereof) and no Person shall be liable for so treating such holder. No Person shall have any right to enforce any term or condition of any Note or the Trust Deed under the Contracts (Rights of Third Parties) Act 1999 but this does not affect any right or remedy of a third party which exists or is available apart from that Act.

4. Status of the Notes and Guarantees

The Notes and Coupons constitute direct, general, unsubordinated and unconditional obligations of the Issuer which will at all times rank *pari passu* among themselves and at least *pari passu* with all other

present and future unsecured obligations of the Issuer, save for such obligations as may be preferred by provisions of law that are both mandatory and of general application.

The payment obligations of the Guarantors rank *pari passu* with all other present and future unsecured obligations of the Guarantors, save for such obligations as may be preferred by provisions of law that are both mandatory and of general application.

5. Negative Pledge

So long as any of the Notes remains outstanding neither the Issuer nor any Guarantor nor any Material Subsidiary will create or have outstanding any Security Interest upon, or with respect to, any of the present or future business, undertaking, assets or revenues (including any uncalled capital) of the Issuer or any Guarantor or any Material Subsidiary to secure any Relevant Indebtedness, unless the Issuer or, as the case may be, such Guarantor or such Material Subsidiary, in the case of the creation of a Security Interest, before or at the same time and, in any other case, promptly, takes any and all action necessary to ensure that:

- (a) all amounts payable by it under the Notes, the Coupons and the Trust Deed are secured by the Security Interest equally and rateably with the Relevant Indebtedness to the satisfaction of the Trustee; or
- (b) such other Security Interest or other arrangement (whether or not it includes the giving of a Security Interest) is provided either (i) as the Trustee in its absolute discretion deems not materially less beneficial to the interest of the Noteholders or (ii) as is approved by an Extraordinary Resolution (which is defined in the Trust Deed as a resolution duly passed by a majority of not less than three-quarters of the votes cast thereon at a meeting of the Noteholders or by a resolution in writing signed by or on behalf of the holders of not less than three quarters of the nominal amount of the Notes) of the Noteholders.

6. Fixed Rate Note Provisions

(a) Application

This Condition 6 is applicable to the Notes only if the Fixed Rate Note provisions are specified in the relevant Final Terms as being applicable.

(b) Accrual of interest

The Notes bear interest from the Interest Commencement Date at the Rate of Interest payable in arrear on each Interest Payment Date, subject as provided in Condition 10 (*Payments*). Each Note will cease to bear interest from the due date for final redemption unless, upon due presentation, payment of the Redemption Amount is improperly withheld or refused, in which case it will continue to bear interest in accordance with this Condition 6 (as well after as before judgment) until whichever is the earlier of (i) the day on which all sums due in respect of such Note up to that day are received by or on behalf of the relevant Noteholder and (ii) the day which is seven days after the Principal Paying Agent has notified the Noteholders that it has received all sums due in respect of the Notes up to such seventh day (except to the extent that there is any subsequent default in payment).

(c) Fixed Coupon Amount

The amount of interest payable in respect of each Note for any Interest Period shall be the relevant Fixed Coupon Amount and, if the Notes are in more than one Specified Denomination, shall be the relevant Fixed Coupon Amount in respect of the relevant Specified Denomination.

(d) Calculation of interest amount

The amount of interest payable in respect of each Note for any period for which a Fixed Coupon Amount is not specified shall be calculated by applying the Rate of Interest to the Calculation Amount, multiplying the product by the relevant Day Count Fraction, rounding the resulting figure to the nearest sub-unit of the Specified Currency (half a sub-unit being rounded upwards) and multiplying such rounded figure by a fraction equal to the Specified Denomination of such Note divided by the Calculation Amount. For this purpose a “**sub-unit**” means, in the case of any currency other than euro, the lowest amount of such currency that is

available as legal tender in the country of such currency and, in the case of euro, means one cent.

(e) ***Step Up/Step Down provisions***

- (i) If the Step Up/Step Down provisions are specified in the relevant Final Terms as being applicable, the Rate of Interest payable on the Notes will be subject to adjustment from time to time in the event of a Step Up Rating Change or a Step Down Rating Change, as the case may be, in accordance with the provisions of this Condition 6(e).
- (ii) From and including the first Interest Payment Date following the date of a Step Up Rating Change, if any, the Rate of Interest payable on the Notes shall, subject to any adjustment pursuant to a Step Down Rating Change and provided that either Redemption of Relevant Debt is specified in the relevant Final Terms as being not applicable or Redemption of Relevant Debt is specified in the relevant Final Terms as being applicable but has not yet occurred, be increased by the Step Up/Step Down Margin.
- (iii) Furthermore, in the event of a Step Down Rating Change following a Step Up Rating Change or, as the case may be, a Redemption of Relevant Debt having occurred following a Step Up Rating Change where Redemption of Relevant Debt has been specified in the relevant Final Terms as being applicable, with effect from and including the first Interest Payment Date following the date of such Step Down Rating Change or, as the case may be, Redemption of Relevant Debt, the Rate of Interest payable on the Notes shall be decreased by the Step Up/Step Down Margin.
- (iv) The Issuer shall use all reasonable efforts to maintain a credit rating for its senior unsecured long-term debt from the Rating Agency. If, notwithstanding such reasonable efforts, the Rating Agency fails to or ceases to assign a credit rating to the Issuer's senior unsecured long-term debt, the Issuer shall use all reasonable efforts to obtain a credit rating of its senior unsecured long-term debt from a Substitute Rating Agency, and references in this Condition 6(e) to the Rating Agency, or the credit ratings thereof, shall be to such Substitute Rating Agency and, as the case may be, the equivalent credit ratings thereof. Notwithstanding anything else in this Condition 6(e), if there is at any time no current rating by a Rating Agency for a period of 90 consecutive days, the Rate of Interest accruing to the Notes, with effect from and including the first Interest Payment Date immediately following such period of 90 consecutive days shall be as though a Step Up Rating Change had occurred unless such a rating is obtained on or prior to such Interest Payment Date. For the avoidance of doubt, the provisions of this sub-paragraph (iv) remain subject in all cases to the provisions relating to the Step Down Rating Change set out in sub-paragraphs (ii) and (iii) above.
- (v) The Issuer will cause the occurrence of a Step Up Rating Change or a Step Down Rating Change to be notified to the Trustee and the Principal Paying Agent and notice thereof to be published in accordance with Condition 18 (*Notices*) as soon as possible after the occurrence of the Step Up Rating Change or the Step Down Rating Change (whichever the case may be) but in no event later than the fifth Business Day thereafter.
- (vi) The Step Up Rating Change may occur only once during the term of the Notes.
- (vii) The Trustee is under no obligation to ascertain whether a change in the rating assigned to the Notes by the Rating Agency or any Substitute Rating Agency has occurred or whether there has been a failure or a ceasing by the Rating Agency or any Substitute Rating Agency to assign a credit rating to the Issuer's senior unsecured long-term debt and until it shall have actual knowledge or express notice pursuant to the Trust Deed to the contrary, the Trustee may assume that no such change to the credit rating assigned to the Notes has occurred or no such failure or ceasing by the Rating Agency or any Substitute Rating Agency has occurred.

- (viii) If the rating designations employed by the Rating Agency are changed from those which are described in the definitions of “Step Down Rating Change” and “Step Up Rating Change”, or if a rating is procured from a Substitute Rating Agency, the Issuer shall determine, with the agreement of the Trustee (not to be unreasonably withheld or delayed), the rating designations of the Rating Agency or such Substitute Rating Agency (as appropriate) as are most equivalent to the prior rating designations of the Rating Agency, and this Condition 6(e) shall be construed accordingly.

7. Floating Rate Note Provisions

(a) Application

This Condition 7 is applicable to the Notes only if the Floating Rate Note provisions are specified in the relevant Final Terms as being applicable.

(b) Accrual of interest

The Notes bear interest from the Interest Commencement Date at the Rate of Interest payable in arrear on each Interest Payment Date, subject as provided in Condition 10 (*Payments*). Each Note will cease to bear interest from the due date for final redemption unless, upon due presentation, payment of the Redemption Amount is improperly withheld or refused, in which case it will continue to bear interest in accordance with this Condition 7 (as well after as before judgment) until whichever is the earlier of (i) the day on which all sums due in respect of such Note up to that day are received by or on behalf of the relevant Noteholder and (ii) the day which is seven days after the Principal Paying Agent has notified the Noteholders that it has received all sums due in respect of the Notes up to such seventh day (except to the extent that there is any subsequent default in payment).

(c) ISDA Determination

The Rate of Interest applicable to the Notes for each Interest Period will be the sum of the Margin and the relevant ISDA Rate where “**ISDA Rate**” in relation to any Interest Period means a rate equal to the Floating Rate (as defined in the ISDA Definitions) that would be determined by the Calculation Agent under an interest rate swap transaction if the Calculation Agent were acting as Calculation Agent for that interest rate swap transaction under the terms of an agreement incorporating the ISDA Definitions and under which:

- (i) the Floating Rate Option (as defined in the ISDA Definitions) is as specified in the relevant Final Terms;
- (ii) the Designated Maturity (as defined in the ISDA Definitions) is a period specified in the relevant Final Terms; and
- (iii) the relevant Reset Date (as defined in the ISDA Definitions) is as specified in the relevant Final Terms.

(e) Maximum or Minimum Rate of Interest

If any Maximum Rate of Interest or Minimum Rate of Interest is specified in the relevant Final Terms, then the Rate of Interest shall in no event be greater than the maximum or be less than the minimum so specified.

(f) Calculation of Interest Amount

The Calculation Agent will, as soon as practicable after the time at which the Rate of Interest is to be determined in relation to each Interest Period, calculate the Interest Amount payable in respect of each Note for such Interest Period. The Interest Amount will be calculated by applying the Rate of Interest for such Interest Period to the Calculation Amount, multiplying the product by the relevant Day Count Fraction, rounding the resulting figure to the nearest sub-unit of the Specified Currency (half a sub-unit being rounded upwards) and multiplying such rounded figure by a fraction equal to the Specified Denomination of the relevant Note divided by the Calculation Amount. For this purpose a “**sub-unit**” means, in the case of any currency other than euro, the lowest amount of such currency that is available as legal tender in the country of such currency and, in the case of euro, means one cent.

(g) ***Calculation of other amounts***

If the relevant Final Terms specifies that any other amount is to be calculated by the Calculation Agent, the Calculation Agent will, as soon as practicable after the time or times at which any such amount is to be determined, calculate the relevant amount. The relevant amount will be calculated by the Calculation Agent in the manner specified in the relevant Final Terms.

(h) ***Publication***

The Calculation Agent will cause each Rate of Interest and Interest Amount determined by it, together with the relevant Interest Payment Date, and any other amount(s) required to be determined by it together with any relevant payment date(s) to be notified to the Paying Agents and each competent authority, stock exchange and/or quotation system (if any) by which the Notes have then been admitted to listing, trading and/or quotation as soon as practicable after such determination but (in the case of each Rate of Interest, Interest Amount and Interest Payment Date) in any event not later than the first day of the relevant Interest Period. Notice thereof shall also promptly be given to the Noteholders. The Calculation Agent will be entitled to recalculate any Interest Amount (on the basis of the foregoing provisions) without notice in the event of an extension or shortening of the relevant Interest Period. If the Calculation Amount is less than the minimum Specified Denomination the Calculation Agent shall not be obliged to publish each Interest Amount but instead may publish only the Calculation Amount and the Interest Amount in respect of a Note having the minimum Specified Denomination.

(i) ***Notifications etc.***

All notifications, opinions, determinations, certificates, calculations, quotations and decisions given, expressed, made or obtained for the purposes of this Condition 7 by the Calculation Agent will (in the absence of manifest error) be binding on the Issuer, the Guarantors, the Trustee, the Paying Agents, the Noteholders and the Couponholders and (subject as aforesaid) no liability to any such Person will attach to the Calculation Agent in connection with the exercise or non-exercise by it of its powers, duties and discretions for such purposes.

(j) ***Determination or Calculation by Trustee***

If the Calculation Agent fails at any time to determine a Rate of Interest or to calculate an Interest Amount, the Trustee or a person appointed by the Trustee for that purpose (but without any liability accruing to the Trustee as a result) will determine such Rate of Interest and make such determination or calculation which shall be deemed to have been made by the Calculation Agent. In doing so, the Trustee or a person appointed by the Trustee for that purpose (but without any liability accruing to the Trustee as a result) shall apply all of the provisions of these Conditions with any necessary consequential amendments to the extent that, in its sole opinion and with absolute discretion, it can do so and in all other respects it shall do so in such manner as it shall deem fair and reasonable in all the circumstances and will not be liable for any loss, liability, cost, charge or expense which may arise as a result thereof. Any such determination or calculation made by the Trustee shall be binding on the Issuer, the Guarantors, the Noteholders and the Couponholders.

8. Zero Coupon Note Provisions

(a) ***Application***

This Condition 8 is applicable to the Notes only if the Zero Coupon Note provisions are specified in the relevant Final Terms as being applicable.

(b) ***Late payment on Zero Coupon Notes***

If the Redemption Amount payable in respect of any Zero Coupon Note is improperly withheld or refused, the Redemption Amount shall thereafter be an amount equal to the sum of:

- (i) the Reference Price; and

- (ii) the product of the Accrual Yield (compounded annually) being applied to the Reference Price on the basis of the relevant Day Count Fraction from (and including) the Issue Date to (but excluding) whichever is the earlier of (A) the day on which all sums due in respect of such Note up to that day are received by or on behalf of the relevant Noteholder and (B) the day which is seven days after the Principal Paying Agent or, as the case may be, the Trustee has notified the Noteholders that it has received all sums due in respect of the Notes up to such seventh day (except to the extent that there is any subsequent default in payment).

9. Redemption and Purchase

(a) ***Scheduled redemption***

Unless previously redeemed or purchased and cancelled in accordance with Condition 9(k) (*Cancellation*), the Notes will be redeemed at their Final Redemption Amount on the Maturity Date, subject as provided in Condition 10 (*Payments*).

(b) ***Redemption for tax reasons***

The Notes may be redeemed at the option of the Issuer in whole, but not in part:

- (i) at any time (if the Floating Rate Note provisions are not specified in the relevant Final Terms as being applicable); or
- (ii) on any Interest Payment Date (if the Floating Rate Note provisions are specified in the relevant Final Terms as being applicable),

on giving not less than 30 nor more than 60 days' notice to the Noteholders (which notice shall be irrevocable), at their Early Redemption Amount (Tax), together with interest accrued (if any) to the date fixed for redemption, if:

- (A) as a result of any change in, or amendment to, the tax laws or regulations of the United Kingdom or any political subdivision or any authority thereof or therein having power to tax, or any change in the application or official interpretation of such laws or regulations (including a holding by a court of competent jurisdiction), which change or amendment becomes effective on or after the date of issue of the first Tranche of the Notes on the next Interest Payment Date either (i) the Issuer would be obliged to pay additional amounts as provided or referred to in Condition 11 (*Taxation*) or (ii) each Guarantor would be unable for reasons outside its control to procure payment by the Issuer and in making payment itself would be required to pay such additional amounts; and
- (B) such obligation cannot be avoided by the Issuer or, as the case may be, each of the Guarantors taking reasonable measures available to it,

PROVIDED, HOWEVER, THAT no such notice of redemption shall be given earlier than:

- (I) where the Notes may be redeemed at any time, 90 days prior to the earliest date on which the Issuer or, as the case may be, the relevant Guarantor would be obliged to pay such additional amounts if a payment in respect of the Notes were then due; or
- (II) where the Notes may be redeemed only on an Interest Payment Date, 60 days prior to the Interest Payment Date occurring immediately before the earliest date on which the Issuer or, as the case may be, the relevant Guarantor would be obliged to pay such additional amounts if a payment in respect of the Notes were then due.

Prior to the publication of any notice of redemption pursuant to this paragraph, the Issuer shall deliver to the Trustee (i), if the Trustee so requests, an opinion of independent legal advisers of recognised standing to the effect that the Issuer or, as the case may be, a Guarantor has or will become obliged to pay such additional amounts as a result of such change or amendment and (ii) a certificate signed by two authorised officers of the Issuer or, as the case may be, each of the Guarantors, as the case may be, stating that the obligation referred to in (A) above cannot be avoided by the Issuer or, as the case may be, each of the Guarantors taking reasonable measures available to it and the Trustee shall be entitled to accept such certificate as sufficient evidence of the satisfaction of the condition precedent set out in (B) above in

which event it shall be conclusive and binding on the Noteholders and Couponholders. Upon the expiry of any such notice as is referred to in this Condition 9(b), the Issuer shall be bound to redeem the Notes in accordance with this Condition 9(b).

(c) ***Redemption at the option of the Issuer (Issuer Call Option)***

If Issuer Call Option is specified in the relevant Final Terms as being applicable, the Notes may be redeemed at the option of the Issuer in whole or, if so specified in the relevant Final Terms, in part on any Optional Redemption Date (Call) at the relevant Optional Redemption Amount (Call) on the Issuer giving not less than 30 nor more than 60 days' notice (or such other period of notice as is specified in the relevant Final Terms as being applicable) to the Noteholders and the Trustee (which notice shall be irrevocable and shall oblige the Issuer to redeem the Notes or, as the case may be, the Notes specified in such notice on the relevant Optional Redemption Date (Call) at the Optional Redemption Amount (Call) plus accrued interest (if any) to such date).

(d) ***Redemption at the option of the Issuer where Issuer Maturity Par Call Option or Issuer Residual Call Option is specified***

The Notes may be redeemed at the option of the Issuer in whole, but not in part:

- i) if Issuer Maturity Par Call Option is specified in the relevant Final Terms as being applicable, at any time during the period commencing on (and including) the day that is 90 days prior to the Maturity Date to (but excluding) the Maturity Date, at the Final Redemption Amount specified in the relevant Final Terms, plus accrued interest (if any) to the date fixed for redemption, upon the Issuer having given not less than 30 nor more than 60 days' notice (or such other period of notice as is specified in the relevant Final Terms as being applicable) to the Noteholders and the Trustee (which notice shall be irrevocable and shall specify the date fixed for redemption); or
- ii) if Issuer Residual Call Option is specified in the relevant Final Terms as being applicable and, at any time, the outstanding aggregate nominal amount of the Notes is 20 per cent. or less of the aggregate nominal amount of the Series issued, at any time (if this Note is not a Floating Rate Note) or on any Interest Payment Date (if this Note is a Floating Rate Note), at the Residual Call Early Redemption Amount, plus accrued interest (if any) to the date fixed for redemption, upon the Issuer having given not less than 30 nor more than 60 days' notice (or such other period of notice as is specified in the relevant Final Terms as being applicable) to the Noteholders and the Trustee (which notice shall be irrevocable and shall specify the date fixed for redemption).

(e) ***Partial redemption***

If the Notes are to be redeemed in part only on any date in accordance with Condition 9(c) (*Redemption at the option of the Issuer (Issuer Call Option)*), the Notes to be redeemed shall be selected by the drawing of lots in such place and in such manner as the Trustee approves, subject to compliance with applicable law, the rules of each competent authority, stock exchange and/or quotation system (if any) by which the Notes have then been admitted to listing, trading and/or quotation and the notice to Noteholders referred to in Condition 9(c) (*Redemption at the option of the Issuer (Issuer Call Option)*) shall specify the serial numbers of the Notes so to be redeemed. If any Maximum Redemption Amount or Minimum Redemption Amount is specified in the relevant Final Terms, then the Optional Redemption Amount (Call) shall in no event be greater than the maximum or be less than the minimum so specified.

(f) ***Redemption at the option of Noteholders***

If Put Option is specified in the relevant Final Terms as being applicable, the Issuer shall, at the option of the holder of any Note redeem such Note on the Optional Redemption Date (Put) specified in the relevant Put Option Notice at the relevant Optional Redemption Amount (Put) together with interest (if any) accrued to such date. In order to exercise the option contained in this Condition 9(f), the holder of a Note must, not less than 30 nor more than 60 days before

the relevant Optional Redemption Date (Put), deposit with any Paying Agent such Note together with all unmatured Coupons relating thereto and a duly completed Put Option Notice in the form obtainable from any Paying Agent. The Paying Agent with which such Note is so deposited shall deliver a duly completed Put Option Receipt to the depositing Noteholder. No Note, once deposited with a duly completed Put Option Notice in accordance with this Condition 9(f), may be withdrawn; **PROVIDED, HOWEVER, THAT** if, prior to the relevant Optional Redemption Date (Put), any such Note becomes immediately due and payable or, upon due presentation of any such Note on the relevant Optional Redemption Date (Put), payment of the redemption moneys is improperly withheld or refused, the relevant Paying Agent shall mail notification thereof to the depositing Noteholder at such address as may have been given by such Noteholder in the relevant Put Option Notice and shall hold such Note at its Specified Office for collection by the depositing Noteholder against surrender of the relevant Put Option Receipt. For so long as any outstanding Note is held by a Paying Agent in accordance with this Condition 9(f), the depositor of such Note and not such Paying Agent shall be deemed to be the holder of such Note for all purposes.

If the Note is in definitive form and held through Euroclear or Clearstream, to exercise the right to require redemption or, as the case may be, purchase of a Note under this Condition 9(f) the holder of the Note must, not less than 30 nor more than 60 days before the relevant Optional Redemption Date (Put), give notice to the Principal Paying Agent of such exercise in accordance with the standard procedures of Euroclear and Clearstream (which may include notice being given on his instruction by Euroclear or Clearstream or any common depository for them to the Principal Paying Agent by electronic means) in a form acceptable to Euroclear and Clearstream from time to time.

(g) ***Change of Control redemption***

If Change of Control Put Option is specified in the relevant Final Terms as being applicable and a Change of Control Put Event occurs, the holder of each Note will have the option (unless prior to the giving of the relevant Change of Control Put Event Notice the Issuer has given notice of redemption under Condition 9(b) (*Redemption for tax reasons*) or 9(c) (*Redemption at the option of the Issuer*), if applicable) to require the Issuer to redeem or, at the Issuer's option, purchase (or procure the purchase of) that Note on the Change of Control Optional Redemption Date at its Change of Control Optional Redemption Amount together with interest accrued to (but excluding) the Change of Control Optional Redemption Date.

Promptly upon, and in any event within 14 days after, the Issuer becoming aware that a Change of Control Put Event has occurred the Issuer shall, and at any time upon the Trustee becoming similarly so aware the Trustee may, and if so requested by the holders of at least one-quarter in principal amount of the Notes then outstanding or if so directed by an Extraordinary Resolution of the Noteholders, shall, (subject in each case to the Trustee being indemnified, secured and/or repaid to its satisfaction) give the Change of Control Put Event Notice to the Noteholders.

To exercise the Change of Control Put Option, the holder of the Note must deliver such Note to the specified office of any Paying Agent at any time during normal business hours of such Paying Agent falling within the Change of Control Put Period, accompanied by a duly signed and completed notice of exercise in the form (for the time being current) obtainable from the specified office of any Paying Agent (an "**Exercise Notice**"). The Note should be delivered together with all Coupons appertaining thereto maturing after the Change of Control Optional Redemption Date, failing which the Paying Agent will require payment from or on behalf of the Noteholder of an amount equal to the face value of any such missing Coupon. Any amount so paid will be reimbursed by the Paying Agent to the Noteholder against presentation and surrender of the relevant missing Coupon (or any replacement issued therefor pursuant to Condition 14 (*Replacement of Notes and Coupons*)) at any time after such payment, but before the expiry of the period of ten years from the date on which such Coupon would have become due, but not thereafter. If the Note is in definitive form and held through Euroclear or Clearstream, to exercise the right to require redemption or, as the case may be, purchase of a Note under this Condition 9(g) the holder of the Note must, within the Change of Control Put Period, give notice to the Principal Paying Agent of such exercise in accordance with the standard procedures of Euroclear and Clearstream (which may include notice being given on

his instruction by Euroclear or Clearstream or any common depository for them to the Principal Paying Agent by electronic means) in a form acceptable to Euroclear and Clearstream from time to time. The Paying Agent to which such Note and Exercise Notice are delivered will issue to the Noteholder concerned a non-transferable receipt in respect of the Note so delivered or, in the case of a Note held through Euroclear and/or Clearstream, notice received. Payment in respect of any Note so delivered will be made, if the holder duly specified a bank account in the Exercise Notice to which payment is to be made, on the Change of Control Optional Redemption Date by transfer to that bank account and, in every other case, on or after the Change of Control Optional Redemption Date against presentation and surrender or (as the case may be) endorsement of such receipt at the specified office of any Paying Agent. For the purposes of these Conditions, receipts issued pursuant to this Condition 9(g) shall be treated as if they were Notes. The Issuer shall redeem or purchase (or procure the purchase of) the Notes in respect of which the Change of Control Put Option has been validly exercised in accordance with the provisions of this Condition 9(g) on the Change of Control Optional Redemption Date unless previously redeemed (or purchased) and cancelled.

Any Exercise Notice, once given, shall be irrevocable except where prior to the Change of Control Optional Redemption Date an Event of Default shall have occurred and the Trustee shall have accelerated the Notes, in which event such holder, at its option, may elect by notice to the Issuer to withdraw the Exercise Notice and instead to treat its Notes as being forthwith due and payable pursuant to Condition 12 (*Events of Default*).

If 80 per cent. or more in principal amount of the Notes then outstanding have been redeemed or purchased pursuant to this Condition 9(g), the Issuer may, on giving not less than 30 nor more than 60 days' notice to the Noteholders (such notice being given within 30 days after the Change of Control Optional Redemption Date), redeem or purchase (or procure the purchase of), at its option, all but not some only of the remaining outstanding Notes at their principal amount, together with interest accrued to (but excluding) the date fixed for such redemption or purchase.

If the rating designations employed by any Rating Agency are changed from those which are described in paragraph (ii) of the definition of "Change of Control Put Event", or if a rating is procured from a Substitute Rating Agency, the Issuer shall determine, with the agreement of the Trustee, the rating designations of such Rating Agency or such Substitute Rating Agency (as appropriate) as are most equivalent to the prior rating designations of the relevant Rating Agency and this Condition 9(g) shall be construed accordingly.

The Trustee is under no obligation to ascertain whether a Change of Control Put Event or Change of Control or any event which could lead to the occurrence of or could constitute a Change of Control Put Event or Change of Control has occurred, or to seek any confirmation from any Rating Agency pursuant to the definition of Negative Rating Event below, and, until it shall have actual knowledge or notice pursuant to the Trust Deed to the contrary, the Trustee may assume that no Change of Control Put Event or Change of Control or other such event has occurred.

(h) ***No other redemption***

The Issuer shall not be entitled to redeem the Notes otherwise than as provided in Conditions 9(a) (*Scheduled redemption*) to 9(g) (*Change of control redemption*) above.

(i) ***Early redemption of Zero Coupon Notes***

Unless otherwise specified in the relevant Final Terms, the Redemption Amount payable on redemption of a Zero Coupon Note at any time before the Maturity Date shall be an amount equal to the sum of:

- (i) the Reference Price; and
- (ii) the product of the Accrual Yield (compounded annually) being applied to the Reference Price from (and including) the Issue Date to (but excluding) the date fixed for redemption or (as the case may be) the date upon which the Note becomes due and payable.

Where such calculation is to be made for a period which is not a whole number of years, the calculation in respect of the period of less than a full year shall be made on the basis of such Day Count Fraction as may be specified in the Final Terms for the purposes of this Condition 9(i) or, if none is so specified, a Day Count Fraction of 30E/360.

(j) **Purchase**

The Issuer or any of its Subsidiaries may at any time purchase Notes in the open market or otherwise and at any price, **PROVIDED THAT** all unmatured Coupons are purchased therewith.

(k) **Cancellation**

All Notes so redeemed or purchased by the Issuer or any of its Subsidiaries and any unmatured Coupons attached to or surrendered with them shall be cancelled and may not be reissued or resold.

10. Payments

(a) **Principal**

Payments of principal shall be made only against presentation and (**PROVIDED THAT** payment is made in full) surrender of Notes at the Specified Office of any Paying Agent outside the United States by cheque drawn in the currency in which the payment is due on, or by transfer to an account denominated in that currency (or, if that currency is euro, any other account to which euro may be credited or transferred) and maintained by the payee with, a bank in the Principal Financial Centre of that currency (in the case of a sterling cheque, a town clearing branch of a bank in the City of London).

(b) **Interest**

Payments of interest shall, subject to Condition 10(h) (*Payments other than in respect of matured Coupons*), be made only against presentation and (**PROVIDED THAT** payment is made in full) surrender of the appropriate Coupons at the Specified Office of any Paying Agent outside the United States in the manner described in Condition 10(a) (*Principal*).

(c) **Payments in New York City**

Payments of principal or interest may be made at the Specified Office of a Paying Agent in New York City as specified in Part B of the relevant Final Terms if (i) the Issuer has appointed Paying Agents outside the United States with the reasonable expectation that such Paying Agents will be able to make payment of the full amount of the interest on the Notes in the currency in which the payment is due when due, (ii) payment of the full amount of such interest at the offices of all such Paying Agents is illegal or effectively precluded by exchange controls or other similar restrictions and (iii) payment is permitted by applicable United States law.

(d) **Payments subject to fiscal laws**

All payments in respect of the Notes will be subject in all cases to (i) any fiscal or other laws and regulations applicable thereto in the place of payment, but without prejudice to the provisions of Condition 11 (*Taxation*) and (ii) any withholding or deduction required pursuant to an agreement described in Section 1471(b) of the U.S. Internal Revenue Code of 1986 (the “Code”) or otherwise imposed pursuant to Sections 1471 through 1474 of the Code, any regulations or agreements thereunder, any official interpretations thereof, or (without prejudice to the provisions of Condition 11 (*Taxation*)) any law implementing an intergovernmental approach thereto.

No commissions or expenses shall be charged to the Noteholders or Couponholders in respect of such payments.

(e) **Deductions for unmatured Coupons**

If the relevant Final Terms specify that the Fixed Rate Note provisions are applicable and a Note is presented without all unmatured Coupons relating thereto:

- (i) if the aggregate amount of the missing Coupons is less than or equal to the amount of principal due for payment, a sum equal to the aggregate amount of the missing Coupons will be deducted from the amount of principal due for payment; **PROVIDED HOWEVER, THAT** if the gross amount available for payment is less than the amount of principal due for payment, the sum deducted will be that proportion of the aggregate amount of such missing Coupons which the gross amount actually available for payment bears to the amount of principal due for payment;
- (ii) if the aggregate amount of the missing Coupons is greater than the amount of principal due for payment:
 - (A) so many of such missing Coupons shall become void (in inverse order of maturity) as will result in the aggregate amount of the remainder of such missing Coupons (the “**Relevant Coupons**”) being equal to the amount of principal due for payment; **PROVIDED HOWEVER, THAT** where this sub-paragraph would otherwise require a fraction of a missing Coupon to become void, such missing Coupon shall become void in its entirety; and
 - (B) a sum equal to the aggregate amount of the Relevant Coupons (or, if less, the amount of principal due for payment) will be deducted from the amount of principal due for payment; **PROVIDED, HOWEVER, THAT**, if the gross amount available for payment is less than the amount of principal due for payment, the sum deducted will be that proportion of the aggregate amount of the Relevant Coupons (or, as the case may be, the amount of principal due for payment) which the gross amount actually available for payment bears to the amount of principal due for payment.

Each sum of principal so deducted shall be paid in the manner provided in Condition 10(a) (*Principal*) against presentation and (**PROVIDED THAT** payment is made in full) surrender of the relevant missing Coupons.

(f) ***Unmatured Coupons void***

If the relevant Final Terms specifies that this Condition 10(f) is applicable or that the Floating Rate Note provisions are applicable, on the due date for final redemption of any Note or early redemption in whole of such Note pursuant to Condition 9(b) (*Redemption for tax reasons*), Condition 9(f) (*Redemption at the option of Noteholders*), Condition 9(c) (*Redemption at the option of the Issuer (Issuer Call Option)*) or Condition 12 (*Events of Default*), all unmatured Coupons relating thereto (whether or not still attached) shall become void and no payment will be made in respect thereof.

(g) ***Payments on business days***

If the due date for payment of any amount in respect of any Note or Coupon is not a Payment Business Day in the place of presentation, the holder shall not be entitled to payment in such place of the amount due until the next succeeding Payment Business Day in such place and shall not be entitled to any further interest or other payment in respect of any such delay.

(h) ***Payments other than in respect of matured Coupons***

Payments of interest other than in respect of matured Coupons shall be made only against presentation of the relevant Notes at the Specified Office of any Paying Agent outside the United States (or in New York City if permitted by Condition 10(c) (*Payments in New York City*) above).

(i) ***Partial payments***

If a Paying Agent makes a partial payment in respect of any Note or Coupon presented to it for payment, such Paying Agent will endorse thereon a statement indicating the amount and date of such payment.

(j) ***Exchange of Talons***

On or after the maturity date of the final Coupon which is (or was at the time of issue) part of a Coupon Sheet relating to the Notes, the Talon forming part of such Coupon Sheet may be

exchanged at the Specified Office of the Principal Paying Agent for a further Coupon Sheet (including, if appropriate, a further Talon but excluding any Coupons in respect of which claims have already become void pursuant to Condition 13 (*Prescription*)). Upon the due date for redemption of any Note, any unexchanged Talon relating to such Note shall become void and no Coupon will be delivered in respect of such Talon.

11. Taxation

(a) *Gross up*

All payments of principal and interest in respect of the Notes and the Coupons by or on behalf of the Issuer or any Guarantor shall be made free and clear of, and without withholding or deduction for or on account of, any present or future taxes, duties, assessments or governmental charges of whatever nature imposed, levied, collected, withheld or assessed by or on behalf of the United Kingdom or any political subdivision therein or any authority therein or thereof having power to tax, unless the withholding or deduction of such taxes, duties, assessments, or governmental charges is required by law. In that event, the Issuer or, as the case may be, such Guarantor, shall pay such additional amounts as will result in receipt by the Noteholders and the Couponholders after such withholding or deduction of such amounts as would have been received by them had no such withholding or deduction been required, except that no such additional amounts shall be payable in respect of any Note or Coupon:

- (i) presented for payment by or on behalf of a holder which is liable to such taxes, duties, assessments or governmental charges in respect of such Note or Coupon by reason of its having some connection with the jurisdiction by which such taxes, duties, assessments or charges have been imposed, levied, collected, withheld or assessed other than the mere holding of the Note or Coupon; or
- (ii) presented for payment more than 30 days after the Relevant Date except to the extent that the holder of such Note or Coupon would have been entitled to such additional amounts on presenting such Note or Coupon for payment on the last day of such period of 30 days.

(b) *Taxing jurisdiction*

If the Issuer or any Guarantor becomes subject at any time to any taxing jurisdiction other than the United Kingdom, references in these Conditions to the United Kingdom shall be construed as references to the United Kingdom and/or such other jurisdiction.

12. Events of Default

If any of the following events occurs and is continuing then the Trustee may at its discretion and shall, if so requested in writing by the holders of at least one fifth of the aggregate principal amount of the outstanding Notes, or if so directed by an Extraordinary Resolution (subject to the Trustee having been indemnified and/or provided with security and/or prefunded by the Noteholders to its satisfaction) by written notice to the Issuer, declare the Notes to be immediately due and payable, whereupon they shall become immediately due and payable at their Early Termination Amount together with accrued interest (if any) without further action or formality:

(a) *Non-payment*

the Issuer fails to pay any amount of principal in respect of the Notes within ten days of the due date for payment thereof or any amount of interest in respect of the Notes within ten days of the due date for payment thereof; or

(b) *Breach of other obligations*

the Issuer or any Guarantor does not comply with any of their other obligations under or in respect of the Notes or the Trust Deed and (except in any case where, in the opinion of the Trustee, such failure is incapable of remedy in which case no continuation or notice as is hereinafter provided will be required) such failure to comply continues unremedied for 30 days (or such longer period as the Trustee may permit) after written notice thereof has been delivered by the Trustee to the Issuer or such Guarantor, as the case may be; or

(c) **Cross Default**

- (i) any Indebtedness of the Issuer or any Guarantor or any Material Subsidiary becomes due and repayable prematurely by reason of an event of default (however described);
- (ii) the Issuer or any Guarantor or any Material Subsidiary fails to make any payment in respect of any Indebtedness on the due date for payment or, as the case may be, within any applicable grace period as originally provided;
- (iii) any security given by the Issuer or any Guarantor or any Material Subsidiary for any Indebtedness is enforced; or
- (iv) default is made by the Issuer or any Guarantor or any Material Subsidiary in making any payment due under any guarantee and/or indemnity given by it in relation to any Indebtedness of any other person,

provided that (i) no event described in this Condition 12(c) shall constitute an Event of Default where the Issuer or the relevant Guarantor or the relevant Material Subsidiary, as the case may be, satisfies the Trustee that it is contesting such Event of Default in good faith and by appropriate action and (ii) no event described in this Condition 12(c) shall constitute an Event of Default unless the Indebtedness or other relative liability, either alone or when aggregated with other Indebtedness and/or other liabilities relative to all (if any) other events described in this Condition 12(c) which have occurred and are continuing (excluding where the Issuer and/or the relevant Guarantor and/or the relevant Material Subsidiary, as the case may be, has satisfied the Trustee that it is contesting such event in good faith and by appropriate action), amounts to at least U.S.\$50,000,000 (or its equivalent in any other currency); or

(d) **Security enforced**

a secured party takes possession, or a receiver, manager or other similar officer is appointed, of all or substantially all of the undertaking, assets and revenues of the Issuer, a Guarantor or any Material Subsidiary; or

(e) **Creditor's process**

any expropriation, attachment, sequestration, distress or execution affects any asset or assets of the Issuer, any Guarantor or a Material Subsidiary having an aggregate value of and in respect of indebtedness aggregating at least U.S.\$50,000,000 (or its equivalent in any other currency or currencies) and is not discharged within 30 days; or

(f) **Insolvency etc.**

(i) the Issuer, any Guarantor or any Material Subsidiary becomes insolvent or is unable to pay its debts as they fall due; (ii) an administrator or liquidator of the Issuer, any Guarantor or any Material Subsidiary of all or substantially all of the undertaking, assets and revenues of the Issuer, such Guarantor or such Material Subsidiary is appointed (otherwise than for the purposes of or pursuant to an amalgamation, reorganisation or restructuring whilst solvent on terms previously approved in writing by the Trustee or by an Extraordinary Resolution); or (iii) the Issuer, any Guarantor or any Material Subsidiary makes a general assignment or an arrangement or composition with or for the benefit of its creditors generally or declares a moratorium in respect of any of its Indebtedness given by it; or (iv) a person presents a petition for the winding up, liquidation, dissolution, administration or suspension of payments of the Issuer, any Guarantor or any Material Subsidiary (excluding where the Issuer, such Guarantor or such Material Subsidiary has satisfied the Trustee that it is contesting such petition in good faith and by appropriate action); or

(g) **Winding up etc.**

an order is made or an effective resolution is passed for the winding up, liquidation or dissolution of the Issuer, any Guarantor or any Material Subsidiary (otherwise than for the purposes of or pursuant to an amalgamation, reorganisation or restructuring whilst solvent on terms previously approved in writing by the Trustee or by an Extraordinary Resolution); or

(h) ***Failure to take action etc.***

any action, condition or thing at any time required to be taken, fulfilled or done in order (i) to enable the Issuer or the Guarantors lawfully to enter into, exercise their respective rights and perform and comply with their respective obligations under and in respect of the Notes, the Coupons and the Trust Deed, (ii) to ensure that those obligations are legal, valid, binding and enforceable and (iii) to make the Notes, the Coupons and the Trust Deed admissible in evidence in the courts of England is not taken, fulfilled or done; or

(i) ***Cessation of business etc.***

the Issuer, any Guarantor or any Material Subsidiary ceases or threatens to cease to carry on all or substantially all of its business, save for (i) the purposes of or pursuant to an amalgamation, reorganisation or restructuring neither involving nor arising out of the insolvency of the Issuer or, as the case may be, such Guarantor or Material Subsidiary, (ii) any transfer of assets by the Issuer, any Guarantor or any Material Subsidiary to any other member of the Group, (iii) any transfer of assets by the Issuer, any Guarantor or any Material Subsidiary to a third party or parties (whether associated or not) on an arm's length basis, (iv) any transfer of assets by the Issuer, any Guarantor or any Material Subsidiary whereby the transferee is or immediately upon such transfer becomes a Material Subsidiary, or (v) any transfer of assets by the Issuer, any Guarantor or any Material Subsidiary the terms of which have been previously approved by the Trustee or by an Extraordinary Resolution of the Noteholders; or

(j) ***Guarantee etc.***

any Guarantee ceases to be, or is claimed by a Guarantor not to be, in full force and effect; or

(k) ***Guarantors etc.***

any Guarantor ceases to be a Subsidiary controlled, directly or indirectly, by the Issuer,

provided that, in the case of Conditions 12(b), (d) and (f) to (i) inclusive, the Trustee shall have certified in writing that such event is in its opinion materially prejudicial to the interests of the Noteholders.

13. Prescription

Claims for principal shall become void unless such claims are made within ten years of the appropriate Relevant Date. Claims for interest shall become void unless such claims are made within five years of the appropriate Relevant Date.

14. Replacement of Notes, Coupons and Talons

If any Note, Coupon or Talon is lost, stolen, mutilated, defaced or destroyed, it may be replaced at the Specified Office of the Principal Paying Agent (and, if the Notes are then admitted to listing, trading and/or quotation by any competent authority, stock exchange and/or quotation system which requires the appointment of a Paying Agent, as specified in Part B of the relevant Final Terms, in any particular place, a Paying Agent having its Specified Office in the place required by such competent authority, stock exchange and/or quotation system), subject to all applicable laws and competent authority, stock exchange and/or quotation system requirements, upon payment by the claimant of the expenses incurred in connection with such replacement and on such terms as to evidence, security, indemnity and otherwise as the Issuer and the Guarantors may reasonably require. Mutilated or defaced Notes, Coupons or Talons must be surrendered before replacements will be issued.

15. Trustee and Agents

The Trust Deed contains provisions for the indemnification of the Trustee and for its relief from responsibility, including provisions relieving it from any obligation to take proceedings to enforce repayment unless indemnified, secured and/or prefunded to its satisfaction and to be paid its costs and expenses in priority to the claims of Noteholders. The Trust Deed also contains provisions pursuant to which the Trustee is entitled, *inter alia*, (i) to enter into business transactions with the Issuer, the Guarantors and/or any other Subsidiary and/or any related entity thereof and to act as trustee for the holders of any other securities issued or guaranteed by or relating to the Issuer, the Guarantors or any other Subsidiary, (ii) to exercise and enforce its rights, comply with its obligations and perform its

duties under or in relation to any such transactions or, as the case may be, any such trusteeship without regard to the interests of, or consequences for, the Noteholders or Couponholders, and (iii) to retain and not be liable to account for any profit made or any other amount or benefit received thereby or in connection therewith.

In the exercise of its powers and discretions under these Conditions and/or the Trust Deed, the Trustee will have regard to the interests of the Noteholders as a class and will not be responsible for any consequences for individual holders of Notes, Coupons or Talons as a result of such holders being connected in any way with a particular territory or taxing jurisdiction.

In acting under the Agency Agreement and in connection with the Notes and the Coupons, the Paying Agents and the Calculation Agent (if any) act solely as agents of the Issuer or, following the occurrence of an Event of Default, the Trustee and do not assume any obligations towards or relationship of agency or trust for or with any of the Noteholders or Couponholders.

The Principal Paying Agent and its initial Specified Office is set out below. If any additional Paying Agent is appointed in connection with any Series, the name of such Paying Agent will be specified in Part B of the relevant Final Terms. The initial Calculation Agent (if any) is specified in the relevant Final Terms. The Issuer reserves the right at any time, with the prior written consent of the Trustee, to vary or terminate the appointment of any Paying Agent or Calculation Agent and to appoint a successor principal paying agent or calculation agent and additional or successor paying agents; **PROVIDED HOWEVER, THAT:**

- (a) the Issuer shall at all times maintain a Principal Paying Agent; and
- (b) if a Calculation Agent is specified in the relevant Final Terms, the Issuer shall at all times maintain a Calculation Agent; and
- (c) if and for so long as the Notes are admitted to listing, trading and/or quotation by any competent authority, stock exchange and/or quotation system which requires the appointment of a Paying Agent in any particular place, the Issuer shall maintain a Paying Agent having its Specified Office in the place required by such competent authority, stock exchange and/or quotation system.

Notice of any appointment of, or change in, any of the Paying Agents or in their Specified Offices shall promptly be given to the Noteholders in accordance with Condition 18 (*Notices*).

16. Meetings of Noteholders; Modification and Waiver

(a) *Meetings of Noteholders*

The Trust Deed contains provisions for convening meetings (which may be physical or virtual) of Noteholders to consider matters relating to the Notes, including the modification of any provision of these Conditions or the Trust Deed. Any such modification may be made if sanctioned by an Extraordinary Resolution. Such a meeting may be convened by the Issuer or the Trustee and shall be convened by the Trustee upon the request in writing of Noteholders holding not less than one-tenth of the aggregate principal amount of the outstanding Notes. The quorum at any meeting convened to vote on an Extraordinary Resolution will be two or more Persons holding or representing more than half of the aggregate principal amount of the outstanding Notes or, at any adjourned meeting, two or more Persons being or representing Noteholders whatever the principal amount of the Notes held or represented; **PROVIDED HOWEVER, THAT** Reserved Matters may only be sanctioned by an Extraordinary Resolution passed at a meeting of Noteholders at which two or more Persons holding or representing not less than three-quarters or, at any adjourned meeting, not less than one quarter of the aggregate principal amount of the outstanding Notes form a quorum. Any Extraordinary Resolution duly passed at any such meeting shall be binding on all the Noteholders and Couponholders, whether present or not. Noteholders may attend and vote at such meetings or vote by way of electronic consents through the relevant clearing system(s) (in a form satisfactory to the Trustee).

In addition, a resolution in writing signed by or on behalf of at least 75 per cent. of the Noteholders who for the time being are entitled to receive notice of a meeting of Noteholders under the Trust Deed will take effect as if it were an Extraordinary Resolution. Such a

resolution in writing may be contained in one document or several documents in the same form, each signed by or on behalf of one or more Noteholders.

(b) ***Modification and waiver***

The Trustee may agree, without the consent of the Noteholders or Couponholders, to (i) any modification to or of these Conditions, the Notes or the Trust Deed (other than in respect of a Reserved Matter) which is, in the opinion of the Trustee, proper to make if, in the opinion of the Trustee, such modification will not be materially prejudicial to the interests of Noteholders, (ii) any modification of these Conditions, the Notes or the Trust Deed that is of a formal, minor or technical nature or is made to correct a manifest error or to correct an error which, in the opinion of the Trustee, is proven, and (iii) any waiver or authorisation of any breach or proposed breach, of any of the provisions of these Conditions, the Notes or the Trust Deed (other than a proposed breach or breach relating to the subject of a Reserved Matter) that is in the opinion of the Trustee not materially prejudicial to the interests of the Noteholders. Any such modification, authorisation or waiver shall be binding on the Noteholders and the Couponholders and, if the Trustee so requires, such modification, authorisation or waiver shall be notified to the Noteholders as soon as practicable in accordance with Condition 18 (*Notices*).

(c) ***Substitution***

The Trust Deed contains provisions permitting the Trustee to agree, without the consent of the Noteholders, the Receiptholders or the Couponholders, to the substitution of certain other entities in place of the Issuer or any Guarantor (or in either case any previously substituted company) as principal debtor or, as the case may be, guarantor under the Trust Deed in relation to the Notes and Coupons of any Series of Notes, subject to (i) the Notes being unconditionally and irrevocably guaranteed by the Issuer or, as the case may be, the relevant Guarantor, (ii) the Trustee being satisfied that such substitution is not materially prejudicial to the interests of Noteholders; and (iii) certain other conditions set out in the Trust Deed being complied with.

No Noteholder or Couponholder shall, in connection with any substitution, be entitled to claim any indemnification or payment in respect of any tax consequence thereof for such Noteholder or (as the case may be) Couponholder except to the extent provided for in Condition 11 (*Taxation*) (or any undertaking given in addition to or substitution for it pursuant to the provisions of the Trust Deed).

17. Enforcement

The Trustee may, at any time, at its discretion and without further notice, institute such proceedings against the Issuer and/or the Guarantors as it thinks fit to enforce any obligation, condition or provision binding on the Issuer and/or the Guarantors under these Conditions, the Notes or the Trust Deed, but shall not be bound to do so unless:

- (a) it has been so directed by an Extraordinary Resolution or it has been so requested in writing by the holders of at least one fifth of the nominal amount of the Notes outstanding; and
- (b) it has been indemnified and/or secured and/or prefunded by the Noteholders to its satisfaction.

No Noteholder or Couponholder shall be entitled to institute proceedings directly against the Issuer or a Guarantor unless the Trustee, having become bound to proceed as aforesaid, fails to do so within a reasonable time and such failure is continuing.

18. Notices

(a) ***Valid Notices***

Notices to the Noteholders shall be valid if published in a leading English language daily newspaper published in London (which is expected to be the *Financial Times*) or, if such publication is not practicable, in a leading English language daily newspaper having general circulation in Europe. Any such notice shall be deemed to have been given on the date of first publication (or if required to be published in more than one newspaper, on the first date on which publication shall have been made in all the required newspapers).

(b) ***Other Methods***

Notwithstanding Condition 18(a) (*Valid Notices*), the Trustee may approve some other method of giving notice to the Noteholders if, in its opinion, that other method is reasonable having regard to market practice then prevailing and to the requirements of any stock exchange on which Notes are then listed and **PROVIDED THAT** notice of that other method is given to the Noteholders in the manner required by the Trustee.

(c) ***Couponholders***

Couponholders shall be deemed for all purposes to have notice of the contents of any notice given to the Noteholders.

19. Rounding

For the purposes of any calculations referred to in these Conditions (unless otherwise specified in these Conditions), (a) all percentages resulting from such calculations will be rounded, if necessary, to the nearest one hundred-thousandth of a percentage point (with 0.000005 per cent., being rounded up to 0.00001 per cent.), (b) all United States dollar amounts used in or resulting from such calculations will be rounded to the nearest cent (with one half cent being rounded up), (c) all Japanese Yen amounts used in or resulting from such calculations will be rounded downwards to the next lower whole Japanese Yen amount, and (d) all amounts denominated in any other currency used in or resulting from such calculations will be rounded to the nearest two decimal places in such currency, with 0.005 being rounded upwards.

20. Further Issues

The Issuer may from time to time without the consent of the Noteholders or Couponholders create and issue further securities either having the same terms and conditions as the Notes in all respects (or in all respects except for the first payment of interest on them) and so that such further issue shall be consolidated and form a single series with the outstanding securities of any series (including the Notes) or upon such terms as the Issuer may determine at the time of their issue. References in these Conditions to the Notes include (unless the context requires otherwise) any other securities issued pursuant to this Condition and forming a single series with the Notes. The Trust Deed contains provisions for convening a single meeting of the Noteholders and the holders of securities of other series where the Trustee so decides.

21. Governing Law and Jurisdiction

(a) ***Governing law***

The Notes and the Trust Deed, and any non-contractual obligations arising out of or in connection with the Notes and the Trust Deed, are governed by, and construed in accordance with, English law.

(b) ***English courts***

The courts of England have exclusive jurisdiction to settle any dispute (a “**Dispute**”) arising out of or in connection with the Notes and the Trust Deed (including a dispute relating to the existence, validity or cancellation of the Notes or any non-contractual obligation arising out of or in connection with the Notes or the Trust Deed) or the consequences of their nullity.

(c) ***Appropriate forum***

The Issuer and each of the Guarantors agree that the courts of England are the most appropriate and convenient courts to settle any Dispute and, accordingly, that they will not argue to the contrary.

FORM OF FINAL TERMS

[PROHIBITION OF SALES TO EEA AND UK RETAIL INVESTORS – The Notes are not intended to be offered, sold or otherwise made available to and should not be offered, sold or otherwise made available to any retail investor in the European Economic Area (the “**EEA**”) or in the United Kingdom (“**UK**”). For these purposes, a retail investor means a person who is one (or more) of: (i) a retail client as defined in point (11) of Article 4(1) of Directive 2014/65/EU (as amended, “**MiFID II**”); (ii) a customer within the meaning of Directive (EU) 2016/97 (as amended), where that customer would not qualify as a professional client as defined in point (10) of Article 4(1) of MiFID II; or (iii) not a qualified investor as defined in the Prospectus Regulation (where “**Prospectus Regulation**” means Regulation (EU) 2017/1129). Consequently no key information document required by Regulation (EU) No 1286/2014, as amended (the “**PRIPs Regulation**”) for offering or selling the Notes or otherwise making them available to retail investors in the EEA or in the UK has been prepared and therefore offering or selling the Notes or otherwise making them available to any retail investor in the EEA or in the UK may be unlawful under the PRIPs Regulation.]

[MiFID II product governance / Professional investors and eligible counterparties only target market – Solely for the purposes of [the/each] manufacturer's product approval process, the target market assessment in respect of the Notes has led to the conclusion that: (i) the target market for the Notes is eligible counterparties and professional clients only, each as defined in [Directive 2014/65/EU (as amended, “**MiFID II**”)] [MiFID II]; and (ii) all channels for distribution of the Notes to eligible counterparties and professional clients are appropriate. [*consider negative target market*] Any person subsequently offering, selling or recommending the Notes (a “**distributor**”) should take into consideration the manufacturer[’s/s’] target market assessment; however, a distributor subject to MiFID II is responsible for undertaking its own target market assessment in respect of the Notes (by either adopting or refining the manufacturer[’s/s’] target market assessment) and determining appropriate distribution channels.]

[NOTIFICATION UNDER SECTION 309B(1) OF THE SECURITIES AND FUTURES ACT (CHAPTER 289) OF SINGAPORE (THE “SFA”) – The Notes are prescribed capital markets products (as defined in the Securities and Futures (Capital Markets Products) Regulations 2018) and Excluded Investment Products (as defined in the Monetary Authority of Singapore (the “**MAS**”) Notice SFA 04-N12: Notice on the Sale of Investment Products and MAS Notice FAA-N16: Notice on Recommendations on Investment Products).]¹

Final Terms dated [*date*]

InterContinental Hotels Group PLC (the “Issuer”)
Legal entity identifier (LEI): 2138007ZFQYRUSLU3J98
Issue of [Aggregate Nominal Amount of Tranche] [Title of Notes] [Green Bonds] under the
£3,000,000,000
Euro Medium Term Note Programme

unconditionally and irrevocably guaranteed by
Six Continents Limited
Legal entity identifier (LEI): 213800MSAGKXH7JYWE25
and
InterContinental Hotels Limited
Legal entity identifier (LEI): 213800EY2DTHCTWF9R55
(each a “Guarantor” and together the “Guarantors”)

The Notes will only be admitted to trading on [*insert name of relevant QI market/segment*], which is [an [European Economic Area (the “**EEA**”)/EEA] regulated market/a specific segment of an EEA regulated market] (and, for these purposes, reference to the [European Economic Area/EEA] includes the [United Kingdom (the UK)][UK]) (as defined in MiFID II), to which only qualified investors (as defined in the Prospectus Regulation) can have access and shall not be offered or sold

¹ To be included, if the Notes are to be offered into Singapore and if the Notes are not vanilla fixed rate or floating rate notes, the product classification of the Notes as “prescribed capital markets products” under the SFA may need to be reassessed.

to non-qualified investors.]²

PART A – CONTRACTUAL TERMS

Terms used herein shall be deemed to be defined as such for the purposes of the Conditions (the “**Conditions**”) set forth in the Base Prospectus dated 14 September 2020 [and the supplement(s) to it dated [date]] which [together] constitute[s] a base prospectus (the “**Base Prospectus**”) for the purposes of Regulation (EU) 2017/1129 (the “**Prospectus Regulation**”). This document constitutes the Final Terms of the Notes described herein for the purposes of Article 8 of the Prospectus Regulation and must be read in conjunction with the Base Prospectus in order to obtain all the relevant information. The Base Prospectus has been published on the website of the London Stock Exchange at <http://www.londonstockexchange.com/exchange/news/market-news/market-news-home.html>.

[Terms used herein shall be deemed to be defined as such for the purposes of the Conditions (the “**Conditions**”) set forth in the base prospectus dated [9 November 2012]/[16 June 2015]/[11 August 2016]/[13 August 2018] which are incorporated by reference in the Base Prospectus dated 14 September 2020 and are attached hereto. This document constitutes the Final Terms of the Notes described herein for the purposes of Article 8 of the Prospectus Regulation and must be read in conjunction with the Base Prospectus dated 14 September 2020 [and the supplement(s) to it dated [date]] which [together] constitute[s] a base prospectus for the purposes of the Prospectus Regulation (the “**Base Prospectus**”), including Conditions incorporated by reference in this Base Prospectus in order to obtain all the relevant information.]

The Base Prospectus has been published on the website of the London Stock Exchange plc at www.londonstockexchange.com/exchange/news/market-news/market-news-home.html.]

1. (i) Issuer: InterContinental Hotels Group PLC
- (ii) Guarantor(s): Six Continents Limited
InterContinental Hotels Limited
2. (i) Series Number: [•]
- (ii) Tranche Number: [•]
- (iii) Date on which the Notes will be consolidated and form a single Series: [The Notes will be consolidated and form a single Series on [the Issue Date]/[exchange of the Temporary Global Note for interests in the Permanent Global Note, as referred to in paragraph 25 below [which is expected to occur on or about [•]]]/[Not Applicable]
3. Specified Currency or Currencies: [•]
4. Aggregate Nominal Amount:
 - (i) Series: [•]
 - (ii) Tranche: [•]
5. Issue Price: [•] per cent. of the Aggregate Nominal Amount [plus accrued interest in respect of the period from, and including, [•] to, but excluding, [•]]
6. (i) Specified Denominations: [•] [and integral multiples of [•] in excess thereof up to and including [•]. Definitive Notes will not be issued in denominations in excess of [•]]
- (ii) Calculation Amount: [•]
7. (i) Issue Date: [•]

² Legend to be included for Notes with a minimum denomination of less than €100,000 (or equivalent in another currency) which will only be admitted to trading on a Member State regulated market, or a specific segment of a Member State regulated market, to which only qualified investors can have access.

- (ii) Interest Commencement Date: [•]/[Issue Date]/[Not Applicable]
8. Maturity Date: [•]/[The Interest Payment Date falling in or nearest to [•]]
9. Interest Basis: [[•]per cent. Fixed Rate]
[[*Reference Rate*] +/- [•] per cent. Floating Rate]
[Zero Coupon]
10. Redemption/Payment Basis: Subject to any purchase and cancellation or early redemption, the Notes will be redeemed on the Maturity Date at 100 per cent. of their nominal amount.
11. Change of Interest Basis: [•]/[Not Applicable]
12. Put/Call Options: [Investor Put]
[Change of Control Put]
[Issuer Call Option]
[Issuer Maturity Par Call Option]
13. Status of the Notes: Senior
14. [[Date [Board] approval for issuance of Notes obtained: [•] [and [•], respectively]]

PROVISIONS RELATING TO INTEREST (IF ANY) PAYABLE

15. **Fixed Rate Note Provisions** [Applicable]/[Not Applicable]
- (i) Rate[(s)] of Interest: [•] per cent. per annum [payable in arrear on each Interest Payment Date] [subject to the provisions relating to any Step Up Rating Change or Step Down Rating Change set out in (vii) below]
- (ii) Interest Payment Date(s): [•] [and [•]] in each year up to and including the Maturity Date
- (iii) Fixed Coupon Amount[(s)]: [•] per Calculation Amount
- (iv) Broken Amount(s): [[•] per Calculation Amount payable on the Interest Payment Date falling [in/on] [•]]/[Not Applicable]
- (v) Day Count Fraction: [Actual/Actual (ICMA)]/ [Actual/Actual (ISMA)]/
[Actual/365 (Fixed)]/ [Actual/360] [30/360]/
[30E/360]/[Eurobond Basis] [30E/360 (ISDA)]
- (vi) Interest Determination Dates: [[•] in each year]/[Not Applicable]
- (vii) Step Up/Step Down provisions: [Applicable]/[Not Applicable]
- Step Up/Step Down Margin: [•] per cent. per annum
- Redemption of Relevant Debt: [Applicable]/[Not Applicable]
16. **Floating Rate Note Provisions** [Applicable]/[Not Applicable]
- (i) Interest Period(s): [•]
- (ii) Specified Period: [•]
- (iii) Specified Interest [•] in each year[, subject to adjustment in accordance with

- | | | |
|--------|--|---|
| | Payment Dates: | the Business Day Convention set out in (v) below] |
| (iv) | First Interest Payment Date: | [•] |
| (v) | Business Day Convention: | [Following Business Day Convention]/
[Modified Following Business Day Convention]/
[Modified Business Day Convention]/
[Preceding Business Day Convention]/
[FRN Convention]/[Floating Rate Convention]/
[Eurodollar Convention]/
[No Adjustment] |
| (vi) | Additional Business Centre(s): | [•] |
| (vii) | Party responsible for calculating the Rate(s) of Interest and Interest Amount(s) (if not the Calculation Agent): | [•] |
| (viii) | ISDA Determination: | |
| – | Floating Rate Option: | [•] |
| – | Designated Maturity: | [•] |
| – | Reset Date: | [First day of the Interest Period]/[•] |
| – | ISDA Definitions: | 2006 |
| (ix) | Margin(s): | [+/-] [•] per cent. per annum |
| (x) | Minimum Rate of Interest: | [•] per cent. per annum |
| (xi) | Maximum Rate of Interest: | [•] per cent. per annum |
| (xii) | Day Count Fraction: | [Actual/Actual (ICMA)]/ [Actual/Actual (ISDA)]/
[Actual/365 (Fixed)]/ [Actual/360]/ [30/360]/
[30E/360]/[Eurobond Basis]/ [30E/360 (ISDA)] |
| 17. | Zero Coupon Note Provisions | [Applicable/Not Applicable] |
| (i) | Accrual Yield: | [•] per cent. per annum |
| (ii) | Reference Price: | [•] |
| (iii) | Day Count Fraction in relation to Early Repayment Amounts: | [Actual/Actual (ICMA)]/ [Actual/Actual (ISDA)]/
[Actual/ 365 (Fixed)]/ [Actual/360]/ [30/360]/
[30E/360]/[Eurobond Basis]/ [30E/360 (ISDA)] |

PROVISIONS RELATING TO REDEMPTION

- | | | |
|-------|-------------------------------------|----------------------------------|
| 18. | Issuer Call Option | [Applicable]/[Not Applicable] |
| (i) | Optional Redemption Date(s) (Call): | [•] |
| (ii) | Make Whole Premium: | [[•] per cent.]/[Not Applicable] |
| (iii) | Reference Treasury: | [•]/[Not Applicable] |

- (iv) Treasury Publisher: [•]/[Not Applicable]
- (v) If redeemable in part:
- (a) Minimum Redemption Amount: [•] per Calculation Amount
- (b) Maximum Redemption Amount: [•] per Calculation Amount
- (vi) Notice period: [As set out within Condition 9(c)]/[•]
- 19. **Issuer Maturity Par Call Option** [Applicable]/[Not Applicable]
- (i) Notice period: [As set out within Condition 9(d)]/[•]
- 20. **Issuer Residual Call Option** [Applicable]/[Not Applicable]
- (i) Residual Call Early Redemption Amount: [•] per Calculation Amount
- (ii) Notice period: [As set out within Condition 9(d)]/[•]
- 21. **Put Option**
- (i) Optional Redemption Date(s) (Put): [•]
- (ii) Optional Redemption Amount(s) (Put) of each Note: [•] per Calculation Amount
- (iii) Notice period: [•]
- 22. **Change of Control Put Option** [Applicable]/[Not Applicable]
- (i) Change of Control Optional Redemption Date: [•] days after the expiration of Change of Control Put Period
- (ii) Change of Control Optional Redemption Amount of each Note: [•] per Calculation Amount
- 23. **Final Redemption Amount of each Note** [•]/[Par] per Calculation Amount
- 24. **Early Redemption Amount (Tax) and Early Termination Amount payable on redemption for taxation reasons or, as the case may be, on event of default** [•] per Calculation Amount

GENERAL PROVISIONS APPLICABLE TO THE NOTES

- 25. **Form of Notes:** [Temporary Global Note exchangeable for a Permanent Global Note which is exchangeable for Definitive Notes on [•] days' notice/at any time/in the limited circumstances specified in the Permanent Global Note.]
 [Temporary Global Note exchangeable for Definitive Notes on [•] days' notice.]
 [Permanent Global Note exchangeable for Definitive Notes on [•] days' notice/at any time/in the limited circumstances specified in the Permanent Global Note].
 [Notes shall not be physically delivered in Belgium, except to a clearing system, a depository or other institution for the

purpose of their immobilisation in accordance with article 4 of the Belgian Law of 14 December 2005.]³

26. **New Global Note:** [Yes]/[No]
27. **Additional Financial Centre(s):** [•]/[Not Applicable]
28. **Talons for future Coupons to be attached to Definitive Notes:** [No]/[Yes. As the Notes have more than 27 coupon payments, talons may be required if, on exchange into definitive form, more than 27 coupon payments are left.]

[THIRD PARTY INFORMATION]

[[*Relevant third party information*] has been extracted from [*specify source*]. The Issuer and the Guarantors confirm that such information has been accurately reproduced and that, so far as it is aware and is able to ascertain from information published by [*specify source*], no facts have been omitted which would render the reproduced information inaccurate or misleading.]]

Signed on behalf of the Issuer

By:
Duly authorised

Signed on behalf of Six Continents Limited

By:
Duly authorised

Signed on behalf of InterContinental Hotels Limited

By:
Duly authorised

³ Include for Notes that are to be offered in Belgium.

PART B – OTHER INFORMATION

1. Listing and Admission to trading

- (i) Admission to trading: [Application has been made by the Issuer (or on its behalf) for the Notes to be admitted to trading on the Official List of the Financial Conduct Authority and to trading on the London Stock Exchange’s Regulated Market with effect from [•].]
- [Application is expected to be made by the Issuer (or on its behalf) for the Notes to be admitted to trading on the Regulated Market of the London Stock Exchange with effect from [•].]
- (ii) Estimate of total expenses related to admission to trading: [•]

2. Ratings

- Ratings: [Not Applicable]/[The Notes to be issued [have been]/[are expected to be] rated]/[The following ratings reflect ratings assigned to Notes of this type issued under the Programme generally]:
- [S&P Global Ratings Europe Limited, UK Branch: [•]
[insert brief explanation of meaning of ratings if published]]

3. [Interests of Natural and Legal Persons involved in the Offer]

[Save [as discussed in “Subscription and Sale” in the Base Prospectus,]/[for any fees payable to the [Managers] [Dealers]], so far as the Issuer is aware, no person involved in the offer of the Notes has an interest material to the offer. [The [Managers] [Dealers] and their affiliates have engaged, and may in the future engage, in investment banking and/or commercial banking transactions with, and may perform other services for, the Issuer and its affiliates in the ordinary course of business.]

4. Reasons for the Offer and estimated net proceeds

- Reasons for the offer: [•] [The proceeds of the issue will be [used for general corporate purposes of the Issuer’s business]/[Green Projects].]
- Estimated net proceeds: [•]

5. Yield

- Indication of yield: [•]]

6. Operational Information

- (i) ISIN: [•]
- (ii) Common Code: [•]
- (iii) CFI: [[See/[include code], as updated, as set out on] the website of the Association of National Numbering Agencies (ANNA) or alternatively sourced from the responsible National Numbering Agency that assigned the ISIN/Not Applicable/Not Available]
- (iv) FISN: [[See/[include code], as updated, as set out on] the website of the Association of National Numbering Agencies (ANNA) or alternatively sourced from the responsible National Numbering Agency that assigned the ISIN/Not Applicable/Not Available]

- (v) Any clearing system(s) other than Euroclear Bank SA/NV and Clearstream Banking S.A. and the relevant identification number(s): [Not Applicable]/[•]
- (vi) Delivery: Delivery [against]/[free of] payment
- (vii) Names and addresses of additional paying agent(s) (if any): [•]
- (viii) Intended to be held in a manner which would allow Eurosystem eligibility: [Yes. Note that the designation “yes” simply means that the Notes are intended upon issue to be deposited with one of the ICSDs as common safekeeper and does not necessarily mean that the Notes will be recognised as eligible collateral for Eurosystem monetary policy and intra day credit operations by the Eurosystem either upon issue or at any or all times during their life. Such recognition will depend upon the ECB being satisfied that Eurosystem eligibility criteria have been met.]/
[No. Whilst the designation is specified as “no” at the date of these Final Terms, should the Eurosystem eligibility criteria be amended in the future such that the Notes are capable of meeting them the Notes may then be deposited with one of the ICSDs as common safekeeper. Note that this does not necessarily mean that the Notes will then be recognised as eligible collateral for Eurosystem monetary policy and intra day credit operations by the Eurosystem at any time during their life. Such recognition will depend upon the ECB being satisfied that Eurosystem eligibility criteria have been met.]
- (ix) Relevant Benchmark[s]: [[*specify benchmark*] is provided by [*administrator legal name*]][*repeat as necessary*]. As at the date hereof, [[*administrator legal name*][appears]/[does not appear]][*repeat as necessary*] in the register of administrators and benchmarks established and maintained by ESMA pursuant to Article 36 (*Register of administrators and benchmarks*) of the Benchmark Regulation]/[As far as the Issuer is aware, as at the date hereof, [*specify benchmark*] does not fall within the scope of the Benchmark Regulation]/[Not Applicable]

7. Distribution

- (i) If syndicated, names of Managers: [Not Applicable/give names]
[Not Applicable/give name]
- (ii) Stabilisation Manager (if any): [Not Applicable/give name]
- (iii) If non-syndicated, name of Dealer: [Applicable / Not Applicable]
- (iv) Prohibition of Sales to EEA and UK Retail Investors: [Applicable/Not Applicable]
- (v) Prohibition of Sales to Belgian Consumers: [Reg. S Compliance Category [•]; TEFRA D/TEFRA C/TEFRA not applicable]
- (vi) U.S. selling restrictions:

SUMMARY OF PROVISIONS RELATING TO THE NOTES WHILE IN GLOBAL FORM

Clearing System Accountholders

Each Global Note will be in bearer form. Consequently, in relation to any Tranche of Notes represented by a Global Note, references in the Conditions to “**Noteholder**” are references to the bearer of the relevant Global Note which, for so long as the Global Note is held by a depositary or a common depositary, in the case of a CGN, or a common safekeeper, in the case of an NGN for Euroclear and/or Clearstream and/or any other relevant clearing system, will be that depositary or common depositary or, as the case may be, common safekeeper.

Each of the persons shown in the records of Euroclear and/or Clearstream and/or any other relevant clearing system as being entitled to an interest in a Global Note (each an “**Accountholder**”) must look solely to Euroclear and/or Clearstream and/or such other relevant clearing system (as the case may be) for such Accountholder’s share of each payment made by the Issuer to the bearer of such Global Note and in relation to all other rights arising under the Global Note. The extent to which, and the manner in which, Accountholders may exercise any rights arising under the Global Note will be determined by the respective rules and procedures of Euroclear and Clearstream and any other relevant clearing system from time to time. For so long as the relevant Notes are represented by the Global Note, Accountholders shall have no claim directly against the Issuer in respect of payments due under the Notes and such obligations of the Issuer will be discharged by payment to the bearer of the Global Note.

Exchange of Temporary Global Notes

Whenever any interest in a Temporary Global Note is to be exchanged for an interest in a Permanent Global Note, the Issuer shall procure:

- (a) in the case of first exchange, the prompt delivery (free of charge to the bearer) of such Permanent Global Note, duly authenticated and, in the case of an NGN, effectuated, to the bearer of the Temporary Global Note; or
- (b) in the case of any subsequent exchange, an increase in the principal amount of such Permanent Global Note in accordance with its terms,

in each case in an aggregate principal amount equal to the aggregate of the principal amounts specified in the certificates issued by Euroclear and/or Clearstream and/or any other relevant clearing system and received by the Principal Paying Agent against presentation and (in the case of final exchange) surrender of the Temporary Global Note to or to the order of the Principal Paying Agent within 7 days of the bearer requesting such exchange.

Whenever a Temporary Global Note is to be exchanged for Definitive Notes, the Issuer shall procure the prompt delivery (free of charge to the bearer) of such Definitive Notes, duly authenticated and with Coupons and Talons attached (if so specified in the relevant Final Terms), in an aggregate principal amount equal to the principal amount of the Temporary Global Note to the bearer of the Temporary Global Note against the surrender of the Temporary Global Note to or to the order of the Principal Paying Agent within 30 days of the bearer requesting such exchange.

If:

- (a) a Permanent Global Note has not been delivered or the principal amount thereof increased by 5.00 p.m. (London time) on the seventh day after the bearer of a Temporary Global Note has requested exchange of an interest in the Temporary Global Note for an interest in a Permanent Global Note; or
- (b) Definitive Notes have not been delivered by 5.00 p.m. (London time) on the thirtieth day after the bearer of a Temporary Global Note has requested exchange of the Temporary Global Note for Definitive Notes; or
- (c) a Temporary Global Note (or any part thereof) has become due and payable in accordance with the Terms and Conditions of the Notes or the date for final redemption of a Temporary Global Note has occurred and, in either case, payment in full of the amount of principal falling due with all accrued interest thereon has not been made to the bearer of the Temporary Global Note in accordance with the terms of the Temporary Global Note on the due date for payment,

then the Temporary Global Note (including the obligation to deliver a Permanent Global Note or increase the principal amount thereof or deliver Definitive Notes, as the case may be) will become void at 5.00 p.m. (London time) on such seventh day (in the case of (a) above) or at 5.00 p.m. (London time) on such thirtieth day (in the case of (b) above) or at 5.00 p.m. (London time) on such due date (in the case of (c) above) and the bearer of the Temporary Global Note will have no further rights thereunder.

Exchange of Permanent Global Notes

Whenever a Permanent Global Note is to be exchanged for Definitive Notes, the Issuer shall procure the prompt delivery (free of charge to the bearer) of such Definitive Notes, duly authenticated and with Coupons and Talons attached (if so specified in the relevant Final Terms), in an aggregate principal amount equal to the principal amount of the Permanent Global Note to the bearer of the Permanent Global Note against the surrender of the Permanent Global Note to or to the order of the Principal Paying Agent within 30 days of the bearer requesting such exchange.

If:

- (a) Definitive Notes have not been delivered by 5.00 p.m. (London time) on the thirtieth day after the bearer of a Permanent Global Note has duly requested exchange of the Permanent Global Note for Definitive Notes; or
- (b) a Permanent Global Note (or any part of it) has become due and payable in accordance with the Terms and Conditions of the Notes or the date for final redemption of the Notes has occurred and, in either case, payment in full of the amount of principal falling due with all accrued interest thereon has not been made to the bearer of the Permanent Global Note in accordance with the terms of the Permanent Global Note on the due date for payment,

then the Permanent Global Note (including the obligation to deliver Definitive Notes) will become void at 5.00 p.m. (London time) on such thirtieth day (in the case of (a) above) or at 5.00 p.m. (London time) on such due date (in the case of (b) above) and the bearer of the Permanent Global Note will have no further rights thereunder.

Conditions applicable to Global Notes

Each Global Note will contain provisions which modify the Conditions as they apply to the Global Note. The following is a summary of certain of those provisions:

Payments

All payments in respect of the Global Note will be made against presentation and (in the case of payment of principal in full with all interest accrued thereon) surrender of the Global Note to or to the order of any Paying Agent and will be effective to satisfy and discharge the corresponding liabilities of the Issuer in respect of the Notes. On each occasion on which a payment of principal or interest is made in respect of the Global Note, the Issuer shall procure that in respect of a CGN the payment is noted in a schedule thereto and in respect of an NGN the payment is entered *pro rata* in the records of Euroclear and Clearstream.

Exercise of change of control put option

In order to exercise the right to require redemption or, as the case may be, purchase of a Note under Condition 9(g) (*Change of Control Redemption*) the holder of the Permanent Global Note must, within the Change of Control Put Period, give notice to the Principal Paying Agent of such exercise in accordance with the standard procedures of Euroclear and Clearstream (which may include notice being given on his instruction by Euroclear or Clearstream or any common depositary for them to the Principal Paying Agent by electronic means) in a form acceptable to Euroclear and Clearstream from time to time and at the same time present or procure the presentation of the Permanent Global Note to the Principal Paying Agent for notation accordingly.

Exercise of put option

In order to exercise the option contained in Condition 9(f) (*Redemption at the option of Noteholders*) the Noteholder must, within the period specified in the Conditions for the deposit of the relevant Note and put notice, give written notice of such exercise to the Principal Paying Agent specifying the principal amount of Notes in respect of which such option is being exercised in accordance with the

procedures of Euroclear or, as the case may be, Clearstream. Any such notice will be irrevocable and may not be withdrawn.

Partial exercise of call option

In connection with an exercise of the option contained in Condition 9(c) (*Redemption at the option of the Issuer (Issuer Call Option)*) in relation to some only of the Notes, the Permanent Global Note may be redeemed in part in the principal amount specified by the Issuer in accordance with the Conditions and the Notes to be redeemed will not be selected as provided in the Conditions but in accordance with the rules and procedures of Euroclear and Clearstream (to be reflected in the records of Euroclear and Clearstream as either a pool factor or a reduction in principal amount, at their discretion).

Notices

Notwithstanding Condition 18 (*Notices*), while all the Notes are represented by a Permanent Global Note (or by a Permanent Global Note and/or a Temporary Global Note) and the Permanent Global Note is (or the Permanent Global Note and/or the Temporary Global Note are) deposited with a depository or a common depository for Euroclear and/or Clearstream and/or any other relevant clearing system or a common safekeeper, notices to Noteholders may be given by delivery of the relevant notice to Euroclear and/or Clearstream and/or any other relevant clearing system and, in any case, such notices shall be deemed to have been given to the Noteholders in accordance with Condition 18 (*Notices*) on the date of delivery to Euroclear and/or Clearstream and/or any other relevant clearing system.

USE OF PROCEEDS

The net proceeds from the issue of each Tranche of Notes will be used for general corporate purposes of the Issuer's business, or as may otherwise be disclosed in the applicable Final Terms. In particular, if so specified in the applicable Final Terms, the Issuer will apply the net proceeds from an offer of Notes specifically for Green Projects. Such Notes may also be referred to as "**Green Bonds**".

DESCRIPTION OF THE ISSUER

Introduction

InterContinental Hotels Group PLC (the “**Issuer**”) was incorporated in England and Wales on 21 May 2004. The registered office of the Issuer is situated at Broadwater Park, Denham, Buckinghamshire UB9 5HR, telephone number: +44 1895 512000. The registered number of the Issuer is 5134420.

This business description set out on pages 72 to 81 of this Base Prospectus is an overview of the Issuer’s business and should be read in conjunction with the information incorporated by reference into this Base Prospectus (see “*Documents Incorporated by Reference*” on page 24 of this Base Prospectus).

Principal activities

InterContinental Hotels Group PLC, through its various subsidiaries (together, the “**Group**”), franchises, manages and owns an international hotel business and owns a portfolio of established and diverse hotel brands. In June 2005, following a capital restructuring, the Issuer became the holding company for the Group. Six Continents Limited (formerly Six Continents PLC), which was formed in 1967, is the principal subsidiary company of the Issuer.

The Group is a global organisation with hotel brands including Six Senses Hotels Resorts Spas (“**Six Senses**”), Regent Hotels & Resorts (“**Regent**”), InterContinental® Hotels & Resorts (“**InterContinental**”), Kimpton® Hotels & Restaurants (“**Kimpton**”), Hotel Indigo®, EVEN® Hotels, HUALUXE™ Hotels and Resorts, Crowne Plaza® Hotels & Resorts (“**Crowne Plaza**”), voco™, Holiday Inn®, Holiday Inn Resort® and Holiday Inn Club Vacations® (together, “**Holiday Inn**”), Holiday Inn Express®, avid™ hotels, Staybridge Suites®, Atwell Suites™ and Candlewood Suites®.

As at 30 June 2020, the Group franchised, managed, leased or owned 5,918 hotels and 883,364 guest rooms in more than 100 countries. The Group also manages the hotel loyalty programme, IHG Rewards Club, which had more than 100 million members worldwide as at 31 December 2019. As at 31 December 2019, the Issuer had a market capitalisation of approximately £9.5 billion and was included in the list of FTSE 100 companies. (See also “*Recent Developments – COVID-19*” below.)

Business Models

The Group currently operates a fee-based, asset-light business model and focuses on its hotel franchise and management business. Through three distinct business models, which offer different growth, return, risk and reward opportunities, the Group achieves growth through its contractual arrangements with third party hotel owners who benefit from, among other things, the Group’s expertise and brand value. The principal models are summarised as follows:

Franchised: where Group companies neither own nor manage a hotel but license the use of a Group brand and provide access to reservations systems, loyalty schemes and know-how. The Group derives revenues from a brand royalty or licensing fee, based on a percentage of room revenue. As at 30 June 2020, almost 70 per cent. of the Group’s rooms were franchised. The franchising business model reduces the Group’s dependence on the profitability of its franchised hotels and allows for a more predictable revenue stream. The stable income stream that results, combined with organic growth in the number of hotels operating under the Group’s brands, allows the Group to steadily increase its scale, to drive market share, and importantly, to drive efficiency throughout the business.

Managed: where in addition to licensing the use of a Group brand, a Group company manages a hotel for third party owners. The Group derives revenues from base and incentive management fees and provides the system infrastructure necessary for the hotel to operate. Base management fees are generally a percentage of hotel revenue and incentive management fees are generally a percentage of a hotel’s gross operating profit. The terms of these agreements vary, but are often long term (for example, 10 years or more). In certain circumstances, the Group may provide performance guarantees to third party owners to secure management contracts. The performance guarantee may be in respect of a hotel’s gross operating profit or an “owner’s priority return”. The Group may be required to defer its incentive management fees or fund shortfalls under such guarantee arrangements. As at 30 June 2020, the Group’s maximum unprovided exposure under such guarantee arrangements was U.S.\$82 million.

The Group’s responsibilities under the management agreement typically include hiring, training and supervising the managers and employees that operate the hotels under the relevant brand standards. As

at 30 June 2020, just under 30 per cent. of the Group's rooms were operated under management contracts.

Owned, Leased & Managed Leases: where a Group company both owns (or leases) and operates the hotel. As at 30 June 2020, 25 hotels representing less than one per cent. of the Group's rooms were owned, leased and managed leases.

In addition to the three models described, the Group may, in certain circumstances, make an equity investment in a strategic hotel development project. Such an investment is generally a minority investment and the Group will participate in a share of the benefits and risks of ownership and will enter into an associated hotel management agreement.

The following table shows the number of hotels and rooms split between owned, leased and managed leases, managed or franchised by the Group as at 30 June 2020, 2019 and 2018.

	Owned, leased or managed leases		Managed		Franchised		Total	
	No. of hotels	No. of rooms	No. of hotels	No. of rooms	No. of hotels	No. of rooms	No. of hotels	No. of rooms
30 June 2020	25	6,124	1,006	262,762	4,887	614,478	5,918	883,364
30 June 2019	26	6,337	982	255,413	4,715	594,165	5,723	855,915
30 June 2018	12	3,871	919	244,759	4,500	561,259	5,431	809,889

The Group sets quality and service standards for all of its hotel brands and operates a customer satisfaction and hotel quality evaluation system to ensure those standards are met or exceeded in all hotels operating under the Group's brands. The quality evaluation system includes an assessment of both physical property and customer service standards.

Hotel brands

Underpinned by the IHG parent brands and by IHG Rewards Club, the Group's loyalty brand, the Group's portfolio includes 16 distinct hotel brands. These brands cover several market segments ranging from luxury to midscale (limited service) and in the case of Six Senses, Regent, InterContinental, Kimpton, Hotel Indigo, Crowne Plaza, Holiday Inn, Holiday Inn Express and Staybridge Suites, among others, operate internationally.

30 June 2020		
Brands	Hotels	Room numbers
Six Senses	15	1,083
Regent	7	2,190
InterContinental	210	70,812
Kimpton	72	13,303
Hotel Indigo	121	14,781
EVEN Hotels	15	2,208
HUALUXE Hotels and Resorts	11	3,263
Crowne Plaza	428	119,672
voco	12	4,293
Holiday Inn	1,274	237,361
Holiday Inn Express Hotels	2,888	300,846
avid	14	1,259
Staybridge Suites	311	33,992
Candlewood Suites Hotels	415	38,710
Other	125	39,591
Total	5,918	883,364

Six Senses Hotels Resorts Spas

In February 2019, the Group acquired the Six Senses luxury brand. Six Senses hotels focus on wellness and sustainability. As at 30 June 2020, there were 15 Six Senses hotels, which represented less than one per cent. of the Group's total rooms.

Regent Hotels & Resorts

In July 2018, the Group acquired a 51 per cent. stake in Regent with the right to acquire the remaining 49 per cent. interest in a phased manner from 2026. Regent, which was founded in 1970, strengthens the Group's luxury offer. As at 30 June 2020, there were seven Regent hotels, which represented less than one per cent. of the Group's total rooms.

InterContinental Hotels & Resorts

InterContinental is one of the Group's luxury hotel brands. InterContinental branded hotels are located in most of the world's key cities and many resort destinations across more than 60 countries worldwide.

InterContinental hotels are principally managed by the Group. As at 30 June 2020, there were 210 InterContinental hotels which represented approximately eight per cent. of the Group's total rooms.

Kimpton Hotels & Restaurants

Kimpton is a leading collection of boutique hotels and award-winning destination restaurants predominantly located in the United States but with presence secured in 14 countries following international expansion. The Kimpton brand is operated predominantly under management contracts. As at 30 June 2020, there were 72 Kimpton hotels, which represented approximately two per cent. of the Group's total rooms.

Hotel Indigo

Hotel Indigo artfully combines the unique design and authentic local experiences of a boutique hotel, with the ease and peace of mind of a recognised brand name. The majority of Hotel Indigo hotels are operated under franchise agreements. As at 30 June 2020, there were 121 Hotel Indigo hotels, which represented approximately two per cent. of the Group's total rooms.

EVEN Hotels

EVEN Hotels, which was launched in 2012, was created to meet the large and growing demand for a hotel brand to help wellness-minded travellers maintain their balance on the road. As at 30 June 2020, there were 15 EVEN hotels, which represented less than one per cent. of the Group's total rooms.

HUALUXE Hotels and Resorts

HUALUXE Hotels & Resorts, which was also launched in 2012, is the first luxury international hotel brand where every element has been designed specifically to suit the tastes and sensibilities of the Chinese guest. As at 30 June 2020, there were 11 HUALUXE hotels, which represented less than one per cent. of the Group's total rooms.

Crowne Plaza Hotels & Resorts

Crowne Plaza is the Group's modern business hotel brand dedicated to business travel.

The majority of Crowne Plaza hotels are operated under franchise agreements. As at 30 June 2020, there were 428 Crowne Plaza hotels which represented approximately 14 per cent. of the Group's total rooms.

voco hotels

voco was launched by the Group in 2018 to create a distinctive upscale brand, offering conversion opportunities to owners of high-quality unbranded hotels. As at 30 June 2020, there were 12 voco hotels, which represented less than one per cent. of the Group's total rooms.

Holiday Inn Hotels & Resorts

Holiday Inn is the Group's midscale full-service brand and, together with Holiday Inn Express Hotels, Holiday Inn Resort and Holiday Inn Club Vacations, is one of the world's largest midscale hotel brand family by number of rooms. One of the world's most recognised hotel brands, Holiday Inn is aimed at both business travellers and families.

Holiday Inn hotels are predominantly operated under franchise agreements. As at 30 June 2020, there were 1,274 Holiday Inn hotels which represented approximately 27 per cent. of the Group's total rooms.

Holiday Inn Express

Holiday Inn Express champions simple, smart travel for everyone.

Holiday Inn Express hotels are almost entirely operated under franchise agreements. As at 30 June 2020, there were 2,888 Holiday Inn Express hotels worldwide which represented approximately 34 per cent. of the Group's total rooms.

avid hotels

Over 200 avid hotels have been signed since it was launched in 2017. The brand aims to deliver the essentials at good value for guests. As at 30 June 2020, there were 14 avid hotels, which represented less than one per cent. of the Group's total rooms.

Staybridge Suites

Staybridge Suites is the Group's upscale extended stay brand for business and leisure travellers who are spending an extended time away from home and prefer a warm, home-like and community environment.

The Staybridge Suites brand is principally operated under franchise agreements. As at 30 June 2020, there were 311 Staybridge Suites hotels, which represented approximately four per cent. of the Group's total rooms.

Atwell Suites

Atwell Suites was launched by the Group during 2019 to create a new upper-midscale all-suites brand for the US. The first hotels are expected to begin construction in 2020 and open in 2021.

Candlewood Suites

Candlewood Suites is the Group's extended stay brand in North America and is aimed at providing guests with a relaxed, casual and home-like environment at a great value.

The Candlewood Suites brand is operated under management contracts and franchise agreements. As at 30 June 2020, there were 415 Candlewood Suites hotels, which represented approximately four per cent. of the Group's total rooms.

Operating System

The Group's operating system comprises those elements of the Group's operations which drive demand for its brands and stays at hotels operated under the Group's brands (such hotels being, together, the "System"). Each of the Group's branded hotels pays assessment fees and contributions to the System fund (administered by the Group for specific use, and for the benefit of hotels, within the System, and totalling U.S. \$1,373 million in the twelve months ended 31 December 2019) (the "System Fund") and benefit from, and are supported by, the Group's operating system. The elements of the Group's operating system include:

IHG Rewards Club

The Group's worldwide loyalty scheme, IHG Rewards Club, had over 100 million customers as at 31 December 2019.

Central Reservations System Technology

IHG Concerto™ is the Group's proprietary, cloud-based hotel technology platform. This platform incorporates a Guest Reservation System and Revenue Management system. This was developed in conjunction with Amadeus and the roll out to all hotels was completed in 2018. The platform is being continuously developed to enhance revenue delivery.

Geographical Analysis

As at 30 June 2020, the Group had 5,918 hotels in over 100 countries. 59 per cent. of the Group's hotel rooms are in the Americas, followed by 25 per cent. in Europe, Middle East, Asia and Africa ("EMEA") and 16 per cent. in Greater China. The Group is largely dependent on the Americas for operating profit, reflecting the structure of the branded global hotel market.

Americas

In the Americas, the largest proportion of rooms is operated under the franchise business model (at 30 June 2020, 4,025 out of 4,317 hotels in the Americas operate under this model) primarily in the upper midscale segment (Holiday Inn brand family and Holiday Inn Express). Similarly, in the upscale segment, Crowne Plaza is predominantly franchised, whereas in the luxury segment, the majority of the InterContinental branded hotels are operated under franchise and management agreements. The key profit producing region is the United States, although the Group is also represented in each of Latin America, Canada, Mexico and the Caribbean.

EMEA

In EMEA, the largest proportion of rooms is operated under the franchise business model primarily in the upper midscale segment (Holiday Inn brand family and Holiday Inn Express). In the upscale segment, Crowne Plaza is operated under franchise and management agreements, whereas in the luxury segment, the majority of the InterContinental branded hotels are operated under management agreements.

EMEA had 1,113 hotels as at 30 June 2020.

Greater China

In Greater China, the majority of rooms are operated as managed hotels, the bulk of which are in the midscale and upscale segments. Greater China had 488 hotels as at 30 June 2020.

Advantages of Scale

With over 880,000 rooms worldwide, the Group can deploy its significant scale to its own benefit and for the benefit of its hotel owners.

Seasonality

Although the performance of individual hotels and geographic markets might be highly seasonal due to a variety of factors such as the tourist trade and local economic conditions, the geographical spread of the Group's hotels in over 100 countries and the relative stability of the income stream from franchising and management activities diminishes, to some extent, the effect of seasonality on the results of the Group.

Competition

The Group's hotels compete with a wide range of facilities offering various types of lodging options and related services to the public. The competition includes several large and moderate sized hotel chains offering upper, mid and lower priced accommodation and also includes independent hotels in each of these market segments, particularly outside of North America where the lodging industry is much more fragmented. Major hotel chains which compete with the Group include Accor, Choice Hotels, Hilton Worldwide, Hyatt, Marriott International Inc. and Wyndham Worldwide. The Group also competes with non-hotel options, such as timeshare offerings, cruises, online travel intermediaries, serviced apartments and peer-to-peer rental companies.

Major Shareholders

As far as is known to management, the Issuer is not directly or indirectly owned or controlled by another corporation or by any government. As at 11 September 2020, the Issuer had been notified in accordance with the Disclosure and Transparency Rules of the Financial Conduct Authority, of the following significant holdings of voting rights in its ordinary shares:

Name of Shareholder	Percentage
Blackrock, Inc.	5.71 %
Cedar Rock Capital Limited	5.07 %
Fiera Capital Corporation	6.06 %
Fundsmith LLP	5.18 %

Board of Directors

The members of the Board of Directors and the Company Secretary of the Issuer as at the date of this Base Prospectus are as follows:

Name	Title	Principal outside activity (if any) (of significance to the Issuer/Group)
Graham Allan	Director	Senior Independent Non-Executive Director at Intertek Group plc and Independent Non-Executive Director of Associated British Foods plc. Chairman of Bata Footwear, Director of Americana Foods and Chairman of Nando's Restaurants.
Keith Barr	Director and Chief Executive Officer	Non-Executive Director of Yum! Brands. On the Board of WiHTL (Women in Hospitality Travel & Leisure). A member of the Dean's Advisory Board for The School of Hotel Administration, Cornell SC Johnson College of Business.
Anne Busquet	Director	President of AMB Advisors, Managing Director of Golden Seeds LLC, Non-Executive Director of Pitney Bowes,

		MTBC, and Elior Group, and Advisory Board Member of JEGI and SheSpeaks.
Patrick Cescau	Director and Chair	Trustee of The Leverhulme Trust, Patron of the St Jude India Children's Charity and Member of the TEMASEK European Advisory Panel.
Arthur De Haast	Director	Chair of JLL's Capital Markets Advisory Council, a member of JLL's Global Sustainability Board, an Independent Non-Executive Director of Chalet Hotels Limited and a member of the Advisory Board of the Scottish Business School, University of Strathclyde, Glasgow.
Ian Dyson	Director	Non-Executive Director and Chair of the Audit Committee of SSP Group plc and Senior Independent Non-Executive Director and Chair of the Audit Committee of ASOS plc and Senior Independent Non-Executive Director of Flutter Entertainment plc.
Paul Edgecliffe-Johnson	Director and Chief Financial Officer	None.
Jo Harlow	Director	Non-Executive Director of Halma plc and J Sainsbury plc and a member of the Supervisory Board of Ceconomy AG.
Elie Maalouf	Director	A member of the American Hotel & Lodging Association Executive Committee of the Board, the U. S. Travel Association CEO Roundtable, the Atlanta Committee for Progress and the Global Advisory Council at the University of Virginia Darden School of Business.
Luke Mayhew	Director	Governor of the Southbank Centre, and a Trustee of BBC Children in Need and the National Youth Orchestra.
Jill McDonald	Director	CEO of Costa Coffee.
Dale Morrison	Director and Senior Independent Director	Non-Executive Director of International Flavors & Fragrances Inc.
Sharon Rothstein	Director	On the Board of Yelp, Inc., Afterpay Limited, True Food Kitchen, Inc., LOLA, and Levain Bakery, Inc.
Nicolette Henfrey	General Counsel & Company Secretary	None.

The business address of each of the Directors and the Company Secretary referred to above is Broadwater Park, Denham, Buckinghamshire UB9 5HR.

Otherwise than as disclosed above, none of the directors listed above has any significant principal activities outside the Issuer (or, as the case may be, the Group). There are no potential conflicts of interest between duties owed by the directors of the Issuer to the Issuer (or, as the case may be, to the Group) and their private interests or other duties.

Employees

As at 31 December 2019, the Group directly employed 36,643 people worldwide. This includes people whose costs are borne by the Group, people whose costs are charged to the System Fund and some people who work in managed hotels, whose costs are borne by those hotels. When the Group's entire

estate is taken into account, including staff working in franchised and managed hotels, over 400,000 people worked globally across the Group's brands as at 31 December 2019.

Material Contracts

The following contracts have been entered into otherwise than in the course of ordinary business by members of the Group.

IHG Facility Agreement

On 30 March 2015, the Issuer signed a U.S.\$1,275 million syndicated bank facility agreement for a term of up to seven years (the "**IHG Facility Agreement**") with, Bank of America Merrill Lynch International Limited, Barclays Bank PLC, HSBC Bank plc, SunTrust Robinson Humphrey, The Bank of Tokyo-Mitsubishi UFJ, Ltd and The Royal Bank of Scotland plc, all acting as mandated lead arrangers and The Bank of Tokyo-Mitsubishi UFJ, Ltd as facility agent.

The facility under the IHG Facility Agreement is a five-year revolving credit facility, with an option to extend the facility for two further consecutive terms of one year each. The Issuer has exercised its ability to extend the term of the facility by two additional periods of 12 months and received lender consent to extend by a further 18 months, taking the term of the facility to September 2023. The interest margin payable on borrowings under the IHG Facility Agreement is linked to the Issuer's consolidated net debt to consolidated EBITDA ratio. The interest rate can vary between LIBOR + 0.9 per cent. and LIBOR + 2.75 per cent. depending on the level of the ratio. The Issuer received lender consent to waive existing covenants until 31 December 2021 in response to the impact of COVID-19. During this period, a minimum liquidity covenant was tested and satisfied as at 30 June 2020, and will be tested as at 31 December 2020 and 30 June 2021. (See also "*Recent Developments – COVID-19 – Liquidity*".)

Acquisition of Six Senses Hotels Resorts Spas

On 12 February 2019, a share purchase agreement ("**SPA**") was entered into between Sustainable Luxury (BVI) Limited Partnership (acting through Sustainable Luxury (BVI) Limited as its general partner), Sustainable Luxury Holdings (BVI) Limited, and Inter-Continental Hotels Corporation. Under the SPA, Inter-Continental Hotels Corporation agreed to buy the entire issued share capital of Sustainable Luxury Holdings (BVI) Limited, the principal trading company of the Six Senses group, from Sustainable Luxury (BVI) Limited Partnership. The purchase completed on 12 February 2019.

The consideration paid in respect of the acquisition was U.S.\$300 million in cash, before adjustments.

Environmental Matters

The Group is committed to all its operating companies having a responsibility to act in a way that respects the environment in which they operate. The Group's strong presence in the United States and EU markets mean that it is affected by and is familiar with highly developed environmental laws and controls. The Group regularly considers environmental matters and seeks to embed good practice into its business strategies and operations.

Litigation

The Group is from time to time involved in litigation arising from its ordinary activities. The Group does not consider that liabilities relating to such litigation will in aggregate be material to its activities or to the Group's consolidated financial position.

Notwithstanding the above, the Issuer notes the matters set out below. Litigation is inherently unpredictable and as at the date of this Base Prospectus, save as stated otherwise, the outcome of these matters cannot be reasonably determined.

1. A claim was filed on 5 July 2016 by CPTS Hotel Lessee, LLC ("**CPTS**") against Holiday Hospitality Franchising, LLC ("**HHF**"). The claimant alleges breach of the licence agreement and seeks a declaratory judgement from the court that it has the right to terminate its licence with HHF. HHF and InterContinental Hotels Group Resources, Inc. filed a claim against CPTS Hotel Lessee, LLC also seeking a declaratory judgement and alleging breach of contract and fraud. On 1 May 2018, the court granted HHF and InterContinental Hotels Group Resources, Inc.'s motion for preliminary injunction and ruled that the license agreement at issue is not terminable at will by CPTS. As at the date of this Base Prospectus, the likelihood of a favourable or unfavourable result cannot be reasonably

determined and it is not possible to determine whether any loss is likely or to make a reliable estimate of the possible financial effect of any claims.

2. A claim was filed on 26 June 2017 against Inter-Continental Hotels Corporation, InterContinental Hotels Group Resources, Inc., and InterContinental Hotels Group (Canada), Inc. seeking class action status and alleging breach of fiduciary duty, negligence, breach of confidence, intrusion upon seclusion, breach of contract, breach of privacy legislation, and unjust enrichment regarding an alleged data breach. The claim was amended in March 2018 to name Six Continents Hotels, Inc. as the sole defendant. The claimant alleges that security failures allowed customers' financial information to be compromised. As at the date of this Base Prospectus, the likelihood of a favourable or unfavourable result cannot be reasonably determined and it is not possible to determine whether any loss is likely or to make a reliable estimate of the possible financial effect of any claims.

3. Two claims were filed on 19 March 2018 and 6 December 2018 against Six Continents Hotels, Inc. and other hotel companies, alleging violations of anti-trust regulations. One of the matters is a class action, and both suits allege that the defendant hotel companies conspired to eliminate competitive branded keyword search advertising in the hotel industry, which raised prices for hotel rooms in violation of applicable law. As at the date of this Base Prospectus, the likelihood of a favourable or unfavourable result cannot be reasonably determined and it is not possible to determine whether any loss is likely or to make a reliable estimate of the possible financial effect of any claims.

4. A claim was filed on 5 April 2019 and amended on 16 December 2019 against Kimpton seeking class action status and alleging harm related to the compromise of personal information due to a data security breach. The allegations relate to a breach of the reservation system previously used by Kimpton. As at the date of this Base Prospectus, the likelihood of a favourable or unfavourable result cannot be reasonably determined and it is not possible to determine whether any loss is likely or to make a reliable estimate of the possible financial effect of any claims.

5. A union pension plan filed an action against InterContinental Hotels Group Resources, Inc. ("IHGR") on 28 August 2019 in the Southern District of New York alleging that IHGR failed to pay a pension fund liability associated with its alleged withdrawal from the fund based on the termination of IHGR's management of three formerly IHG-branded hotels. Should IHGR be required to make any payments as a result of the pension plan's pursuit of this action, IHGR intends to seek recovery under existing indemnity arrangements.

Recent Developments

COVID-19

Disruption

The recent outbreak and global spread of the COVID-19 pandemic has had a significant effect on global economic conditions and has significantly disrupted the Group's business.

Social distancing measures and travel restrictions caused widespread hotel closures. As at the end of July 2020, 317 hotels or five per cent. of the Group's estate was closed (3 per cent. of the Group's hotels in the Americas, 16 per cent. of the Group's hotels in EMEAA and less than one per cent. of the Group's hotels in Greater China), compared with 10 per cent. at the end of June 2020. Occupancy levels improved to approximately 45 per cent. for the month ending 31 July 2020. In the first half of the 2020 financial year, RevPAR declined by 52 per cent., including a 75 per cent. decline in the second quarter (comprised of a 71 per cent. decline in the Americas, 88 per cent. in EMEAA and 59 per cent. in Greater China). For the same period, the Group's total revenue was U.S.\$1,248 million, a 45 per cent. decrease compared to 2019 (total revenue as at 30 June 2019: U.S.\$2,280 million) and operating loss was U.S.\$233 million, a 153 per cent. decrease in operating profit compared to 2019 (operating profit as at 30 June 2019: U.S.\$442 million). On 3 June 2020, S&P downgraded the rating assigned to the Issuer from "BBB" to "BBB-".

Response

1. Commitment to supporting stakeholders and operating a responsible business

Ensuring the safety and security of its colleagues has been the Group's top priority. It has also been involved in a cross-industry collaboration to help impacted colleagues find employment whilst hotels are temporarily closed through the IHG Hotel Colleague Job Center website.

The Group has supported certain charitable partners and enabled the donation of loyalty points through its IHG Rewards Club. The Group has extended its existing programmes to support foodbanks and food provision charities in more than 70 countries.

The Group has worked with government and organisations around the world, to provide accommodation to frontline workers, military personnel and vulnerable members of society. As at 30 June 2020, around 430 hotels across the business had been repurposed at various times during the crisis for these and other essential activities.

Lastly, the Group has waived cancellation fees where possible and helped owners keep their hotels open by adjusting their operations, providing them with support measures such as fee relief and increased payment flexibility, and advising them on accessing government support programmes.

2. Protecting the Group's financial position

Cost actions and cash preservation

In response to the impact of COVID-19, the Group has taken various cost reduction measures, reducing salaries and incentives, including substantial decreases for Board and Executive committee members, and challenging discretionary spend. Gross capital expenditure was reduced to approximately U.S.\$85 million during the six months ending 30 June 2020 (compared to U.S.\$101 million for the same period in 2019) and the Board withdrew its recommendation of a final dividend payment in respect of 2019 preserving approximately U.S.\$150 million of cash.

Liquidity

The Group has also accessed additional liquidity. It has amended the IHG Facility Agreement to include a waiver of existing covenants until 31 December 2021 and has extended the maturity to September 2023 (see also "*Material Contracts*" above). Additionally, the Group has issued £600 million of commercial paper under the United Kingdom Government's COVID Corporate Financing Facility. As at 30 June 2020, its total available liquidity was U.S.\$1.961 billion, comprising U.S.\$611 million of cash and cash equivalents (net of overdrafts and restricted cash) and undrawn bank facilities of U.S.\$1.350 billion (including U.S.\$1.275 billion from the IHG Facility Agreement).

DESCRIPTION OF SIX CONTINENTS LIMITED

Introduction

Six Continents Limited (“**Six Continents**”) was incorporated in England and Wales on 17 August 1967. The registered office of Six Continents is situated at Broadwater Park, Denham, Buckinghamshire UB9 5HR, telephone number: +44 1895 512000. The registered number of Six Continents is 913450.

Principal Activities and Organisational Structure

Six Continents is a private limited intermediate holding company for the Group, which franchises and manages an international hotel business and owns a portfolio of established and diverse hotel brands.

Six Continents’ principal activities comprise acting as an investment holding company and providing management services to the Group. Six Continents is also the main entity that conducts treasury activities for the Group. These activities include the borrowing of funds, investment of surplus cash, and management of foreign exchange and derivative transactions.

Major Shareholders

Six Continents is a direct wholly owned subsidiary of InterContinental Hotels Limited.

Board of Directors

The members of the Board of Directors of Six Continents as at the date of this Base Prospectus are as follows:

<u>Name</u>	<u>Title</u>	<u>Principal outside activity (if any) (of significance to Six Continents or the Group)</u>
Paul Edgecliffe-Johnson	Director	N/A
Nicolette Henfrey	Director	N/A
Heather Wood	Director	N/A
Melinda Renshaw	Director	N/A

Fiona Cuttell is the Company Secretary of Six Continents.

The business address of each of the Directors and the Company Secretary referred to above is Broadwater Park, Denham, Buckinghamshire UB9 5HR.

Otherwise than as disclosed above, none of the directors listed above has any significant principal activities outside Six Continents (or, as the case may be, the Group). There are no potential conflicts of interest between duties owed by the directors of Six Continents to Six Continents (or, as the case may be, the Group) and their private interests or other duties.

Material Contracts

The following contracts have been entered into otherwise than in the course of ordinary business by members of the Group.

IHG Facility Agreement

On 30 March 2015, the Issuer signed a U.S.\$1,275 million syndicated bank facility agreement for a term of up to seven years (the “**IHG Facility Agreement**”) with, Bank of America Merrill Lynch International Limited, Barclays Bank PLC, HSBC Bank plc, SunTrust Robinson Humphrey, The Bank of Tokyo-Mitsubishi UFJ, Ltd and The Royal Bank of Scotland plc, all acting as mandated lead arrangers and The Bank of Tokyo-Mitsubishi UFJ, Ltd as facility agent.

The facility under the IHG Facility Agreement is a five-year revolving credit facility, with an option to extend the facility for two further consecutive terms of one year each. The Issuer has exercised its ability to extend the term of the facility by two additional periods of 12 months and received lender consent to extend by a further 18 months, taking the term of the facility to September 2023. The interest margin payable on borrowings under the IHG Facility Agreement is linked to the Issuer’s consolidated net debt to consolidated EBITDA ratio. The interest rate can vary between LIBOR + 0.9 per cent. and LIBOR + 2.75 per cent. depending on the level of the ratio. The Issuer received lender

consent to waive existing covenants until 31 December 2021 in response to the impact of COVID-19. During this period, a minimum liquidity covenant was tested and satisfied as at 30 June 2020, and will be tested at 31 December 2020 and 30 June 2021.

Litigation

Six Continents is from time to time involved in litigation arising from its ordinary activities. Six Continents does not consider that liabilities relating to such litigation will in aggregate be material to its activities or to the Group's consolidated financial position.

DESCRIPTION OF INTERCONTINENTAL HOTELS LIMITED

Introduction

InterContinental Hotels Limited (“**InterContinental**”) was incorporated in England and Wales on 2 October 2002. The registered office of InterContinental is situated at Broadwater Park, Denham, Buckinghamshire UB9 5HR, telephone number: +44 1895 512000. The registered number of InterContinental is 4551528.

Principal Activities and Organisational Structure

InterContinental is a private limited company and a subsidiary of the Issuer. InterContinental is an intermediate holding company of and a part of the Group, which franchises and manages an international hotel business and owns a portfolio of established and diverse hotel brands.

Major Shareholders

InterContinental is a direct wholly owned subsidiary of the Issuer.

Board of Directors

The members of the Board of Directors of InterContinental as at the date of this Base Prospectus are as follows:

<u>Name</u>	<u>Title</u>	<u>Principal outside activity (if any) (of significance to InterContinental or the Group)</u>
Paul Edgecliffe-Johnson	Director	N/A
Nicolette Henfrey	Director	N/A
Heather Wood	Director	N/A
Melinda Renshaw	Director	N/A

Fiona Cuttell is the Company Secretary of InterContinental.

The business address of each of the Directors and the Company Secretary referred to above is Broadwater Park, Denham, Buckinghamshire UB9 5HR.

Otherwise than disclosed above, none of the directors listed above has any significant principal activities outside InterContinental (or, as the case may be, the Group). There are no potential conflicts of interest between duties owed by the directors of InterContinental to InterContinental (or, as the case may be, the Group) and their private interests or other duties.

Material Contracts

The following contracts have been entered into otherwise than in the course of ordinary business by members of the Group.

IHG Facility Agreement

On 30 March 2015, the Issuer signed a U.S.\$1,275 million syndicated bank facility agreement for a term of up to seven years (the “**IHG Facility Agreement**”) with, Bank of America Merrill Lynch International Limited, Barclays Bank PLC, HSBC Bank plc, SunTrust Robinson Humphrey, The Bank of Tokyo-Mitsubishi UFJ, Ltd and The Royal Bank of Scotland plc, all acting as mandated lead arrangers and The Bank of Tokyo-Mitsubishi UFJ, Ltd as facility agent.

The facility under the IHG Facility Agreement is a five-year revolving credit facility, with an option to extend the facility for two further consecutive terms of one year each. The Issuer has exercised its ability to extend the term of the facility by two additional periods of 12 months and received lender consent to extend by a further 18 months, taking the term of the facility to September 2023. The interest margin payable on borrowings under the IHG Facility Agreement is linked to the Issuer’s consolidated net debt to consolidated EBITDA ratio. The interest rate can vary between LIBOR + 0.9 per cent. and LIBOR + 2.75 per cent. depending on the level of the ratio. The Issuer received lender consent to waive existing covenants until 31 December 2021 in response to the impact of COVID-19. During this period, a minimum liquidity covenant was tested and satisfied as at 30 June 2020, and will be tested at 31 December 2020 and 30 June 2021.

Litigation

InterContinental is from time to time involved in litigation arising from its ordinary activities. InterContinental does not consider that liabilities relating to such litigation will in aggregate be material to its activities or to the Group's consolidated financial position.

ALTERNATIVE PERFORMANCE MEASURES

The Group uses adjusted figures and underlying growth rates which are not defined by generally accepted accounting principles such as IFRS. Adjusted figures and underlying growth rates are presented as additional performance measures used by management, as they provide relevant information in assessing the Group's performance, position and cash flows. The Group believes that these measures enable investors to more clearly track the core operational performance of the Group, by separating out items of income or expenditure relating to acquisitions, disposals, capital items and excluding currency translation effects, while providing investors with a clear basis for assessing the Group's ability to raise debt and invest in new business opportunities. The Group's management uses these financial measures, along with IFRS financial measures, in evaluating the operating performance of the Group as a whole and the individual business segments. Adjusted and underlying financial measures should not be considered in isolation from, or as a substitute for, financial information presented in compliance with IFRS. The measures may not be directly comparable to similarly reported measures by other companies.

In addition to the adjusted financial measures where the definition, description and numerical reconciliation is incorporated by reference from the 2019 Annual Report, the following additional adjusted financial measures used are:

<i>Alternative Performance Measure</i> ("APM")	Definition of APM and Method of calculation	Reconciliation	Rationale for inclusion
Adjusted EBITDA	Adjusted EBITDA comprises Operating Profit before System Fund revenue and expenses and exceptional items, and depreciation and amortisation	Calculated as Operating Profit before System Fund and exceptional items, plus depreciation and amortisation (See the summary of the Group's Adjusted EBITDA reconciliation on page 86 of the Base Prospectus for numerical reconciliation).	Allows the Net Debt / Adjusted EBITDA ratio to be calculated.

A summary of the Group's Adjusted EBITDA reconciliation for the financial years ended 31 December 2019, 2018 and 2017 and for the six month period ended 30 June 2020 is as follows:

	H1 2020	2019	H1 2019	2018	2017
	U.S.\$m	U.S.\$m	U.S.\$m	U.S.\$m	U.S.\$m
Operating profit before System Fund and exceptional items	74	865	410	832	774
Depreciation and Amortisation	55	116	56	115	112
Adjusted EBITDA	129	981	466	947	886

TAXATION

UNITED KINGDOM TAXATION

The following is a general description of the United Kingdom withholding tax treatment of payments of interest in relation to the Notes. It is based on what is understood by the Issuer to be United Kingdom law as at the date of this Base Prospectus and the published practice of Her Majesty's Revenue and Customs ("HMRC") as at the date of this Base Prospectus, which may be subject to changes sometimes with retrospective effect. The comments do not deal with other United Kingdom tax (or any other tax) aspects of acquiring, holding or disposing of Notes. The comments relate only to the position of persons who are absolute beneficial owners of the Notes and some aspects do not apply to certain classes of taxpayer (such as dealers and Noteholders who are connected or associated with the Issuer for relevant tax purposes). Prospective Noteholders should be aware that the particular terms of issue of any series of Notes as specified in the relevant Final Terms may affect the tax treatment of that and other series of Notes. The following is a general guide for information purposes, not a complete analysis, and should be treated with appropriate caution. It is not intended as tax advice and it does not purport to describe all of the tax considerations that may be relevant to a prospective purchaser. The description below does not cover the situation where the Issuer is substituted pursuant to the terms of the Notes or otherwise and does not consider the tax consequences of any such substitution. Prospective Noteholders who are in any doubt as to their tax position should consult their professional advisers.

Prospective Noteholders who may be liable to taxation in jurisdictions other than the United Kingdom in respect of their acquisition, holding or disposal of the Notes are advised to consult their professional advisers as to whether they are so liable (and if so under the laws of which jurisdictions). In particular, prospective Noteholders should be aware that they may be liable to taxation under the laws of other jurisdictions in relation to payments in respect of the Notes even if such payments may be made without withholding or deduction for or on account of taxation under the laws of the United Kingdom.

Also investors should note that the appointment by an investor in Notes, or any person through which an investor holds Notes, of a custodian, collection agent or similar person in relation to such Notes in any jurisdiction may have tax implications. Investors should consult their own professional advisers in relation to the tax consequences for them of any such appointment.

Withholding Tax

Notes which carry a right to interest will constitute "quoted Eurobonds" within the meaning of section 987 of the Income Tax Act 2007 (the "Act") as long as they are and continue to be "listed on a recognised stock exchange" within the meaning of section 1005 of the Act. In the case of Notes to be traded on the London Stock Exchange, which is a recognised stock exchange, the Notes will be treated as "listed on a recognised stock exchange" if the Notes are included in the Official List (within the meaning of and in accordance with the provisions of Part 6 of the Financial Services and Markets Act 2000) and admitted to trading on the London Stock Exchange. Notes to be traded on a recognised stock exchange outside the United Kingdom will be treated as "listed on a recognised stock exchange" if they are admitted to trading on that exchange and they are officially listed, in accordance with provisions corresponding to those generally applicable in European Economic Area states, in a country outside the United Kingdom in which there is a recognised stock exchange. Whilst the Notes are and continue to be quoted Eurobonds, payments by the Issuer of interest on the Notes may be made without withholding or deduction for or on account of United Kingdom income tax.

In other cases, interest on the Notes may fall to be paid under deduction of United Kingdom income tax at the basic rate (currently 20 per cent.) subject to such relief as may be available, including in relation to certain payments where the beneficial owner is within the charge to United Kingdom corporation tax as regards the payment or following a direction from HMRC pursuant to the provisions of any applicable double taxation treaty. However, this withholding will not apply if the relevant interest is paid by the Issuer on Notes with a maturity date of less than one year from the date of issue and which are not issued under schemes or arrangements the effect of which is to render such Notes part of a borrowing intended to be capable of remaining outstanding for more than 364 days.

The reference to "interest" in this UK Taxation section means "interest" as understood in United Kingdom tax law, and in particular any premium element of the redemption amount of any Notes redeemable at a premium may constitute a payment of interest subject to the withholding tax provisions

discussed above. In certain cases, the same could be true for amounts of discount where Notes are issued at a discount. The statements above do not take any account of any different definitions of “interest” or “principal” which may prevail under any other law or which may be created by the Terms and Conditions of the Notes or any related documentation.

Depending on the correct legal analysis of payments made by a Guarantor as a matter of United Kingdom tax law, it is possible that payments by such Guarantor would be subject to withholding on account of United Kingdom tax, subject to any applicable exemptions or reliefs (and noting that not all of the exemptions and reliefs set out above would necessarily be applicable).

THE PROPOSED FINANCIAL TRANSACTION TAX (“FTT”)

On 14 February 2013, the European Commission published a proposal (the “**Commission’s Proposal**”) for a Directive for a common FTT in Belgium, Germany, Estonia, Greece, Spain, France, Italy, Austria, Portugal, Slovenia and Slovakia (each, other than Estonia, a “**participating Member State**”). However, Estonia has ceased to participate.

The Commission’s Proposal has very broad scope and could, if introduced, apply to certain dealings in the Notes (including secondary market transactions) in certain circumstances. Under the Commission’s Proposal, the issuance and subscription of Notes should, however, be exempt.

Under the Commission’s Proposal, the FTT could apply in certain circumstances to persons both within and outside of the participating Member States. Generally, it would apply to certain dealings in the Notes where at least one party is a financial institution, and at least one party is established in a participating Member State. A financial institution may be, or be deemed to be, “established” in a participating Member State in a broad range of circumstances, including (a) by transacting with a person established in a participating Member State or (b) where the financial instrument which is subject to the dealings is issued in a participating Member State.

However, the FTT proposal remains subject to negotiation between participating Member States. It may therefore be altered prior to implementation, the timing of which remains unclear. Additional EU Member States may decide to participate.

Prospective holders of the Notes are advised to seek their own professional advice in relation to the FTT.

FOREIGN ACCOUNT TAX COMPLIANCE ACT

Pursuant to certain provisions of the U.S. Internal Revenue Code of 1986, commonly known as FATCA, a “**foreign financial institution**” (as defined by FATCA) may be required to withhold on certain payments it makes (“**foreign passthrough payments**”) to persons that fail to meet certain certification, reporting or related requirements. The Issuer may be a foreign financial institution for these purposes. A number of jurisdictions (including the United Kingdom) have entered into, or have agreed in substance to, intergovernmental agreements with the United States to implement FATCA (“**IGAs**”), which modify the way in which FATCA applies in their jurisdictions. Under the provisions of IGAs as currently in effect, a foreign financial institution in an IGA jurisdiction would generally not be required to withhold under FATCA or an IGA from payments that it makes. Certain aspects of the application of the FATCA provisions and IGAs to instruments such as Notes, including whether withholding would ever be required pursuant to FATCA or an IGA with respect to payments on instruments such as Notes, are uncertain and may be subject to change. Even if withholding would be required pursuant to FATCA or an IGA with respect to payments on instruments such as the Notes, such withholding would not apply prior to the date that is two years after the date on which final regulations defining foreign passthrough payments are published in the U.S. Federal Register and Notes characterised as debt (or which are not otherwise characterised as equity and have a fixed term) for U.S. federal tax purposes that are issued on or prior to the date that is six months after the date on which final regulations defining foreign passthrough payments are published generally would be grandfathered for purposes of FATCA withholding unless materially modified after such date. However, if additional Notes (as described under “*Terms and Conditions of the Notes—Further Issues*”) that are not distinguishable from previously issued Notes are issued after the expiration of the grandfathering period and are subject to withholding under FATCA, then withholding agents may treat all Notes, including the Notes offered prior to the expiration of the grandfathering period, as subject to withholding under FATCA. Holders should consult their own tax advisers regarding how these rules may apply to their investment in Notes. In the event any withholding is required pursuant to FATCA

or an IGA with respect to payments on the Notes, no person will be required to pay additional amounts as a result of the withholding.

SUBSCRIPTION AND SALE

Notes may be sold from time to time by the Issuer to any one or more of Barclays Bank PLC, Commerzbank Aktiengesellschaft, HSBC Bank plc, Merrill Lynch International, MUFG Securities EMEA plc, Truist Securities, Inc., and Wells Fargo Securities International Limited (the “**Dealers**”). The arrangements under which Notes may from time to time be agreed to be sold by the Issuer to, and purchased by, Dealers are set out in an amended and restated dealer agreement dated 14 September 2020 (the “**Dealer Agreement**”) and made between the Issuer, the Guarantors and the Dealers. Any such agreement will, *inter alia*, make provision for the form and terms and conditions of the relevant Notes, the price at which such Notes will be purchased by the Dealers and the commissions or other agreed deductibles (if any) payable or allowable by the Issuer in respect of such purchase. The Dealer Agreement makes provision for the resignation or termination of appointment of existing Dealers and for the appointment of additional or other Dealers either generally in respect of the Programme or in relation to a particular Tranche of Notes.

United States of America

The Notes have not been and will not be registered under the Securities Act or with any securities regulatory authority of any state or other jurisdiction of the United States and may not be offered, sold or delivered within the United States or to, or for the account or benefit of, U.S. persons (as defined in Regulation S under the Securities Act) except pursuant to an exemption from, or in a transaction not subject to the registration requirements of the Securities Act and the securities laws of the applicable state or other jurisdiction of the United States. Terms used in this paragraph have the meanings given to them by Regulation S under the Securities Act.

The Notes are subject to U.S. tax law requirements and may not be offered, sold or delivered within the United States or its possessions or to a United States person, except in certain transactions permitted by U.S. Treasury regulations. Terms used in this paragraph have the meanings given to them by the United States Internal Revenue Code, as amended and Treasury regulations promulgated thereunder. The relevant Final Terms will identify whether the TEFRA C rules or TEFRA D Rules apply or whether TEFRA is not applicable.

Each Dealer has agreed, and each further Dealer appointed under the Programme will be required to agree, that, except as permitted by the Dealer Agreement, it will not offer, sell or deliver Notes, (i) as part of their distribution at any time or (ii) otherwise until 40 days after the completion of the distribution of the Notes comprising the relevant Tranche (or, in the case of a sale of a Tranche of Notes to or through more than one Dealer, by each of such Dealers as to the Notes of such Tranche purchased by or through it) within the United States or to, or for the account or benefit of, U.S. persons, and such Dealer will have sent to each dealer to which it sells Notes during the distribution compliance period relating thereto a confirmation or other notice setting forth the restrictions on offers and sales of the Notes within the United States or to, or for the account or benefit of, U.S. persons. Terms used in this paragraph have the meanings given to them by Regulation S under the Securities Act.

In addition, until 40 days after the commencement of the offering of Notes comprising any Tranche, any offer or sale of Notes within the United States by any dealer (whether or not participating in the offering) may violate the registration requirements of the Securities Act.

European Economic Area and United Kingdom

Unless the Final Terms in respect of any Notes specifies “Prohibition of Sales to EEA and UK Retail Investors” as “Not Applicable”, each Dealer has represented and agreed, and each further Dealer appointed under the Programme will be required to represent and agree, that it has not offered, sold or otherwise made available and will not offer, sell or otherwise make available any Notes which are the subject of the offering contemplated by this Base Prospectus as completed by the Final Terms in relation thereto to any retail investor in the European Economic Area or in the United Kingdom. For the purposes of this provision:

- (a) the expression “retail investor” means a person who is one (or more) of the following:
 - (i) a retail client as defined in point (11) of Article 4(1) of Directive 2014/65/EU (as amended, “**MiFID II**”); or

- (ii) a customer within the meaning of Directive (EU) 2016/97 (as amended), where that customer would not qualify as a professional client as defined in point (10) of Article 4(1) of MiFID II; or
- (iii) not a qualified investor as defined in the Prospectus Regulation; and
- (b) the expression an “offer” includes the communication in any form and by any means of sufficient information on the terms of the offer and the Notes to be offered so as to enable an investor to decide to purchase or subscribe for the Notes.

If the Final Terms in respect of any Notes specifies “Prohibition of Sales to EEA and UK Retail Investors” as “Not Applicable”, in relation to each Relevant Member State of the European Economic Area and the United Kingdom (each a “**Relevant State**”), each Dealer has represented, warranted and agreed, and each further Dealer appointed under the Programme will be required to represent, warrant and agree, that it has not made and will not make an offer of Notes which are the subject of the offering contemplated by this Base Prospectus as completed by the Final Terms in relation thereto to the public in that Relevant State except that it may make an offer of such Notes to the public in that Relevant State:

- (a) at any time to any legal entity which is a qualified investor as defined in the Prospectus Regulation; or
- (b) at any time to fewer than 150 natural or legal persons (other than qualified investors as defined in the Prospectus Regulation) subject to obtaining the prior consent of the relevant Dealer or Dealers nominated by the Issuer for any such offer; or
- (c) at any time in any other circumstances falling within Article 1(4) of the Prospectus Regulation,

PROVIDED THAT no such offer of Notes referred to in (a) to (c) above shall require the Issuer or any Dealer to publish a prospectus pursuant to Article 3 of the Prospectus Regulation or supplement a prospectus pursuant to Article 23 of the Prospectus Regulation.

For the purposes of this provision, the expression an “**offer of Notes to the public**” in relation to any Notes in any Relevant State means the communication in any form and by any means of sufficient information on the terms of the offer and the Notes to be offered so as to enable an investor to decide to purchase or subscribe for the Notes and the expression “**Prospectus Regulation**” means Regulation (EU) 2017/1129.

Selling Restrictions Addressing Additional United Kingdom Securities Laws

Each Dealer has represented, warranted and agreed, and each further Dealer appointed under the Programme will be required to represent, warrant and agree, that:

(a) ***No deposit-taking:***

in relation to any Notes having a maturity of less than one year:

- (i) it is a person whose ordinary activities involve it in acquiring holding, managing or disposing of investments (as principal or agent) for the purposes of its business; and
- (ii) it has not offered or sold and will not offer or sell any Notes other than to persons:
 - (A) whose ordinary activities involve them in acquiring, holding, managing or disposing of investments (as principal or agent) for the purposes of their businesses; or
 - (B) who it is reasonable to expect will acquire, hold, manage or dispose of investments (as principal or agent) for the purposes of their businesses,

where the issue of the Notes would otherwise constitute a contravention of Section 19 of the FSMA by the Issuer;

(b) ***Financial promotion:***

it has only communicated or caused to be communicated and will only communicate or cause to be communicated any invitation or inducement to engage in investment activity (within the

meaning of section 21 of the FSMA) received by it in connection with the issue or sale of any Notes in circumstances in which section 21(1) of the FSMA does not apply to the Issuer; and

(c) **General compliance:**

it has complied and will comply with all applicable provisions of the FSMA with respect to anything done by it in relation to any Notes in, from or otherwise involving the United Kingdom.

Japan

The Notes have not been and will not be registered under the Financial Instruments and Exchange Act of Japan (Act No. 25 of 1948, as amended, the “**FIEA**”). Accordingly, each of the Dealers has represented and agreed, and each further Dealer appointed under the Programme will be required to represent and agree, that it has not, directly or indirectly, offered or sold and will not, directly or indirectly, offer or sell any Notes in Japan or to, or for the benefit of, any resident of Japan (as defined under Item 5, Paragraph 1, Article 6 of the Foreign Exchange and Foreign Trade Act (Act No. 228 of 1949, as amended)) or to others for re offering or re sale, directly or indirectly, in Japan or to, or for the benefit of, any resident of Japan except pursuant to an exemption from the registration requirements of, and otherwise in compliance with, the FIEA and any other relevant laws and regulations of Japan.

Belgium

Other than in respect of Notes for which "Prohibition of Sales to Belgian Consumers" is specified as "Not Applicable" in the applicable Final Terms, each Dealer has represented and agreed, and each further Dealer appointed under the Programme will be required to represent and agree, that an offering of Notes may not be advertised to any individual in Belgium qualifying as a consumer within the meaning of Article L.1 of the Belgian Code of Economic Law, as amended from time to time (a “**Belgian Consumer**”) and that it has not offered, sold or resold, transferred or delivered, and will not offer, sell, resell, transfer or deliver, the Notes, and that it has not distributed, and will not distribute, any prospectus, memorandum, information circular, brochure or any similar documents in relation to the Notes, directly or indirectly, to any Belgian Consumer.

Singapore

Each Dealer has acknowledged, and each further Dealer appointed under the Programme will be required to acknowledge, that this Base Prospectus has not been registered as a prospectus with the MAS under the SFA. Accordingly, each Dealer has represented, warranted and agreed, and each further Dealer appointed under the Programme will be required to represent, warrant and agree, that it has not offered or sold any Notes or caused the Notes to be made the subject of an invitation for subscription or purchase and will not offer or sell any Notes or cause the Notes to be made the subject of an invitation for subscription or purchase, and has not circulated or distributed, nor will it circulate or distribute, this Base Prospectus or any other document or material in connection with the offer or sale, or invitation for subscription or purchase, of the Notes, whether directly or indirectly, to any person in Singapore other than (i) to an institutional investor (as defined in Section 4A of the SFA) pursuant to Section 274 of the SFA, (ii) to a relevant person (as defined in Section 275(2) of the SFA) pursuant to Section 275(1) of the SFA, or any person pursuant to Section 275(1A) of the SFA, and in accordance with the conditions specified in Section 275 of the SFA, or (iii) otherwise pursuant to, and in accordance with the conditions of, any other applicable provision of the SFA.

Where the Notes are subscribed or purchased under Section 275 of the SFA by a relevant person which is:

- (a) a corporation (which is not an accredited investor (as defined in Section 4A of the SFA)) the sole business of which is to hold investments and the entire share capital of which is owned by one or more individuals, each of whom is an accredited investor; or
- (b) a trust (where the trustee is not an accredited investor) whose sole purpose is to hold investments and each beneficiary of the trust is an individual who is an accredited investor,

securities or securities-based derivatives contracts (each term as defined in Section 2(1) of the SFA) of that corporation or the beneficiaries' rights and interest (howsoever described) in that trust shall not be

transferred within six months after that corporation or that trust has acquired the Notes pursuant to an offer made under Section 275 of the SFA except:

- (1) to an institutional investor or to a relevant person, or to any person arising from an offer referred to in Section 275(1A) or Section 276(4)(i)(B) of the SFA;
- (2) where no consideration is or will be given for the transfer;
- (3) where the transfer is by operation of law;
- (4) as specified in Section 276(7) of the SFA; or
- (5) as specified in Regulation 37A of the Securities and Futures (Offers of Investments) (Securities and Securities-based Derivatives Contracts) Regulations 2018.

Notification under Section 309B(1)(c) of the SFA – Unless otherwise stated in the Final Terms, all Notes issued or to be issued under the Programme shall be prescribed capital markets products (as defined in the Securities and Futures (Capital Markets Products) Regulations 2018 of Singapore) and Excluded Investment Products (as defined in MAS Notice SFA 04-N12: Notice on the Sale of Investment Products and MAS Notice FAA-N16: Notice on Recommendations on Investment Products).

General

Each Dealer has represented, warranted and agreed, and each further Dealer appointed under the Programme will be required to represent, warrant and agree, that it has (to the best of its knowledge and belief) complied and will (to the best of its knowledge and belief) comply with all applicable securities laws and regulations in each country or jurisdiction in or from which it purchases, offers, sells or delivers Notes or possesses, distributes or publishes this Base Prospectus or any Final Terms or any related offering material, in all cases at its own expense. Other persons into whose hands this Base Prospectus or any Final Terms comes are required by the Issuer, the Guarantors and the Dealers to comply with all applicable laws and regulations in each country or jurisdiction in or from which they purchase, offer, sell or deliver Notes or possess, distribute or publish this Base Prospectus or any Final Terms or any related offering material, in all cases at their own expense.

The Dealer Agreement provides that the Dealers shall not be bound by any of the restrictions relating to any specific jurisdiction (set out above) to the extent that such restrictions shall, as a result of change(s) or change(s) in official interpretation, after the date hereof, of applicable laws and regulations, no longer be applicable but without prejudice to the obligations of the Dealers described in the paragraph headed “*General*” above.

Selling restrictions may be supplemented or modified with the agreement of the Issuer. Any such supplement or modification may be set out in the relevant Final Terms (in the case of a supplement or modification relevant only to a particular Tranche of Notes) or in a supplement to this Base Prospectus.

GENERAL INFORMATION

Authorisation

The update of the Programme was authorised by resolutions of the Board of Directors of the Issuer passed on 7 August 2020 and by a duly appointed committee of the Board of Directors passed on 8 September 2020. The giving of the guarantees and the approval by the Guarantors of this Base Prospectus and the other documentation relating to the update of the Programme was authorised by the Board of Directors of each of Six Continents Limited and InterContinental Hotels Limited on 10 September 2020. The Issuer and the Guarantors have obtained or will obtain from time to time all necessary consents, approvals and authorisations in connection with the issue and performance of the Notes.

Legal and Arbitration Proceedings

Save as disclosed on pages 79 to 80 of this Base Prospectus under the heading “*Litigation*”, there are no governmental, legal or arbitration proceedings, (including any such proceedings which are pending or threatened, of which the Issuer or the Guarantors are aware), which may have, or have had during the 12 months prior to the date of this Base Prospectus, a significant effect on the financial position or profitability of the Issuer and the Group.

Significant/Material Change

Save as disclosed (i) in the unaudited consolidated financial statements of the Issuer for the six months ended 30 June 2020 incorporated by reference herein, (ii) on page 10 of this Base Prospectus in the Risk Factors section under the heading “*Impact of COVID-19*”, and (iii) on pages 80 to 81 of this Base Prospectus under the heading “*Recent Developments – COVID-19*”, there has been no material adverse change in the prospects of the Issuer and its subsidiaries or of either of the Guarantors and their respective subsidiaries, since 31 December 2019, nor has there been any significant change in the financial position and financial performance of the Issuer and its subsidiaries or of either of the Guarantors and their respective subsidiaries since 30 June 2020.

Auditors

The consolidated financial statements of the Issuer as at and for the years ended 31 December 2019 and 31 December 2018 have been audited without qualification in accordance with International Standards on Auditing (UK and Ireland) by Ernst & Young LLP. Ernst & Young LLP is registered to carry out audit work by the Institute of Chartered Accountants in England and Wales.

Documents on Display

Copies of the following documents will be available for inspection on the Issuer’s website at <https://www.ihgplc.com/en/investors/debt-investors/> for 12 months from the date of this Base Prospectus:

- (a) this Base Prospectus together with any supplement to this Base Prospectus;
- (b) each set of Final Terms for Notes which are listed on the Official List and admitted to trading on the London Stock Exchange’s Regulated Market;
- (c) the Articles of Association of the Issuer and the Memorandum and Articles of Association of the Guarantors;
- (d) the Agency Agreement; and
- (e) the Trust Deed.

Unless it is expressly referred to in the section entitled “*Documents Incorporated by Reference*”, the information on the Issuer’s website does not form part of this Base Prospectus and has not been scrutinised or approved by the FCA.

Clearing of the Notes

The Notes have been accepted for clearance through Euroclear and Clearstream. The appropriate common code and the International Securities Identification Number in relation to the Notes of each Tranche will be specified in the relevant Final Terms. The relevant Final Terms shall specify any other

clearing system as shall have accepted the relevant Notes for clearance together with any further appropriate information.

The address of Euroclear is Euroclear Bank SA/NV, 1 Boulevard du Roi Albert II, B-1210 Brussels, Belgium and the address of Clearstream is Clearstream Banking, S.A. 42 Avenue JF Kennedy, L-1855, Luxembourg.

Interests of the Dealers

Certain of the Dealers and their affiliates have engaged, and may in the future engage, in investment banking and/or commercial banking transactions with, and may perform services for, the Issuer and their affiliates in the ordinary course of business. Certain of the Dealers and their affiliates may have positions, deal or make markets in the Notes issued under the Programme, related derivatives and reference obligations, including (but not limited to) entering into hedging strategies on behalf of the Issuer and its affiliates, investor clients, or as principal in order to manage their exposure, their general market risk, or other trading activities. In addition, in the ordinary course of their business activities, the Dealers and their affiliates may make or hold a broad array of investments and actively trade debt and equity securities (or related derivative securities) and financial instruments (including bank loans) for their own account and for the accounts of their customers. Such investments and securities activities may involve securities and/or instruments of the Issuer or Issuer's affiliates. Certain of the Dealers or their affiliates that have a lending relationship with the Issuer routinely hedge their credit exposure to the Issuer consistent with their customary risk management policies. Typically, such Dealers and their affiliates would hedge such exposure by entering into transactions which consist of either the purchase of credit default swaps or the creation of positions in securities, including potentially the Notes issued under the Programme. Any such positions could adversely affect future trading prices of Notes issued under the Programme. The Dealers and their affiliates may also make investment recommendations and/or publish or express independent research views in respect of such securities or financial instruments and may hold, or recommend to clients that they acquire, long and/or short positions in such securities and instruments.

ISSUER

InterContinental Hotels Group PLC

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Buckinghamshire UB9 5HR

GUARANTORS

InterContinental Hotels Limited

Broadwater Park
Denham
Buckinghamshire UB9 5HR

Six Continents Limited

Broadwater Park
Denham
Buckinghamshire UB9 5HR

ARRANGER

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London E14 5HQ

DEALERS

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Commerzbank Aktiengesellschaft

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Federal Republic of Germany

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London EC1A 1HQ

MUFG Securities EMEA plc

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London EC2Y 9AJ

Truist Securities, Inc.

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Atlanta, GA 30326

Wells Fargo Securities International Limited

33 King William Street
London EC4R 9AT

TRUSTEE

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8 Canada Square
London E14 5HQ

PRINCIPAL PAYING AGENT

HSBC Bank plc

8 Canada Square
London E14 5HQ

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