

WHITBREAD

WHITBREAD GROUP PLC

(incorporated with limited liability in England and Wales with registered number 00029423)

£300,000,000 2.375 per cent. Guaranteed Green Notes due 2027

£250,000,000 3.000 per cent. Guaranteed Green Notes due 2031

The issue price of the 2.375 per cent. Guaranteed Green Notes due May 2027 (the "**Series A Notes**") of Whitbread Group PLC (the "**Issuer**") is 99.516 per cent. of their principal amount. The issue price of the 3.000 per cent. Guaranteed Green Notes due May 2031 (the "**Series B Notes**") of the Issuer is 99.327 per cent. of their principal amount. The Notes will be issued by the Issuer on 10 February 2021 (the "**Issue Date**").

The Series A Notes will be constituted by a trust deed to be dated on or about the Issue Date (such trust deed, as amended or supplemented from time to time, the "**Series A Trust Deed**") between the Issuer and HSBC Corporate Trustee Company (UK) Limited (the "**Trustee**"). The Series B Notes will be constituted by a trust deed to be dated on or about the Issue Date (such trust deed, as amended or supplemented from time to time, the "**Series B Trust Deed**") between the Issuer and the Trustee. The terms and conditions of the Notes are set out more fully in "Terms and Conditions of the Notes" below (the "**Conditions**", and references herein to a numbered "**Condition**" shall be construed accordingly).

The payment of all amounts payable by the Issuer in respect of the Notes will be guaranteed initially by Whitbread PLC (incorporated in England and Wales with registered number 04120344) and Premier Inn Hotels Limited (incorporated in England and Wales with registered number 05137608) (each a "**Guarantor**", and together, the "**Guarantors**"). References on this cover page and the section headed "Overview" to the "**Guarantors**" shall, so far as the context permits, also include any member of the Group (as defined in the Conditions) which becomes a guarantor of the Notes after the Issue Date but shall not include any Guarantor of the Issuer which ceases to be a guarantor of the Notes after the Issue Date, all as described under Condition 2 (*Guarantee and Status*).

The Series A Notes will bear interest from (and including) the Issue Date to (but excluding) 31 May 2027 (the "**Series A Maturity Date**") at a fixed rate of 2.375 per cent. per annum, payable annually in arrear on 31 May each year, commencing on 31 May 2022. The Series B Notes will bear interest from (and including) the Issue Date to (but excluding) 31 May 2031 (the "**Series B Maturity Date**") at a fixed rate of 3.000 per cent. per annum, payable annually in arrear on 31 May each year, commencing on 31 May 2022.

Unless previously redeemed or purchased and cancelled, the Notes will be redeemed on the relevant Maturity Date at their principal amount together with accrued and unpaid interest thereon. The Notes are subject to early redemption in whole (but not in part) at their principal amount together with accrued and unpaid interest thereon, subject to certain conditions, at the option of the Issuer at any time in the event of certain changes to the tax treatment of the Notes. The Notes may also be redeemed prior to their stated maturity at the option of the Issuer in whole or in part at the higher of (i) their principal amount and (ii) their principal amount multiplied by an amount calculated by reference to the yield on the relevant Reference Bond (as defined in the Conditions) plus a margin of 0.35 per cent. in respect of the Series A Notes or 0.40 per cent. in respect of the Series B Notes, in each case, together with accrued interest (other than in the case of any date fixed for redemption which falls in the three months prior to the scheduled maturity date of the Notes (but excluding the scheduled Maturity Date), in which case the Issuer may redeem the Notes in whole or in part at their principal amount together with accrued interest). In addition, a holder of the Notes may, by the exercise of the relevant option, require the

Issuer to redeem such Notes at their principal amount together with accrued interest on the occurrence of a Change of Control Put Event. See "*Terms and Conditions of the Notes - Redemption and Purchase*".

Payments in respect of the Notes by or on behalf of the Issuer or the Guarantors will be made without withholding or deduction for, or on account of, Taxes (as defined in the Conditions) imposed by or on behalf of any relevant Tax Jurisdiction (as defined in the Conditions), unless that withholding or deduction is required by law. In the event that any such withholding or deduction is made in respect of such payments, additional amounts may be payable by the Issuer or, as the case may be, the relevant Guarantor subject to certain exceptions, as more fully described under "*Terms and Conditions of the Notes - Taxation*".

This Prospectus has been approved by the Financial Conduct Authority (the "**FCA**"), as competent authority under Regulation (EU) 2017/1129, as it forms part of UK domestic law by virtue of the European Union (Withdrawal) Act 2018 (the "**EUWA**") (the "**UK Prospectus Regulation**"). The FCA only approves this Prospectus as meeting the standards of completeness, comprehensibility and consistency imposed by the UK Prospectus Regulation. Such approval should not be considered as an endorsement of the Issuer, the Guarantors or the quality of the Notes that are the subject of this Prospectus. Investors should make their own assessment as to the suitability of investing in the Notes.

Application has been made to the FCA for the Series A Notes and the Series B Notes to be admitted to the official list maintained by the FCA (the "**Official List**") and to the London Stock Exchange plc (the "**London Stock Exchange**") for such Notes to be admitted to trading on the London Stock Exchange's main market (the "**Main Market**"). The Series A Notes and the Series B Notes are also expected to be admitted to the Sustainable Bond Market of the London Stock Exchange. References in this Prospectus to the Notes being "listed" (and all related references) shall mean that the Series A Notes or, as the case may be, the Series B Notes have been admitted to the Official List and have been admitted to trading on the Main Market.

The Series A Notes and the Series B Notes will be issued in bearer form and will be offered and sold in denominations of £100,000 and integral multiples of £1,000 in excess thereof up to and including £199,000. The Series A Notes and Series B Notes will initially be represented by a temporary global note (the "**Temporary Global Note**"), without interest coupons, which will be issued in new global note ("**NGN**") form and will be delivered on or prior to the Issue Date to a common safekeeper (the "**Common Safekeeper**") for Euroclear Bank SA/NV ("**Euroclear**") and Clearstream Banking, SA ("**Clearstream, Luxembourg**"). Interests in the Temporary Global Note, for each of the Series A Notes and the Series B Notes, will be exchangeable for interests in a permanent global note (the "**Permanent Global Note**" and, together with the relevant Temporary Global Note, the "**Global Notes**"), without interest coupons, on or after 23 March 2021, upon certification as to non-U.S. beneficial ownership. Interests in the relevant Permanent Global Note will be exchangeable for definitive Notes only in the limited circumstances described under "*Overview of provisions relating to the Notes while in Global Form*". The Notes will be issued in new global note ("**NGN**") format, but are not intended to be held in a manner which would allow the Notes to be recognised as eligible collateral for Eurosystem monetary policy and intra-day credit operations.

The Notes (and the Guarantees thereof) have not been, nor will they be, registered under the United States Securities Act 1933, as amended (the "**Securities Act**"). The Notes (and the Guarantees thereof) are being offered and sold outside the United States by the Managers (as defined in "*Subscription and Sale*" below) in accordance with Regulation S under the Securities Act ("**Regulation S**"), and may not be offered or sold or delivered within the United States or to, or for the account or benefit of, U.S. persons (as defined in Regulation S) except pursuant to an exemption from the registration requirements of 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 (as defined in the United States Internal Revenue Code of 1986, as amended, and U.S. Treasury regulations thereunder), except in certain transactions permitted by U.S. Treasury regulations.

The Series A Notes are expected to be assigned a rating of BBB- by Fitch Ratings Limited (“**Fitch**”) and the Series B Notes are expected to be assigned a rating of BBB- by Fitch. Fitch is established in the UK for the purposes of Regulation (EC) No 1060/2009 on credit rating agencies as it forms part of UK domestic law by virtue of the EUWA (the “**UK CRA Regulation**”) and is registered under the UK CRA Regulation. Fitch appears on the latest update of the list of registered credit rating agencies (as of the date of this Prospectus) of UK FCA’s Financial Services Register. Fitch have their credit ratings endorsed by a credit rating agency in its group established in the EU for the purposes of Regulation (EC) No 1060/2009 (the “**EU CRA Regulation**”). A credit 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.

You should read the whole of this Prospectus and the documents incorporated herein by reference. In particular, your attention is drawn to the risk factors described in the section entitled “Risk Factors” set out on pages 19 to 42 of this Prospectus.

Certain information in relation to the Issuer and the Guarantors has been incorporated by reference into this Prospectus, as set out in “*Documents Incorporated by Reference*”.

Capitalised terms used but not otherwise defined in this Prospectus shall, unless the context requires otherwise, have the meaning given to them in the Conditions.

Joint Lead Managers

Bank of China	Barclays
BNP PARIBAS	Lloyds Bank Corporate Markets
NatWest Markets	Santander Corporate Investment Banking

Co-Manager

Commerzbank

Green Structuring Agent to the Issuer

BNP PARIBAS

This date of this Prospectus is 8 February 2021

IMPORTANT NOTICES

This Prospectus constitutes a prospectus for the purpose of Article 6 of the UK Prospectus Regulation and contains the necessary information which is material to an investor for making an informed assessment of: (i) the assets and liabilities, profits and losses, financial position, and prospects of the Issuer and the Guarantors; (ii) the rights attaching to the Notes; and (iii) the reasons for the issuance and its impact on the Issuer and the Guarantors.

The Issuer and the Guarantors accept responsibility for the information contained in this Prospectus. To the best of the knowledge of the Issuer and the Guarantors, the information contained in this Prospectus is in accordance with the facts and the Prospectus makes no omission likely to affect the import of such information.

This Prospectus is to be read in conjunction with all documents which are incorporated herein by reference (see "*Documents Incorporated by Reference*" below) and shall be read and construed on the basis that such documents are incorporated in and form part of this Prospectus. Other than in relation to the documents which are deemed to be incorporated by reference (see "*Documents Incorporated by Reference*" below), the information on the websites to which this Prospectus refers does not form part of this Prospectus and has not been scrutinised or approved by the FCA.

None of the Joint Lead Managers or the Co-Manager (each as defined herein and together, the "**Managers**") or the Trustee has independently verified or confirmed (a) the information contained in this Prospectus or (b) any matter which is the subject of any statement, representation, warranty or covenant of the Issuer or the Guarantors contained in the Notes or any document relating to the issuance of the Notes. Accordingly, no representation, warranty or undertaking, express or implied, is made and no responsibility or liability is accepted by the Managers or the Trustee as to (a) the accuracy or completeness of the information contained in this Prospectus or any other information provided by the Issuer or the Guarantors in connection with the offering of the Notes (b) any acts or omissions of the Issuer, the Guarantors or any other person in connection with the issue of the Notes or (c) the execution, legality, effectiveness, adequacy, genuineness, validity, enforceability or admissibility in evidence of any Notes or any other agreement or document relating to any Notes. None of the Managers or the Trustee accepts liability in relation to the information contained or incorporated by reference in this Prospectus or any other information provided by the Issuer or the Guarantors in connection with the offering of the Notes or their distribution. Each Manager and the Trustee accordingly disclaims all and any liability whether arising in tort or contract or otherwise which it might otherwise have in respect of this Prospectus or any such information.

None of the Green Structuring Agent or Managers makes any representation as to the suitability of the Notes to fulfil environmental criteria required by any prospective investors. The Managers and the Green Structuring Agent have not undertaken, nor are they responsible for, any assessment of the Eligible Green Projects (as defined below), any verification of whether the Eligible Green Projects meet the Eligibility Criteria (as defined below) or the monitoring of the use of proceeds (or amounts equal thereto) or the allocation of the proceeds to particular Eligible Green Projects. Sustainalytics UK Limited, the Second Party Opinion Provider, has been appointed by the Issuer. Investors should refer to the Green Bond Framework (as defined below), the Second Party Opinion (as defined below) and any public reporting by or on behalf of the Issuer in respect of the application of proceeds (each of which will be available on the Issuer's website <https://www.whitbread.co.uk/investors/corporate-debt> and will not be incorporated by reference in

this Prospectus) for information. The Managers and the Green Structuring Agent do not make any representation as to the suitability or content of such materials.

No person is or has been authorised to give any information or to make any representation other than those contained in or consistent with this Prospectus in connection with the issue or sale of the Notes and, if given or made, such information or representations must not be relied upon as having been authorised by or on behalf of the Issuer, the Guarantors, any of the Managers (as defined in "*Subscription and Sale*" below) or the Trustee.

Neither the delivery of this Prospectus nor the offering, sale or delivery of the Notes shall, under any circumstances, create any implication that the information contained in this Prospectus is correct at any time subsequent to the date hereof or that any other information supplied in connection with the offering of the Notes is correct as of any time subsequent to the date indicated in the document containing the same or that there has been no change in the affairs of the Issuer or the Guarantors since the date of this Prospectus or that there has been no adverse change in the financial position of the Issuer or the Guarantors since the date hereof or that any other information supplied in connection with the Notes is correct as of any time subsequent to the date on which it is supplied or, if different, the date indicated in the document containing the same.

Neither this Prospectus nor any other information supplied in connection with the offering of the Notes is intended to provide the basis of any credit or other evaluation and should not be considered as a recommendation by any of the Issuer, the Guarantors, the Managers or the Trustee that any recipient of this Prospectus or any other information supplied in connection with the offering of the Notes should purchase the Notes. Each potential purchaser of Notes should determine for itself the relevance of the information contained in this Prospectus and its purchase of Notes should be based upon such investigation as it deems necessary. None of the Managers or the Trustee undertakes to review the financial condition or affairs of the Issuer or the Guarantors during the life of the arrangements contemplated by this Prospectus nor to advise any investor or potential investor in the Notes of any information coming to their attention. Investors should review, inter alia, all documents which are deemed to be incorporated by reference (see "*Documents Incorporated by Reference*" below) when deciding whether or not to purchase the Notes.

Persons into whose possession this Prospectus or the Notes may come must inform themselves about, and observe, any such restrictions on the distribution of this Prospectus and the offering and sale of Notes (see "*Subscription and Sale*" below).

The Notes may not be a suitable investment for all investors. Each potential investor in the Notes must determine the suitability of any investment in light of its own circumstances. In particular, each potential investor should consider, either on its own or with the help of its financial and 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 in or incorporated by reference into this Prospectus (and any applicable supplement to this Prospectus);
- (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 the Notes 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 where the currency for principal, premium or interest payments is different from the potential investor's currency;
- (d) understands thoroughly the terms of the Notes and is familiar with the behaviour of the financial markets; and
- (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.

The investment activities of certain investors are 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 (i) the Notes are legal investments for it, (ii) the Notes can be used as collateral for various types of borrowing and (iii) other restrictions apply to its purchase or pledge of the Notes. Financial institutions should consult their legal advisers or the appropriate regulators to determine the appropriate treatment of the Notes under any applicable risk-based capital or similar rules.

The Notes constitute new issues of securities by the Issuer. Prior to this issue, there will have been no public market for the Notes. Although application has been made for the Notes to be admitted to the Official List and admitted to trading on the Main Market, there can be no assurance that an active public market for the Notes will develop and, if such a market were to develop, the Managers are under no obligation to maintain such a market. The liquidity and the market prices for the Notes can be expected to vary with changes in market and economic conditions, the financial condition and prospects of the Issuer and the Guarantors and other factors that generally influence the market prices of securities.

This Prospectus has been prepared on the basis that any purchaser of Notes is a person or entity having sufficient knowledge and experience of financial matters as to be capable of evaluating the merits and risks of the purchase. Before making any investment decision with respect to the Notes, prospective investors should consult their own counsel, accountants or other advisers and carefully review and consider their investment decision in light of the foregoing. An investment in the Notes is only suitable for financially sophisticated investors who are capable of evaluating the merits and risks of such an investment and who have sufficient resources to be able to bear any losses which may result therefrom.

Neither this Prospectus nor any other information provided by the Issuer or the Guarantors in connection with the offering of the Notes constitutes an offer of, or an invitation by or on behalf of, the Issuer, the Guarantors, the Trustee or the Managers or any of them to subscribe for, or purchase, any of the Notes (see “*Subscription and Sale*” below). The distribution of this Prospectus and the offer or sale of the Notes in certain jurisdictions may be restricted by law. This Prospectus does not constitute an offer to sell or the solicitation of an offer to buy the Notes in any jurisdiction to any person to whom it is unlawful to make the offer or solicitation in such jurisdiction. The Issuer, the Guarantors, the Trustee and the Managers do not represent that this Prospectus may be lawfully distributed, or that the Notes may be lawfully offered, in compliance with any applicable registration or other requirements in any such jurisdiction, or pursuant to an exemption available thereunder, or assume any responsibility for facilitating any such distribution or offering. In particular, no action has been taken by the Issuer, the Guarantors, the Trustee or the Managers or any of them which is intended to permit a public offering of the Notes or the

distribution of this Prospectus in any jurisdiction where action for that purpose is required. Accordingly, no Notes may be offered or sold, directly or indirectly, and neither this Prospectus nor any advertisement or other offering material may be distributed or published in any jurisdiction, except under circumstances that will result in compliance with any applicable laws and regulations. Persons into whose possession this Prospectus or any Notes may come must inform themselves about, and observe any such restrictions on the distribution of this Prospectus and the offering and sale of Notes. In particular, there are restrictions on the distribution of this Prospectus and the offer or sale of Notes in the U.S., the EEA and the United Kingdom. The Issuer, the Guarantors and the Managers require persons in receipt of this Prospectus to inform themselves about and to observe any such restrictions. For a description of certain further restrictions on offers and sales of Notes and distribution of this Prospectus, see “*Subscription and Sale*” below.

The Notes and the Guarantees have not been and will not be registered under the Securities Act and the Notes are subject to U.S. tax law requirements. Subject to certain exceptions, the Notes and the Guarantees may not be offered, sold or delivered within the U.S. or to U.S. persons, as defined in Regulation S under the Securities Act. For a description of certain restrictions on offers and sales of Notes and on distribution of this Prospectus, see “*Subscription and Sale*”. If a jurisdiction requires that the offering be made by a licensed broker or dealer in that jurisdiction and so agrees, the offering shall be deemed to be made by the Managers or such parent company or affiliate on behalf of the Issuer in such jurisdiction.

PROHIBITION OF SALES TO EUROPEAN ECONOMIC AREA 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**”). For these purposes, a retail investor means a person who is one (or both) of: (i) a retail client as defined in point (11) of Article 4(1) of Directive 2014/65/EU (as amended, “**EU MiFID II**”); or (ii) a customer within the meaning of Directive (EU) 2016/97 (the “**Insurance Distribution Directive**”), where that customer would not qualify as a professional client as defined in point (10) of Article 4(1) of EU MiFID II. Consequently, no key information document required by Regulation (EU) No 1286/2014 (the “**EU PRIIPs Regulation**”) for offering or selling the Notes or otherwise making them available to retail investors in the EEA has been prepared and therefore offering or selling the Notes or otherwise making them available to any retail investor in the EEA may be unlawful under the EU PRIIPs Regulation.

PROHIBITION OF SALES TO 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 UK. For these purposes, a retail investor means a person who is one (or more) of: (i) a retail client, as defined in point (8) of Article 2 of Regulation (EU) No 2017/565 as it forms part of domestic law by virtue of the European Union (Withdrawal) Act 2018 (“**EUWA**”); or (ii) a customer within the meaning of the provisions of the FSMA and any rules or regulations made under the FSMA to implement Directive (EU) 2016/97, where that customer would not qualify as a professional client, as defined in point (8) of Article 2(1) of Regulation (EU) No 600/2014 as it forms part of domestic law by virtue of the EUWA. Consequently no key information document required by Regulation (EU) No 1286/2014 as it forms part of domestic law by virtue of the EUWA (the “**UK PRIIPs Regulation**”) for offering or selling the Notes or otherwise making them available to retail investors in the UK has been prepared and therefore offering or selling the Notes or otherwise making them available to any retail investor in the UK may be unlawful under the UK PRIIPs Regulation.

UK MIFIR PRODUCT GOVERNANCE / PROFESSIONAL INVESTORS AND ECPS ONLY TARGET MARKET – Solely for the purposes of 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 only eligible counterparties, as defined in the FCA Handbook Conduct of Business Sourcebook (“**COBS**”), and professional clients, as defined in Regulation (EU) No 600/2014 as it forms part of domestic law by virtue of the European Union (Withdrawal) Act 2018 (“**UK MiFIR**”); and (ii) all channels for distribution of the Notes to eligible counterparties and professional clients are appropriate. Any person subsequently offering, selling or recommending the Notes (a “**distributor**”) should take into consideration the manufacturers’ target market assessment; however, a distributor subject to the FCA Handbook Product Intervention and Product Governance Sourcebook (the “**UK MiFIR Product Governance Rules**”) is responsible for undertaking its own target market assessment in respect of the Notes (by either adopting or refining the manufacturers’ target market assessment) and determining appropriate distribution channels.

ALTERNATIVE PERFORMANCE MEASURES – Certain alternative performance measures (“**APMs**”) as described in the European Securities and Markets Authority Guidelines on Alternative Performance Measures are included or referred to in this Prospectus (including in the documents incorporated by reference). APMs are measures that are not defined under generally accepted accounting principles (“**GAAP**”) in the UK and which are used by Whitbread PLC (the “**Parent**”) and its consolidated subsidiaries, including the Issuer and the Guarantors (other than the Parent), within its financial publications to supplement disclosures prepared in accordance with other applicable regulations such as International Financial Reporting Standards, as endorsed by the European Union (“**EU**”) (“**IFRS**”). The Parent and the Issuer consider that these measures provide useful information to enhance the understanding of its financial performance. The APMs should be viewed as complementary to, rather than a substitute for, the figures determined according to other regulatory measures. An explanation of each such metric's components and calculation method can be found on pages 202 to 205 of the annual report and accounts of the Parent for the year ended 27 February 2020 (incorporated by reference into this Prospectus) and page 172 and the inside back cover of the annual report and accounts of the Parent for the year ended 28 February 2019 (incorporated by reference into this Prospectus).

STABILISATION – In connection with the issue of the Notes, NatWest Markets Plc (the “**Stabilisation Manager**”) (or any person acting on behalf of the Stabilisation Manager) 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 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 Notes and 60 days after the date of the allotment of the Notes. Any stabilisation action or over-allotment must be conducted by the Stabilisation Manager (or persons acting on behalf of the Stabilisation Manager) in accordance with all applicable laws and rules.

FORWARD-LOOKING STATEMENTS – This Prospectus includes statements that are, or may be deemed to be, ‘forward-looking statements’. These forward-looking statements can be identified by the use of forward-looking expressions, including the terms ‘*believes*’, ‘*estimates*’, ‘*anticipates*’, ‘*expects*’, ‘*intends*’, ‘*may*’, ‘*will*’, ‘*plans*’ or ‘*should*’ or, in each case, their negative or other variations or similar expressions, or by discussions of strategy, plans, objectives, expectations, goals, future events or intentions. These forward-looking statements include all matters that are not historical facts. They appear in a number of places throughout this Prospectus

and include, but are not limited to, the following: statements regarding the intentions, beliefs or current expectations of the Issuer and the Group concerning, amongst other things, the Group's results of operations, financial condition, liquidity, prospects, growth, strategies and the industries in which the Group operates.

By their nature, forward-looking statements involve risk and uncertainty because they relate to future events and circumstances. Forward-looking statements are not guarantees of future performance and the actual results of the Group's operations, financial condition and liquidity, and the development of the countries and the industries in which the Group operates may differ materially from those described in, or suggested by, the forward-looking statements contained in this Prospectus. In addition, even if the Group's results of operations, financial condition and liquidity, and the development of the countries and the industries in which the Group operates, are consistent with the forward-looking statements contained in this Prospectus, those results or developments may not be indicative of results or developments in subsequent periods. These and other factors are discussed in more detail under the section entitled "*Risk Factors*". Many of these factors are beyond the control of the Issuer and the Group. Should one or more of these risks or uncertainties materialise, or should underlying assumptions on which the forward-looking statements are based prove incorrect, actual results may vary materially from those described in this Prospectus as anticipated, believed, estimated or expected. Except to the extent required by laws and regulations, the Issuer and the Guarantors do not intend, and do not assume any obligation, to update any forward-looking statements set out in this Prospectus.

This Prospectus is based on English law in effect as of the date of issue of this Prospectus. Except to the extent required by laws and regulations, the Issuer and the Guarantors do not intend, and does not assume any obligation, to update this Prospectus in light of the impact of any judicial decision or change to English law or administrative practice after the date of this Prospectus.

INTERPRETATION: References in this Prospectus to: (i) "**Notes**" or "**Series**" shall, so far as the context permits, be construed as a reference to the Series A Notes and/or the Series B Notes as appropriate, (ii) "**Noteholders**" shall, so far as the context permits, be construed as references to holders of Series A Notes (the "**Series A Noteholders**") or holders of Series B Notes (the "**Series B Noteholders**") as appropriate, (iii) "**Couponholders**" shall, so far as the context permits, be construed as references to the holders of the interest coupons appertaining to the Series A Notes (the "**Series A Couponholders**") or to the holders of the interest coupons appertaining to the Series B Notes (the "**Series B Couponholders**") as appropriate, (iv) "**Coupons**" shall, so far as the context permits, be construed as references to the Series A Coupons or the Series B Coupons as appropriate, (v) "**Maturity Date**" shall, so far as the context permits, be construed as a reference to the Series A Maturity Date in respect of the Series A Notes and the Series B Maturity Date in respect of the Series B Notes, (vi) "**Conditions**" shall, so far as the context permits, be construed as reference to the Conditions of the Series A Notes or the Series B Notes as appropriate, (vii) "**Temporary Global Note**" shall be construed as a reference to the Temporary Global Note in respect of the Series A Notes or the Series B Notes as appropriate (viii) "**Permanent Global Note**" shall be construed as a reference to the Permanent Global Note in respect of the Series A Notes or the Series B Notes as appropriate, (ix) "**Global Notes**" shall be construed as a reference to the Global Notes in respect of the Series A Notes or the Series B Notes as appropriate, (x) "**Trust Deed**" shall be construed as a reference to the Series A Trust Deed or the Series B Trust Deed as appropriate, (xi) "**Agency Agreement**" shall be construed as a reference to the Series A Agency Agreement or the Series B Agency Agreement as appropriate and (xii) "**Subscription Agreement**" shall be construed as a reference to the Series A Subscription Agreement or the Series B Subscription Agreement as appropriate.

PRESENTATION OF INFORMATION – In this Prospectus, all references to: (a) “**U.S. dollars**”, “**U.S.\$**” and “**\$**” refer to United States dollars; (b) “**sterling**” and “**£**” refer to pounds sterling; (c) “**euro**” and “**€**” refer to the currency introduced at the start of the third stage of European economic and monetary union pursuant to the Treaty on the Functioning of the European Union, as amended; (d) the “**Group**” are to the Parent and its consolidated subsidiaries (including the Issuer); (e) “**pp**” refers to percentage points; and (f) “**bps**” refers to basis points.

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OVERVIEW

This overview must be read as an introduction to this Prospectus and any decision to invest in the Notes should be based on consideration of this Prospectus as a whole, including the documents incorporated by reference herein. Capitalised terms which are defined in "Terms and Conditions of the Notes" have the same meaning when used in this overview.

Issuer:	Whitbread Group PLC
Legal Entity Identifier (LEI) of the Issuer:	2138006LIAYQKUCYBB20
Website of the Issuer and the Guarantors:	http://whitbread.co.uk/
Initial Guarantors:	Whitbread PLC (<i>registered number 04120344; LEI 21380099VMZKRMN3EX36</i>) (referred to herein as " WPLC " and " Parent ") Premier Inn Hotels Limited (<i>registered number 05137608</i>) (referred to herein as " PIHL ")
Series A Notes:	£300,000,000 2.375 per cent. Notes due May 2027
Series B Notes:	£250,000,000 3.000 per cent. Notes due May 2031
Issue Date:	10 February 2021
Issue Price:	99.516 per cent. of the principal amount in respect of the Series A Notes 99.327 per cent. of the principal amount in respect of the Series B Notes
Status of the Notes:	The Notes of each Series will constitute direct, unconditional, unsubordinated and (subject to the provisions of Condition 3 (<i>Negative Pledge</i>)) unsecured obligations of the Issuer and shall at all times (subject as set out in the Conditions) rank pari passu, without any preference among themselves, and at least equally with all other present and future unsecured and unsubordinated obligations of the Issuer.
Guarantee:	The Notes will initially be unconditionally and (subject to the provisions of Condition 2 (<i>Guarantee and status</i>)) irrevocably guaranteed on a joint and several basis by the Guarantors. The circumstances in which the Guarantors may be released from their

obligations in relation to the Guarantee, or in which additional companies may provide a guarantee of the Notes, are set out in Condition 2(d) (*Addition of Guarantors*).

Status of the Guarantee:

The obligations of each Guarantor under its Guarantee constitute direct, unconditional, unsubordinated and (subject to the provisions of Condition 3 (*Negative Pledge*)) unsecured obligations of the relevant Guarantor. The payment obligations of each Guarantor under its Guarantee shall, save for such exceptions as may be provided by mandatory provisions of applicable law, at all times rank at least equally with all their respective other present and future unsecured and unsubordinated obligations.

Negative Pledge:

The terms of the Notes will contain a negative pledge provision as further described in Condition 3 (*Negative Pledge*).

Interest on the Notes:

The Series A Notes will bear interest from (and including) the Issue Date up to (but excluding) the relevant Maturity Date at a rate of 2.375 per cent. per annum payable annually in arrear on each Interest Payment Date. The first payment of interest will be made on 31 May 2022.

The Series B Notes will bear interest from (and including) the Issue Date up to (but excluding) the relevant Maturity Date at a rate of 3.000 per cent. per annum payable annually in arrear on each Interest Payment Date. The first payment of interest will be made on 31 May 2022.

Interest Payment Dates:

31 May in each year, up to (and including) the Maturity Date.

Redemption at the Maturity Date:

Unless previously redeemed or purchased and cancelled, the Series A Notes will be redeemed at their principal amount, together with accrued and unpaid interest, on 31 May 2027.

Unless previously redeemed or purchased and cancelled, the Series B Notes will be redeemed at their principal amount, together with accrued and unpaid interest, on 31 May 2031.

Early Redemption for Tax Reasons: The Notes may be redeemed prior to their stated maturity at the option of the Issuer (in whole but not in part) as described in Condition 5(b) (*Redemption for Taxation Reasons*).

Optional Redemption by the Issuer: The Notes may be redeemed prior to their stated maturity (in whole or in part) at the option of the Issuer as described in Condition 5(c) (*Redemption at the Option of the Issuer*) at the higher of (i) their principal amount and (ii) their principal amount multiplied by an amount calculated by reference to the yield on the relevant Reference Bond plus a margin of 0.35 per cent. in the case of the Series A Notes or of 0.40 per cent. in the case of the Series B Notes, in each case, together with accrued interest (other than in the case of any date fixed for redemption which falls in the three months prior to the scheduled maturity date of the Notes (but excluding the scheduled Maturity Date), in which case the Issuer may redeem the Notes in whole or in part at their principal amount together with accrued interest).

In the case of any partial redemption of Notes, the Notes shall be redeemed as selected by, and in the principal amount specified by, the Issuer in accordance with the Conditions.

Change of Control Put Event: Upon the occurrence of a Change of Control (as defined in Condition 5(d) (*Redemption at the option of Noteholders following a Change of Control*)) leading to certain contemporaneous negative ratings action being taken by any relevant credit rating agency or agencies, each Noteholder shall have the option to require the Issuer to redeem or, at the option of the Issuer, purchase the Notes of such holder at a cash purchase price equal to the principal amount thereof together with accrued interest.

Purchase: The Issuer, the Guarantors and any of their Subsidiaries may at any time purchase Notes in any manner and at any price, as described in Condition 5(f) (*Purchase*).

Events of Default: The Terms and Conditions of the Notes permit the acceleration of the Notes following the occurrence of certain Events of Default, as described in Condition 8 (*Events of Default*).

Following an Event of Default, the Trustee may, and if so requested by holders of not less than 25 per cent. in aggregate principal amount of the relevant Series of Notes outstanding or so directed by an Extraordinary Resolution, shall (subject in each case to being indemnified and/or secured and/or prefunded to its satisfaction) by notice to the Issuer, declare the relevant Notes immediately due and payable and all principal, interest and all other amounts payable on such Notes will become immediately due and payable.

Trustee certification as to material prejudice to the interests of the Noteholders will be required before certain events will be deemed to constitute Events of Default.

Cross Default:

The terms of the Notes will contain a cross default provision as further described in Condition 8(c) (*Events of Default*), subject to an aggregate threshold of £50,000,000.

Form of Notes:

The Series A Notes and the Series B Notes will each be issued in bearer form as described in "*Summary of Provisions Relating to the Notes While Represented by the Global Notes*" below.

Denomination of Notes:

The Notes have denominations consisting of a minimum of £100,000 plus one or more higher integral multiples of £1,000 in excess thereof up to and including £199,000.

Meetings of Bondholders:

The Conditions and the Trust Deed contain provisions for calling meetings of Noteholders to consider matters affecting their interests generally. These provisions permit defined majorities to bind all Noteholders of the relevant Series, including Noteholders who did not vote on the relevant resolution (whether or not they were present at the meeting at which such resolution was passed) and Noteholders who voted in a manner contrary to the majority, and all Couponholders.

Modification, Waiver and Substitution

The Trustee may, without the consent of Noteholders, agree to (i) any modification of (subject to certain exceptions), or to the waiver or authorisation of any breach of proposed breach of, any of the provisions of the Notes, the Conditions, the Agency Agreement or the Trust Deed or (ii) the

substitution of certain other entities in place of the Issuer, in each case, in the circumstances and subject to the conditions described in Condition 11 (*Meetings of Noteholders, Modification, Waiver and Substitution*).

Taxation:

All payments of principal, premium and interest in respect of the Notes and Coupons or under the Guarantees will be made without withholding or deduction for or on account of Taxes imposed by or on behalf of a relevant Tax Jurisdiction as provided in Condition 7 (*Taxation*) unless such withholding or deduction is required by law. In such event, the Issuer or, as the case may be, the relevant Guarantor will, save in certain limited circumstances provided in Condition 7 (*Taxation*), be required to pay additional amounts to cover the amounts so withheld or deducted.

Rating:

The Series A Notes are expected to be rated BBB- by Fitch.

The Series B Notes are expected to be rated BBB- by Fitch.

Fitch is established in the United Kingdom and is registered under the UK CRA Regulation. Fitch have their credit ratings endorsed by a credit rating agency in its group established in the EU for the purposes of the EU CRA Regulation.

A security 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.

Clearing and Settlement:

Euroclear and/or Clearstream, Luxembourg.

The Notes of each Series will initially be represented by the relevant Temporary Global Note, which will be deposited with a common safekeeper for Euroclear and Clearstream, Luxembourg. Each Temporary Global Note will be exchangeable for interests in the relevant Permanent Global Note on or after 23 March 2021. Each Permanent Global Note will be exchangeable for definitive Notes in bearer form in the limited circumstances set out in it.

Listing and admission to trading:	Application has been made to the FCA for the Series A Notes and the Series B Notes to be admitted to the Official List and to the London Stock Exchange for such Notes to be admitted to trading on the London Stock Exchange's Main Market. The Series A Notes and the Series B Notes are also expected to be admitted to the Sustainable Bond Market of the London Stock Exchange.
Governing Law:	The Notes and the Trust Deed and any non-contractual obligations arising out of or in connection with the Notes or the Trust Deed will be governed by, and construed in accordance with English law.
Green Structuring Agent to the Issuer:	BNP Paribas
Joint Lead Managers:	<p>Banco Santander, S.A.</p> <p>Bank of China Limited, London Branch</p> <p>Barclays Bank PLC</p> <p>BNP Paribas</p> <p>Lloyds Bank Corporate Markets plc</p> <p>NatWest Markets Plc</p> <p>(together, the “Joint Lead Managers”)</p>
Co-Manager:	Commerzbank Aktiengesellschaft (the “ Co-Manager ”)
Trustee:	HSBC Corporate Trustee Company (UK) Limited
Principal Paying Agent:	HSBC Bank plc
ISIN:	<p>XS2289852522 in respect of the Series A Notes</p> <p>XS2293740101 in respect of the Series B Notes</p>
Common Code:	<p>228985252 in respect of the Series A Notes</p> <p>229374010 in respect of the Series B Notes</p>
Use of Proceeds:	The Issuer will apply an amount equal to the net proceeds of the issue of the Notes in accordance with the Green Bond Framework for financing or re-

financing certain projects and activities that promote environmental or green purposes (such activities being “**Eligible Green Projects**”).

Selling Restrictions:

The Notes have not been and will not be registered under the Securities Act and, subject to certain exceptions, may not be offered or sold within the United States. Particular restrictions on sales of the Notes apply in the United States, the United Kingdom and the EEA. The Notes may be sold in other jurisdictions only in compliance with applicable laws and regulations. See "*Subscription and Sale*" below.

RISK FACTORS

The Issuer and the Guarantors believe that the following factors may affect their ability to fulfil their obligations under the Notes and the Guarantee. However, all of these factors are contingencies which may or may not occur. In addition, factors which the Issuer and the Guarantors believe may be material to assess the market risks associated with the Notes are also described below.

Any of these risk factors, individually or in the aggregate, could have an adverse effect on the Issuer and/or the Guarantors and the impact each risk could have on the Issuer and the Guarantors is set out below.

The Issuer and the Guarantors believe that the factors described below represent the principal risks inherent in investing in the Notes, but the Issuer or the Guarantors may be unable to pay interest, principal or other amounts on or in connection with the Notes and/or the Guarantee for other reasons, and none of the Issuer or the Guarantors represent that the statements below regarding the risks of holding the Notes are exhaustive. Prospective investors should also read the detailed information set out elsewhere in this Prospectus (including documents incorporated by reference herein) and reach their own views prior to making any investment decision.

1. FACTORS THAT MAY AFFECT THE ISSUER'S AND GUARANTORS' ABILITY TO FULFIL THEIR OBLIGATIONS UNDER THE NOTES

Macro-economic

1.1. COVID-19 pandemic

The outbreak of COVID-19 was declared a global pandemic on 11 March 2020 by the World Health Organisation, resulting in the UK Government and other authorities relevant to the Group's operations implementing numerous measures in an attempt to contain the virus, such as travel bans and restrictions, curfews, quarantines, lockdowns and the mandatory closure of certain businesses, including those operating in the hospitality industry. This has led to a very significant decrease in the demand for travel, hotel stays and dining and has also resulted in severe economic downturns in a number of countries. As an owner and operator of hotels and restaurants in the United Kingdom, Republic of Ireland, Germany and the Middle East, the Group is dependent upon its customers travelling both domestically and internationally for business and leisure and choosing to stay in its hotels and eat in its restaurants. The COVID-19 pandemic and associated government measures have therefore had a very significant negative effect on the Group's business.

Following the UK Government's initial mandatory closure of hotels and restaurants in March 2020, the restrictions were subsequently eased in July 2020 as the COVID-19 infection rate dropped, allowing most of the Group's hotel and restaurants to re-open. However, a resurgence in COVID-19 cases and a rise in the infection rates in the UK and Germany (among other countries) in the final few months of 2020 led to tighter restrictions being re-introduced, at a local, devolved government and national level in both the UK and Germany, with rapidly changing government guidance and restrictions leading to a very volatile operating environment. As a result of the significant variation in the restrictions in place locally, regionally, nationally and internationally, the Group's operations have been affected to a greater or lesser extent and in different ways across its various geographic areas and business sectors. Certain hotels and restaurants have been required to close while others have been restricted to only accepting guests for genuine business purposes and/or with limited opening hours and accessibility (particularly based on customers' group size), or for takeaway food only. Travel restrictions were also imposed between local areas across the country and levels of domestic and international travel were also suppressed, in part as a result of the introduction of quarantine restrictions. As demand for hotel rooms and for meals in the Group's restaurants stems from both domestic and international travel, any

restrictions which suppress the level of travel between countries, is likely to suppress the demand for the Group's hotels and restaurants.

On 4 January 2021, the UK Government again announced the mandatory closure of hotels (unless providing essential business and keyworker accommodation) and restaurants in England as a result of the rising number of COVID-19 cases. Similar restrictions were also imposed in Scotland, Wales and Northern Ireland. As a result, all the Group's restaurants and around a third of the Group's hotels have been closed and are likely to remain closed until at least the end of the Group's financial year on 25 February 2021. The Group will continue to review the number of hotels which are open in light of the demand for rooms and, as a result, the Group may choose to close more hotels. It is possible that the national lockdowns currently in place in each of the devolved nations will be extended for a period of time which cannot be predicted and, even when such national lockdowns are eased, there will continue to be a tiered approach to local restrictions in place which may continue for some time. Hotels and restaurants may be affected in different ways. In addition, both domestic and international travel has been banned or severely restricted as the UK Government has required people to stay at home and has continued to impose quarantine restrictions for international travel as well as introducing mandatory testing prior to departure. Similar government mandated restrictions have been brought into force in Germany with limited business travel and no leisure travel permitted. For the period of time that any such restrictions are in force (which is currently uncertain), the demand for the Group's hotels and restaurants, in addition to travel and hospitality more generally, will be suppressed. There can be no certainty as to how quickly, and to what extent, these COVID-19 restrictions will be tightened, relaxed or lifted or the level of demand for the Group's products and services thereafter.

It is also possible that new strains or variants of COVID-19 may emerge and start to spread among the population. It is possible that any such strain or variant may be more infectious or transmissible than the existing strains of COVID-19, result in more aggressive symptoms and/or be more resistant to vaccines. This in turn could result in a further escalation of the number of infections, which is likely to lead to further or prolonged restrictions and lockdowns being imposed, resulting in further suppression of demand over an elongated period.

The operations of the Group's suppliers have also been impacted by the COVID-19 pandemic, which has increased the risk that the Group's service providers and other suppliers may experience significant business interruption, delays or disruptions, such as a temporary suspension of operations, a lack of availability of labour to support their operations or longer-term problems in maintaining supply, and any such issues may result in the Group's suppliers facing a greater risk of insolvency. This may lead to shortages of business-critical services, food, drinks or other supplies, or increased costs to secure such supplies, at the Group's hotels and restaurants, including after any reduction in the impact of the COVID-19 pandemic on the Group's own operations. See "1.16 – *Group's dependence on key third-party suppliers*" below.

The impact of the COVID-19 pandemic on the global economy and the operating activities of many businesses has resulted in a climate of considerable economic uncertainty. The course of the pandemic and the impact on the Group will largely depend on external factors which are outside the Group's control. There can be no certainty as to when or to what extent the applicable government measures will be lifted, or whether they will be reintroduced after they have been lifted. Although several vaccines have now been approved and are being rolled out in the UK and in Germany, there can be no assurance regarding the speed or effectiveness of this vaccination programme, or whether or not it will result in the COVID-19 restrictions being relaxed or lifted. In spite of this vaccination programme, there can also be no certainty regarding the point in time at which customer confidence to travel (in particular, internationally) will return, not least because vaccination programmes are progressing at different speeds in different countries. Therefore, demand for the Group's business may be suppressed for a prolonged period of time. In addition, any or all of the measures and/or restrictions noted above could be reintroduced or imposed in connection with any future pandemic (or threat thereof). It is also possible that there may be increased sensitivity in respect of customer confidence, particularly relating to travel, to any future pandemic or threat thereof.

Even after the COVID-19 pandemic abates, the impact of the fiscal measures taken by governments to mitigate its effects may continue to be felt in the UK, German and international economy. It is possible that any increase in government debt or fiscal deficits as a result of such measures could lead to increased levels of taxes or national insurance contributions in the medium or longer-term which could impact the Group's profitability.

Any of the foregoing, including a prolonged period of travel, commercial or other similar restrictions, as well as any resulting deterioration in general economic conditions or change in consumer behaviour, could have a material adverse effect on the Group's business, financial condition, liquidity, results of operations and prospects. In addition, the impact of the COVID-19 pandemic, or any other future epidemics or pandemics, may also have the effect of heightening many of the risks described elsewhere within this Prospectus. If the impact of COVID-19 is prolonged, or further viruses emerge that give rise to similar macro-economic effects, economic conditions will be adversely affected and there could be a further economic downturn in the United Kingdom, Germany and the global economy more broadly (which could be widespread, severe and long lasting).

1.2. Macro-economic conditions, particularly in the United Kingdom and Germany

The Group operates in the hospitality industry, which means that its sales and profitability have historically had a strong correlation with gross domestic product, business confidence and consumer discretionary spending. Business spending and consumer discretionary spending is impacted by general economic conditions and the political climate, including economic performance, interest rates, currency exchange rates, political uncertainty, inflation, unemployment levels, availability of customer credit, taxation rates or the introduction of new taxes, stock market performance and consumer confidence.

As a significant portion of the Group's hotels and all of its restaurants are situated in the United Kingdom and a growing number of hotels are situated in Germany, the Group is disproportionately exposed to the United Kingdom's and, to an increasing extent, Germany's economy, gross domestic product and any event which may impact the demand for travel to and within the United Kingdom and Germany. This may include the United Kingdom's and Germany's economic performance and market trends, as well as geo-political events, actual or threatened acts of terrorism or war, pandemics (including COVID-19, any variants thereof and any associated national or international travel restrictions), travel-related industrial action, increased transportation and fuel costs, business and consumer confidence, increased transport related taxes and natural disasters. Additionally, the United Kingdom's withdrawal from membership of the European Union and the COVID-19 pandemic have had, and are likely to continue to have, a significant impact on consumer sentiment, general economic conditions and the political climate. For more information, see "1.1 – COVID-19 pandemic" and "1.4 – The United Kingdom's withdrawal from the EU".

Negative or uncertain market conditions could affect the confidence levels of the Group's consumers, which could reduce their propensity to travel, purchase products and/or stay in the Group's hotels. This could have a material adverse effect on the Group's business, financial condition, results of operations and prospects.

1.3. Credit Rating

The credit rating of the Group (and/or any member of it) depends on many factors, some of which are outside the Group's control.

Deterioration in any of these factors or a combination of these factors may result in a downgrade in the Group's long term rating, including to below investment grade status. For example, as a result of the COVID-19 pandemic and the particularly adverse effect it has had on the hospitality industry, the rating

agencies have been reviewing and downgrading many of the entities within this sector. As a result, Whitbread PLC's long term rating was downgraded by Fitch on 11 December 2020 to BBB-. This, and/or any future downgrade, could potentially impact on both the cost and accessibility of existing and new funding thereby affecting the Group's obligations under its outstanding and any future bonds, US private placements and credit facilities, as well as its financial results and accordingly, its ability to make payments under the Notes.

1.4. The United Kingdom's withdrawal from the European Union

In relation to the UK's exit from the EU on 31 January 2020 ("**Brexit**"), the UK and the EU Commission announced on 24 December 2020 that they had reached agreement on a draft EU-UK Trade and Cooperation Agreement ("**TCA**"). The TCA covers a number of topics, including trade in goods and in services, digital trade, intellectual property, public procurement, aviation and road transport, energy, fisheries, social security coordination, law enforcement and judicial cooperation in criminal matters, thematic cooperation and participation in EU programmes. However, there are certain topics that the TCA does not cover or does not fully provide for. The UK Parliament ratified the UK's entry into, and implementation of, the TCA on 30 December 2020 pursuant to the EU (Future Relationship) Act 2020. Although the text of the TCA has been agreed by the European Commission, it remains subject to final approvals from the Council of Europe and the European Parliament. To provide time for these approvals to be obtained, the TCA will apply on a provisional basis until 28 February 2021. Therefore, uncertainty regarding the final terms and permanent application of the TCA will remain until it has been ratified in the EU.

More broadly, the impact of Brexit on the economic outlook of the Eurozone and the UK, and associated global implications, remain uncertain notwithstanding agreement of the TCA. As a result of Brexit and the changing trading relationship between the United Kingdom and the European Union, the UK's gross domestic product may reduce, the UK economy may enter into a recession, and there may be a reduction in business and consumer confidence which could impact the demand for the hotel market generally. The Group may also experience material disruption to its supply chain. The Group procures a number of its products from countries within the EU, for example fresh, ambient and frozen food items, together with certain goods which are not for resale, such as construction materials, carpets, tiles, IT equipment, vehicles and parts. Any introduction of customs duties or divergence or changes to product standards applicable to European Union imports into the United Kingdom could result in higher costs for suppliers, which may then be passed on to customers. The imposition of customs checks at borders could increase lead times for deliveries of supplies. Moreover, in the context of weakening economic conditions caused by the COVID-19 pandemic, suppliers may encounter difficulty obtaining external financing or may be adversely affected by factors such as inflation or the weakening of the pound sterling against the US dollar, the euro and other major currencies.

The Group is also exposed to the risk that it may be unable to retain or attract the same numbers (particularly in London and other metropolitan and suburban areas) of non-British staff from the European Union and may need to hire a substantial number of new staff in order to comply with any reduction in immigration or any new labour and immigration laws introduced as a result of Brexit. There can be no assurance that the Group will be able to retain or attract the same or similarly skilled employees as are currently employed.

Strategic

1.5. Competition with other hotels and restaurants

The Group operates in a highly competitive industry and must compete with a wide variety of other hotel chains, local hotel companies and independent hotels, restaurants and food delivery services, some of

which may be perceived to offer better value for money. The Group may be forced to reduce prices to compete. In particular, in the event of a general downturn in UK hotel occupancy levels, such as during the period while the COVID-19 pandemic persists, mid-market/upscale hotels might reduce their rates and thereby reduce the differential between the rates currently charged by mid-market/upscale hotels and the rates set by the Group's hotels. In this event, the Group's hotels might have to reduce their prices to maintain the differential.

Furthermore, the Group's hotels and restaurants may not be successful in competing against any or all of these alternatives. As a result, if the Group fails to compete effectively, demand for the Group's hotels and restaurants may diminish over time as new or existing competitors (for example, Airbnb) provide better leisure or business to business offerings for customers. A sustained loss of customers and/or skilled employees to other hotels, restaurants, pubs or other alternatives (for example, dine-at-home food deliveries) could have an adverse effect on its business operations and prospects.

In addition, 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.

If the Group fails to maintain attractive hotel and restaurant brands and consumer offerings to compete successfully against this wide range of competitors, the Group may fail to retain existing customers or attract new customers, which may have a material adverse effect on its business, financial condition, results of operations and prospects.

1.6. Varying consumer tastes and trends, and potentially different consumer behaviour following the COVID-19 pandemic

Changes in consumer tastes in hotels and in both food and drink (for example, a heightened awareness of healthy eating and drinking) and demographic trends over time may affect the appeal of consumers, especially if the Group does not anticipate, identify and respond by evolving its brands, formats and offerings adequately and sufficiently promptly to reflect changes in consumer preferences, tastes and purchasing habits and technological developments. Such changes (including as a result of the COVID-19 pandemic) may include, a disinclination to travel (whether for leisure or business), increased working from home, an increased preference for virtual meetings using conference or video calls, less eating out as consumers become more acquainted with home cooking or online food-delivery platforms and aggregators and a heightened sensitivity to cleanliness and hygiene standards. Those changes could, if they cannot be addressed by the Group, result in diminished demand for the Group's hotels and/or restaurants and negatively impact occupancy rates. They could also increase the costs and/or complexity of the Group's operations by, for example, necessitating increased staffing levels. Any of the foregoing may have a material adverse effect on the Group's business, financial condition, results of operations and prospects.

1.7. Group's ability to attract and retain key individuals

The Group's future success depends substantially on the continued service and performance of its senior management team for the running of its daily operations as well as for the planning and execution of its strategy. There is strong competition worldwide for experienced senior management and personnel with expertise in the hospitality sector. Such senior management may be able to move between sectors and, particularly in light of the extent to which the COVID-19 pandemic has affected the hospitality sector, they may choose to move away from the hospitality sector and/or move to a sector where the incentive packages for executives may be more generous. As a result of these competitive pressures, it may also be harder to attract new and talented executives into the hospitality sector. Furthermore, the sale of Costa, and the resulting streamlining and reduction in size of the Group to a

focused hotel and restaurants business, may reduce the attractiveness of the Group to experienced senior management. If the Group loses the services of members of its senior management team or other key personnel, it may have difficulty, and incur additional costs in, replacing them. If the Group is unable to find suitable replacements in a timely manner, its ability to realise its strategic objectives could be impaired, which could have a material adverse effect on the Group's business, financial condition, results of operations and prospects.

1.8. Brand and reputational damage

The majority of the Group's hotels currently utilise the "Premier Inn" brand, and the Group's ability to attract and retain guests depends on the public recognition of this brand and its associated reputation. Similarly, the ability to attract customers to the Group's restaurants relies on the strength and recognition of the various restaurant brands, such as Beefeater, Brewer's Fayre, Bar + Block, Thyme and Table Table. If the Group is unable to create and maintain consistent, valued, and quality products and guest experiences across its hotel and restaurant portfolio, or if the Group or its business partners fail to act responsibly, this could result in an adverse impact on the reputation of the Group's brands. In addition, the value of the Group's brands could be influenced by a number of external factors outside the Group's control, including changes in applicable regulations related to the hotel or restaurant industry, the successful commoditisation of hotel brands by online travel agents and intermediaries, or changes in consumers' perceptions of the Group and its brands. Any damage to the value of the Group's brands could have a material adverse effect on the Group's business, financial condition, results or operations and prospects.

1.9. Achieving growth plans contemplated in the strategic business plan

The Group's strategic plans are predicated on the continued success of the existing UK network, expansion of the UK network and expanding the Group's geographical footprint, particularly in Germany. Entry into new geographic markets can involve significant entry costs and requires local market experience and understanding, including the need to integrate with local third-party service providers and competing against competitors who have greater experience in the local market than the Group does. In addition, the success of any entry into new geographic markets will depend on the customers' acceptance of the brand, ability to achieve the Group's prices and agreement with the Group's cost and capital spend assumption. Even if these risk do not materialise, there can be no guarantee that the growth opportunities identified by the Group will deliver the anticipated levels of profitability and cash flows.

Additionally, the Group faces the risk of not expanding quickly enough in an international market and therefore not having a business of scale to compete successfully. The Group has postponed a significant proportion of non-committed development capital expenditure due to the COVID-19 pandemic. Depending on the duration, extent and ultimate impact of the COVID-19 pandemic (or any subsequent outbreak of COVID-19 or future pandemic) and any subsequent deterioration in the macro-economic conditions, the Group's expansion plans could be materially delayed.

Any of the foregoing may have a material adverse effect on the Group's business, financial condition, results of operations and prospects.

1.10. Expansion through acquisitions and/or joint ventures

The Group's growth has, in part, been attributable to acquisitions of other businesses and properties and joint ventures. However, as noted above, the Group has postponed a significant proportion of non-committed development capital expenditure due to the COVID-19 pandemic.

Acquisitions of businesses or properties and joint ventures are subject to risks that could affect the Group's business, and the success of such transactions depends upon the Group's ability to identify suitable acquisition and joint venture opportunities, to assess the value and potential profitability of such acquisition targets or joint ventures and to negotiate acceptable purchase or joint venture terms. If the Group makes acquisitions or enters into joint ventures, there is no guarantee that it will be able to generate expected margins or cash flows, or to realise the anticipated benefits of such acquisitions or joint ventures, including growth or expected synergies. The Group has entered into a joint venture with Emirates in respect of its business in the Middle East, and in which it has a minority investment. As a result, there is a risk that the Group could be negatively impacted by any change in strategy or investment plan that is implemented by Emirates in respect of the hotels which it operates. This could result in reduced margins, cash flows or profitability which may prevent the Group from realising its expected return on the joint venture. The current economic uncertainty arising as a result of the COVID-19 pandemic and any subsequent deterioration in the macro-economic conditions, increases the difficulty in accurately predicting the cash flows and benefits that could result from any such acquisition. This can result in performance below that projected at the time of the acquisition, and ultimately of possible impairments to value.

Additionally, the integration of any acquisitions may require more investment than anticipated, and the Group could incur or assume unknown or unanticipated liabilities or contingencies with respect to customers, employees, suppliers, properties or landlords, government authorities or other parties, which may impact the Group's operating results. This risk may be heightened if the acquiring or selling business is in financial distress and it is possible that any subsequently appointed insolvency practitioner could seek redress from the Group in certain circumstances, for example, if there is any evidence that creditors have been prejudiced, or the business has been transferred at an undervalue. While the Group seeks to mitigate these risks through, among other things, due diligence processes and indemnification provisions, it cannot be certain that the due diligence process it conducts is adequate in every circumstance or that the indemnification provisions and other risk mitigation measures the Group puts in place will be sufficient. Any unknown or unanticipated liabilities or contingencies that the Group assumes, or any additional information about the acquired business that adversely affects it (such as issues relating to compliance with applicable laws), could substantially increase the Group's costs.

The Group may not be able to acquire other businesses and properties if it is unable to obtain financing for such acquisitions on attractive terms or at all, and the Group's ability to obtain financing may be restricted by the terms of, among other things, its existing financing arrangements or other indebtedness that may be incurred.

Any of the foregoing may have a material adverse effect on the Group's business, financial condition, results of operations and prospects.

1.11. Environmental, socio-political and ethical considerations

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, suppliers, employees 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.

The Group may be adversely impacted by, or by its failure to adequately address, increasing social expectations and attitudes in relation to a wide number of factors including, sustainability, social justice (such as diversity and inclusion), employee mental health and wellbeing, responsible supply chains and climate change. For example, the Group may come under increased scrutiny in respect of the ways in which it contributes to climate change including travel, transportation and tourism, and those linked directly to hotels and restaurants including waste (food and other waste), plastics, water, energy, or impact on local communities. Governments may also choose to introduce taxes to address such issues, for example a carbon tax. 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 result in financial loss, and consequently impact the value of the Group's brands and/or the reputation of the Group.

Failure to deliver against the Group's legal, regulatory, social and environmental commitments would undermine its reputation as a responsible business, may result in legal exposure or regulatory sanctions, and could negatively impact its ability to operate and/or its appeal and desirability to consumers. The increasingly broad legal and regulatory framework requires the Group to adapt its business accordingly; for example, by recently introducing personal safety and social distancing measures into the Group's hotels and restaurants in response to the COVID-19 pandemic. In addition, the expectations of the Group's customers and other stakeholders (including regulators) are increasingly demanding. For example, the environmental impact of food waste is increasingly relevant for the Group's restaurants. The Group's ability to adapt quickly to evolving expectations is vital to maintaining the reputation and value of the Group's brands. Failure to keep up with the Group's legal, regulatory, social and environmental commitments could have a material adverse effect on the Group's business, financial condition, results of operations and prospects.

1.12. Fluctuations in the value of freehold and leasehold properties and variations in market rent

The Group owned the freehold or long-term leasehold of the properties where about 60% of its hotel rooms in the United Kingdom were located as at 27 August 2020. There is a risk that the value of the Group's freehold or long-term leasehold properties may decline materially over time, including for reasons related to the COVID-19 pandemic, potentially requiring impairments to the book values of these properties which may impact statutory profit and make them difficult to sell and result in aborted transactions or are only sellable at a lower price than their book value or the price that was paid for them.

The Group also leases a considerable part of its hotels and restaurants on market rent leases and, as a result, the Group is susceptible to changes in the property rental market and increases in its rent costs. If rent reviews were to be agreed at rates higher than currently anticipated, there could be an adverse impact on the Group's business, financial condition, results of operations and prospects. As a substantial leasehold property holder, the Group is exposed to index-linked and variable uplift rent inflation. Leases may also not be renewed in due course or at all. This could result in additional costs being incurred in identifying appropriate or equally suitable alternative premises, which may not be available.

If the Group's lease payments increase or the Group is unable to renew existing leases or lease suitable alternative locations, the Group's profitability may be significantly reduced. Conversely, because some of the Group's hotels or restaurants are held on long-term leases, it may be difficult for the Group to exit

a location that is no longer profitable or that the Group deems to no longer be desirable, and the Group may have to incur costs associated with the termination of a lease before its term.

Operational

1.13. The Group's vertically-integrated business model means it is impacted by a decline in revenues

The Group operates a vertically-integrated business model, which means that it owns and operates the majority of its hotels and restaurants. A high proportion of the Group's operating overheads and certain other costs, such as lease payments and labour remain relatively constant even if there is a decline in revenues. Therefore, a decline in revenues, whether as a result of macro-economic factors or specific events like pandemics (including COVID-19), terrorist attacks or wars, has a disproportionately adverse effect on the Group compared to competitors who operate franchise or other asset-light models, where a significant proportion of operational costs would fall on franchisees or other third-parties. A decline in the Group's revenue may have a disproportionately material adverse effect on the Group's business, financial condition, results of operations and prospects relative to other companies operating in the same sector.

1.14. The Group may be subject to increases in operating and other expenses

The Group's operating and other expenses could increase without a corresponding increase in turnover. Factors that could materially increase operating and other expenses include introduction of or increase in duties and tariffs on imports, general wage inflation, increases in the National Living Wage and National Minimum Wage in the United Kingdom, increased employee benefit costs, the apprenticeship levy and shortages of skilled and dependable employees in the hospitality industry.

In addition, there is a risk of staff shortages and increased labour costs. This risk is further exacerbated by the United Kingdom's withdrawal from membership of the European Union, given the high proportion of European Union workers in the United Kingdom hospitality industry, particularly in London and other metropolitan areas, where the proportion of employees from the European Union is high.

Likewise, the business of the Group is vulnerable to increases in other operating costs. The Group's other material operating costs include rent and rates, fuel and energy and other utility costs, food and beverage, construction and building refurbishment costs and logistics costs. The Group also has a material cost of maintaining and developing technology (including cyber-security, replacing legacy systems, managing operational and commercial systems). The above factors could have a material adverse effect on the Group's business, financial condition, results of operations and prospects.

1.15. An increase in the use of online travel agents and third-party distributors to book online hotel reservations could adversely impact the Group's business

In the financial year ended 27 February 2020, 97% of bookings at the Group's hotels in the United Kingdom were made through the Premier Inn website, Premier Inn app, Premier Inn customer contact centre or hotel front desks. The Group therefore has greater control of the guest booking experience and does not have to pay commission fees to third parties for the majority of bookings at its hotels. However, consumers increasingly use online travel agents and third-party distributors, including search engines, and peer-to-peer online networks to search for and book their lodging accommodation. As the percentage of Internet reservations increases, online travel agents and third-party distributors may be able to obtain higher commissions and reduced room rates to the detriment of the Group's business.

An increase in the use of online travel agents and third-party distributors to make online hotel reservations could therefore result in the Group losing control of the guest booking experience, increase

the amount of commission the Group has to pay to such intermediaries and lead to increased competition from independent operators. This could increase the Group's costs, reduce its competitiveness, and therefore have a material adverse effect on the Group's business, financial condition, results of operations and prospects.

1.16. Group's dependence on key third-party suppliers

The Group has several key supplier relationships that help ensure the efficient delivery of its multi-site operations and is reliant upon those suppliers performing their obligations in accordance with the terms and conditions agreed between the Group and such suppliers. Shortages of, or interruptions in the supply of, products caused by unanticipated demand, problems in production or distribution, disease or food-borne illnesses, pandemics (including COVID-19), inclement weather or logistical issues (including as a result of the UK's withdrawal from the EU) or insolvency of the relevant supplier could adversely affect the availability, quality and cost of the food and beverages sold by the Group.

The Group is also reliant on one principal logistics supplier and if such supplier were to suffer material disruption of service, were to materially fail to meet agreed service levels or were to experience any natural or other disaster to its distribution centre, insolvency or any other such difficulties, given the Group's high degree of exposure to such supplier, this may lead to shortages of food, drinks or other suppliers at the Group's hotels and restaurants.

The Group is also reliant on a number of technology suppliers to provide key services including, amongst others, maintain booking systems, providing networks, web platforms, financial and human resource systems.

Any of the forgoing could cause reputational damage, disruption and result in significant loss of revenue or increase in costs associated with sourcing alternative arrangements, among other things, which could have a material adverse effect on the Group's business, financial condition, results of operations and prospects.

1.17. The Group's planned capital expenditures may not result in the expected improvements in the business and gives rise to execution risk

From time to time, the Group may commence development and construction projects on new properties or at its current properties, and may in the future evaluate other expansion opportunities as they become available or engage in additional construction projects. The Group regularly expends capital to construct, extend, repair, maintain, refurbish and renovate its properties to remain competitive, maintain the value and brand standards of its properties, comply with applicable laws and regulations and to improve the internal infrastructure required to manage the business of the Group. The Group's ability to realise the expected returns on its capital investments is dependent on a number of factors, some of which may be beyond the Group's control, including general economic conditions, changes to construction plans and specifications, delays in obtaining or inability to obtain necessary permits, licenses and approvals, disputes with contractors, shortages of materials or skilled labour, unforeseen engineering, environmental or geological problems, work stoppages, weather interference, disruptions to business caused by construction and other unanticipated circumstances or cost increases, particularly in markets which the Group has recently entered, such as Germany.

In addition, the anticipated costs and construction periods for development and construction projects are based upon investment assumptions, conceptual design documents and construction schedule estimates prepared by the Group in consultation with its architects. While the Group believes that the investment assumptions for its planned capital expenditures are reasonable and routinely reviews its capital investments to ensure they generate the Group's expected returns, these costs are estimates and the actual costs may be higher than expected. In addition, it cannot be assured that these

investments will be sufficient or that the Group will realise the expected returns on its capital investments, or any returns at all. The Group has minimised its repair and maintenance capital expenditure and halted a significant proportion of its discretionary spending as a result of the COVID-19 pandemic, and it is anticipated that any such cost-savings will likely be used in order to maintain the brand's standards. This creates additional uncertainty as to whether previously anticipated projects will be undertaken and whether their expected benefits will be realised and whether any planned expenditures will need to be postponed.

Any of the foregoing could materially adversely affect the Group's business, financial condition and results of operations.

1.18. Funding risks in relation to the Group's defined benefit pension scheme

The Group provides retirement benefits to certain of its current and former employees through a number of pension arrangements. These include the trust-based pension scheme which has both defined benefit and defined contribution sections (the "**Whitbread Group Pension Fund**"). The defined benefit section of the Whitbread Group Pension Fund closed to new entrants on 31 December 2001 and to future benefit accrual on 31 December 2009.

The deficit of the Whitbread Group Pension Fund is dependent on the market value of the assets of that plan and on the value placed on its liabilities. If the market value of the assets declines or the value of the liabilities increases, as at the date of an actuarial funding valuation of the Whitbread Group Pension Fund, the Group may be required to increase its contributions to the Whitbread Group Pension Fund. A variety of factors, including factors outside the Group's control, may adversely affect the value of the Whitbread Group Pension Fund's assets or liabilities, including interest rates, inflation rates, investment performance and investment strategy, exchange rates, life expectancy assumptions, actuarial data and adjustments, regulatory changes, and the strength of the employer covenant provided to the plan by the Group.

In connection with the Whitbread Group Pension Fund, the Group is subject to a financial covenant that the Group's total net debt does not exceed 3.5x EBITDA (the "**Pension Covenant**"), in respect of which the Company obtained a covenant waiver from the trustee under the Whitbread Group Pension Fund (the "**Trustee**") in May 2020, as it was likely that the Group would not have been in compliance with such financial covenant when it was otherwise next due to be tested on account of a diminished financial performance and financial position resulting from the COVID-19 pandemic. As a result, the Pension Covenant will not be tested in the 12-month periods ending on 27 August 2020, 25 February 2021 and 2 September 2021. See "*Risk Factors – 1.25 Financial covenants and other restrictive covenants*" for more information. In the event that the Group is not in compliance with the Pension Covenant when next tested, the Group would be obliged to contribute cash to the Whitbread Group Pension Fund. The amount of the contribution would be the lesser of: (i) the secondary funding target deficit of the Whitbread Group Pension Fund at the relevant time, and (ii) depending on certain circumstances, including when such contribution was made, either £450 million or £500 million. In addition, the Group has granted security in favour of the Trustee over certain real estate properties of the Group up to a secured amount, as at the date of this Prospectus, of £500 million. If as a result of a breach of the Pension Covenant, the Group is required to contribute cash to the Whitbread Group Pension Fund, the Group may not have sufficient cash or assets to repay in full all amounts due and payable. If the Group is unable to pay those amounts when due, the Trustee could proceed against any security interests granted to it to secure repayment of those amounts.

It is not possible to predict accurately the future funding level of the Group's defined benefit pension scheme or accounting charges with any degree of certainty. If future payments increase substantially above the current levels and/or the Group is required to make a cash contribution to the Whitbread

Group Pension Fund, it could reduce the availability of cash for other purposes and have an adverse effect on the Group's future prospects or financial condition. If at any time the Group is unable to pay in full any cash contribution that becomes due and payable, including as a result of a breach of covenant, the Trustee may enforce the security interests granted to it, which may trigger cross-default provisions in the Group's other financing arrangements. If the Group's cash and assets are insufficient to repay in full all of the indebtedness that has been accelerated, this could force the Group into bankruptcy or liquidation.

1.19. Insurance

The Group may suffer damage to its hotels and restaurants, including fire, natural disasters, acts of war, terrorism or other acts of violence, which could severely disrupt business or subject it to claims by third-parties who are injured or harmed. Although the Group maintains insurance customary in the hospitality industry, including property, public liability, vehicle, directors and officers liability and business interruption insurance, such insurance is subject to deductibles, limits on maximum benefits, including limitations on the coverage period for business interruption, and exclusions, including for pandemics. In addition, the cost of maintaining such insurance fluctuates and any significant increase in the insurance premia or restrictions in the availability of cover may require the Group to alter the insurance policies it has in place. Other forces beyond the Group's control, such as terrorist attacks, pandemics, natural disasters or severe weather conditions may be uninsurable or simply too expensive to insure. The Group's insurance policies are not expected to materially mitigate the impact of the COVID-19 pandemic on the Group. The lack of sufficient insurance coverage could expose the Group to heavy losses if any damages occur, directly or indirectly, that could have a significant adverse impact on operations.

1.20. Operational and internal process risks

Operational risks are inherent in the day-to-day operational activities of running hotels and restaurants and may result in direct or indirect losses that could adversely impact the Group's business despite the processes and systems that the Group implements to address such risks. These losses may result from both internal and external events and risks. Unexpected external events include operational failures by third-party providers, actual or attempted external IT security breaches from parties with criminal or malicious intent, disruptions to the supply chain, natural disasters, concerns with or threats of pandemics, contagious diseases or health epidemics, such as the COVID-19 pandemic, extreme weather events, terrorist attacks, wars and political, security and social events.

Due to the COVID-19 pandemic, the Group's operational capacity has been and could be further adversely impacted as a consequence of sickness-based absenteeism (including as a result of mental ill-health caused by isolation or other factors resulting from COVID-19 and the resulting government restrictions), remote and disrupted working arrangements and restricted international and local travel.

Any of these operational risks could have a material adverse effect on the Group's business, financial condition, results of operations and prospects.

1.21. Health and safety incidents

The Group is exposed to the risk that health and safety incidents of varying levels of severity may occur at the hotels and restaurants operated by the Group, which could result in death or personal injury to the Group's customers, employees and/or members of the public. For example, on 17 July 2019, a fire broke out at the Cribbs Causeway Premier Inn, which caused extensive damage to the property leading to, among other things, closure of the hotel. However, no casualties or injuries occurred. In addition to fires – which, depending on the extensiveness and areas affected, time of day and occupancy of the hotel or restaurant when they occur, have the potential to lead to serious injury or even loss of life –

other notable health and safety incidents that could occur at the Group's premises include defective building work, electricity strikes, utility leaks, faulty fire and other safety equipment, defective water storage units, scalding water, accidents at children's play areas as well as slippery, uneven or rough surfaces resulting in slips, trips and falls. Should any such incident occur, the Group could face reputational damage, litigation and significant costs.

The Group is also subject to food safety risks, in particular relating to food-borne illnesses, allergen reactions and contamination or spoilage of fresh produce as a result of inadequate storage or refrigeration. Additionally, reliance on third-party food suppliers and distributors increases the risk that such incidents could be caused by factors outside the Group's control.

The COVID-19 pandemic has meant that additional health and safety and hygiene measures have been taken to ensure compliance with UK and German Government guidance to maintain social distancing and other hygiene measures. There can be no assurance that the measures taken by the Group will be successful. The COVID-19 pandemic is also expected to lead to increased consumer awareness about health and hygiene, which means the impact of any of the risks described above is likely to be heightened in the current environment and going forward. The occurrence of food-borne illnesses or food safety issues, as well as potential food products recalls and other health concerns associated with food contamination, could negatively impact the price and availability of affected ingredients and reputational damage. This could have a material adverse effect on the Group's brands, business, financial condition, results of operations and prospects.

Technology

1.22. The implementation of strategic initiatives gives rise to significant execution risks

The hospitality industry in which the Group operates is characterised by continued improvements in operational infrastructure, including changes in response to customer requirements and preferences and the introduction of new technologies for property management, procurement, reservations, customer loyalty programmes, distribution and other purposes.

In recent years, the Group has embarked on an extensive business transformation programme, including upgrading its legacy customer booking systems, property management, website and booking flow and other systems of customer interface and of internal control and risk management, whilst also delivering an ongoing efficiency and cost reduction programme and upgrading its digital capability and customer propositions. This programme will need to continue, for example to upgrade or replace the Group's booking and reservation system in the near future and to upgrade the Group's technology network and systems to comply with the Payment Card Industry Data Security Standards (PCI DSS) regulations. Certain elements of the overall programme have been temporarily suspended while the Group takes other proactive steps to mitigate, where possible, the negative financial and operational impacts of the COVID-19 pandemic. Although the various projects comprising the Group's transformation and efficiency programmes are significant in their own right, the increased level of interdependency between the various projects requires a high degree of alignment to enable the successful execution of these programmes in their entirety. The successful execution of the transformation and efficiency programmes has required, and will continue to require, focus from senior management and high levels of cross-business engagement to achieve their various objectives.

Whilst the transformation and efficiency programmes are supported by experienced personnel, the Group may fail to complete the implementation of such programmes due to unexpected cost overruns or loss of key personnel or the failure to attract new expertise to the programmes. In light of the COVID-19 pandemic, the Group also faces significant resource constraints to meet the demands of the transformation and efficiency programmes' timely implementation in addition to the Group's ordinary course of business. The pandemic has led to a reduction in capital and operating expenditures across

the Group and a postponement of a number of projects within the transformation and efficiency programmes, as well as significant reductions in procurement activities. Furthermore, even after the COVID-19 pandemic abates, it is likely that the financial resources to implement the transformation and efficiency programmes will be more constrained for a certain period of time as a result of the pandemic's financial impact on the Group.

Although the Group believes that the investments required for the transformation and efficiency programmes and its other strategic initiatives should generate returns over time, the Group cannot guarantee that its planned investments will result in increased sales or profitability or greater operational efficiencies and there can be no assurance that, as the various systems and technologies become outdated, the Group will be able to replace them as quickly as its competition or within budgeted costs and timeframes. If any of the Group's strategic initiatives' underlying assumptions prove to be incorrect, if such initiatives cannot be funded or if such initiatives are not effectively prioritised, managed, communicated or implemented, the Group may not be able to realise the benefits it expects either at all or within its expected timeframes, any of which could result in higher than anticipated costs or otherwise have a material adverse effect on the Group's business, financial condition, results of operations and prospects.

1.23. Interruption or failure of IT infrastructure

The Group's business is dependent on the suitability, reliability and durability of its technology platforms, systems and processes, including its proprietary hotel reservation system. There is a risk of systems failure, both centrally and at outlet level, either through intrinsic weakness in the systems themselves or through external failures. Systems failures could have an adverse impact on the financial performance of the Group. In particular, the Group is highly dependent upon a small number of core systems, such as its booking and reservation system, financial and control system, HR system and the support required to maintain its networks. In the event that there is a failure in one of these systems, the Group may not, for the duration of such failure, be able to take bookings for any of its hotels or restaurants and as a result the Group may suffer material interruption to its operations and decrease in its revenue, particularly if such failure persists.

A significant performance failure of the Group's IT systems for a significant period (either through deliberate acts or through accidental failure) could lead to loss of control over critical business systems and/or information. This could result in significant business interruption, an adverse impact on customer experience, negative publicity or loss of customer data, any of which could subsequently adversely impact Group revenues and/or reputation. This could, in turn, lead to a loss of custom, revenue and profitability and the incurring of significant consequential and remedial costs.

The Group's financial situation

1.24. The Group's debt service obligations and leverage

The Group has, and will continue to have, interest-bearing debt service obligations. As at the date of this Prospectus, the Group has £1,684 million in total committed facilities. This comprises US private placement loans of £284 million (at the hedge rate) with maturities between September 2021 and August 2027 (the "**US Notes**"), senior unsecured bonds of £450 million with a maturity of 16 October 2025 (the "**2025 Bonds**") and a syndicated bank revolving credit facility of £950 million which is due to step down to £850 million on 29 December 2021 and £725 million on 7 September 2022 and with a final maturity of 7 September 2023 (the "**Revolving Credit Facility**"). The Group also has in place a £300 million commercial paper programme, through which it may participate in the COVID Corporate Financing Facility (the "**CCFF Programme**") up until 23 March 2021. Although it is likely that the Group will repay or redeem the US Notes in the near future to reduce its leverage, the Group expects to continue to have a substantial amount of outstanding debt going forward and some of these financing

arrangements also contain financial covenants as further described in “1.25. - *Financial covenants and other restrictive covenants*” below.

The Group’s leverage could have important consequences for its business and operations, including:

- increasing the Group’s vulnerability to adverse general economic or industry conditions that are beyond its control;
- requiring the Group to dedicate a substantial proportion of its cash flow to payments of interest or other amounts due on its debt, which in turn reduces the funds available for other purposes;
- negatively impacting the Group’s credit rating;
- limiting the Group’s ability to borrow additional funds or raise equity capital in the future and increasing the costs of such additional financings;
- limiting the ability of the Group to execute its strategy and invest in its business; and
- placing the Group at a competitive disadvantage compared to competitors that may have less debt.

The Issuer intends to maintain investment grade credit metrics over the medium term, including in respect of the Group’s leverage.

To the extent that the Group utilises the Revolving Credit Facility, increased interest rates could also increase the Group’s debt interest costs as this facility has floating interest rates.

Any of the above could have a material adverse effect on the Group’s ability to make further investments, business, financial condition, results of operations and prospects.

1.25. Financial covenants and other restrictive covenants

The Group requires capital to fund some development opportunities, to maintain and improve owned hotels and for working capital purposes. The Group is reliant upon its financial strength as a borrower and access to borrowing facilities to source capital. The Group believes that its current cash balances, together with its existing credit lines and other available sources of liquidity (including the proceeds of the Notes) and expected cash flow from its operating activities will be sufficient for at least 12 months in order to fund its working capital requirements and operations, permit anticipated capital expenditures and make required payments of principal and interest on its debt. However, adverse changes to trading conditions could affect the Group’s ability to comply with certain covenants and non-compliance with covenants could result in lenders demanding repayment of the funds advanced.

In particular, the terms of the Revolving Credit Facility and the US Notes contain the following two financial covenants (the “**Debt Financial Covenants**”): (i) that total net debt does not exceed 3.5x EBITDA; and (ii) that the ratio of EBITDA to consolidated net finance charges is not less than 3.0:1. In addition, the Group is subject to the Pension Covenant in connection with the Whitbread Group Pension Fund (together with the Debt Financial Covenants, the “**Financial Covenants**”). In May 2020, the Company obtained a covenant waiver from the lenders under the Revolving Credit Facility, the holders of the US Notes and the trustee under the Whitbread Group Pension Fund in respect of the relevant Financial Covenants as it was likely that the Group would not have been in compliance with such Financial Covenants when they were otherwise next due to be tested on account of a diminished financial performance resulting from the COVID-19 pandemic. Such covenant waivers provided that the relevant Financial Covenants would not be tested in respect of the 12-month periods ending on 27 August 2020, 25 February 2021 and 2 September 2021. However, it was subject to certain conditions, including without limitation, a minimum liquidity test and a total net debt test for the duration of the waiver period (the “**Waiver Period Covenants**”).

In January 2021, the Group agreed a further covenant waiver with the lenders under the Revolving Credit Facility such that the Debt Financial Covenants would also not be tested for the 12-month periods ending on 2 March 2022 and 1 September 2022 and will be tested at revised levels of: (i) total net debt to not exceed 5.0x EBITDA when tested in respect of the 12-month period ending 2 March 2023 and 4.5x when tested in respect of the 12-month period ending on 31 August 2023; and (ii) the ratio of EBITDA to consolidated net finance charges will not be less than 2.0:1 when such covenant reapplies. This waiver was subject to certain conditions, including without limitation, the Waiver Period Covenants continuing to apply for the duration of the extended waiver period. In light of the Group's diminished financial performance resulting from the COVID-19 pandemic, the Group continues to assess its ability to comply with these Financial Covenants and expects to be in full compliance with the Waiver Period Covenants for the period in which they apply. It is currently expected that the US Notes will be redeemed or repaid in the near future, however if the US Notes remain outstanding, the Group expects to have refinanced or requested amendments to the existing waivers in place in respect of the US Notes prior to the date on which the Financial Covenants thereunder are next tested.

However, there can be no certainty that in the longer term the Group will be able to maintain the required financial ratios in order to comply with the Waiver Period Covenants, Financial Covenants or any future financial covenants to which the Group is subject. In particular, the ability of the Group to maintain any of these financial ratios may depend on matters that are either wholly or partly outside the Group's control, including the results of ongoing operations. In these circumstances, the Group would need to seek to agree an extension or deferral of these covenants or a waiver of any such covenant breach. However, there can be no certainty that each of the Group's creditors would in these circumstances agree to an extension or deferral of the Waiver Period Covenants or the Financial Covenants or a waiver of any likely breach of these covenants.

In the event that the Group were not in compliance with the Waiver Period Covenants or the Financial Covenants when tested, or were in breach of other covenants, tests or restrictions contained in the Group's financing agreements, it may result in an event of default which, if not cured or waived, could result in the acceleration of such indebtedness or, in the case of the Revolving Credit Facility, the cancellation of any committed facility. If an event of default occurs (including as a result of a cross-acceleration provision being triggered) and the Group's creditors accelerate the payment of amounts owing to them, the Group may not have sufficient cash or assets to repay in full all amounts that would be due and payable. If the Group is unable to repay those amounts, its creditors could proceed against any security interests granted to them to secure repayment of those amounts. In these circumstances, if the Group's cash and assets are insufficient to repay in full all of the indebtedness that has been accelerated, this could force the Group into bankruptcy or liquidation.

In addition, if the Group's financial performance does not meet expectation, it may not be able to refinance the Revolving Credit Facility or the US Notes on favourable terms and there can be no assurance that future debt obligations and facilities can be renewed or renewed on terms that would not adversely impact the Group's businesses, results of operations and financial position.

1.26. Counterparty default risk

As at 31 December 2020 the Group has £827.4 million of cash and cash equivalents which are held in short-term deposits and cash funds which allow daily withdrawals of cash, all of which are held in the UK. The Group uses long-term credit ratings from Standard and Poor's, Moody's and Fitch as a basis for setting its counterparty limits. The Group trades only with recognised, creditworthy third parties. In respect of credit risk arising from financial assets including deposits, 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/deposits. If a counterparty is in financial difficulty, there is a risk that the Group will be unable to access the funds and may suffer a loss as a result.

Legal, regulatory and internal control risks

1.27. Cyber and data security

The Group is exposed to the increasing risk that individuals or groups may attempt to disrupt the availability, confidentiality, integrity and resilience of its IT systems, which could disrupt key operations, such as the Group's reservation systems, make it difficult to recover critical services, damage assets and compromise the integrity and security of both corporate and customer data. This could result in loss of trust from the Group's customers, employees and other stakeholders, reputational damage, legal or regulatory proceedings and direct or indirect financial loss. In particular, any disruption to or unavailability of the Group's booking and reservations system as a result of a cyber-security incident could remove or severely curtail the Group's ability to book hotel rooms for its customers and could result in significant reputational damage to the Group and its brands, particularly given that the Group collects a substantial amount of personal data via the booking and reservation system. The Group believes that the cyber-security threat is likely to be heightened in the period while the COVID-19 pandemic persists.

Developments in data protection worldwide (including, in particular, the implementation of the General Data Protection Regulation ((EU) 2016/679) as it forms part of domestic law by virtue of the EUWA ("GDPR"), which entered into force on 24 May 2016 and has applied to all European Union member states and the United Kingdom from 25 May 2018) may also increase the financial and reputational implications for the Group following a significant breach of its IT systems or those of its third-party suppliers, with regulators imposing significant fines.

Despite the Group's efforts to enhance its IT environment, protect its data and improve its cyber-security and operational resilience, there remains a risk that such events will take place which may have material adverse consequential effects on the Group's business, financial condition, results of operations and prospects

1.28. Risks associated with litigation from customers, employees and others in the ordinary course of business

The Group is subject to claims and actions incidental to business operation in the ordinary course, whose outcome may not always be predictable, including with customers, suppliers and employees. For example, customer claims relating to disappointing stays, excessive noise, disappointing facilities, accidents, room cleanliness, kitchen hygiene, food allergies, food poisoning and food quality are common in the hospitality industry. Claims can also be made against the Group by suppliers, contractors, consultants and other third-parties with whom the Group does business, for breach of contract or otherwise.

Furthermore, in circumstances where the Group has sold businesses, including Costa, it has given certain warranties and indemnities to the purchasers of such businesses and may have other exposure to third-parties in respect of the disposed business. A breach of such warranties and indemnities by the Group or any crystallisation of other third-party liabilities could give rise to contractual or other claims and litigation and expose the Group to material losses.

Regardless of whether a claim is successful, involvement in high profile litigation can cause reputational damage to the Group, as well as diverting financial resources and the attention of key personnel away from operating the business. If one or more large claims were successful, or if there is a significant increase in the number of claims, the financial consequences and the adverse publicity could have a

material adverse effect on the Group's business, financial condition, results of operations and prospects.

1.29. 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. 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.

2. RISKS RELATED TO THE NOTES

Risks related to the Notes generally

2.1. Condition 2 of the Notes is intended to ensure that the Notes and the Group's Revolving Credit Facility rank pari passu with each other at all times

The Issuer has entered into the Revolving Credit Facility which, together with any subsequent refinancing or replacement of it is referred to in this Prospectus as the “**Principal Bank Facility**”. The Conditions require that any guarantor under the Principal Bank Facility must also guarantee the Notes.

Therefore (a) on the Issue Date, all guarantors under the Principal Bank Facility are also guarantors of the Notes; (b) from the Issue Date onwards, if a member of the Group is added as a new guarantor to the Principal Bank Facility, the Issuer must promptly inform the Trustee and add it as a guarantor of the Notes; and (c) conversely, if in future a guarantor ceases to be a guarantor under the Principal Bank Facility, the Issuer can require (subject to certain Bondholder protections) that it ceases to be a guarantor of the Notes.

Noteholders should note that neither the Trustee nor the Noteholders have control over which members of the Group are guarantors of the Notes from time to time, as that will be determined by the structure of the Principal Bank Facility.

2.2. The Conditions contain provisions which may permit their modification without the consent of all investors

The Conditions of the Notes include provisions for calling meetings of Noteholders to consider and vote on matters affecting their interests generally. 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, and those Noteholders who voted against the majority.

The Issuer has appointed a Trustee to represent the Noteholders. The Trustee has certain discretions to agree with the Issuer changes to the Conditions without seeking the consent of Noteholders. In particular, the Conditions of the Notes provide that the Trustee may, without the consent of Noteholders and without regard to the interests of particular Noteholders, agree to (i) any modification of any of the provisions of the Notes, the Trust Deed or the Agency Agreement that is in its opinion of a formal, minor or technical nature or is made to correct a manifest error, (ii) any other modification (other than certain reserved matters specified in the Trust Deed), and any waiver or authorisation of any breach or proposed breach, of any of the provisions of the Notes, the Trust Deed or the Agency Agreement that is, in the opinion of the Trustee, not materially prejudicial to the interests of the Noteholders, and (iii) in certain circumstances, the substitution of certain other entities in place of the Issuer, or any previous substituted company as principal debtor, as the case may be, under the Trust Deed and the Notes.

2.3. Investors who purchase Notes in denominations that are not an integral multiple in excess of £100,000 may be adversely affected if definitive Notes are subsequently required to be issued

The Notes have denominations consisting of a minimum of £100,000 and integral multiples of £1,000 in excess thereof (up to a maximum of £199,000). Notes may be traded in amounts that

are not integral multiples of £100,000; as a result of trading such amounts in these circumstances, a Noteholder who holds an amount which is less than £100,000 in their 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 the £100,000 (as applicable).

If definitive Notes are issued, holders should be aware that definitive Notes which have a denomination that is not an integral multiple of £100,000 may be illiquid and difficult to trade.

Risks related to the market

2.4. The credit rating assigned to the Notes may not reflect all the risks associated with an investment in the Notes

The Series A Notes are expected to be rated BBB- by Fitch and the Series B Notes are expected to be rated BBB- by Fitch. The assigned ratings to the Notes may not reflect the potential impact of all risks related to the 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, suspended or withdrawn by the rating agency at any time. Any such revision, suspension or withdrawal could adversely affect the market value of the Notes.

In general, investors in the EEA are restricted under Regulation (EC) No 1060/2009 on credit rating agencies (“**EU CRA Regulation**”) from using a credit rating for regulatory purposes, unless such rating is issued by a credit rating agency established in the EEA and registered under the EU 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 a credit rating issued by non-EEA credit rating agencies, unless the relevant credit rating is endorsed by an EEA-registered credit rating agency or the relevant third country rating agency is certified in accordance with the EU 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).

Investors regulated in the UK are subject to similar restrictions under the UK CRA Regulation. As such, UK regulated investors are required to use for UK regulatory purposes ratings issued by a credit rating agency established in the UK and registered under the UK CRA Regulation.

If the status of the rating agency rating the Notes changes for the purpose of the EU CRA Regulation or the UK CRA Regulation, as applicable, EEA or UK regulated investors may no longer be able to use the rating for regulatory purposes in the EEA or the UK, as applicable, and the Notes may have a different regulatory treatment. This may result in the relevant 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 European Securities and Markets Authority (“**ESMA**”) on its website in accordance with the EU 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 agency and rating is set out on the cover of this Prospectus.

2.5. An active secondary market in respect of the Notes may never be established or may be illiquid and this would adversely affect the value at which an investor could sell its Notes

The Notes may have no established trading market when issued, and one may never develop. If a market does develop, it may not be liquid or may become illiquid at a later stage. 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. Illiquidity may have a severely adverse effect on the market value of the Notes.

2.6. If an investor holds Notes which are not denominated in the investor's home currency, they will be exposed to movements in exchange rates adversely affecting the value of their holding. In addition, the imposition of exchange controls in relation to any Notes could result in an investor not receiving payments on those Notes

The Issuer and each Guarantor will pay principal and interest on the Notes in sterling. 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 sterling. These include the risk that exchange rates may significantly change (including changes due to devaluation of sterling 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 sterling would decrease (i) the Investor's Currency equivalent yield on the Notes, (ii) the Investor's Currency equivalent value of the principal payable on the Notes and (iii) 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 or the ability of the Issuer or the Guarantors to make payments in respect of the Notes. As a result, investors may receive less interest or principal than expected, or no interest or principal.

2.7. Laws and practices applicable to the Notes may change

The Notes are issued under the laws of England and Wales in force on the issue date. Any new statutes, ordinances and regulations, amendments to the legislation or changes in application of the law (including any amendments to or changes in application of tax laws or regulations) after the issue date may affect the Notes and/or have a material adverse effect on the Issuer's and or Guarantors' business.

2.8. There can be no assurance that the use of proceeds of the Notes and the Eligible Green Projects will be suitable for the investment criteria of an investor

It is the Issuer's intention to apply the proceeds of the issuance of the Notes towards Eligible Green Projects (as defined in "*Use of Proceeds*" below). Prospective investors should have regard to the information in the "*Use of Proceeds*" section of this Prospectus and the Green Bond Framework regarding such use of proceeds and determine for themselves the relevance of such information for the purpose of any investment in the Notes, together with any other investigation such investor deems necessary. In particular, no assurance is given by the Issuer, the Guarantors, the Green Structuring Agent or any other Manager that the use of such proceeds for any Eligible 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 governing documents or investment portfolio mandates, in particular with regard to any direct or indirect environmental or green impact of any projects or uses that are the subject of, or related to, any Eligible Green Projects.

The impact of the COVID-19 pandemic may reduce over the short and medium term the number of eligible projects open to the Group to invest in. For example, the number of new construction projects may be reduced, the amount of energy which the Group consumes may be lower, the

amount of timber, fish, palm oil and eggs procured may be lower which would in turn reduce the expenditure on Eligible Green Projects.

No assurance can be given that the Eligible Green Projects will meet investor expectations or requirements regarding such "green" or similar labels (including Regulation (EU) 2020/852 on the establishment of a framework to facilitate sustainable investment, the so called "**EU Taxonomy**"). Each prospective investor should have regard to the factors described in the Green Bond Framework and the relevant information contained in this Prospectus and seek advice from their independent financial adviser or other professional adviser regarding its purchase of the Notes before deciding to invest.

No assurance or representation is given as to the suitability or reliability for any purpose whatsoever of the Second Party Opinion which is available at <https://www.whitbread.co.uk/investors/corporate-debt> in connection with the issue of the Notes and in particular with any project to fulfil any environmental, green and/or other criteria. For the avoidance of doubt, the Second Party Opinion is not, nor shall be deemed to be, incorporated in and/or form part of this Prospectus. The Second Party Opinion is not, nor should be deemed to be, a recommendation by the Issuer or any other person to buy, sell or hold any of the Notes or that any Eligible Green Projects fulfil any environmental, green and/or other criteria. The Second Party Opinion is only current as of the date that opinion or certification was initially issued. Prospective investors must determine for themselves the relevance of such Second Party Opinion and/or the information contained therein and/or the provider of such Second Party Opinion for the purpose of any investment in the Notes. Currently, the providers of such Second Party Opinion are not subject to any specific regulatory or other regime or oversight.

The Notes are expected to be admitted to the Sustainable Bond Market of the London Stock Exchange. No representation or assurance is given by the Issuer, the Guarantors, the Green Structuring Agent, any other Manager 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 to 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 governing rules or investment portfolio mandates, in particular with regard to any direct or indirect environmental or green impact of any projects or uses, the subject of or related to, any Eligible Green Projects. Furthermore, the criteria for any such listings or admission to trading may vary from one stock exchange or securities market to another. No representation or assurance is given or made by the Issuer, the Guarantor, the Green Structuring Agent, any other Manager or any other person that any such listing or admission to trading will be obtained in respect of any 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 the Notes so specified for Eligible Green Projects in, or substantially in, the manner described in the "*Use of Proceeds*" section of this Prospectus and the Green Bond Framework, there can be no assurance that the relevant project or uses the subject of, or related to, any Eligible Green Projects will be capable of being implemented in or substantially in such manner and/or accordance with any timing schedule or at an acceptable cost and that accordingly such proceeds will be totally or partially disbursed for or towards such Eligible Green Projects. Nor can there be any assurance that such Eligible 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, or give rise to any other claim of a holder of such Notes, as the case may be.

Any such event or failure to apply an amount equal to the proceeds of the issue of the Notes, as for or towards any Eligible Green Projects as aforesaid and/or the 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 the Notes no longer being listed or admitted to trading on any stock exchange or securities market may have a material adverse effect on the value of the Notes and/or result in adverse consequences for certain investors with portfolio mandates to invest in securities to be used for or towards a particular purpose. For the avoidance of doubt, it is however specified that payments of principal and interest (as the case may be) on the Notes shall not depend on the performance of the relevant project.

None of the Green Structuring Agent, or any other Manager will verify or monitor the proposed use of proceeds of the Notes.

2.9. As the Global Notes relating to the Notes will be held by or on behalf of Euroclear and/or Clearstream, Luxembourg, investors will have to rely on the procedures of those clearing systems for transfer, payment and communications with the Issuer

The Series A Notes and Series B Notes will be held by investors through Euroclear and Clearstream, Luxembourg and will be represented by one or more Global Notes which will be deposited with a common safekeeper for Euroclear and Clearstream, Luxembourg. Except in the circumstances described in the relevant Global Note, investors will not be entitled to receive Notes in definitive form (i.e. physical securities). Each of Euroclear and Clearstream, Luxembourg and their respective direct and indirect participants will maintain records of the beneficial interests in each Global Note held through it. While the Notes are represented by a Global Note, investors will be able to trade their beneficial interests only through the relevant clearing systems and their respective participants.

While the Notes are represented by Global Notes, the Issuer will discharge its payment obligation under the Notes by making payments through the relevant clearing systems. A holder of a beneficial interest in a Global Note must rely on the procedures of the relevant clearing system and its participants to receive payments under the Notes. The Issuer has no responsibility or liability for the records relating to, or payments made in respect of, beneficial interest in any Global Note.

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

Risks related to the structure of the Notes

2.10. Redemption prior to maturity

The optional redemption features of the Notes may limit the market value of the Notes and an investor may not be able to reinvest the redemption proceeds in a manner which achieves a similar effective return.

The optional redemption features contained in Condition 5(c) (*Redemption at the Option of the Issuer*) of the Conditions of the Notes is likely to limit the market value of the Notes. During any period when the Issuer may elect to redeem the Notes, the market value of the Notes generally will not rise substantially above the price at which they can be redeemed.

In the event that the Issuer or each Guarantor would be obliged to increase the amounts payable in respect of the Notes as a result of any change in, or amendment to, the laws or regulations of a relevant Tax Jurisdiction (as defined in Condition 7 (*Taxation*)), including any treaty to which a

relevant Tax Jurisdiction is a party, or any change in the application or official interpretation of such laws, regulations or treaties of a Relevant Jurisdiction, which change or amendment becomes effective on or after the Issue Date, the Issuer may redeem all outstanding Notes in accordance with the Condition 5(b) (*Redemption for Taxation Reasons*).

The Issuer may be expected to redeem Notes when its cost of borrowing is lower than the interest rate on the Notes. At those 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.

2.11. As the Notes bear interest at a fixed interest rate, movements in market interest rates can adversely affect the value of the Notes

The Notes bear interest on their outstanding principal amount at a fixed interest rate. A holder of a security with a fixed interest rate is exposed to the risk that the value of such security could fall as a result of changes in the market interest rate. While the nominal compensation rate of a security with a fixed interest rate is fixed during the life of such security or during a certain period of time, the current interest rate on the capital market (market interest rate) typically changes on a daily basis. If the market interest rate increases, the value of such a security typically falls, until the yield of such security is approximately equal to the market interest rate. If the market interest rate falls, the value of a security with a fixed interest rate typically increases, until the yield of such a security is approximately equal to the market interest rate.

DOCUMENTS INCORPORATED BY REFERENCE

This Prospectus should be read and construed in conjunction with the following documents:

- (i) the annual report and accounts of WPLC and its consolidated subsidiaries for the financial year ended 27 February 2020 (including WPLC's audited consolidated and standalone financial statements as at and for the financial year ended 27 February 2020 and the independent auditor's report thereon) published on the Group's website on 21 May 2020 (which can be accessed from the following hyperlink: <https://www.whitbread.co.uk/investors/results-reports-and-presentations>);
- (ii) the annual report and accounts of WPLC and its consolidated subsidiaries for the financial year ended 28 February 2019 (including WPLC's audited consolidated and standalone financial statements as at and for the financial year ended 27 February 2019 and the independent auditor's report thereon) published on the Group's website on 17 May 2019 (which can be accessed from the following hyperlink: <https://www.whitbread.co.uk/investors/results-reports-and-presentations>);
- (iii) the audited financial statements of the Issuer for the financial year ended 27 February 2020 (including the independent auditor's report thereon) available on Companies House (which can be accessed from the following hyperlink: <https://find-and-update.company-information.service.gov.uk/company/00029423/filing-history>);
- (iv) the audited financial statements of the Issuer for the financial year ended 28 February 2019 (including the independent auditor's report thereon) available on Companies House (which can be accessed from the following hyperlink: <https://find-and-update.company-information.service.gov.uk/company/00029423/filing-history>);
- (v) the audited financial statements of PIHL for the financial year ended 27 February 2020 (including the independent auditor's report thereon) published on the Group's website on 1 February 2021 (which can be accessed from the following hyperlink: <https://www.whitbread.co.uk/investors/corporate-debt>);
- (vi) the audited financial statements of PIHL for the financial year ended 28 February 2019 (including the independent auditor's report thereon) available on Companies House (which can be accessed from the following hyperlink: <https://find-and-update.company-information.service.gov.uk/company/05137608/filing-history>);
- (vii) the interim results of WPLC and its consolidated subsidiaries as at and for the six months ended 27 August 2020 published on the Group's website on 27 October 2020 (which can be accessed from the following hyperlink: <https://www.whitbread.co.uk/investors/results-reports-and-presentations>); and
- (viii) the third quarter financial year 2020/21 trading update of the Issuer and its consolidated subsidiaries for the 13-week period ended on 26 November 2020 (but excluding the third paragraph under the section titled '*Sensitivity and Outlook*' on page 3) published on the Group's website on 14 January 2021 (which can be accessed from the following hyperlink: <https://www.whitbread.co.uk/investors/results-reports-and-presentations>).

Such documents shall be deemed to be incorporated in, and form part of, this Prospectus, save that any statement contained in a document which is deemed to be incorporated by reference herein shall be deemed to be modified or superseded for the purpose of this Prospectus to the extent that a statement contained herein modifies or supersedes such earlier statement (whether expressly, by implication or otherwise). Any statement so modified or superseded shall not, be deemed, except as so modified or superseded, to constitute a part of this Prospectus.

Any documents themselves incorporated by reference in the documents incorporated by reference in this Prospectus shall not form part of this Prospectus and, for the avoidance of doubt, unless specifically incorporate by reference into this Prospectus, information contained on the website does not form part of this Prospectus.

The parts of the above mentioned documents which are not incorporated by reference into this Prospectus are either not relevant for investors or covered elsewhere in the Prospectus.

The financial statements included in the documents detailed in paragraphs (i) to (vii) above were prepared in accordance with applicable law and International Financial Reporting Standards (“**IFRS**”) as adopted by the EU (“**EU IFRS**”). The Annual Report and audited accounts for the Group for the year ending 25 February 2021 will be prepared in accordance with applicable law and IFRS as adopted by the UK (“**UK IFRS**”).

PRESENTATION OF FINANCIAL INFORMATION

FINANCIAL INFORMATION RELATING TO THE ISSUER

Unless otherwise specified, all financial information contained in this Prospectus relating to the Issuer has been extracted from the annual report and accounts of WPLC and the Issuer's audited consolidated financial statements, each as of and for each of the 52-week periods ended 27 February 2020 and 28 February 2019 and/or the interim results of WPLC and its consolidated subsidiaries as at and for the six months ended 27 August 2020 which are each incorporated by reference into this Prospectus.

Percentages in tables have been rounded and accordingly may not add up to 100.0 per cent. Certain financial data have been rounded. As a result of this rounding, the totals of the data presented in this Prospectus may vary slightly from the actual arithmetic totals of such data.

ISSUER NON-IFRS MEASURES

The Issuer assesses the performance of its business using a variety of key financial measures. Some of these measures are termed a "non-IFRS measure" because they are calculated using financial measures that are not calculated in accordance with IFRS. The non-IFRS measures discussed in this Prospectus, and how such measures are used, are presented below, and are also explained in detail at page 137 and pages 202 to 205 of WPLC's annual report and accounts for the 52-week period ended 27 February 2020 and at pages 114 to 115 and page 172 of WPLC's annual report and accounts for the 52-week period ended 28 February 2019. The Issuer does not regard these non-IFRS measures as substitutes for equivalent measures calculated and presented in accordance with IFRS or those calculated financial measures that are calculated in accordance with IFRS. The non-IFRS measures presented below may not be directly comparable to similarly-titled measures used by other companies including competitors of the Issuer.

APMs

The following APMs are used by the Group:

- **Adjusted Revenue** – Revenue adjusted to exclude the revenue from a transitional services agreement entered into by the Group following the sale of Costa to The Coca-Cola Company (the "TSA"). The directors consider this to be a useful measure as TSA income is connected to the disposal of Costa which was a non-recurring event. No further income is expected beyond 2021 as the majority of services having already concluded as of 31 March 2020, with the remaining ones expected to conclude in 2021.
- **Adjusted EBITDA (pre-IFRS 16)** – Profit for the year adjusted to exclude net finance costs, tax expense, depreciation of Right-of-Use assets ("**ROU assets**"), depreciation of property, plant, and equipment ("**PP&E**"), amortisation, profit from discontinued operations (net of tax), other income, TSA revenue, TSA costs, Costa disposal costs, guaranteed minimum pension costs, disposal, impairment and write-offs of intangible assets and PP&E, provisions for property costs, UK restructuring costs, employment tax settlement costs, Premier Inn international business exit costs, acquisition costs, impairment in joint venture, and removal of IFRS 16 adoption impacts by adding in rent expense net of variable lease payments and rental income.

- **Adjusted EBITDAR** – Profit for the year adjusted to exclude net finance costs, tax expense, depreciation of ROU assets, depreciation of PP&E, amortisation, profit from discontinued operations (net of tax), other income, TSA revenue, TSA costs, Costa disposal costs, guaranteed minimum pension costs, disposal, impairment and write-offs of intangible assets and PP&E, provisions for property costs, UK restructuring costs, employment tax settlement costs, Premier Inn international business exit costs, acquisition costs, impairment in joint venture, variable lease payments, and rental income.
- **Adjusted Operating Profit** – Operating profit adjusted to exclude other income, TSA revenue, TSA costs, Costa disposal costs, guaranteed minimum pension costs, disposal, impairment and write-offs of intangible assets and PP&E, provisions for property costs, UK restructuring costs, employment tax settlement costs, Premier Inn international business exit costs, acquisition costs, and impairment in joint ventures.
- **Adjusted Operating Profit (pre-IFRS 16)** – Adjusted Operating Profit further adjusted for the removal of IFRS 16 adoption impacts by excluding ROU asset depreciation and including rent expense.
- **Adjusted Profit before Tax** – Profit before tax adjusted to exclude other income, TSA revenue, TSA costs, Costa disposal costs, guaranteed minimum pension costs, disposal, impairment and write-offs of intangible assets and PP&E, provisions for property costs, UK restructuring costs, tax settlement costs, Premier Inn international business exit costs, acquisition costs, impairment in joint venture, and IAS 19 pension finance costs.

The directors consider the adjusted measures above to be useful as they are aligned with the performance targets of the Group and the basis for executive remuneration, and are commonly used industry metrics which facilitate comparison between companies.

- **Underlying Profit before Tax** – profit before tax after the adjustments applied to arrive at Adjusted Profit before Tax with the exception of the IAS 19 pension finance cost.
- **Net Debt/(Cash)** – Total current and non-current borrowings after deducting cash and cash equivalents.
- **Adjusted Net Debt/(Cash)** – Net Debt/(Cash) further adjusted to remove cash not readily available (“**restricted cash**”) from the balance of cash and cash equivalents.
- **Funds From Operations (“FFO”)** – Net Cash Flows from Operating Activities after deducting payment of principal of lease liabilities, and adding back changes in working capital, interest paid – other, interest received, one-off pension payments, and Property Rent adjusted for a proportion of contingent rent.
- **Property Rent** – IFRS 16 property lease liability payments plus adjustments for deferred rental amounts. This is used as a proxy for rent expense as recorded under IAS 17 in arriving at funds from operations.
- **Lease Debt** – Eight times adjusted property rent, which is Property Rent less a proportion of contingent rent.

- **Lease Adjusted Net Debt / (Cash)** – Adjusted Net Debt / (Cash) plus Lease Debt.
- **Lease Adjusted Net Debt / FFO** – Ratio of Lease Adjusted Net Debt to FFO.

The Group considers these net debt measures to be useful as they form the basis of its leverage targets.

- **Discretionary Free Cashflow** – Cash generated from operations after payments for interest, tax, payment of principal of lease liabilities and maintenance Capital Expenditure. The Group considers this to be a useful measure as it is a good indicator of cash generated which is available to fund future growth or shareholder returns.
- **Adjusted Net Assets for Return on Capital Employed (pre-IFRS 16)** – Net assets adjusted to exclude cash and cash equivalents, current and non-current borrowings, current tax assets, current and deferred tax liabilities, pension surplus, pension deficit, other financial liabilities, derivative financial assets and liabilities, and removal of IFRS 16 adoption impacts by excluding ROU assets, lease liabilities, and IFRS 16 working capital adjustments.
- **Return on Capital Employed (“ROCE”) (pre-IFRS 16)** – Ratio of Adjusted Operating Profit (pre-IFRS 16) to Adjusted Net Assets for Return on Capital Employed (pre-IFRS 16).

The Group considers these to be useful measures as they express the underlying operating efficiency of the Group and are used as the basis for remuneration targets.

The Group also monitors additional financial and operational measures to help evaluate the performance of the Group’s portfolio. These additional measures include the following:

- **Like-for-like Sales** – The Group’s Like-for-like Sales are calculated by comparing the period over-period change in revenue for outlets open for at least one year, including extensions to existing properties.
- **Total Accommodation Sales** – Premier Inn accommodation revenue excluding non-room income such as food and beverage.
- **Average Room Rate (“ARR”)** – Total Accommodation Sales divided by the number of rooms occupied by guests.
- **Occupancy** – Number of hotel bedrooms occupied by guests expressed as a percentage of the number of bedrooms available in the period.
- **Revenue per Available Room (“RevPAR”)** – ARR multiplied by Occupancy.
- **Capital Expenditures** – purchase of property, plant, and equipment; investment in intangible assets; cash paid in advance of acquisitions; acquisition of a subsidiary, net of cash acquired; capital contributions to joint ventures, and loans advanced to joint ventures, all on a continuing basis for the Group excluding Costa.

TERMS AND CONDITIONS OF THE NOTES

The following are the Terms and Conditions of the Notes, substantially as they will appear on the Notes in definitive form (if issued).

The £300,000,000 2.375 per cent. guaranteed green notes due 2027 (the “**Series A Notes**”, which expression shall in these Conditions, unless the context otherwise requires, include any further notes issued pursuant to Condition 14 (*Further Issues*) and forming a single series with the Series A Notes) of Whitbread Group PLC (the “**Issuer**”) are constituted by a trust deed dated 10 February 2021 (the “**Series A Trust Deed**”) made between the Issuer, Whitbread PLC and Premier Inn Hotels Limited (together, the “**Initial Guarantors**”) and HSBC Corporate Trustee Company (UK) Limited (the “**Trustee**”, which expression shall include its successor(s)) as trustee for the holders of the Series A Notes (the “**Series A Noteholders**”) and the holders of the interest coupons appertaining to the Notes (the “**Series A Couponholders**” and the Series A Coupons respectively).

The £250,000,000 3.000 per cent. guaranteed green notes due 2031 (the “**Series B Notes**”, which expression shall in these Conditions, unless the context otherwise requires, include any further notes issued pursuant to Condition 14 (*Further Issues*) and forming a single series with the Series B Notes) of the Issuer are constituted by a trust deed dated 10 February 2021 (the “**Series B Trust Deed**”) made between the Issuer, the Initial Guarantors and the Trustee as trustee for the holders of the Series B Notes (the “**Series B Noteholders**”) and the holders of the interest coupons appertaining to the Notes (the “**Series B Couponholders**” and the Series B Coupons respectively).

The statements in these Conditions include summaries of, and are subject to, the detailed provisions of and definitions in the Series A Trust Deed and Series B Trust Deed (as applicable). Copies of the Series A Trust Deed and the Series B Trust Deed, as well as the paying agency agreement dated 10 February 2021 in respect of the Series A Notes (the “**Series A Agency Agreement**”) and the paying agency agreement dated 10 February 2021 in respect of the Series B Notes (the “**Series B Agency Agreement**”), with both the Series A Agency Agreement and Series B Agency Agreement being made between the Issuer, the Initial Guarantors, HSBC Bank plc as the principal paying agent (the “**Principal Paying Agent**”, which expression shall include its successor(s) as principal paying agent) and the other paying agents named therein (together with the Principal Paying Agent and any additional or successor paying agents appointed pursuant to the relevant Agency Agreement, the “**Paying Agents**”) and the Trustee are available for inspection during normal business hours by the Noteholders and the Couponholders at the specified office of the Principal Paying Agent or may be provided electronically on request. The Noteholders and the Couponholders 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.

In these Conditions, so far as the context permits, (i) “**Notes**” or “**Series**” shall be construed as a reference to the Series A Notes or the Series B Notes as appropriate; (ii) “**Noteholders**” shall be construed as references to the Series A Noteholders or the Series B Noteholders as appropriate; (iii) “**Couponholders**” shall be construed as references to the Series A Couponholders or the Series B Couponholders as appropriate; (iv) “**Coupons**” shall be construed as references to the Series A Coupons or the Series B Coupons as appropriate; (v) “**Trust Deed**” shall be construed as a reference to the Series A Trust Deed or the Series B Trust Deed as appropriate; and (vi)

“**Agency Agreement**” shall be construed as a reference to the Series A Agency Agreement or the Series B Agency Agreement as appropriate.

1. Form, Denomination and Title

- (a) **Form and denomination:** The Notes are serially numbered and in bearer form in denominations of £100,000 and integral multiples of £1,000 in excess thereof up to and including £199,000, each with Coupons attached on issue. No definitive Notes will be issued with a denomination above £199,000.
- (b) **Title:** Title to the Notes and Coupons passes by delivery. The holder of any Note or Coupon will (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 interest in it, any writing on it, or its theft or loss) and no person will be liable for so treating the holder.

2. Guarantee and Status

- (a) **Status:** The Notes of each Series and Coupons constitute direct, unconditional, unsubordinated and (subject to Condition 3) unsecured obligations of the Issuer and (subject as provided in these Conditions) shall at all times rank *pari passu* and without any preference among themselves. The obligations of the Issuer under the Notes and the Coupons shall, save for such exceptions as may be provided by mandatory provisions of applicable law, at all times rank at least equally with all its other present and future unsecured and unsubordinated obligations.
- (b) **Guarantee:** Each Initial Guarantor has guaranteed in the Trust Deed, and each Additional Guarantor (together with the Initial Guarantors, the “**Guarantors**”) will guarantee, jointly and severally, unconditionally and (subject to the provisions of Condition 2(e)) irrevocably, the due payment of all sums expressed to be payable by the Issuer under the Trust Deed, the Notes and the Coupons (each such obligation of a Guarantor in that respect individually and/or collectively referred to in these Conditions as, the “**Guarantee**”).
- (c) **Status of the Guarantee:** The obligations of each Guarantor under its Guarantee constitute direct, unconditional, unsubordinated and (subject to the provisions of Condition 3) unsecured obligations of the relevant Guarantor. The payment obligations of each Guarantor under its Guarantee shall, save for such exceptions as may be provided by mandatory provisions of applicable law, at all times rank at least equally with all their respective other present and future unsecured and unsubordinated obligations.
- (d) **Addition of Guarantors:** If at any time after the Issue Date, any member of the Group provides a guarantee in respect of the Principal Bank Facility (as defined below), the Issuer covenants that it shall procure that such member of the Group (the “**Additional Guarantor**”) shall, as soon as reasonably practicable but in any event no later than 14 days after the date of giving its guarantee in respect of the Principal Bank Facility, provide a Guarantee in respect of the Trust Deed, the

Notes and the Coupons on the terms set out in the Trust Deed. The Issuer shall provide written notice to the Trustee of the proposed accession of the Additional Guarantor. The Trust Deed provides that the Trustee shall agree to any such Guarantee being provided by any such Additional Guarantor, subject to such amendment of, or supplement to, the Trust Deed as the Trustee may require and such other conditions as are set out in the Trust Deed (including the delivery to the Trustee of a legal opinion of independent counsel of recognised status as to the capacity of the relevant Group member to enter into such amendment or supplement and the validity and enforceability of such amendment or supplement (and such other matters as the Trustee may require)), but without the consent of the Noteholders or the Couponholders.

(e) **Release of Guarantors:** A Guarantor which is no longer providing a guarantee in respect of the Principal Bank Facility shall be immediately, automatically and (subject always to Condition 2(d) and the following provisions of this Condition 2(e)) irrevocably released and relieved of all of its obligations under the Guarantee and all of its present and future obligations as a Guarantor under the Trust Deed, the Notes and the Coupons, but without prejudice to any obligations or liabilities which may have accrued prior to such release, upon the Issuer giving written notice to the Trustee signed by two authorised signatories of the Issuer to that effect. Any such notice must also contain the following certifications to the Trustee:

(A) that no Event of Default or Potential Event of Default (as defined in the Trust Deed) is continuing, or is expected to result from the release of that Guarantor;

(B) that no part of the financial indebtedness in respect of which that Guarantor is or was providing a guarantee in respect of the Principal Bank Facility is at that time due and payable but remains unpaid in circumstances where any obligation to make payment has arisen under the relevant guarantee in respect of the Principal Bank Facility; and

(C) that such Guarantor is no longer providing (or will be ceasing to provide), in accordance with the terms of the Principal Bank Facility, any guarantee, indemnity, security, surety or other form of collateral or credit support arrangement in respect of the Principal Bank Facility.

If any Guarantor or any other member of the Group released from providing a Guarantee as described above subsequently provides a guarantee in respect of the Principal Bank Facility, the relevant member of the Group will, in accordance with the Trust Deed, be required again to provide a Guarantee as described in Condition 2(d).

(f) **Notice of Change of Guarantors:** Notice of any release or addition of a Guarantor at any time pursuant to the foregoing provisions of this Condition 2 will be given by the Issuer to the Noteholders in accordance with Condition 15.

(g) **Trustee not obliged to monitor:** The Trustee shall not be obliged to monitor compliance by the Issuer or any other member of the Group with Condition 2(d) or 2(e) and shall have no liability to any person for not doing so. The Trustee shall be entitled to rely, without liability to any person, on a notice of the Issuer provided under this Condition 2, and, until it receives any such notice, it shall assume that no other member of the Group has provided a guarantee in respect of the Principal Bank Facility.

(h) **Definitions:** In these Conditions:

“Group” means the Parent, any holding company (as defined in section 1159 of the Companies Act 2006, as amended) of the Parent and any of the Parent’s or such holding company’s consolidated Subsidiaries from time to time;

“Parent” means Whitbread PLC;

“Principal Bank Facility” means the £950,000,000 multicurrency revolving credit facility dated 4 November 2011 (as amended and restated on 28 January 2014, 7 September 2015 and 29 January 2021) made between, among others, the Issuer and Barclays Bank PLC as agent, as amended and/or restated and/or replaced and/or refinanced from time to time or any facility (or facilities) which in turn refinances or replaces such facility as the primary working capital and standby facility of the Group, however many times) (each, individually and/or collectively, the **“Principal Bank Facility”**);

“Principal Subsidiary” means the Issuer, the Guarantors and each other Subsidiary of the Parent:

(A) whose turnover is equal to or greater than ten per cent. of the consolidated turnover of the Group; or

(B) whose gross assets have a value equal to or greater than ten per cent. of the aggregate value of all gross assets owned by the Group,

as measured in each case by reference to the latest financial statements of the relevant entity; and

“Subsidiary” means a subsidiary within the meaning of section 1159 of the Companies Act 2006, as amended.

3. **Negative Pledge**

So long as any Note or Coupon remains outstanding (as defined in the Trust Deed), neither the Issuer nor any Guarantor will, and the Issuer will procure that neither the Parent nor any Principal Subsidiary will, create or have outstanding any mortgage, charge, lien, pledge or other equivalent or similar security interest (other than as arising by operation of law), upon the whole or any part of its present or future undertaking, assets or revenues (including any uncalled capital), to secure any payment of any Relevant Indebtedness (as defined below) or to secure any guarantee or indemnity in

respect of any Relevant Indebtedness of the Issuer, any Guarantor, the Parent, any Principal Subsidiary or any other person, without at the same time or prior thereto ensuring that the Issuer's obligations under the Notes, or such Guarantor's obligations under the Guarantee of the Notes, as the case may be, are secured equally and rateably therewith to the satisfaction of the Trustee, or (i) providing such other security for the Notes and the Coupons as the Trustee may in its absolute discretion deem to be not materially less beneficial to the interests of the Noteholders or (ii) providing such other security for the Notes and the Coupons as may be approved by an Extraordinary Resolution (as defined in the Trust Deed) of the Noteholders.

In these Conditions:

"Relevant Indebtedness" means any present or future indebtedness which is in the form of, or represented or evidenced by, bonds, notes, debentures, loan stock or other securities which for the time being are, or are intended to be (with the agreement of the issuer thereof), quoted, listed or dealt in or traded on any stock exchange or other regularly operating securities market.

4. Interest

- (a) **Interest Rate and Interest Payment Dates:** The Notes bear interest from (and including) the Issue Date at the rate of 2.375 per cent. per annum in the case of the Series A Notes and 3.000 per cent. per annum in the case of the Series B Notes (each the **"Rate of Interest"**), payable annually in arrear on 31 May in each year (each, an **"Interest Payment Date"**), subject as provided in Condition 6. The first payment of interest shall be made on 31 May 2022 (also, an **"Interest Payment Date"**) in respect of the period from (and including) the Issue Date to (but excluding) such Interest Payment Date.
- (b) **Interest accrual:** Each Note will cease to bear interest from (and including) the due date for redemption unless, upon due presentation, payment of principal is improperly withheld or refused. In such event interest shall continue to accrue as provided in the Trust Deed.
- (c) **Calculation of Interest:** If interest is to be calculated in respect of a period which is equal to or shorter than an Interest Period (as defined below), the day-count fraction used will be: (a) the number of days in the relevant period, from and including the date from which interest begins to accrue to but excluding the date on which it falls due, divided by (b) the number of days in the Interest Period in which the relevant period falls (including the first such day but excluding the last). The amount of interest payable on the first Interest Payment Date will, in respect of Series A Notes, be £3,090.75 in respect of each Series A Note of £100,000 denomination and £30.91 per Calculation Amount and, in respect of Series B Notes, be £3,904.11 in respect of each Series B Note of £100,000 denomination and £39.04 per Calculation Amount.

In these Conditions, the period beginning on, and including, the Issue Date and ending on, but excluding, the first Interest Payment Date and each successive period beginning

on and including an Interest Payment Date and ending on but excluding the next succeeding Interest Payment Date is called an “**Interest Period**”.

Interest in respect of any Note shall be calculated per £1,000 in principal amount of the Notes (the “**Calculation Amount**”). The amount of interest payable per Calculation Amount for any period shall be equal to the product of the Rate of Interest, the Calculation Amount and the day-count fraction for the relevant period, rounding the resulting figure to two decimal places (with 0.005 being rounded upwards).

5. **Redemption and Purchase**

(a) **Final redemption:** Unless previously redeemed or purchased and cancelled, and subject as provided in Condition 6, the Series A Notes will be redeemed at their principal amount on 31 May 2027, and the Series B Notes will be redeemed at their principal amount on 31 May 2031. The Notes may not be redeemed at the option of the Issuer other than in accordance with this Condition 5.

(b) **Redemption for taxation reasons:** The Notes may be redeemed at the option of the Issuer in whole, but not in part, at any time, on giving not less than 30 nor more than 60 days’ notice to the Noteholders in accordance with Condition 15 (which notice shall be irrevocable), at their principal amount (together with interest accrued to, but excluding, the date fixed for redemption), if:

(A) either:

(1) the Issuer (or, if the Guarantee is called, a Guarantor) satisfies the Trustee immediately prior to the giving of such notice that the Issuer (or relevant Guarantor, as the case may be) has or will become obliged to pay additional amounts as provided or referred to in Condition 7 as a result of any change in, or amendment to, the laws or regulations of a relevant Tax Jurisdiction (as defined below), or any change in the application or official interpretation of such laws or regulations, which change or amendment becomes effective on or after the Issue Date; or

(2) a Guarantor, in making available to the Issuer any funds required by the Issuer to make a payment in respect of the Notes or Coupons, would itself be required to make any withholding or deduction of a kind referred to in Condition 7 from such funds; and

(B) an obligation referred to in Condition 5(b)(A) cannot be avoided by the Issuer (or the relevant Guarantor, as the case may be) taking reasonable measures available to it, provided that no such notice of redemption shall be given earlier than 90 days prior to the earliest date on which the Issuer (or relevant Guarantor, as the case may be) would be obliged to pay such

additional amounts were a payment in respect of the Notes (or the Guarantee, as the case may be) then due.

Prior to the publication of any notice of redemption pursuant to this Condition 5(b), the Issuer shall deliver to the Trustee a certificate signed by two authorised signatories of the Issuer (or of the relevant Guarantor, as the case may be) stating that an obligation referred to in Condition 5(b)(A) above has arisen and cannot be avoided by the Issuer (or the relevant Guarantor, as the case may be) 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 Conditions 5(b)(A) and 5(b)(B) above (without liability to any person), in which event it shall be conclusive and binding on all Noteholders and Couponholders.

In these Conditions, “**Tax Jurisdiction**” means the United Kingdom or any authority thereof or therein having power to tax or any other jurisdiction or any political subdivision thereof or any authority thereof or therein having power to tax to which the Issuer or a Guarantor, as the case may be, is or becomes subject in respect of payments under the Trust Deed, the Notes and the Coupons.

- (c) **Redemption at the option of the Issuer:** The Issuer may, at any time, on giving not less than 15 nor more than 30 days’ notice to the Noteholders in accordance with Condition 15 (which notice shall be irrevocable and shall specify the date fixed for redemption (the “**Optional Redemption Date**”)), redeem or purchase, or procure that the Parent or any of its Subsidiaries shall purchase, some or all of the Notes for the time being outstanding at a redemption price per Note equal to:
- (A) in respect of Series A Notes, (a) if the Optional Redemption Date is on or after 28 February 2027, the principal amount of the Series A Note; or (b) otherwise, the higher of the following, in all cases together with interest accrued to but excluding the Optional Redemption Date:
- (1) the principal amount of the Series A Note; and
 - (2) the principal amount of the Series A Note multiplied by the price (as determined in writing by the Financial Adviser) at which the Gross Redemption Yield on the Series A Notes (if the Series A Notes were to remain outstanding until their stated maturity) on the Determination Date is equal to the Gross Redemption Yield at 11.00 a.m. (London time) on the Determination Date of the Reference Bond plus a margin of 0.35 per cent.
- (B) in respect of Series B Notes, (a) if the Optional Redemption Date is on or after 28 February 2031, the principal amount of the Series B Note; or (b) otherwise, the higher of the following, in all cases together with interest accrued to but excluding the Optional Redemption Date:

- (1) the principal amount of the Series B Note; and
- (2) the principal amount of the Series B Note multiplied by the price (as determined in writing by the Financial Adviser) at which the Gross Redemption Yield on the Series B Notes (if the Series B Notes were to remain outstanding until their stated maturity) on the Determination Date is equal to the Gross Redemption Yield at 11.00 a.m. (London time) on the Determination Date of the Reference Bond plus a margin of 0.40 per cent.

Any notice of redemption given under this Condition 5(c) will override any notice of redemption given (whether previously, on the same date or subsequently) under Condition 5(b) or 5(d).

In the case of a partial redemption of Notes, the notice to Noteholders shall contain a list of the serial numbers of such Notes that are to be redeemed which shall be drawn by lot in such place as the Trustee may approve and in such manner as the Issuer and the Trustee may deem appropriate and fair, subject to compliance with any applicable laws and stock exchange or other relevant authority requirements.

In these Conditions:

“Determination Date” means the date which is the second business day in London prior to the Optional Redemption Date;

“Financial Adviser” means an independent financial adviser appointed by the Issuer at the Issuer’s expense and whose identity is approved in writing by the Trustee;

“Gross Redemption Yield” means a yield calculated by the Financial Adviser on the basis set out by the United Kingdom Debt Management Office in the paper “Formulae for Calculating Gilt Prices from Yields” page 5, Section One: Price/Yield Formulae (Conventional Gilts; Double-dated and Undated Gilts with Assumed (or Actual) Redemption on a Quasi-Coupon Date) (published on 8 June 1998 and updated on 15 January 2002 and 16 March 2005) (as amended or supplemented from time to time), expressed as a percentage (rounded to three decimal places, 0.0005 being rounded upwards); and

“Reference Bond” means:

- (A) in respect of Series A Notes, the 1.25 per cent. United Kingdom Government Treasury Stock due July 2027 (or, where the Financial Adviser advises the Issuer that, for reasons of illiquidity or otherwise, such Note is not appropriate for such purpose, such other government Note as such Financial Adviser may recommend).

(B) in respect of Series B Notes, the 0.25 per cent. United Kingdom Government Treasury Stock due July 2031 (or, where the Financial Adviser advises the Issuer that, for reasons of illiquidity or otherwise, such Note is not appropriate for such purpose, such other government Note as such Financial Adviser may recommend).

(d) **Redemption at the option of Noteholders following a Change of Control:**

A “**Change of Control Put Event**” will be deemed to occur 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, as amended) whose shareholders are or are to be substantially the same as the pre-existing shareholders of Whitbread PLC, becomes interested (within the meaning of Part 22 of the Companies Act 2006, as amended) in (A) more than 50 per cent. of the issued or allotted ordinary share capital of Whitbread PLC or (B) shares in the capital of Whitbread PLC carrying more than 50 per cent. of the voting rights normally exercisable on a poll vote at a general meeting of Whitbread PLC (each such event being, a “**Change of Control**”);

(B) on the date (the “**Relevant Announcement Date**”) that is the earlier of: (x) the first public announcement of the occurrence of a relevant Change of Control, and (y) the date of the earliest Relevant Potential Change of Control Announcement (if any), the Notes carry:

(1) an investment grade credit rating (Baa3 (from Moody’s)/BBB- (from S&P or Fitch), or their respective equivalents, or better) (an “**Investment Grade Rating**”) from any Rating Agency (as defined below) at the invitation of the Issuer (or, where there is no rating from any Rating Agency assigned at the invitation of the Issuer, any Investment Grade Rating from any Rating Agency of its own volition) and such rating is, within the Change of Control Period (as defined below), either downgraded to a non-investment grade credit rating (Ba1 (from Moody’s)/BB+ (from S&P or Fitch), or their respective equivalents, or worse) (a “**Non-Investment Grade Rating**”) or withdrawn and is not, within the Change of Control Period, subsequently upgraded or restored to an Investment Grade Rating by such Rating Agency; or

(2) a Non-Investment Grade Rating from any Rating Agency at the invitation of the Issuer (or, where there is no rating from any Rating Agency assigned at the invitation of the Issuer, any Non-Investment Grade Rating from any Rating Agency of its own volition) and such rating is,

within the Change of Control Period, either downgraded by one or more rating categories (from BB+ to BB being an example of a downgrade by one rating category) or withdrawn and is not, within the Change of Control Period, subsequently upgraded or restored to its earlier credit rating or better by such Rating Agency; or

- (3) no credit rating and, within the Change of Control Period, (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 of any other of its unsecured and unsubordinated debt; or (ii) if the Issuer does so seek and use such endeavours, it is unable to obtain at least an Investment Grade Rating by the end of the Change of Control Period (a **"Negative Rating Event"**),

provided that, if on the Relevant Announcement Date the Notes carry a credit rating from more than one Rating Agency, at least one of which is an Investment Grade Rating, then only sub-paragraph (1) above will apply; and

- (C) in making any decision to downgrade or withdraw a credit rating pursuant to sub-paragraphs (1) and (2) above or not to award a credit rating of at least an Investment Grade Rating as described in sub-paragraph (ii) of the definition of Negative Rating Event, the relevant Rating Agency announces publicly or confirms in writing to the Issuer that such decision(s) resulted, in whole or in part, from the relevant Change of Control.

If a Change of Control Put Event occurs, the holder of each Note will have the option (a **"Change of Control Put Option"**) (unless prior to the giving of the relevant Change of Control Put Event Notice (as defined below) the Issuer has given notice of redemption under Conditions 5(b) or 5(c) above) to require the Issuer to redeem or, at the Issuer's option, purchase (or procure the purchase of) that Note on the date (the **"Change of Control Put Date"**) which is seven days after the expiration of the Change of Control Put Period (as defined below) at its principal amount together with (or, where purchased, together with an amount equal to) interest accrued to (but excluding) the Change of Control Put 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 having express notice thereof, 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, the Trustee shall (subject in each case to the Trustee being indemnified and/or secured and/or prefunded to its satisfaction), give notice (a **"Change of Control Put Event Notice"**) to the Noteholders (and the Trustee, where such Change of

Control Put Notice is given by the Issuer) in accordance with Condition 15 specifying the nature of the Change of Control Put Event and the procedure for exercising the Change of Control Put Option.

To exercise the Change of Control Put Option, the holder of the Note must deposit such Note with any Paying Agent at its specified office at any time during its normal business hours within 45 days after a Change of Control Put Event Notice is given (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 (a “**Change of Control Put Notice**”). No Note so deposited and option so exercised may be withdrawn (except as provided in the Agency Agreement) without the prior consent of the Issuer. Any such Note should be delivered together with all Coupons appertaining thereto maturing after the Change of Control Put Date, failing which the relevant 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 to the Noteholder against presentation and surrender of the relevant missing Coupon (or any replacement therefore issued pursuant to Condition 10) at any time after such payment, but before the expiry of the period of five years from the date on which such Coupon would have become due, but not thereafter. The Paying Agent to which such Note and Change of Control Put Notice are delivered will issue to the Noteholder concerned a non-transferable receipt in respect of the Note so delivered. Payment in respect of any Note so delivered will be made, if the holder duly specified a bank account in the Change of Control Put Notice to which payment is to be made, on the Change of Control Put Date by transfer to that bank account and, in every other case, on or after the Change of Control Put Date against presentation and surrender or (as the case may be) endorsement of such receipt at the specified office of any Paying Agent. A Change of Control Put Notice, once given, shall be irrevocable. The Issuer shall redeem or purchase (or procure the purchase of) the relevant Notes on the Change of Control Put Date unless previously redeemed (or purchased) and cancelled.

If 80 per cent. or more in principal amount of the Notes then outstanding have been redeemed or purchased pursuant to this Condition 5(d), the Issuer may, on giving not less than 15 nor more than 30 days’ notice to the Noteholders (such notice being given within 30 days after the Change of Control Put 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 Moody’s, Fitch and/or S&P (each as defined below) are changed from those which are described in paragraph (B) of the definition of “Change of Control Put Event” above, or if a rating is procured from a Substitute Rating Agency (as defined below), the Issuer shall determine the rating designations of Moody’s and/or Fitch and/or S&P and/or such Substitute Rating Agency, as applicable, as are most equivalent to the prior rating designations of Moody’s, Fitch and/or S&P, as the case may be, and this Condition 5(d) shall hence be construed accordingly.

The Trustee is under no obligation to ascertain or monitor whether a Change of Control Put Event or Change of Control or Negative Rating Event or any event which could lead to the occurrence of or could constitute a Change of Control Put Event or Change of Control or Negative Rating Event has occurred, or to seek any confirmation relating to a decision of any Rating Agency pursuant to paragraph (C) above or pursuant to the definition of Negative Rating Event above and, until it shall have express notice pursuant to the Trust Deed to the contrary, the Trustee shall be entitled to assume that no Change of Control Put Event or Change of Control or Negative Rating Event has occurred and shall have no liability to the Noteholders or any other person in respect thereof.

In these Conditions:

“Change of Control Period” means the period commencing on the Relevant Announcement Date and ending 90 days after the relevant Change of Control (both dates inclusive) (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 first public announcement of such consideration);

“Rating Agency” means Moody’s Investors Service Limited (**“Moody’s”**), Fitch Ratings Ltd. (**“Fitch”**) or S&P Global Ratings UK Limited (**“S&P”**) or any of their respective successors or any other internationally recognised rating agency (a **“Substitute Rating Agency”**) substituted for any of them by the Issuer from time to time; and

“Relevant Potential Change of Control Announcement” means any public announcement or statement by Whitbread PLC, any actual or potential bidder or any adviser thereto relating to any potential Change of Control where within 180 days following the date of such announcement or statement, a Change of Control occurs.

- (e) **Notice of redemption:** All Notes in respect of which any notice of redemption is given under this Condition 5 shall be redeemed on the date specified in such notice in accordance with this Condition 5.

- (f) **Purchase:** Each of the Issuer, any of the Guarantors or any of their respective Subsidiaries or holding companies may at any time purchase Notes in the open market or otherwise at any price (provided that, if they are to be cancelled pursuant to Condition 5(g) below, they are purchased together with all unexpired Coupons relating to them). The Notes so purchased, while held by or on behalf of the Issuer, any Guarantor or any such member of the Group, shall not entitle the holder to vote at any meetings of the Noteholders and shall not be deemed to be outstanding for the purposes of calculating quorums at meetings of the Noteholders or for the purposes of Condition 11. Such Notes may be held, resold or re-issued or, at the option of the Issuer, surrendered to any Paying Agent for cancellation.

- (g) **Cancellation:** All Notes so redeemed or purchased and that are to be cancelled under Condition 5(f), and any unmatured Coupons attached to or surrendered with them, will be cancelled and may not be re-issued or resold.

6. Payments

- (a) **Method of Payment:** Payments of principal, premium and interest will be made against presentation and surrender of Notes or the appropriate Coupons (as the case may be) at the specified office of any Paying Agent by sterling cheque drawn on, or by transfer to a sterling account maintained by the payee with, a bank in London. Payments of interest due in respect of any Note other than on presentation and surrender of matured Coupons shall be made only against presentation of the relevant Note.
- (b) **Payments subject to laws:** Save as provided in Condition 7, (i) all payments will be subject in all cases to any applicable fiscal or other laws, regulations and directives to which the Issuer (or a Guarantor, as the case may be) is subject and (ii) the Issuer (or a Guarantor, as the case may be) will not be liable for any taxes or duties of whatever nature imposed or levied by such laws, regulations, directives or agreements (including, without limitation, any withholding or deduction arising under or in connection with Sections 1471-1474 of the U.S. Internal Revenue Code of 1986, as amended, any regulations or agreements thereunder, any official interpretation thereof, any law interpreting any intergovernmental agreement thereto or any legislation adopted by any non- U.S. jurisdiction in connection with those provisions (“**FATCA**”). If any such withholding or deduction is required, then the Issuer (or a Guarantor, as the case may be) shall pay the amounts payable net of, and after deducting the applicable amount of, such withholding or deduction and shall account to the appropriate tax authority for the amount required to be withheld or deducted and, accordingly, the Issuer (or a Guarantor, as the case may be) shall be acquitted and discharged of so much money as is represented by any such withholding or deduction as if such sum had been actually paid to the holders of the Notes or Coupons. No commission or expenses shall be charged to the Noteholders or Couponholders in respect of such payments.
- (c) **Surrender of unmatured Coupons:** Each Note should be presented for redemption together with all unmatured Coupons relating to it, failing which the amount of any such missing unmatured Coupon (or, in the case of payment not being made in full, that proportion of the amount of such missing unmatured Coupon which the sum of principal so paid bears to the total principal amount due) will be deducted from the sum due for payment. Each amount of principal so deducted will be paid in the manner mentioned above against surrender of the relevant missing Coupon not later than 10 years after the Relevant Date (as defined in Condition 7) for the relevant payment of principal.
- (d) **Payments on business days:** A Note or Coupon may only be presented for payment on a day which is a business day in the place of presentation (and, in the case of payment by transfer to a sterling account, in London). No further interest or other payment will be made as a consequence of the day on which the

relevant Note or Coupon may be presented for payment under this Condition 6 falling after the due date. In these Conditions, “**business day**” means a day on which commercial banks and foreign exchange markets are open for business in the relevant city.

- (e) **Paying Agents:** The initial Paying Agents and their initial specified offices are listed below these Conditions. The Issuer and the Guarantors reserve the right at any time with the prior written approval of the Trustee to vary or terminate the appointment of any Paying Agent and appoint additional or other Paying Agents, provided that they will maintain (i) a Principal Paying Agent and (ii) a Paying Agent having its specified office in the place (if any) required by the rules and regulations of the relevant stock exchange or any other relevant authority. Notice of any change in the Paying Agents or their specified offices will promptly be given to the Noteholders in accordance with Condition 15.

7. Taxation

All payments of principal, premium and interest by or on behalf of the Issuer or a Guarantor in respect of the Notes and the Coupons or under the Guarantee shall be made free and clear of, and without withholding or deduction for, or on account of, any taxes, duties, assessments or governmental charges of whatever nature (“**Taxes**”) imposed, levied, collected, withheld or assessed by a relevant Tax Jurisdiction (as defined under Condition 5(b)), unless such withholding or deduction is required by law. In that event the Issuer or, as the case may be, a Guarantor shall pay such additional amounts as will result in the receipt by the Noteholders and/or the Couponholders 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:

- (a) **Other connection:** presented for payment by, or on behalf of, a holder of, or any beneficial owner of any interest in, a Note or Coupon where such holder or beneficial owner is liable to such Taxes in respect of such Note or Coupon by reason of his having some connection with any Tax Jurisdiction other than the mere holding of the Note or Coupon (and, for these purposes, “connection” includes but is not limited to any present or former connection between such holder (or between a fiduciary, settlor, beneficiary, member or shareholder of, or possessor of power over, such holder, if such holder is an estate, trust, partnership or company) and the Tax Jurisdiction); or
- (b) **Presentation more than 30 days after the Relevant Date:** presented for payment more than 30 days after the Relevant Date (as defined below) except to the extent that the holder of it 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; or
- (c) **Lawful avoidance of withholding:** presented for payment by, or on behalf of, a holder of, or any beneficial owner of any interest in, a Note or Coupon where such holder or beneficial owner could lawfully avoid (but has not so lawfully avoided) such deduction or withholding by complying with any statutory requirements or

by making a declaration of non-residence or other similar claim or filing for exemption to any relevant tax authority in the place where the relevant Note or Coupon is presented for payment; or

- (d) **FATCA:** for or on account of any deduction or withholding arising under or in connection with FATCA.

“**Relevant Date**” means whichever is the later of (i) the date on which such payment first becomes due and (ii) if the full amount payable has not been received by the Principal Paying Agent or the Trustee on or prior to such due date, the date on which, the full amount having been so received, notice to that effect shall have been given to the Noteholders. Any reference in these Conditions to principal, premium and/or interest shall be deemed to include any additional amounts which may be payable under this Condition 7 or any undertaking given in addition to or substitution for it under the Trust Deed.

8. Events of Default

If any of the following events occurs and is continuing the Trustee at its discretion may, and if so requested by holders of at least one-quarter in principal amount of the Notes then outstanding or if so directed by an Extraordinary Resolution shall, subject in each case to being indemnified and/or secured and/or prefunded to its satisfaction, give notice to the Issuer that the Notes are, and they shall immediately become, due and payable at their principal amount together (if applicable) with accrued interest:

- (a) **Non-Payment:** default is made in the payment by the Issuer or any Guarantor of (i) any amount of principal or (ii) any amount of premium or moneys due under Condition 5(c) or 5(d), in each case in respect of any of the Notes for a period of seven days or more or default is made by the Issuer or any Guarantor in the payment of any amount of interest in respect of any of the Notes for a period of 14 days or more; or
- (b) **Breach of Other Obligations:** the Issuer or any of the Guarantors does not perform or comply with any one or more of its respective other obligations in the Notes or the Trust Deed which default is incapable of remedy or, if in the opinion of the Trustee capable of remedy, is not in the opinion of the Trustee remedied within 30 days after notice of such default shall have been given by the Trustee to the Issuer or the relevant Guarantor requiring the same to be remedied; or
- (c) **Cross Default:** (i) any other present or future indebtedness of the Issuer, any Guarantor, the Parent or any Principal Subsidiary for or in respect of moneys borrowed or raised becomes and is declared due and payable prior to its stated maturity by reason of any actual or potential event of default or the like (howsoever described), or (ii) any such indebtedness is not paid when due or, as the case may be, within any originally applicable grace period, or (iii) the Issuer, any Guarantor, the Parent or any Principal Subsidiary fails to pay when due any amount payable by it under any present or future guarantee for, or indemnity in respect of, any moneys borrowed or raised; provided that the aggregate amount of the relevant indebtedness, guarantees and indemnities in respect of which one

or more of the events mentioned above in this Condition 8(c) have occurred equals or exceeds £50,000,000 or its equivalent in other currencies; or

- (d) **Unsatisfied judgment:** one or more judgment(s) or order(s) for the payment of an amount in excess of £50,000,000 (or its equivalent in any other currency or currencies), whether individually or in aggregate, is rendered against the Issuer, any Guarantor, the Parent or any Principal Subsidiary and continue(s) unsatisfied and unstayed for a period of 30 days after the date(s) thereof or, if later, the date therein specified for payment; or
- (e) **Enforcement Proceedings:** a distress, attachment, diligence, execution or other similar legal process is levied, enforced or sued out on or against a substantial part of the property, assets or revenues of the Issuer, any Guarantor, the Parent or any Principal Subsidiary for the payment of money aggregating in excess of £50,000,000 or its equivalent in other currencies and is not discharged or stayed within 30 days; or
- (f) **Security Enforced:** any mortgage, standard security, assignation, charge, pledge, lien or other encumbrance, present or future, created or assumed by the Issuer, any Guarantor, the Parent or any Principal Subsidiary over the whole or any substantial part of the undertaking, assets or revenues of the Issuer or the Parent (in each case determined on a consolidated basis), or over the whole or substantially all the undertaking, assets or revenues of the Guarantors and/or Principal Subsidiaries (in each case taken together), becomes enforceable and any formal legal action is taken to enforce it (including the taking of possession or the appointment of a receiver, administrative receiver, administrator, manager or other similar person) and in any case is not discharged, stayed or stopped within 30 days; or
- (g) **Insolvency:** the Issuer or the Parent is, or is deemed by a court to be, insolvent or bankrupt or unable to pay its debts, stops, suspends or threatens to stop or suspend payment of all or a substantial part of (or all or any substantial part of any particular type of) its debts or proposes or makes a general assignment or an arrangement or composition with or for the benefit of the relevant creditors in respect of all or a substantial part of such debts or a moratorium is agreed or declared or comes into effect in respect of or affecting all or a substantial part of the debts of the Issuer or the Parent, or any Guarantor or any Principal Subsidiary is, or is deemed by a court to be, insolvent or bankrupt or unable to pay its debts, stops, suspends or threatens to stop or suspend payment of all or substantially all of (or all or substantially all of any particular type of) its debts or proposes or makes a general assignment or an arrangement or composition with or for the benefit of the relevant creditors in respect of all or substantially all of such debts or a moratorium is agreed or declared or comes into effect in respect of or affecting all or substantially all the debts of any Guarantor or any Principal Subsidiary; or
- (h) **Winding-up:** an administrator is appointed, an order is made or an effective resolution passed for the winding-up or dissolution or administration of the Issuer, any Guarantor, the Parent or any Principal Subsidiary, or the Issuer or any

Guarantor, the Parent or any Principal Subsidiary ceases or threatens to cease to carry on all or substantially all of its business or operations, except (A) for the purpose of and followed by a reconstruction, amalgamation, reorganisation, merger or consolidation (i) on terms approved by the Trustee or by an Extraordinary Resolution of the Noteholders, or (ii) in the case of a Guarantor or Principal Subsidiary only, whereby the undertaking and assets of that Guarantor or Principal Subsidiary are transferred to or otherwise vested in the Issuer or another Guarantor or Principal Subsidiary or (B) in the case of a Guarantor or Principal Subsidiary only, for the purpose of a *bona fide* disposal for full value on an arm's length basis of all or substantially all of the business or operations (including the disposal of shares in a member of the Group of the Issuer) of such Guarantor or Principal Subsidiary; or

- (i) **Analogous Events:** any event occurs which under the laws of any relevant jurisdiction has an analogous effect to any of the events referred to in any of the foregoing paragraphs of this Condition 8; or
- (j) **Guarantee:** the Guarantee is not, or is claimed by the Issuer or any Guarantor not to be, in full force and effect (except in accordance with Condition 2(e)),

provided that, other than in the case of Conditions 8(a) and 8(j), only if the Trustee shall have certified in writing to the Issuer that in its opinion such event is materially prejudicial to the interests of the Noteholders.

9. Prescription

Claims in respect of principal and interest will become void unless presentation for payment is made as required by Condition 6 within a period of 10 years in the case of principal and five years in the case of interest, including, without limitation, any arrears of interest, from the appropriate Relevant Date (as defined in Condition 7).

10. Replacement of Notes and Coupons

If any Note or Coupon is lost, stolen, mutilated, defaced or destroyed it may be replaced at the specified office of the Paying Agent in London subject to all applicable laws and stock exchange or other relevant authority 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 require (provided that the requirement is reasonable in the light of prevailing market practice). Mutilated or defaced Notes or Coupons must be surrendered before replacements will be issued.

11. Meetings of Noteholders, Modification, Waiver and Substitution

- (a) **Meetings of Noteholders:** The Trust Deed contains provisions for convening meetings of Noteholders to consider matters affecting their interests, including the sanctioning by Extraordinary Resolution of a modification of any of these Conditions or any provision of the Trust Deed. Such a meeting may be convened by the Issuer or the Trustee (with the consent of the Issuer) and shall be convened

by the Issuer if requested in writing by Noteholders holding not less than 10 per cent. in aggregate principal amount of the Notes for the time being outstanding. The quorum for any meeting convened to consider an Extraordinary Resolution will be one or more persons holding or representing a clear majority in aggregate principal amount of the Notes for the time being outstanding, or at any adjourned meeting one or more persons being or representing Noteholders whatever the aggregate principal amount of the Notes held or represented, unless the business of such meeting includes consideration of proposals, *inter alia*, (i) to amend the maturity of the Notes or the dates on which interest is payable in respect of the Notes, (ii) to reduce or cancel the principal amount of, or interest on, the Notes, (iii) to change the currency of payment of the Notes or the Coupons, (iv) to modify the provisions concerning the quorum required at any meeting of Noteholders or the majority required to pass an Extraordinary Resolution, or (v) to modify or cancel any Guarantee or the provisions of Conditions 2(d) and 2(e), in which case the necessary quorum will be one or more persons holding or representing not less than two-thirds, or at any adjourned meeting not less than one-third, in aggregate principal amount of the Notes for the time being outstanding. Any Extraordinary Resolution duly passed shall be binding on Noteholders including Noteholders who did not vote on the relevant resolution (whether or not they were present at the meeting at which such resolution was passed) and Noteholders who voted in a manner contrary to the majority, and on all Couponholders.

The Trust Deed provides that a resolution in writing signed by or on behalf of the holders of not less than 75 per cent. in principal amount of the Notes outstanding shall for all purposes be as valid and effective as an Extraordinary Resolution passed at a meeting of Noteholders duly convened and held. 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 of any of the provisions of the Trust Deed, these Conditions or the Agency Agreement which in its opinion is of a formal, minor or technical nature or is made to correct a manifest error, and (ii) any other modification (except as mentioned in the Trust Deed), and any waiver or authorisation of any breach or proposed breach, of any of the provisions of the Trust Deed, these Conditions or the Agency Agreement 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 all Noteholders and the Couponholders and, unless the Trustee otherwise agrees, such modification shall be notified to the Noteholders as soon as practicable.
- (c) **Substitution:** Without prejudice to Condition 2(e), the Trust Deed contains provisions permitting the Trustee to agree, subject to such amendment of the Trust Deed and such other conditions as are set out in the Trust Deed, but without the consent of the Noteholders or the Couponholders, to the substitution of a Guarantor or certain other entities in place of the Issuer, or of any previous substituted company or entity, as principal debtor under the Trust Deed, the Notes and the Coupons, provided that such substitution would not in the opinion of the Trustee be materially prejudicial to the interests of the Noteholders.

- (d) **Entitlement of the Trustee:** In connection with the exercise of its functions (including but not limited to those referred to in this Condition 11) the Trustee shall have regard to the interests of the Noteholders as a class and shall not have regard to the consequences of such exercise for individual Noteholders or Couponholders, and the Trustee shall not be entitled to require, nor shall any Noteholder or Couponholder be entitled to claim, from the Issuer or the Guarantors any indemnification or payment in respect of any tax consequence of any such exercise upon individual Noteholders or Couponholders, except to the extent already provided for in Condition 7 and/or any undertaking given in addition to, or in substitution for, Condition 7 pursuant to the Trust Deed.

12. Enforcement

The Trustee may, at its discretion and without further notice, institute such proceedings against the Issuer and/or any Guarantor as it may think fit to enforce the terms of the Trust Deed, the Notes and the Coupons, but it need not take any such proceedings unless (a) it shall have been so directed by an Extraordinary Resolution or so requested in writing by Noteholders holding at least one-quarter in principal amount of the Notes outstanding and (b) it shall have been indemnified and/or secured and/or prefunded to its satisfaction. No Noteholder or Couponholder may proceed directly against the Issuer or any Guarantor unless the Trustee, having become bound so to proceed, fails to do so within a reasonable time and such failure is continuing.

13. Indemnification of the Trustee

The Trust Deed contains provisions for the indemnification of the Trustee and for its relief from responsibility. The Trustee is entitled to enter into business transactions with the Issuer, the Guarantors and any entity related to the Issuer or the Guarantors without accounting for any profit.

The Trustee may rely without liability to Noteholders or Couponholders on a report, confirmation, certificate or any advice of any accountants, financial advisers, financial institution or any other expert, whether or not addressed to it and whether their liability in relation thereto is limited (by its terms or by any engagement letter relating thereto entered into by the Trustee or in any other manner) by reference to a monetary cap, methodology or otherwise. The Trustee may accept and shall be entitled to rely on any such report, confirmation, certificate or advice and such report, confirmation, certificate or advice shall be binding on the Issuer, the Trustee and the Noteholders in the absence of manifest error. However, the Trustee will have no recourse to the Issuer's or the Guarantors' auditors in respect of such certificates or reports unless the auditors have agreed to address such certificates or reports to the Trustees.

14. 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. Any further securities forming a single series with the outstanding securities of any series (including the Notes) constituted by the Trust Deed or any deed supplemental to it shall, and any other securities may (with the consent of the Trustee), be constituted by a deed supplemental to the Trust Deed in a form satisfactory to the Trustee.

15. Notices

Notices to Noteholders will be valid if published in a leading newspaper having general circulation in London (which is expected to be the *Financial Times*) or, if in the opinion of the Trustee such publication shall not be practicable, in an English language newspaper of general circulation in the United Kingdom. Any such notice shall be deemed to have been given on the date of such publication or, if published more than once, on the first date on which publication is made. Couponholders will be deemed for all purposes to have notice of the contents of any notice given to the Noteholders in accordance with this Condition 15.

For so long as all the Notes are represented by the global Note and the global Note is deposited with a common safekeeper for Euroclear Bank SA/NV (“Euroclear”) and/or Clearstream, Luxembourg, SA (“Clearstream, Luxembourg”), notices to Noteholders may be given by delivery of the relevant notice to Euroclear and/or Clearstream, Luxembourg and such notices shall be deemed to have been given to Noteholders on the day of delivery to Euroclear and/or Clearstream, Luxembourg.

16. Contracts (Rights of Third Parties) Act 1999

No person shall have any right to enforce any term or condition of the Notes under the Contracts (Rights of Third Parties) Act 1999.

17. Governing Law and Jurisdiction

- (a) **Governing Law:** The Trust Deed, the Notes and the Coupons, and any non-contractual obligations arising out of or in connection with them, are governed by and shall be construed in accordance with English law.
- (b) **Jurisdiction:** The courts of England are to have exclusive jurisdiction to settle any disputes which may arise out of or in connection with the Trust Deed, the Notes, the Coupons or the Guarantee (including a dispute relating to any non-contractual obligations arising out of or in connection with the Trust Deed, the Notes, the Coupons or the Guarantee) and, accordingly, any legal action or proceedings arising out of or in connection with the Trust Deed, the Notes, the Coupons or the Guarantee (“**Proceedings**”) may be brought in such courts. The Issuer and each Guarantor acknowledges that the English courts are the most appropriate and convenient courts to settle any Proceedings and the Issuer and each Guarantor waives any objection to Proceedings in such courts whether on the grounds of inconvenient forum or otherwise. To the extent permitted by law, the Trustee, the Noteholders and the Couponholders may take any Proceedings against the Issuer or any Guarantor in any other court of competent jurisdiction and concurrent Proceedings in any number of jurisdictions.

Overview of Provisions Relating to the Notes while in Global Form

The Temporary Global Note and the Permanent Global Note contain provisions which apply to the Notes while they are in global form, some of which modify the effect of the terms and conditions of the Notes set out in this document. The following is a summary of certain of those provisions:

1. Principal amount and exchange

The Notes will initially be in the form of the Temporary Global Note which will be deposited on or around the Issue Date with a common safekeeper for Euroclear and Clearstream, Luxembourg and/or any alternative clearing system approved by the Trustee (an “**Alternative Clearing System**”) (each, a “**relevant Clearing System**”). The records of such relevant Clearing System shall be conclusive evidence of the principal amount of Notes represented by the Temporary Global Note and the global Note and a statement issued by such relevant Clearing System at any time shall be conclusive evidence of the records of that relevant Clearing System at that time.

The Temporary Global Note is exchangeable in whole or in part for interests recorded in the records of the relevant Clearing Systems in the global Note on or after a date which is expected to be 23 March 2021, upon certification as to non-U.S. beneficial ownership in the form set out in the Temporary Global Note. The global Note is exchangeable in whole but not in part (free of charge to the holder) for the definitive Notes described below if: (a) the global Note is held on behalf of a relevant Clearing System and such 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 or (b) any of the circumstances described in Condition 8 occurs. Thereupon, the Issuer or the holder may give notice to the Principal Paying Agent of its intention to exchange the global Note for definitive Notes on or after the Exchange Date specified in the notice.

Whenever the Permanent Global Note is to be exchanged for definitive Notes, the Issuer shall deliver, or procure the delivery of, an equal aggregate principal amount of duly executed and authenticated definitive Notes (having attached to them all Coupons in respect of interest which has not already been paid on the global Note), security printed in accordance with any applicable legal and stock exchange requirements and in or substantially in the form set out in Schedule 2 to the Trust Deed. On exchange of the global Note, the Issuer will, if the holder so requests, procure that it is cancelled and returned to the holder together with any relevant definitive Notes.

2. Payments

No payment will be made on the Temporary Global Note unless exchange for an interest in the global Note is improperly withheld or refused. Payments of principal, premium and interest in respect of Notes represented by the global Note will be made to its holder. The Issuer shall procure that details of each such payment shall be entered *pro rata* in the records of the relevant Clearing System and, in the case of payments of principal, the principal amount of the Notes will be reduced accordingly. Each payment so made will discharge the Issuer’s obligations in respect thereof. Any failure to make the entries in

the records of the relevant Clearing System shall not affect such discharge. For the purpose of any payments made in respect of a global Note, Condition 6(d) shall not apply, and all such payments shall be made on a day on which commercial banks and foreign exchange markets are open for business in London.

3. Notices

So long as the Notes are represented by a global Note and such global Note is held on behalf of a relevant Clearing System, notices to Noteholders may be given by delivery of the relevant notice to that relevant Clearing System for communication by it to entitled accountholders in substitution for publication as required by the Conditions. Any such notice shall be deemed to have been given to Noteholders on the day on which such notice is delivered to the relevant Clearing System.

4. Prescription

Claims against the Issuer in respect of principal, premium and interest on the Notes while the Notes are represented by a global Note will become void unless they are presented for payment within a period of 10 years (in the case of principal and premium) and five years (in the case of interest) from the appropriate Relevant Date (as defined in Condition 7).

5. Meetings

The holder of the global Note shall be treated as having one vote in respect of each £1,000 in principal amount of Notes at any meeting of Noteholders.

6. Purchase and cancellation

On cancellation of any Note required by the Conditions to be cancelled following its purchase, the Issuer shall procure that details of such cancellation shall be entered *pro rata* in the records of the relevant Clearing Systems and, upon any such entry being made, the principal amount of the Notes recorded in the records of the relevant Clearing Systems and represented by this global Note shall be reduced by the aggregate principal amount of the Notes so cancelled.

7. Trustee's powers

In considering the interests of Noteholders while the global Note is held on behalf of a relevant Clearing System, the Trustee may have regard to any information provided to it by such relevant Clearing System or its operator as to the identity (either individually or by category) of its accountholders with entitlements to the global Note and may consider such interests as if such accountholders were the holder of the global Note.

8. Put option

The Noteholders' put option in Condition 5(d) may be exercised by the holder of the global Note giving notice to the Principal Paying Agent of the principal amount of Notes in respect of which the option is exercised within the time limits specified in Condition 5(d).

The Issuer shall procure that any exercise of any option or any right under the Notes, as the case may be, shall be entered in the records of the relevant Clearing Systems and upon any such entry being made, the principal amount of the Notes represented by such global Note shall be adjusted accordingly.

9. Partial Exercise of Call Option

In connection with an exercise of the option contained in Condition 5(c) (*Redemption at the option of the Issuer*) 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, Luxembourg (to be reflected in the records of Euroclear and Clearstream, Luxembourg as either a pool factor or a reduction in principal amount at their discretion).

10. New Global Note Format

The Notes will be issued in NGN format but are not intended to be held in a manner which would allow the Notes to be recognised as eligible collateral for Eurosystem monetary policy and intra-day credit operations.

USE OF PROCEEDS

The net proceeds of the issue of the Notes, after deduction of commissions, fees and estimated expenses, is expected to be approximately £297,461,753 in respect of the Series A Notes and £247,329,998 in respect of the Series B Notes. The Issuer will use an amount equal to the net proceeds of the Notes in accordance with the Green Bond Framework (as defined below) to finance and/or refinance environmental and/or green new and existing businesses and projects whose activities meet the eligibility criteria detailed in the Green Bond Framework (such businesses and projects being the “**Eligible Green Projects**”).

Pending allocation of the net proceeds of the Notes to the Eligible Green Projects, the net proceeds will be fungible with all other cash held by the Group and may be used to repay or redeem certain of the Group’s existing financing arrangements, including the US Notes.

The Green Bond Framework

The Group has established its green bond framework (the “**Green Bond Framework**”). Under the Green Bond Framework, the Issuer may issue green bonds to finance and/or refinance Eligible Green Projects. The Group may, in the future, update the Green Bond Framework in line with developments in the market.

The Issuer believes that the Green Bond Framework is aligned with the International Capital Market Association’s Green Bond Guidelines, 2018. This conclusion is confirmed by the second party opinion dated 28 January 2021 obtained by the Issuer from Sustainalytics (the “**Second Party Opinion**”), an external ESG research & analysis provider, which confirms the alignment of the Green Bond Framework with ICMA’s Green Bond Principles.

See the Green Bond Framework, the Second Party Opinion and any public reporting by or on behalf of the Issuer in respect of the application of proceeds (each of which will be available on the Issuer’s website at <https://www.whitbread.co.uk/investors/corporate-debt> and will not be incorporated by reference in this Prospectus) for further information.

Second Party Opinion Provider

The Second Party Opinion Provider, Sustainalytics, a provider of ESG research and analysis, evaluated the Green Bond Framework set forth in this Prospectus and the alignment thereof with relevant market standards and provided views on the robustness and credibility of the Green Bond Framework which views are intended to inform Noteholders in general, and not for a specific Noteholder.

DESCRIPTION OF THE ISSUER AND THE GUARANTORS

Introduction

Whitbread Group PLC (the “**Issuer**”) was incorporated in England and Wales on 25 July 1889 under the name ‘Whitbread and Company Public Limited Company’ as a company with limited liability under the Companies Act 1886 with registered number 00029423. The Issuer’s name was changed to ‘Whitbread PLC’ on 1 March 1991, then to ‘Whitbread Group PLC’ on 10 May 2001. The Issuer operates in conformity with its articles of association. Its legal entity identifier is 2138006LIAYQKUCYBB20.

The Issuer’s principal place of business and registered office is at Whitbread Court, Houghton Hall Business Park, Porz Avenue Dunstable, Bedfordshire, LU5 5XE and its telephone number is +44 (0) 1582 424 200.

The Issuer is a wholly owned subsidiary of Whitbread PLC (“**WPLC**”), which is listed on the premium listing segment of the Official List of the Financial Conduct Authority and traded on the Main Market of the London Stock Exchange. As at the date of this Prospectus, WPLC is a constituent company of the FTSE 100 Index.

Overview of the Group

The Group (being, WPLC and its subsidiaries from time to time) is a leading operator of hotels and restaurants and, as at 14 January 2021, operates 820 hotels and 712 restaurants in the United Kingdom and Republic of Ireland. As at 14 January 2021, the Group also operates 29 hotels in Germany and ten hotels in the Middle East. The Group’s hotels are largely branded ‘Premier Inn’, with a smaller number of hotels branded ‘Hub by Premier Inn’ or ‘Zip by Premier Inn’. All of the Group’s restaurants are located in the United Kingdom, with the vast majority of these restaurants being co-located with, or inside, the Group’s hotels and operating under brands including Beefeater, Brewers Fayre, Bar + Block and Thyme. The Group also operates a food and beverage service at its hotels in Germany and the Middle East.

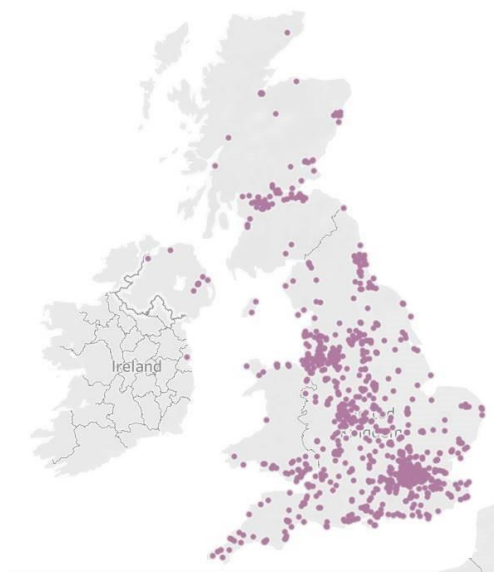
The Group’s adjusted revenue in the year ended 27 February 2020 was £2,062.1 million. Adjusted EBITDA (post-IFRS 16) was £567.4 million, with adjusted operating profit amounting to £486.8 million. In the six months ended 27 August 2020, net assets of the Group were £4,062.5 million. The Group’s adjusted revenue was £250.5 million, with an adjusted EBITDA (pre-IFRS 16) loss of £254.3 million, and adjusted operating loss of £295.1 million.

The Group employs around 30,000 people and served over five million customers per month in the financial year ended 27 February 2020.

Following the disposal of the Costa Coffee business to The Coca-Cola Company in 2019, the Group has streamlined its activities to focus on its hotel and restaurant businesses. The Group’s Premier Inn branded hotels form the largest hotel network in the United Kingdom. As at 14 January 2021, Premier Inn comprised 820 hotels (up from 811 hotels in 2019) with 78,950 rooms in the United Kingdom and Republic of Ireland, and 29 hotels and 4,724 rooms in Germany. As a result, Premier Inn has significantly more rooms than the next largest operator in the UK, which operates approximately 42,000 rooms. The Group’s vertically integrated business model means that it owns or leases and operates all its hotels (rather than operating a franchise model).

UK hotels and restaurants

The Group's UK hotels are located throughout England, Scotland, Wales and Northern Ireland, with 17% of the Group's hotel capacity located in London.



Almost all Premier Inn hotels in the United Kingdom have a restaurant and come in one of three formats: (i) 41% of hotels have one of the Group's in-house restaurant brands, such as Thyme, located in the same building as the hotel; (ii) 51% of hotels are co-located on the same site with a restaurant operated by the Group and trading under brands such as Beefeater, Brewers Fayre and Bar + Block; and (iii) 8% of hotels are co-located on the same site with a restaurant operated by a third-party.

Since 2010, the Group has increased its market share of hotel rooms in the United Kingdom from 6% to 11% as of September 2019 and the Group believes it has a long-term line-of-sight to a total of over 110,000 rooms. In the financial year ended 27 February 2020, 97% of bookings at the Group's hotels in the United Kingdom were made through its direct distribution channels, which comprise the Premier Inn website, Premier Inn app, Premier Inn customer contact centre or hotel front desks. The Group therefore has control of the guest booking experience and does not have to pay commission fees to third parties for most bookings at its hotels. The vast majority (90%) of Premier Inn rooms in the United Kingdom were sold to domestic travellers (compared to approximately 63% for the total United Kingdom market) for the 12 months ended September 2019. Domestic short-stay travellers have a higher frequency of visit and, as a result, a greater likelihood of repeat stays if their needs are met. The Group's business in the United Kingdom is predominantly outside London (with 83% of room nights sold outside London and 92% outside central London, compared to 68% of room nights sold in the total market being outside London). This is important, both to meet customers' need to have hotels in the locations they need or wish to visit, and for the Group to achieve scale. The Group attracts a good mix of business (approximately 50% in recent years) and leisure (approximately 50% in recent years) guests, which helps achieve higher overall occupancy rates. This compares to a split of 56% of leisure and 44% of business guests in the overall hotel market in the UK.

Premier Inn is consistently rated as the strongest hotel brand in the United Kingdom. Unlike the majority of other large-scale hotel operators, who operate franchise models, ownership of the Premier Inn brand enables the provision of a consistently high-quality customer offering across the entire Premier Inn hotel network, which drives market-leading brand and customer scores. In the most recent YouGov hotel brand index survey, Premier Inn was voted number one for

customer satisfaction, impression, value and likelihood-to-recommend. Premier Inn was also voted the best budget hotel brand in the United Kingdom at the Business Travel Awards 2020.

The Premier Inn concept focuses on ensuring consistent quality. All rooms are fitted with a king-sized bed, an ensuite bathroom, a TV with Freeview and Wi-Fi internet access.

Alongside the traditional Premier Inn concept, the Group's hotel offering also extends to two concept innovations, Hub by Premier Inn and ZIP by Premier Inn. The Hub by Premier Inn format is designed to provide compact and modern hotels in city centre locations. Each room is provided with a 40-inch smart screen TV, free high-speed Wi-Fi and a Hypnos pocket-sprung bed. Hub by Premier Inn currently operates at 13 locations, ten in London and three in Edinburgh. The ZIP by Premier Inn format is designed to provide a super-budget hotel option focusing on the essentials. The average room size in ZIP hotels is approximately 8.5 square meters, compared to an average room size of approximately 21.3 square meters in Premier Inn hotels, and prices start at £19 per night. The Group currently operates one Zip hotel in Cardiff.

The Group's restaurant offering is tied into its hotel offering, with the Group's restaurants predominately co-located with its hotels. The Group's restaurant brands are: Beefeater, Brewers Fayre, Table Table, Bar + Block Steakhouse, Cookhouse & Pub, Thyme and Whitbread Inns. Across its brands, the Group's restaurants offer a range of dining options, predominantly focused on traditional pub-style food.

German hotels and restaurants

Premier Inn's aim in Germany is to leverage the strengths and capabilities of the UK business to create the number one budget brand in the German hotel market. Having opened its first hotel in Germany in 2016, the Group was operating 29 hotels as at 14 January 2021, with a committed pipeline of a further 39 hotels taking the open and committed pipeline to 68 hotels across 34 cities. The Group's rate of expansion in Germany has materially accelerated since the second half of the financial year ended 27 February 2020, and has included the completion of the acquisition from Foremost Hotel Group ("**Foremost**") on 28 February 2020 of 13 open hotels and an additional six hotels in the committed pipeline. The Group has since refurbished and rebranded the 13 open acquired hotels. On 2 December 2020, the Group announced that it had completed the acquisition of 13 hotels across Germany from the Centro Hotel Group ("**Centro**"). The acquisition increased the Group's network of trading and pipeline hotels to 68 locations with more than 12,000 rooms. Each hotel has an in-house food and beverage offer which serves breakfast and dinner to its guests, and a bar and lounge area for guests to sit in.

This network represents a meaningful presence in the German market, with the Group's hotels located in most major cities, providing a national network and a basis from which the business can increase its scale. This in turn helps drive brand awareness, and as the open network continues to grow, will make future nationwide marketing campaigns viable. The quality of the hotel and room offering, which is obtaining very high customer scores, is also a key component in driving brand awareness. The Group intends to continue to invest in growing its German pipeline and believes it has a long-term line-of-sight to a total of over 60,000 rooms delivered through both organic and inorganic investment.

All hotels in Germany trade under the Premier Inn brand, except for a small number of hotels which are trading under different brands names as a result of not yet having been converted to the Premier Inn brand.

Middle East

The Group has ten hotels in the Middle East, with six hotels in Dubai, two in Abu Dhabi and two in Doha, having opened its first hotel in the region in 2009. The Group's Middle East business is operated through a joint venture with Emirates, which operates hotels in the region under the Premier Inn brand as a franchisee of the Group. The Group holds a 49% interest in the joint venture, with Emirates holding the remaining 51%.

'Pure' Joint Venture

On 3 May 2016, the Group acquired a 49% stake in London-based company, Healthy Retail Ltd, trading as 'Pure', for £6.86 million. Pure is a food-led grab-and-go and online delivery concept, specialising in fresh, natural and healthy meals made individually for the customer. Pure currently operates at 22 locations in and around London, although as a result of the restrictions in place in connection with the COVID-19 pandemic, all outlets are currently closed other than for takeaways. The Group has the option to acquire the remaining 51% at a pre-established price dependant on the company's EBITDA, excess cash and outstanding indebtedness. The Group continues to assess its options in respect of its continuing interest in the Pure business, including those available under the shareholders agreement.

Financial performance and impact of COVID-19 pandemic

Financial year ended 27 February 2020

The Group's last full financial year was the year ended 27 February 2020, and reflects a 12 month period that was not impacted by the COVID-19 pandemic. However, this period was effected by weak market conditions, in particular as a result of the uncertainty surrounding the United Kingdom's withdrawal from the European Union, and low business confidence driving weaker UK travel market conditions, particularly in the UK regions where there was a lower demand for short stays. The Group's performance was disproportionately impacted by these market conditions as a result of the Group's regional presence and higher proportion of domestic travel.

Despite these conditions, the Group delivered a resilient financial performance with year-on-year total revenue growth of 1.1% to £2,072 million supported by the contribution from new capacity and an improved performance through the second half of the financial year, and in particular quarter 4 where total accommodation sales were ahead of the market in the UK despite continued weak market conditions. In the financial year ended 27 February 2020, total UK accommodation sales growth was -0.1% and total food and beverage sales growth was 1.3%.

Adjusted profit before tax decreased by 8.2% to £358 million for the financial year ended 27 February 2020, as a result of the weaker UK travel market conditions, particularly in the regions, that tracked low business confidence following protracted Brexit negotiations. Inflationary cost increases were partially mitigated through the cost saving actions implemented by the Group, including the delivery of approximately £45 million of cost efficiencies. Return on capital for the UK of 11.2% was 210bps lower than the previous year due to the weaker UK market and sector-wide inflationary pressures. Ongoing significant capital investment in Germany, including the cash payment on the last day of the financial year for the acquisition of the Foremost Hospitality Group, resulted in a total Group return on capital of 9.5%, 270bps down from the previous year.

The Group ended the financial year to 27 February 2020 with low net debt, substantial liquidity through its accessible cash of £503 million and access to an undrawn Revolving Credit Facility of £950 million. Subsequently, the Group has been confirmed as an eligible issuer under the UK Government's Covid Corporate Financing Facility, with an issuer limit of £300 million. The business is also backed by a valuable freehold property estate.

Financial year ending 25 February 2021

The Group's current financial year (which started on 28 February 2020) has been dominated by the impact of the COVID-19 outbreak. In line with UK Government instructions, the Group's hotels and restaurants were temporarily closed from the end of March 2020 until the start of July 2020, with the exception of 39 hotels that were kept open to provide accommodation for NHS staff and other key workers. During the 7-week period from 27 March 2020 to 14 May 2020 statutory revenue was down 99%. From 4 July 2020, restaurants in the UK were allowed to reopen and hotels were permitted to accept guests that were not key-workers. The Group's ownership business model, combined with its powerful brand and direct distribution model, enabled the business to reopen quickly and ahead of its competitors. By the beginning of August 2020, 97% of the Group's hotels had reopened, alongside all its restaurants.

Since the beginning of August 2020, the United Kingdom has been subject to a number of different restrictions as a result of the COVID-19 pandemic. Each devolved government in the United Kingdom has implemented different rules. However, in each case, this has been implemented by virtue of a 'tiered system', whereby different government restrictions and guidance apply to local areas depending on the prevalence of COVID-19 and their designated tier. In certain tiers (and in each local area to which that tier applies), the Group has been required to close its hotels and restaurants, whilst in others, hotels have only been permitted to accept essential business guests. Travel restrictions have also been imposed, both between the tiers and for individuals entering and leaving the UK. Broadly speaking, as the restrictions imposed on any local area increase, customer demand for the Group's hotels and restaurants decrease.

Most recently on 4 January 2021, the UK Government announced that England would again enter a national lockdown (with similar restrictions being announced in Scotland, Wales and Northern Ireland), with all local areas being subject to restrictions in the highest 'tier' or stricter. As a result, around a third of the Group's UK hotels have closed (with the remaining hotels only permitted to offer accommodation to essential business and keyworkers) and all of its restaurants in the United Kingdom. The UK Government has not announced when this national lockdown will end or the restrictions will be changed but they are likely to be in place until the end of the Group's financial year on 25 February 2021.

In light of these restrictions, the financial performance in the six months ended 27 August 2020 reflected the closure of the vast majority of the Group's business for a large part of the period as a result of the COVID-19 pandemic, with total revenue down 76.9% year-on-year. As a result of the significant decline in revenue, adjusted loss before tax was £367.4 million. By the beginning of August 2020 the vast majority (97%) of the Group's hotels in the UK and all operational hotels in Germany had reopened.

During the first half of the financial year to 27 August 2020, total UK accommodation sales growth was down 77.7% year-on-year, which was 4.3pp ahead of the midscale and economy hotel market, representing a 3.5pp increase in Premier Inn's share of the total hotel market by revenue to 10.8%. This performance was driven by the Group's strong Premier Inn brand, direct distribution and the Group's best-in-class operating model.

Performance trends in Germany mirrored those in the UK during the second quarter of the current financial year, with stronger demand and occupancy levels in tourist locations, while locations with a greater business skew remained at low occupancy levels. In August 2020, total revenue was 309% ahead of the 2019 figure, boosted by the acquired Foremost hotels, while occupancy levels recovered to 54% in that month. The increased size of the open estate in Germany drove total sales growth in the first half of the financial year to 27 August 2020 of 48.6%.

The Group's financial performance in the third financial quarter (ended 26 November 2020) of the current financial year, continued to reflect the impact of the ongoing government restrictions in the UK and Germany as a result of the COVID-19 pandemic. The total UK accommodation sales growth was down 55.2% year-on-year during this period. However, the majority of the Group's hotel estate remained open and it continued to outperform the market with total accommodation sales 8.9pp ahead of the midscale and economy market, despite England being in lockdown throughout November. Premier Inn's share of the total hotel market by revenue grew by 4.1pp to 11.4% during this financial quarter ended 26 November 2020. These trends continued into December 2020 with occupancy rates of 31% and market share gains of 5.5pp.

In Germany, the increased size of the open estate drove strong total sales growth in September 2020 of 58%, where customer trends were similar to those in the UK. However, the impact of more onerous COVID related travel restrictions in October and in November in particular, resulted in a year-on-year decline in total sales for the third financial quarter of 1.4%.

The further tightening of the COVID-19 restrictions in the UK in the second half of December 2020, in addition to similar restrictions in place in Germany, resulted in the Group's total sales in the five week period ended 31 December 2020 being down 73.3% year-on-year.

The Group's joint-venture hotels in the Middle East have continued to operate throughout the COVID-19 pandemic, however at much reduced capacity and price as a result of the significant reduction in inbound tourism.

The Group's other joint venture, Pure, has been very significantly impacted by the COVID-19 pandemic, due to its network being predominately focused on the London office market, and the impact of Government restriction. As a result, all of Pure's 22 locations were closed 23 March 2020, and on 7 October 2020 Pure entered into a Company Voluntary Agreement, in order to restructure its rental payments and its debt obligations.

As a result of the effects of the COVID-19 pandemic, the Group has taken various measures to reduce certain capital expenditure and preserve cash in order to mitigate against the reduction in trading and revenue during this period. These measures include:

- eliminating a significant proportion of discretionary spending, for example, on room refurbishment plans, marketing and non-essential training;
- capital expenditure was only incurred for committed capital, essential hotel maintenance or where a hotel was substantially completed;
- voluntary pay cuts were taken by the board and senior management during the first half of the financial year ending 25 February 2021;
- approximately 27,000 employees were placed on temporary furlough in April 2020 with the UK Government paying up to 80% of these salaries (up to a maximum of £2,500) for the duration of the UK Government's support scheme;
- utilising the German Government's Kurzarbeit support scheme;
- successfully completing a £1,000,000,000 rights issue in June 2020;
- obtained covenant waivers from the lenders under the Revolving Credit Facility, the noteholders under the US Private Placements and the trustee under the Whitbread Group Pension Fund;
- agreeing that no final dividend would be declared for the financial year ended 27 February 2020 and announcing suspension of certain future dividend payments;

- a reduction of head office teams by approximately 13% and over 1,500 redundancies being made from the teams in the hotels and restaurants, alongside significant reductions in maximum contracted hours for our remaining employees; and
- in relation to the hotels which are leased by the Group, entering into discussions with the landlords in December 2020 (which are ongoing) in order to request that a 50% rent reduction in respect of the quarterly rental payment due in December 2020 be agreed in light of the impact which the pandemic has had on the Group's operations.

In addition, the Group is also benefitting from the UK Government's decision to stop the payment of business rates for a 12-month period to March 2021, which will amount to a saving of c.£120million in the financial year ending 25 February 2021, and a temporary reduction in VAT.

Markets and Competition

United Kingdom

In the United Kingdom, the Group competes with traditional budget/mid-market hotel operators, online travel agents, third-party distributors (including Booking.com) and sharing economy platforms (including Airbnb).

As at September 2019, the United Kingdom hotel market comprised approximately 713,000 hotel rooms and, under its Premier Inn brand, the Group enjoyed an 11% share in rooms of this market (up from 6% in 2010). The Group's growth has outpaced the rest of the budget-branded sector by 30% over the same period. The Group has won market share by opening new hotels and expanding existing hotels that provide domestic short-stay guests with an appealing mix of quality, service and price.

The United Kingdom hotel market remains highly fragmented from a supply standpoint, with approximately half of the supply provided by independent hotels as of September 2019. Between 2010 and 2019, branded hotels have grown their market share from 43% to 52%, of which the budget branded market share grew from 19% to 28%, with other branded market share constant at 24% over that period. This growth in the branded sector was at the expense of independent hotels, whose share fell from 57% to 48% with budget-branded hotels growing faster than other branded hotels. Between 2008 and 2012, budget-branded hotels increased supply by 18%, with Premier Inn increasing its supply by 28%, while supply of independent hotels fell by 12%. The Group expects the COVID-19 pandemic to weaken the independent hotel sector, which may lead to a contraction in the supply of new hotel rooms, rebalance the supply and demand dynamic in the hotel market and provide additional opportunities for the Group to further expand its network.

Germany

In Germany, the Group competes with traditional budget and mid-market hotel operators, as well as independent operators. As at February 2019, the German hotel market comprised approximately 992,000 hotel rooms, making it more than 30% larger than that of the United Kingdom. The German hotel market has been growing at a faster rate than that in the United Kingdom, with growth in the number of room nights stayed of 2.7% (on a three-year compound annual growth rate ending December 2019). The German hotel market is also more domestic travel-oriented than the United Kingdom at around 80% of the total market (as of February 2019). As a result, with only a handful of small adaptations to meet German consumer tastes, the Group believes that the Premier Inn proposition is ready-made for the most substantial part of a larger, growing hotel market.

In addition, the German hotel market is even more fragmented than in the United Kingdom, with independent hotels accounting for about 72% of the supply as of September 2019 (having declined from 80% in 2010) providing the same growth opportunity for the Group as in the United Kingdom. The total budget-branded sector in Germany is only around 9% of the total market (growing from 6% in 2010), compared to 28% in the United Kingdom. Other branded operators represent 19% of the market.

The Group's Strategy

The Group's strategic objective is to be the world's best budget hotel business, delivering quality and value for money for customers while creating sustainable long-term value for shareholders.

The impact of COVID-19 has been and is expected in the future to be material on the hotel sector, especially on the significant independent segment and on new branded supply growth. Despite this, the Group's long-term strategy for value creation in the UK and internationally remains appropriate, and the Group's operating model structurally and competitively advantaged.

The Group's strategic priorities remain consistent with its proven plan to create sustainable shareholder value over the long-term. The Group expects to achieve long-term growth in earnings and dividends, combined with strong return on capital through disciplined execution in three key areas:

1. Grow market share in the UK: by continuing to grow and innovate Premier Inn, by leveraging the competitive advantages of the Group's operating model, and capitalising on the enhanced structural opportunities that are expected to exist post COVID-19;
2. Grow at scale in Germany: by replicating Premier Inn's UK success story; and
3. Enhancing the capabilities to support long-term growth: by ensuring the Group has financial flexibility, a cost-base that appropriately reflects demand levels, and acting responsibly through its Force for Good programme.

The Group's vertically integrated model, which combines the ownership of property, hotel operations, brand, and inventory distribution has enabled Premier Inn to grow at a significantly faster pace than competitors, deliver a consistently superior customer experience and generate a strong return on capital for shareholders over the last 15 years. The business believes this operating model is the optimal approach to access the growth opportunity in the budget hotel sector.

These factors will enable the business to perform well in the UK and take market share, and to capitalise on the material growth opportunity in Germany. These strong fundamentals, combined with an appropriate capital structure, will help enable the Group to deliver long-term sustainable returns on incremental investments and drive long-term value.

1) Grow market share in the UK

Compelling structural growth opportunities

The UK hotel market is characterised by long-term migration from independent to budget branded hotels. Between 2010 and 2019 independent hotels' market share fell 9 percentage points in the United Kingdom, while the Group's market share of room supply of the total market grew from 6% to 11%. Despite this decline, the independents sector still represents 48% of the UK market as at 31 December 2019. Following the COVID-19 pandemic, the decline in independents' share of the market is expected to accelerate as demand significantly weakens and structural cost pressures persist. The Group is already seeing clear signs of distress in both the independent sector and the budget branded sector, and the Group expects to see competitors begin to exit the market as

the impact of the Government's financial support schemes begin to lessen. The Group is well placed to capitalise on the expected contraction in competitor supply and to take market share. The Group also currently has existing pipeline expansion of more than 13,000 rooms.

Budget branded sector is structurally advantaged

The budget branded hotel sector is the highest growth segment in the hotel market and has proved more resilient in previous downturns. Budget branded demand (total rooms booked) has grown faster than the rest of the sector in every year from 2009 to 2018 including material outperformance between 2009 and 2011. The midscale and economy segment is also outperforming in the current COVID-19 pandemic, with total sales change around 7.8pp ahead of the rest of the market from the start of August 2020 to the end of November 2020.

Broad customer reach

The Group's UK customer base is very broad with a 50/50 split of business and leisure customers. The Group's business customers include a significant proportion of manual professions i.e. those workers who need to be physically present to perform their jobs, while "white collar" workers tend to be travelling for business-to-business reasons. In a post COVID-19 world, it is highly likely that the need for these guests to travel will remain. Premier Inn also under indexes on Group business bookings (e.g. conferences) and is therefore less exposed to those areas of business travel that may see a structural shift to virtual meetings.

The Group's leisure guests travel for a very wide range of reasons; from those that are event-driven (e.g. weddings, sporting events, theatre breaks), to weekends away with and visiting friends and family and longer holidays in tourist destinations. The strong leisure demand evidenced during July and August 2020 demonstrates that people's propensity to travel for domestic leisure, when allowed, remains high.

The Group's geographic spread (with 83% of room nights being sold in regions of the United Kingdom), combined with its domestic focus (90% of guests are based in the United Kingdom) means that the Group operates in the areas that are expected to recover quickest from the COVID-19 pandemic.

Strong brand

Premier Inn is consistently rated as the strongest hotel brand in the UK. Unlike the majority of other large-scale hotel operators, who operate franchise models, ownership of the Premier Inn brand enables the provision of a consistently high-quality customer offering across the entire Premier Inn hotel network, which drives market-leading brand and customer scores. In the most recent YouGov hotel brand index survey, Premier Inn was voted number one for customer satisfaction, impression, value and likelihood-to-recommend (by a very clear margin to those operators rated second). Premier Inn was also voted second on quality in the same survey. The strength of the brand makes Premier Inn the first choice for more travellers.

Direct distribution

The Group's direct digital distribution model (with 97% direct distribution in the year ended 27 February 2020) is industry-leading and ensures that Premier Inn's gross RevPAR is similar to net RevPAR achieved after cost of sales, unlike independents or most other brands, which pay high commission rates to third parties such as online travel agents. Direct distribution also provides complete ownership of the customer relationship driving significantly lower acquisition and retention costs.

Best-in-class operating model

The Group's unique operating model provides a clear competitive advantage, enabling the delivery of a winning customer proposition that will have a strong appeal to customers in both the

current and post pandemic environments. The key components of the model that drive a competitive advantage, combined with Premier Inn's strong brand and direct distribution, are:

Scale advantage: The Group's vertically integrated model provides increased control of network planning and property development aspects of its hotel operations. This means the Group can efficiently access locations where opportunities to expand are identified, which has enabled Premier Inn to almost double its number of rooms in the UK since 2010 to become the UK's largest hotel network. The Group therefore has more hotels in locations where its customers want to stay, and is able to drive economies of scale by leveraging that scale to keep unit costs low and by rationalising management overheads.

Operational control: Ownership of all aspects of the Group's UK hotel operations ensures greater control over the customer experience, resulting in a high-quality offering delivered on a relentlessly consistent basis throughout the estate. The offering is also continually evolving through innovative new products such as Hub by Premier and Premier Plus. The operating model delivers best-in-class operational performance, as evidenced by high staff retention levels and the very high customer satisfaction scores the business regularly achieves.

Property flexibility: A willingness to be flexible with respect to freehold or leasehold acquisitions ensures new sites are in the best locations and have the optimal size and format. Ownership of around 60% of the hotel estate gives the Group control over the initial development of the hotel, and subsequently how it is maintained, extended, or re-developed. Further opportunities remain to optimise the network by individual asset, as well as more broadly through catchment optimisation and creating a more optimal portfolio of assets. The Group's asset-backed balance sheet also supports a strong financial covenant, which means that in competitive bid situations for new leasehold developments, The Group is often the preferred tenant and can secure more favourable lease and rental terms. The Group's freehold ownership reduces earnings volatility in the current downturn and provides the Group with a flexible source of funding in the event of further cash requirements for investments or to further protect the Group's liquidity.

These components combine to deliver a winning customer proposition, providing the customer with more choice, value for money, outstanding product quality, excellent customer service and consistently high hygiene standards. Going forward, this offering positions the Group very well to take market share, as customers are likely to seek value, quality, and the familiarity of their most trusted brands.

2) Grow at scale in Germany

The Group's aim in Germany is to leverage the strengths and capabilities of the UK Premier Inn business to create the number one budget brand in the German hotel market. The Group believes that all the factors detailed above which have led to the success of the UK Premier Inn business are either already present in Germany or there is a compelling opportunity for the Group to develop those characteristics as the business grows in scale. The Group's current pipeline of just more than 12,000 rooms in Germany equates to around 1% market share (compared to c.11% in the UK). At this early stage in the business' growth, the Group believes it has an initial line-of-sight to around 60,000 rooms, which would equate to around 5% market share.

The German hotel market has many attractive characteristics. The market is a third larger than the UK and even more fragmented, with almost three-quarters of the market still consisting of small independent operators which are experiencing a structural decline to the benefit of branded hotels. Despite this, the branded budget hotel sector still only represents 9% of the market, compared to 28% in the UK, as franchise operators have historically struggled to expand with limited property financing options available. Consequently, the Group's vertically integrated model and willingness to invest capital in expansion provides a strong advantage in the budget market, supported by replicating the strong quality and value credentials from the UK. As in the UK, the impact of the COVID-19 pandemic will accelerate the decline of the independent sector.

There are already clear signs of competitor distress in the market and this is evidenced by the acquisition on 2 December 2020 of 13 hotels from the Centro Group, of which currently six are operational and seven are pipeline. These hotels were selected according to the Premier Inn property criteria and are a good fit with the existing estate, with all the hotels occupying prominent locations across strategically important cities and towns. The total investment for the deal is expected to be £40m, mainly driven by the investment required to refurbish and rebrand the hotels to Premier Inn which is anticipated to happen in the first half of 2021. The economics of this transaction demonstrate that enhanced structural opportunities now exist in the German market and that the Group is well-placed to take advantage of. Future acquisitions will be focused on acquiring small independent chains to supplement organic growth.

The German operating model will replicate that used so successfully in the UK, built on operational control and a flexible approach to property, driving a winning customer proposition that appeals to both business and leisure customers. Direct distribution is already over 90% in the German business, and the business has had a good start operationally in its organic hotels, driving very high customer satisfaction scores.

As at 27 August 2020, the Group has committed almost £800 million of capital to the German market, with £397 million invested at that date. Given the scale and characteristics of this market, and despite the significant impact the COVID-19 pandemic has had on the sector, the Group remains focused on continuing its expansion in Germany and delivering on its ambition to be the number one budget hotel operator in that market.

3) Enhancing the capabilities to support long-term growth

Lean and agile cost model

The Group has a strong track-record of delivering material cost efficiencies, including £45 million of cost savings delivered in the financial year ending 27 February 2020, bringing the total capital and cost savings delivered over the last 4 years to over £200 million. Since the start of the COVID-19 pandemic, the business's approach to generating efficiencies has adapted to respond to the low demand environment. The Group's initial priority was to secure cash savings through the cancellation or deferral of non-discretionary spend to help improve the liquidity position of the business. The Group continues to focus on ensuring that the business model has the flexibility to respond to changes in demand and that the Group's overall cost-base reflects the current demand environment. This has resulted in a reduction in head office headcount of approximately 13% and an ongoing efficiency programme its hotels and restaurants that at 14 January 2021 had resulted in over 1,500 redundancies. The Group also continues to drive efficiencies through developing its international sourcing capability, leveraging technology to drive both marketing and labour scheduling effectiveness and optimising the UK estate.

Financial flexibility

The Group's balance sheet and liquidity position was further enhanced by the £1 billion rights issue successfully completed in June 2020. The Group has also obtained covenant waivers from the Group's creditors and the Whitbread Pension Fund meaning that the existing covenants are next tested in either March 2022 or March 2023 (depending on the relevant financing arrangement) and are replaced by temporary covenants until that date. For more information, see "*Risk Factor – 1.25 Financial covenants and other restrictive covenants*". This, together with the Group's freehold properties, gives the Group the financial flexibility to protect its liquidity and pursue its strategy of both organic and inorganic growth when the time is right.

A Force for Good

The Group's purpose is to provide quality, affordable hotels for guests to help them to live and work well and to positively impact the world around them. Environmental, social and governance matters, such as sustainability, are at the heart of the Group's purpose. As such, the Group has

had an established ESG programme in operation for over 10 years, which is now called Force for Good.

Each year the Group undertakes a robust materiality process to inform its sustainability strategy, to ensure that its programme is relevant for all of its stakeholders, its customers, staff, suppliers, its shareholders, and for the world around it. Force for Good is a shared responsibility within the Group, and the individual parts of the programme are owned by the relevant part of the business, to ensure the targets can be delivered in the most effective way.

Force for Good is grouped into three key pillars – Opportunity, Community and Responsibility. Within each area, the Group has set long term strategic commitments that it believes will help reach the goal of enabling people to live and work well.



A Force for Good during COVID-19

The Group’s Force for Good programme was key in its response to the COVID-19 pandemic, supporting both its employees and the communities in which it operates. During the first UK national lockdown, the Group focused its efforts on helping abate the pandemic by keeping 39 hotels open that were located near hospitals for use by NHS staff and other front-line key workers and partnered with Deliveroo to serve food to NHS and key workers staying at these open hotels. In addition, the Group’s vehicle delivery capacity was transferred to supermarkets to help their supply chains and the Group partnered with charities to donate over 500,000 surplus meals to charity. Fundraising efforts continued throughout the pandemic, with over £500,000 raised for Great Ormand Street Hospital. The Group also supported its colleagues by topping up furloughed employees’ salaries from 80% to 100%, and all hotel and restaurant staff received comprehensive training in order to offer a COVID-19 safe service, and have been able to access employee wellbeing support programmes through the COVID-19 pandemic.

The Group’s Sustainability Targets

The Group recognises that the demands of customers and broader society on businesses are evolving. Therefore the Group has taken feedback from its guests, employees and management teams, external stakeholders and from wider sustainability trends to identify which programmes and issues the Group should focus on and to reset its targets so as to ensure they are fit for the Group's current business.

The Group has designed a sustainability programme which is future facing and continues to focus on the most material issues to the business and to society, including targets to reduce its carbon emissions intensity by 50% by 2025 and become net-zero by 2050 (having already reduced the Group's carbon emissions intensity by 39.8% since March 2018), and the Group aims to procure 100% of critical commodities sustainably. The Group is also targeting the reduction of single use plastics and food waste and are focusing on diversity and inclusion and wellbeing as core planks of its programme.

	Opportunity	Community	Responsibility
Targets	<ul style="list-style-type: none"> Inclusive leadership training for all leaders Diversity targets for senior representation across the business 3 new networks to support minority groups Industry leading training and development programmes, including apprenticeships 	<ul style="list-style-type: none"> Raise £20m for Great Ormond Street Children's Hospital by 2020 Active support for local community activity for every new site opened Continual improvement of nutritional value of our menu through continuing to reduce sugar, salt and calories Strive to lead our sector in delicious, appealing and healthier children's food 	<ul style="list-style-type: none"> Science based targets to reduce carbon emissions intensity by 50% by 2025 Net zero on Scope 1 and 2 emissions by 2050 Eliminating unnecessary single-use plastics by 2025 Reducing food waste by 50% by 2030 Source all critical commodities to internationally recognised sustainability standards (FSC timber, MSC fish and BCI cotton) No waste to landfill Minimise water use and champion water stewardship Human rights will be respected across our value chain
Key Achievements	<ul style="list-style-type: none"> Top ranked hospitality employer in the UK for apprenticeships Continued apprenticeship delivery through COVID-19 with >350 new apprentices >1 million digital courses completed by our teams through the pandemic Active LGBTQ+ network Established Race, Religion and Culture network Established employee forum to ensure teams are engaged and represented 	<ul style="list-style-type: none"> Reduced sugar content in our menus by 20% Raised >£19m for Great Ormond Street since 2012, funding for a new clinical building and sight and sound centre Team members donated >3,000 hours to local community projects since 2017 Led industry group on salt, sugar and calorie reduction 	<ul style="list-style-type: none"> 100% renewable electricity in all our UK freehold sites Carbon intensity reduction of 39.8% achieved Retrofitted lower energy lighting and PV panels across estate Solar panels at >180 sites, 20% of the estate First hotel chain to stop use of plastic straws and stirrers Carbon Disclosure Project (CDP) score increased from B to A- in 2020 Assessed 100% of tier 1 supply chain for human rights risks 70% high risk suppliers audited to SMETA standards First large budget hotel chain to become Better Cotton Initiative members 100% of wild-caught fish is MSC certified Trained 1,600 cotton farmers in sustainable agriculture in Pakistan

Sustainability disclosures and recognition

In 2019, the Groups was ranked second in the hotel industry in the Dow Jones Sustainability Index (DJSI) for the second year running. The Group reports against the Carbon Disclosure Project (CDP), improving to an A- in the 2020 climate change submission, and now being in a Leadership position in the sector. The Group also holds a Sustainalytics ESG Risk Rating of 'Low ESG Risk' and is ranked in the top quartile of the Industry Group (Consumer Services). In the next financial year, the Group will be working towards providing a response to the Taskforce on Climate Related Financial Disclosures (TCFD) recommendations.

Capital Structure

The Issuer is a public limited company, which is wholly owned by WPLC. The Issuer's share capital consists of 490.6 million Ordinary Shares of 25p each and 44.0 million 'A' Ordinary Shares of 25p each.

Board of Directors of Whitbread Group PLC

The directors of the Issuer, together with brief biographies are outlined below:

Mark Anderson

Mark Anderson joined the Group in January 2006 and was appointed to his current role in September 2016. Mark is responsible for the acquisition, development and management of the Group's substantial property portfolio and in addition he leads the Group's International businesses for Premier Inn, overseeing development and operations in Germany and the Middle East. Before joining the Group, Mark spent 16 years at J Sainsbury PLC in a variety of senior

positions, finally managing all aspects of the property estate. Mark is a Fellow of the Royal Institute of Chartered Surveyors and holds an MBA from Henley Business School. Mark is also a trustee of Tourism for All UK.

Alison Brittain

Alison joined the Group from Lloyds Banking Group, where she was Group Director of their Retail Division, with responsibility for the Lloyds, Halifax and Bank of Scotland retail branch networks, remote / intermediary channels / products and the business banking and wealth businesses. Prior to joining Lloyds Bank, Alison was Executive Director for Retail Distribution and Board Director at Santander UK PLC. She previously held senior roles at Barclays Bank. Alison was named 'Business Woman of the Year 2017' in the Veuve Clicquot awards and awarded a CBE in the 2019 New Year's honours list. Alison is also a non-executive director of Experian PLC and Deputy Chair and Trustee of the Prince's Trust.

Nicholas Cadbury

Nicholas joined the Group in November 2012 as Group Finance Director. He previously worked at Dixons Retail PLC, in a variety of management roles, including Chief Financial Officer from 2008–2011. Nicholas also held the position of Chief Financial Officer of Premier Farnell PLC, which he joined in 2011. Nicholas originally qualified as an accountant with Price Waterhouse. Nicholas is also a non-executive director of Land Securities Group PLC and the Chairman of its Audit Committee.

Louise Smalley

Louise joined the Group in 1995 and has held the position of Group HR Director since 2007. During her time at the Group, Louise has held a variety of HR roles across the Group's businesses, including HR Director of David Lloyd Leisure and Whitbread Hotels & Restaurants. She previously worked in the oil industry, with BP and Esso Petroleum. Louise is also a non-executive director of DS Smith PLC. The Group has announced Louise's retirement from the board of directors, which will become effective at some point in the summer of 2021.

There are no existing or potential conflicts of interest between any duties of the directors of the Issuer and their private interests and other duties. The business address of each director of the Issuer is the registered office of the Issuer.

Material Contracts

The Group has contractual arrangements with numerous third parties in support of its business activities, none of which is considered individually to be essential to its business.

DESCRIPTION OF THE GUARANTORS

Description of Whitbread PLC

The Issuer is a wholly owned subsidiary of WPLC. WPLC was incorporated in England and Wales on 1 December 2000 under the name 'Whitbread Holdings PLC' as a company with limited liability under the Companies Act 1985 with registered number 04120344. On 10 May 2001 its name was changed to 'Whitbread PLC'. Its legal entity identifier is 21380099VMZKRMN3EX36.

WPLC's principal place of business and registered office is at Whitbread Court, Houghton Hall Business Park, Porz Avenue Dunstable, Bedfordshire, LU5 5XE and its telephone number is +44 (0) 1582 424 200.

WPLC is the global ultimate owner of the Issuer's corporate group, and listed on the premium listing segment of the Official List of the Financial Conduct Authority and traded on the Main Market of the London Stock Exchange. As at the date of this Prospectus, WPLC is a constituent company of the FTSE 100 Index.

The directors of WPLC include Alison Brittain, Nicholas Cadbury and Louise Smalley, whose details can be found under the description of the Issuer above, as well as the following:

Adam Crozier

Adam joined the Group in April 2017. Adam was Chief Executive of ITV plc from 2010 to 2017. Prior to that, Adam was Joint Chief Executive of Saatchi & Saatchi, Chief Executive of the Football Association and then the Royal Mail Group. From 2017 to March 2020, Adam was Chairman of Vue International, a multi-national cinema company. Adam is also Non-Executive Chairman of ASOS plc and a Non-Executive Director of Sony Corporation, a chair of Kantar Group Limited and a Trustee of Great Ormond Street Hospital Discovery Appeal.

Richard Gillingwater

Richard joined the Group in June 2018. Richard is Chairman of both Janus Henderson plc and SSE plc, and serves as a governor to the Wellcome Trust. Richard is a highly experienced executive and has spent much of his career in corporate finance and investment banking with Kleinwort Benson, BZW and Credit Suisse First Boston. He then moved out of banking and became Chief Executive of the Shareholder Executive, and then Dean of Cass Business School.

David Atkins

David joined the Group in January 2017. Until recently, David was Chief Executive of Hammerson plc. He is now Chairman and Executive Board member of the European Public Real Estate Association (EPRA) and President and committee member of Revo (formerly BCSC). David is also a director of Berkhamsted Schools Group. David also serves as a committee member of the British Property Federation, and a director and trustee of the Reading Real Estate Foundation.

Horst Baier

Horst is a highly experienced executive with more than 20 years' background in the leisure industry. He joined the Group in November 2019. Horst spent eight years as the Chief Financial Officer of TUI AG, the London-listed Anglo-German leisure travel group, until September 2018. During his time as Board Member of TUI AG, Horst played an important role in TUI's transformation from a tour operator to a global provider of holidays operating 380 leisure hotels

and 17 cruise ships. Horst is also a member of the voluntary Supervisory Boards of Ecclesia Holding GmbH, Detmold and Diakovere gGmbH, Hannover, and a member of the Supervisory Board of Bayer AG. He is also a trustee of the TUI Foundation.

Frank Fiskers

Frank is a highly experienced executive with a background in the global hospitality industry. Frank joined the Group in January 2019. He has held senior roles with the Radisson Hotel Group, Hilton Hotels Worldwide and was CEO of Scandic Hotels for eight years, taking the company public in 2015. Frank is also a non-executive director of Shurgard Self Storage SA, Industrial Adviser of EQT Partners, and an independent member of the Boards of RAK Hospitality Holding LLC and RAK National Hotels LLC.

Chris Kennedy

Chris joined the Group in March 2016. Chris is Chief Financial Officer of ITV plc, which he joined in February 2019. Previously, Chris held roles with Micro Focus International plc, ARM Holdings plc, and EasyJet plc. Chris has spent 17 years in a variety of senior roles at EMI. He also serves as a director of The Addressable Platform Limited and a trustee of The EMI Group Archive Trust and Great Ormond Street Hospital Trust.

Susan Taylor Martin

Susan joined the Group in January 2012. She is the former President of Thomson Reuters Legal. Susan has held a number of roles at Thomson Reuters, including Managing Director Legal UK and Ireland, President Thomson Reuters Media and President Global Investment Focus Accounts. Prior to this she was Global Head of Corporate Strategy at Reuters, which she joined in 1993.

There are no potential conflicts of interest between the duties to WPLC of any of the directors listed above and their private interests and other duties. The business address of each director of WPLC is the registered office of the Issuer.

Description of Premier Inn Hotels Limited

Premier Inn Hotels Limited (“**PIHL**”) is a direct wholly-owned subsidiary of the Issuer. PIHL was incorporated in England and Wales on 25 May 2004 under the name ‘Trushelfco (No 3047) Limited’ as a company with limited liability under the Companies Act 1989 with registered number 05137608. The company’s name was changed to ‘Premier Lodge NewCo Limited’ on 24 June 2004, then to ‘Premier Travel Inn Limited’ on 29 July 2004 and ‘Premier Inn Hotels Limited’ on 16 July 2007.

PIHL’s principal place of business and registered office is at Whitbread Court, Houghton Hall Business Park, Porz Avenue, Dunstable LU5 5XE and its telephone number is +44 (0) 1582 424 200.

The directors of PIHL, together with brief biographies are outlined below:

Simon Ewins

Simon is responsible for the Premier Inn and restaurants business in the UK and Ireland. He has worked for the Group in senior executive roles for nearly 15 years. Prior to joining the Group, he spent time in other large scale hospitality companies and Private Equity. Simon has spent nearly

30 years working in the hospitality industry. Simon Ewins is also a director of Connexus Enterprise Limited, Floreat Development Limited, Floreat Living Limited, Rise Partnership Developments Ltd, And Enterprise 4 Limited.

Simon Jones

Simon is Group Commercial Director and Managing Director of Premier Inn and Restaurants UK. He previously held a number of senior roles within the organisation including Managing Director and Marketing & Strategy Director, both for Premier Inn UK. Prior to joining the Group in 2012, Simon worked as a strategy consultant for 12 years, latterly as a Partner at OC&C Strategy Consultants, where he advised a broad range of clients with a particular focus on retail and hospitality, including the Group's Restaurant business. Simon studied Geography at Oxford University as an undergraduate and is also a trustee of Hospitality Action.

Hemantkumar Patel

Hemant joined the Group in November 2018 and is UK Finance Director. He previously worked at Asda (Walmart) from 2003-2014 in a variety of finance, marketing and strategy roles before running the online businesses at Provident Financial plc. Subsequently he became finance director of Greene King PLC. He is also a non-executive board member and chair of the audit and risk committee at the Department of Digital, Culture, Media and Sport and was awarded an MBE in the 2020 birthday honours list.

TAXATION

General

The following is a general description of certain tax considerations relating to the Notes. It does not purport to be a complete analysis of all tax considerations relating to the Notes, whether in those jurisdictions or elsewhere. The description assumes that there will be no substitution of the Issuer and does not address the consequences of any such substitution (notwithstanding that such substitution may be permitted by the Conditions). It is not intended and does not constitute tax advice or legal opinion. Prospective purchasers of Notes are advised to consult their own tax advisers as to the consequences, under the tax laws of the countries of their respective citizenship, residence or domicile, of a purchase of Notes, including, but not limited to, the consequences of receipt of payments under the Notes and their disposal or redemption. This summary is based upon the law as in effect on the date of this Prospectus and is subject to any changes in law that might take effect after such date.

United Kingdom Taxation

The comments below are of a general nature and reflect the understanding of the Issuer of current UK tax law as applied in England and Wales and HM Revenue & Customs practice ("HMRC") (which may not be binding on HMRC), in each case as at the latest practicable date before the date of this Prospectus. They do not necessarily apply where the income is deemed for tax purposes to be the income of any other person. They relate only to the position of persons who are the absolute beneficial owners of their Notes and Coupons and may not apply to certain classes of persons such as dealers, certain professional investors, or persons connected with the Issuer. The comments are intended as a general guide and should be treated with appropriate caution. The comments are not intended to be exhaustive. This summary does not cover any issues or taxes not expressly covered; nor should it be considered legal or tax advice to any person. The summary does not take into account the effect of any overriding anti-avoidance legislation that may apply to Noteholders in their particular circumstances or to any wider arrangements to which they may be a party. The UK tax treatment of prospective Noteholders depends on their individual circumstances and may be subject to change in the future, possibly with retrospective effect. Each potential purchaser is advised to consult its own tax adviser as to the UK tax consequences attributable to acquiring, holding and disposing of Notes and in particular it is recommended that any Noteholders who are in doubt as to their own tax position, or who may be subject to tax in a jurisdiction other than the UK, consult their professional advisers.

1. INTEREST

While the Notes are and continue to be listed on a recognised stock exchange (designated as such by HMRC) within the meaning of Section 1005 Income Tax Act 2007, and carry a right to interest, they will constitute "quoted Eurobonds" and payments of interest by the Issuer may be made without withholding or deduction for or on account of UK income tax. The London Stock Exchange is a recognised stock exchange for these purposes. Notes will be treated as listed on the London Stock Exchange if they are included in the Official List by the FCA and are admitted to trading on the main market of the London Stock Exchange.

In all other cases, interest on the Notes that has a UK source will generally be paid by the Issuer under deduction of UK income tax at the basic rate (currently 20 per cent.), subject to the availability of other reliefs under domestic law or any direction to the contrary from HMRC in respect of such relief as may be available pursuant to the provisions of any applicable double taxation treaty.

The references to "interest" above mean interest as understood in UK tax law and in particular any premium element of the redemption amount of the Notes redeemable at a premium may constitute a payment of interest subject to the withholding tax discussed. If a Note is issued at a discount to its principal amount, any payments in respect of the discount element will not generally be treated as "interest" for these purposes.

2. GUARANTEE PAYMENTS

The UK withholding tax treatment of payments made by the Guarantors is uncertain. If any of the Guarantors make payments under the Guarantee in respect of interest on the Notes (or other amounts due on the Notes, other than payments in respect of principal) such payments may be regarded as having a UK source, and may therefore be subject to UK withholding tax at the basic rate (currently 20 per cent.) subject to any available relief under any applicable double taxation treaty or to any other exemption which may apply. Such payments may not be eligible for the exemptions described in the paragraph entitled "1. Interest" above.

3. STAMP DUTY AND STAMP DUTY RESERVE TAX

No UK stamp duty or stamp duty reserve tax is payable on the issue of a Note.

SUBSCRIPTION AND SALE

Summary of Subscription Agreement

Pursuant to a subscription agreement dated 8 February 2021 (the “**Series A Subscription Agreement**”), the Managers have agreed with the Issuer and the Guarantors, subject to the satisfaction of certain conditions, to subscribe for the Series A Notes at the issue price of 99.516 per cent. of their principal amount. Pursuant to a subscription agreement dated 8 February 2021 (the “**Series B Subscription Agreement**”), the Managers have agreed with the Issuer and the Guarantors, subject to the satisfaction of certain conditions, to subscribe for the Series B Notes at the issue price of 99.327 per cent. of their principal amount. The net proceeds of the issue of Notes, which are estimated to amount to approximately £544,791,751 will be used by the Issuer in accordance with the “*Use of Proceeds*” section above. The Managers are entitled to terminate and to be released and discharged from their obligations under the Series A Subscription Agreement and/or the Series B Subscription Agreement in certain circumstances prior to payment to the Issuer.

United States

The Notes and the Guarantee have not been and will not be registered under the Securities Act and may not be offered or sold within the United States or to, or for the account or benefit of U.S. persons except in certain transactions exempt from the registration requirements of the Securities Act. 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 U.S. person, except in certain transactions permitted by U.S. Treasury regulations. Terms used in this paragraph have the meanings given to them by the U.S. Internal Revenue Code of 1986, as amended, and the U.S. Treasury regulations promulgated thereunder.

Each Manager has represented and agreed that, except as permitted by the Subscription Agreement, it will not offer, sell or deliver the Notes, (i) as part of their distribution at any time or (ii) otherwise until 40 days after the later of the commencement of the offering and the Closing Date (as defined in the Subscription Agreement) (“**distribution compliance period**”), within the United States or to, or for the account or benefit of, U.S. persons, and it will have sent to each distributor, dealer or person receiving a selling concession, fee or other remuneration to which it sells any Notes during the distribution compliance period 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.

In addition, until 40 days after the commencement of the offering, an 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 if such offer or sale is made otherwise than in accordance with an available exemption from registration under the Securities Act.

Prohibition of sales to EEA retail investors

Each Manager has represented and agreed that it has not offered, sold or otherwise made available and will not offer, sell or otherwise make available the Notes to any retail investor in the EEA. For the purposes of this provision the expression “**retail investor**” means a person who is one (or both) of the following:

- (A) a retail client as defined in point (11) of Article 4(1) of MiFID II; or

- (B) a customer within the meaning of the Insurance Distribution Directive, where that customer would not qualify as a professional client as defined in point (10) of Article 4(1) of MiFID II.

Prohibition of sales to UK Retail Investors

Each Manager has represented and agreed that it has not offered, sold or otherwise made available and will not offer, sell or otherwise make available any Notes to any retail investor in the United Kingdom. For the purposes of this provision, the expression **retail investor** means a person who is one (or more) of the following:

- (A) a retail client, as defined in point (8) of Article 2 of Regulation (EU) No 2017/565 as it forms part of domestic law by virtue of the EUWA; or
- (B) a customer within the meaning of the provisions of the FSMA and any rules or regulations made under the FSMA to implement Directive (EU) 2016/97, where that customer would not qualify as a professional client, as defined in point (8) of Article 2(1) of Regulation (EU) No 600/2014 as it forms part of domestic law by virtue of the EUWA.

United Kingdom - Other regulatory restrictions

Each Manager has represented and agreed that:

- (A) it has only communicated or caused to be communicated and will only communicate or cause to be communicated an invitation or inducement to engage in investment activity (within the meaning of section 21 of the Financial Services and Markets Act 2000 (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 or the Guarantors; and
- (B) 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.

General

Neither the Issuer, the Guarantors nor any Manager has made any representation that any action will be taken in any jurisdiction by the Issuer, the Guarantors or the Managers that would permit a public offering of the Notes, or possession or distribution of this Prospectus (in preliminary, proof or final form) or any other offering or public materials relating to the Notes (including roadshow materials and investor presentations), in any country or jurisdiction where action for that purpose is required.

Each Manager has represented and agreed that it will comply, to the best of its knowledge and belief, and in all material respects, with all applicable laws, regulations and directives in each jurisdiction in which it purchases, offers, sells or delivers Notes or has in its possession or distributes this Prospectus or any related offering material in all cases at its own expense.

ADDITIONAL INFORMATION

1. LISTING

Application has been made to the FCA for the Series A Notes and the Series B Notes to be admitted to the Official List and to the London Stock Exchange for such Series A Notes and Series B Notes to be admitted to trading on the Main Market. The Series A Notes and the Series B Notes are also expected to be admitted to the Sustainable Bond Market of the London Stock Exchange. It is expected that listing of the Series A Notes and the Series B Notes on the Official List and admission of the Series A Notes and Series B Notes to trading on the Main Market will be granted on or about 11 February 2021, subject only to the issue of the Series A Notes and the Series B Notes (as applicable). Prior to official listing and admission to trading, however, dealings will be permitted by the London Stock Exchange in accordance with its rules.

2. EXPENSES

The total expenses related to the admission to trading of the Series A Notes and the Series B Notes are estimated to be £6,800.

3. AUTHORISATIONS

The Issuer and the Guarantors have obtained all necessary consents, approvals and authorisations in connection with the issue and performance of the Notes. The issue of the Notes was authorised by resolutions of the board of directors of the Issuer passed on 27 January 2021 and by a committee established by the board of directors passed on 3 February 2021. The guarantee of the Notes was authorised in principle by a resolution of the board of directors of each of the Guarantors passed on 27 January 2021.

4. NO SIGNIFICANT CHANGE

Save as disclosed under “*Risk Factors – COVID-19 pandemic*” and “*Description of the Issuer and the Group – Financial performance and impact of COVID-19 pandemic*” and the Issuer’s Q3 FY 2020/21 trading update (but excluding the third paragraph under the section titled ‘*Sensitivity and Outlook*’ on page 3), there has been no significant change in the financial position or financial performance of the Issuer, the Guarantors or the Group, since 27 August 2020.

5. NO MATERIAL ADVERSE CHANGE

Save as disclosed under “*Risk Factors – COVID-19 pandemic*” and “*Description of the Issuer and the Group – Financial performance and impact of COVID-19 pandemic*” and in the interim results of WPLC and its consolidated subsidiaries as at and for the six months ended 27 August 2020 and the Issuer’s Q3 FY 2020/21 trading update (but excluding the third paragraph under the section titled ‘*Sensitivity and Outlook*’ on page 3), there has been no material adverse change in the prospects of the Issuer, the Guarantors or the Group, since 27 February 2020.

6. LEGENDS

The Notes and Coupons 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*".

7. LEGAL AND ARBITRATION PROCEEDINGS

There have been no governmental, legal or arbitration proceedings (including any such proceedings which are pending or threatened of which the Issuer or the Guarantors are aware) during the 12 months preceding the date of this Prospectus which may have, or have had in the recent past, significant effects on the financial position or profitability of the Issuer, the Guarantors and/or the Group.

8. CLEARING OF THE NOTES

The Series A Notes have been accepted for clearance through the Euroclear and Clearstream, Luxembourg systems (which are the entities in charge of keeping the records) with a Common Code of 228985252 and the Series B Notes have been accepted for clearance through the Euroclear and Clearstream, Luxembourg systems (which are the entities in charge of keeping the records) with a Common Code of 229374010. The International Securities Identification Number (ISIN) for the Series A Notes is XS2289852522 and the ISIN for the Series B Notes is XS2293740101. The CFI and FISN for the Series A Notes and the Series B Notes will be 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 for the Series A Notes or the Series B Notes (as applicable).

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

9. MATERIAL CONTRACTS

There are no material contracts entered into other than in the ordinary course of the Group's business, which could result in any member of the Group being under an obligation or entitlement that is material to the Issuer's or the Guarantors' ability to meet their obligations in respect of the Notes.

10. DOCUMENTS AVAILABLE FOR INSPECTION

For so long as any Note remains outstanding, copies of the following documents will be available for inspection on the Issuer's website at <https://www.whitbread.co.uk/investors/corporate-debt> save where an alternative location is stated below:

- (a) this Prospectus together with any supplement to it and the documents incorporated by reference therein;
- (b) the Series A Trust Deed;
- (c) the Series B Trust Deed;

- (d) the up to date:
- (i) Articles of Association of the Issuer (accessible at: <https://find-and-update.company-information.service.gov.uk/company/00029423/filing-history>);
 - (ii) the constitutional documents of WPLC (accessible at: <https://find-and-update.company-information.service.gov.uk/company/04120344/filing-history>);
and
 - (iii) the constitutional documents of PIHL (accessible at: <https://find-and-update.company-information.service.gov.uk/company/05137608/filing-history>).

This Prospectus will also be published on the website of the Regulatory News Service operated by the London Stock Exchange at <http://www.londonstockexchange.com/exchange/news/market-news/market-news-home.html>.

11. INDEPENDENT AUDITORS

The financial statements of the Issuer as at and for each of the 52 week periods ended 27 February 2020 and 28 February 2019 incorporated by reference into this Prospectus were audited by Deloitte LLP, independent auditors, as stated in their reports incorporated by reference into this Prospectus together with abovementioned financial statements. Deloitte LLP is registered to carry out audit work in the UK and Ireland by the Institute of Chartered Accountants of England and Wales.

The financial statements of WPLC as at and for each of the 52 week periods ended 27 February 2020 and 28 February 2019 incorporated by reference into this Prospectus were audited by Deloitte LLP, independent auditors, as stated in their reports incorporated by reference into this Prospectus together with abovementioned financial statements. Deloitte LLP is registered to carry out audit work in the UK and Ireland by the Institute of Chartered Accountants of England and Wales.

The financial statements of PIHL as at and for each of the 52 week periods ended 27 February 2020 and 28 February 2019 incorporated by reference into this Prospectus were audited by Deloitte LLP, independent auditors, as stated in their reports incorporated by reference into this Prospectus together with abovementioned financial statements. Deloitte LLP is registered to carry out audit work in the UK and Ireland by the Institute of Chartered Accountants of England and Wales.

Deloitte LLP have been appointed as the independent auditors of the Issuer and WPLC from 2015. Deloitte LLP is registered to carry out audit work in the UK and Ireland by the Institute of Chartered Accountants in England and Wales.

12. INTERESTS OF THE MANAGERS

Certain of the Managers and their respective 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, the Guarantors and each of their affiliates in the ordinary course of business. Certain of the Managers and their affiliates may have positions, deal or make markets

in the Notes, related derivatives and reference obligations, including (but not limited to) entering into hedging strategies on behalf of the Issuer, the Guarantors and each of their 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 Managers and their respective 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, the Guarantor and each of their affiliates. Certain of the Managers and their respective affiliates that have a lending relationship with the Issuer and the Group routinely hedge their credit exposure to the Issuer and the Group consistent with their customary risk management policies. Typically, such Managers and their respective affiliates would hedge such exposure by entering into transactions which consist of either the purchase of credit default swaps or the creation of short positions in securities, including potentially the Notes. Any such positions could adversely affect future trading prices of the Notes. The Managers and their respective 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.

13. INDICATION OF YIELD

The yield of the Series A Notes is 2.457 per cent. per annum. The yield of the Series B Notes is 3.075 per cent. per annum. The yield for the Series A Notes and Series B Notes is calculated as at the Issue Date on the basis of the Issue Price. It is not an indication of future yield.

14. TRUSTEE'S ACTION

The Conditions and the Trust Deed provide for the Trustee to take action on behalf of the Noteholders in certain circumstances, but only if the Trustee is indemnified and/or secured and/or pre-funded to its satisfaction. It may not always be possible for the Trustee to take certain actions, notwithstanding the provision of an indemnity and/or security and/or pre-funding to it. Where the Trustee is unable to take any action, the Noteholders are permitted by the Conditions and the Trust Deed to take the relevant action directly.

15. THIRD PARTY INFORMATION

Where information in this Prospectus has been sourced from third parties, this information has been accurately reproduced, and as far as the Issuer and the Guarantors are aware and are able to ascertain from the information published by such third parties, no facts have been omitted which would render the reproduced information inaccurate or misleading. The source of third party information is identified where used.

THE ISSUER

Whitbread Group PLC

Whitbread Court
Houghton Hall Business Park
Porz Avenue, Dunstable
Bedfordshire LU5 5XE
United Kingdom

THE GUARANTORS

Whitbread PLC

Whitbread Court
Houghton Hall Business Park
Porz Avenue, Dunstable
Bedfordshire LU5 5XE
United Kingdom

Premier Inn Hotels Limited

Whitbread Court
Houghton Hall Business Park
Porz Avenue, Dunstable
Bedfordshire LU5 5XE
United Kingdom

JOINT LEAD MANAGERS

Banco Santander, S.A.

Ciudad Grupo Santander
Avenida de Cantabria s/n
Edificio Encinar
28660, Boadilla del Monte
Madrid, Spain

Bank of China Limited, London Branch

1 Lothbury
London EC2R 7DB

Barclays Bank PLC

5 The North Colonnade
Canary Wharf
London E14 4BB

BNP Paribas

16 boulevard des Italiens
75009 Paris

Lloyds Bank Corporate Markets plc

10 Gresham Street
London EC2V 7AE

NatWest Markets Plc

250 Bishopsgate
London EC2M 4AA

CO-MANAGER

Commerzbank Aktiengesellschaft

Kaiserstraße 16 (Kaiserplatz)
60311 Frankfurt am Main
Federal Republic of Germany

GREEN STRUCTURING AGENT TO THE ISSUER

BNP Paribas

16 boulevard des Italiens
75009 Paris

TRUSTEE

**HSBC Corporate Trustee Company (UK)
Limited**
Level 22, 8 Canada Square
London E14 4BB

PRINCIPAL PAYING AGENT

HSBC Bank plc
Floor 22, 8 Canada Square
London E14 4BB

LEGAL ADVISERS

To the Issuer and the Guarantors

Slaughter and May
One Bunhill Row
London EC1Y 8YY
United Kingdom

To the Managers and the Trustee

Clifford Chance LLP
10 Upper Bank Street
London E14 5JJ

AUDITORS OF THE GROUP

Deloitte LLP
1 New Street Square
London EC4A 3HQ
United Kingdom