

Tax Strategy

December 2024

Purpose and Scope

AccorInvest is both owner and operator of a property portfolio of 662 hotels operating under an Accor branded name. AccorInvest is located in 24 countries of Europe, Latin America and Asia; and employs approximately 25,000 talents who possess a deep knowledge of local conditions and the hospitality industry, know-how in the asset management field; and are dedicated to delivering great service and a unique guest experience.

AccorInvest's ambition is to consolidate its property portfolio through hotel renovations and new hotel developments on economy and midscale segments.

AccorInvest's strategy is to raise operational performance through its partnership with Accor and maximise long-term value for all stakeholders.

AccorInvest in the UK comprises Accor HotelInvest UK Limited and its subsidiary companies. Accor HotelInvest UK Limited is a 100% owned subsidiary of AccorInvest Group SA, registered in Luxembourg.

This paper sets out the tax strategy of AccorInvest in the UK (comprising Accor HotelInvest UK Limited and subsidiaries). By making this strategy available, the UK sub-group is fulfilling its obligations under Schedule 19 of the Finance Act 2016 and complying with the duty under paragraph 19(2) of that act in the current financial year.

This strategy applies from the date of publication until it is superseded. All taxes are covered, including, but not limited to Corporation Tax, Value Added Tax (VAT), Pay-As-You-Earn (PAYE), National Insurance Contributions (NIC), Stamp Duty Land Tax and Insurance Premium Tax.

Any references to AccorInvest UK or AccorInvest in the UK cover the entire UK Group; references to specific companies will show the full company name including the word 'Limited'.

This paper represents the Tax Strategy of AccorInvest in the UK. It is not intended and should not be inferred that anything contained in this paper represents the tax strategy of

- Any AccorInvest companies outside those of the UK Group.
- Any AccorHotels companies, both within the UK and those outside the UK.

AccorInvest UK's approach to tax is consistent with the Group's broader commitments in conducting business in a responsible manner and preserving the highest ethical standards. The Group has defined its Environment, Social and Governance (ESG) strategy as the real driver of its performance, and the centrepiece guiding its actions and projects. Tax is thus embedded within this framework as a well-known critical component of ESG.

Governance

Ultimate responsibility for AccorInvest UK's tax affairs, decision making and approvals rests with the Chief Finance Officer (CFO) of Accor HotelInvest UK Limited.

Day-to-day management of the tax affairs of Accor HotelInvest UK Limited and subsidiaries is delegated to the Tax Manager who reports to the CFO of Accor HotelInvest UK Limited.

Managing Tax Risk

AccorInvest in the UK manages risks to ensure full compliance with all applicable laws, rules, regulations, and disclosure requirements; and is committed to acting with integrity and transparency in all tax matters.

The AccorInvest UK Tax team is responsible for ensuring all appropriate tax returns are completed in an accurate and timely fashion; and for ensuring that that the level of tax risk arising from operations is reduced as far as reasonably practicable.



The AccorInvest UK Tax team collaborate with all AccorInvest UK finance and operations staff to provide advice and guidance necessary to ensure compliance. This includes raising awareness of relevant tax law and the implications they may have when reaching business decisions.

AccorInvest UK operates a tax-controlled framework which focuses on having the right governance in place to allow the business to identify and mitigate risk as early as possible, monitor its compliance; and raise tax awareness where relevant.

Under no circumstances should commercial decisions override compliance with applicable tax law.

Relevant training is provided to staff who manage and/or process transactions, which have tax consequences.

The AccorInvest UK Tax team maintain regular contact with the International Tax team based at the AccorInvest corporate headquarters for the purpose of ensuring all appropriate personnel are fully aware of the relevant UK tax legislation.

Risk Appetite

AccorInvest in the UK positions itself as a prudent taxpayer. The level of tax risk that AccorInvest in the UK accepts is consistent with its overall objective of achieving certainty and being transparent in its tax affairs.

AccorInvest in the UK upholds an on-going application of tax governance with internal controls in order to substantially reduce tax risk to as low as practicable. As part of this governance, AccorInvest in the UK regularly reviews those areas of its business that are considered to pose tax risks as well as the controls in place to minimise those risks.

Attitude towards Tax Planning

As with other aspects of our business, AccorInvest in the UK takes into consideration the views and interests of a number of stakeholders when planning its tax arrangements. These include our customers, the shareholders and investors in our parent company, our staff, the government and the local communities in which our hotels operate.

AccorInvest in the UK only structures transactions in a way that reflects a genuine commercial activity. If different methods exist of achieving the same commercial outcome, and presuming that these different methods comply with all relevant legislation, then consideration will normally be given to adopting the most tax efficient approach. When planning transactions, AccorInvest in the UK will usually seek advice from external consultants to ensure that it is made aware of and complies with all relevant legislation. External consultants are also engaged periodically to advise on more routine tax matters where the group does not possess suitable in-house expertise, as well as for occasional internal audits and checks of tax returns to provide confirmation that these have been prepared correctly and in accordance with AccorInvest in the UK's processes and procedures.

AccorInvest in the UK does not use marketed tax avoidance schemes or arrangements that fall foul of current regulations. The group has not conducted any transaction that would fall foul of the General Anti-Avoidance Rules (GAAR) or would require notification to HMRC under the Disclosure of Tax Avoidance Scheme (DOTAS) rules.

AccorInvest in the UK does not enter into transactions where its main purpose involves gaining a tax advantage.

AccorInvest in the UK does not conduct any direct lobbying on taxation matters, nor does it seek to influence government tax legislation in any way that is detrimental to our stakeholders' best interests.

Working with HMRC

AccorInvest in the UK is committed to conduct its tax affairs in a manner that is consistent with all relevant laws and legal disclosure requirements.

AccorInvest in the UK aims to develop and foster a proactive, professional and transparent relationship with HMRC through communication with relevant HMRC personnel, as well as periodic face-to-face meetings.

AccorInvest in the UK ensures that HMRC is kept aware of significant business transactions as they occur, as well as any developments that might impact not just the operation in the UK but, where relevant, the worldwide AccorInvest group.



This might include the acquisition of new business activities, the sale or disposal of any of the group's companies or hotels, major new hotel openings or any group restructuring.

AccorInvest in the UK aims to ensure that all tax returns submitted to HMRC are clear and disclose all relevant facts. Where appropriate, AccorInvest in the UK seeks pre-transaction clearances from HMRC, and when appropriate circumstances arise, uncertain tax positions are discussed with HMRC.

AccorInvest in the UK has in the past provided HMRC with explanations of industry norms and processes to assist HMRC in better understanding the hospitality industry and its workings.

Senior Accounting Officer

The CFO of Accor HotellInvest UK Limited is the senior accounting officer within AccorInvest in the UK, responsible for ensuring appropriate tax accounting arrangements exist in the business. The duties of the senior accounting officer are carried out in line with the Finance Act 2009 schedule 46. Periodic checks are conducted to ensure existing processes within the tax accounting arrangements are sufficiently robust such that any inaccuracy in a return or document containing figures, arising from any of those processes, would be unlikely to result in a liability for any penalties under tax law.