



Hilton  
7930 Jones Branch Drive  
McLean, VA 22102  
United States

# Hilton's Tax Strategy

Hilton Worldwide Holdings Inc and its subsidiaries ("Hilton") sets forth its Tax Strategy specific to the UK for the purpose of fulfilling its responsibilities under Schedule 19 of the Finance Act 2016. Our Tax Strategy applies to all UK taxes applicable to Hilton. Our Tax Strategy is guided by an overall adherence to corporate responsibility and full compliance with UK tax law as a corporate member of the community while serving the interests of its customers, employees, creditors and stakeholders.

## Hilton's approach to risk management and governance arrangement in relation to UK taxation

Our approach to risk management in the context of UK taxation is grounded in the functions noted and described below. Each function is carried out with care and diligence commensurate with the materiality of any particular item or transaction.

- Understanding the UK tax consequences of our commercial decisions and transactions: Hilton's Tax Department interfaces with all business functions to ensure awareness of the Group's commercial activity in order to determine the UK tax consequences and the resultant compliance. As considered necessary independent tax counsel is sought to ensure we properly identify, interpret and apply tax law to our commercial activity. If determined prudent and necessary we will seek guidance through tax clearances. All such activity is aimed at achieving certainty of the UK tax consequences applicable to our business.
- Documenting our analysis of the application of UK tax law: Where required we seek to document our analysis to serve as a record and to ensure compliance with our conclusions as to the application of UK tax law to our business.
- Tax Compliance: As part of our analysis we determine the required reporting compliance to ensure that we properly report our activity to the applicable taxing jurisdiction and timely and accurately pay all taxes due.
- Controls: We deploy appropriate internal review processes to ensure compliance with UK tax law.
- Financial Reporting: We have rigorous financial reporting processes to capture and accurately account for and report our UK tax benefits and obligations in our financial reports. This includes the appropriate accounting for and reporting of any tax position where the application of UK tax law, subsequent to a robust analysis as described above, is uncertain.



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## **Hilton's attitude to tax planning**

We believe it is critical to fully comply with applicable tax laws and to pay the appropriate amount of tax in the jurisdictions in which we conduct business for the benefit of those economies. This applies to the UK. As described in our approach to the management of tax risk, we review our commercial activity to determine the UK tax consequences of our commercial activity. If there are alternative means which achieve the Group's commercial objectives and also legally minimize the tax liability of the Group for the benefit of its stakeholders and employees, such options may be explored.

## **The level of risk that the Group is prepared to accept with respect to UK taxation**

We believe that our processes, as described above, minimize our UK tax risk. Our process first identifies and fully vets the UK tax consequences of the Group's commercial activities. To the extent there is uncertainty with respect to the determined tax consequences, such uncertainties, if any, are fully disclosed for financial statement purposes as stipulated by applicable accounting rules and any appropriate accounting contingencies are recorded for the purpose of transparency and protecting the Group's stakeholders, employees and creditors.

## **Hilton's approach to its dealing with HMRC**

We seek a cooperative and transparent relationship with H.M. Revenue & Customs ("HMRC") to ensure that HMRC is fully apprised of our commercial activity, our legal structure, and how we have treated such for all UK tax purposes. We budget time and resources to afford HMRC to examine our tax compliance filings and to respond to inquiries so that HMRC can assure itself that the Group is in proper compliance with UK tax law in all respects. In the past we have in certain instances reached out to HMRC in advance of completing commercial transactions to give HMRC the benefit of understanding our business and providing their views. We believe we have maintained a productive relationship with HMRC and plan to continue such into the future.

**Date: January 2024**