

Tax Strategy

American Express, together with its consolidated subsidiaries, is a globally integrated payments company with card-issuing, merchant acquiring and network businesses that offer products and services to its customers, including consumers, small businesses, mid-sized companies and large corporations around the globe.

The following statement sets out the tax strategy of American Express in the U.K. in accordance with the Finance Act 2016, Schedule 19, Paragraphs 19 and 20. This strategy covers all taxes and relates to the year ending 31 December 2026.

Risk Management and Governance

- American Express has a robust approach to management and governance to identify and mitigate inherent risk, including tax risk, in the following ways:
 - Operating a network of policies governing how processes are carried out.
 - Maintaining and enhancing a robust control framework across its U.K. legal entities.
 - Annual monitoring and testing.
 - Communicating and escalating the results of the control testing programme.
 - Annual operation tests used to identify and document risks and controls.

Managing tax risk in the U.K.

- American Express in the U.K. carefully considers all taxation positions taken in respect of compliance obligations to ensure any risk taken is consistent with our overall U.K. tax strategy and broader corporate governance requirements.
- Decisions on tax risk are taken with due regard to regulatory obligations, technical analysis, reputational considerations and to maintaining shareholder value.
- Advice from external parties may be sought for a variety of reasons in respect of our approach to tax risk, for example:
 - Understanding current sector/industry factors
 - Obtaining technical expertise
 - Litigation support
- American Express only uses external advisers that share our values of accountability, integrity and good citizenship and understand our objectives and approach.
- Any tax position relating to either compliance or planning is subject to the approval of country, regional and global tax leadership. Where appropriate, U.K. or U.S. board approval will be sought before proceeding.

Tax planning in the U.K.

- The American Express tax strategy in the U.K. is to pay the appropriate amount of tax owed, while maintaining shareholder value where possible.
- When implementing our tax strategy, the weighting attributed to the underlying commercial purpose and economic substance of our activities is considered the most significant factor.
- All intercompany transactions are entered into on an arm's length basis that reflect the business and commercial realities of the transaction and adhere to the relevant guidance issued by the taxing authorities of the respective jurisdictions, including the implementation of all required documentation that supports the pricing and allocation decisions.
- American Express only considers tax strategies that it feels confident in discussing openly and agreeing with tax authorities.
- Our overall tax strategy is aligned with our business strategy and corporate values.

Working with HMRC

- American Express engages with HMRC with openness and integrity to ensure compliance with its tax obligations.
- American Express works with HMRC in a timely manner in order to:
 - Meet all its U.K. tax requirements.
 - Minimise the risk of interest and penalties.
- American Express seeks to resolve any matters through pro-active and transparent discussion, collaboration and negotiation with HMRC and thereby manage tax risk (retrospective, current or future)