



Extension of the product range: Employee Benefits

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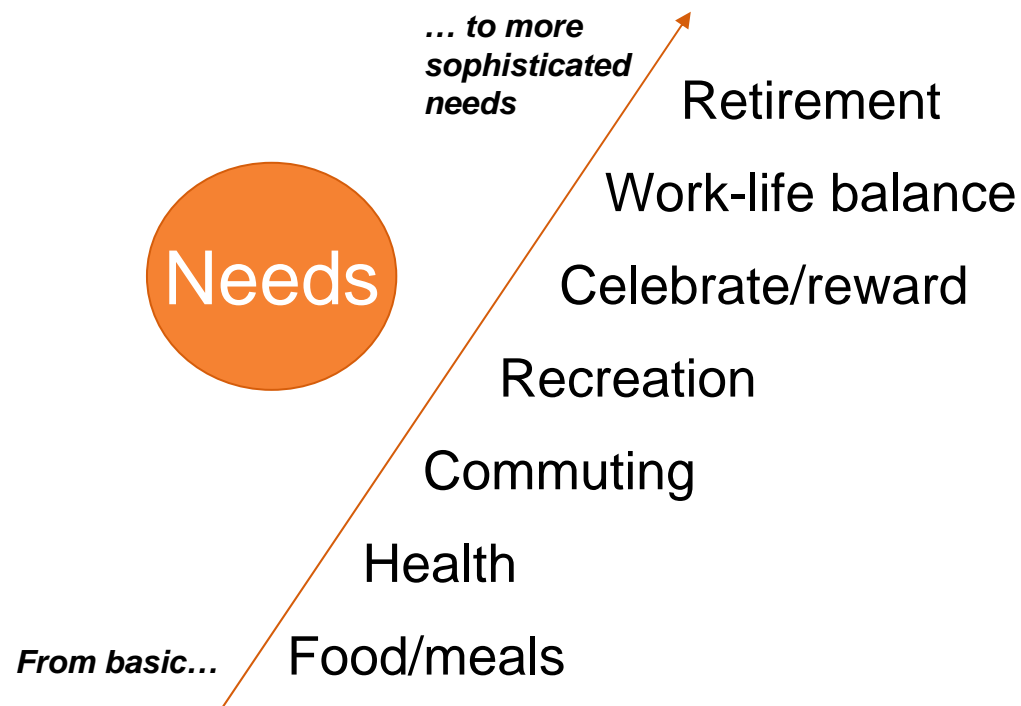
ACCOR  **SERVICES**



Meeting various HR needs



- People capital is a company's true competitive advantage
- Attract, motivate and retain the best



One business model, different products



Public policies simultaneously stimulate

- Supply (the network)
- Demand (employer & employees)

<u>Product</u>	<u>Key government rationale</u>
Ticket Tessorus	Balance private funding vs public social security system
Ticket Cesu/Childcare	Stimulate birth rate, quality education and women at work
Ticket Compliments	Cultural traditions
Ticket Holidays	Develop tourism services in rural areas, facilitate access to low wage earners
Commuter Check Ticket	Clean air, softening the increase in gas prices, better use of high infrastructure investment
Ticket Health	Balance private funding vs public social security system
Ticket Restaurant / Alimentation	Good nutrition at work requires flexibility vs contract food services

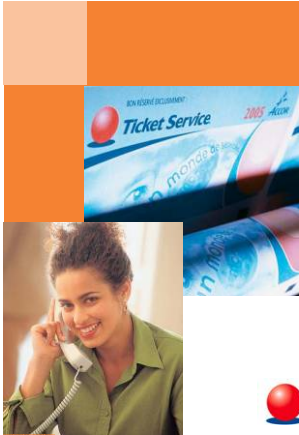
Childcare Vouchers in the UK



From April 2006

- Childcare Vouchers (up to a limit of **£55 a week**) are exempt from both tax and National Insurance Contributions (NIC) for employees
- This amount is also exempt from NICs for employers: an employer will **save around £370 per year** for every employee who takes £55 per week in Childcare Vouchers.
- The preferred solution is **electronic vouchers** under salary sacrifice programs
- Childcare Vouchers are **the fastest growing benefit** choice for all companies.

Commuter Benefits in the US

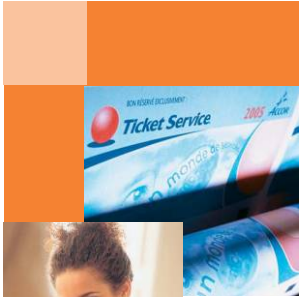


● New tax incentives creating strong growth opportunities:

- \$200 per month for parking, \$105 for public transportation + cash reimbursement prohibited
- Commuter benefit given to only 13% of the 16.7 million employees using public transportation



Commuter Benefits in the US



- **WiredCommuter** acquisition in early 2005 to broaden market reach

- To acquire know-how & relationship expertise



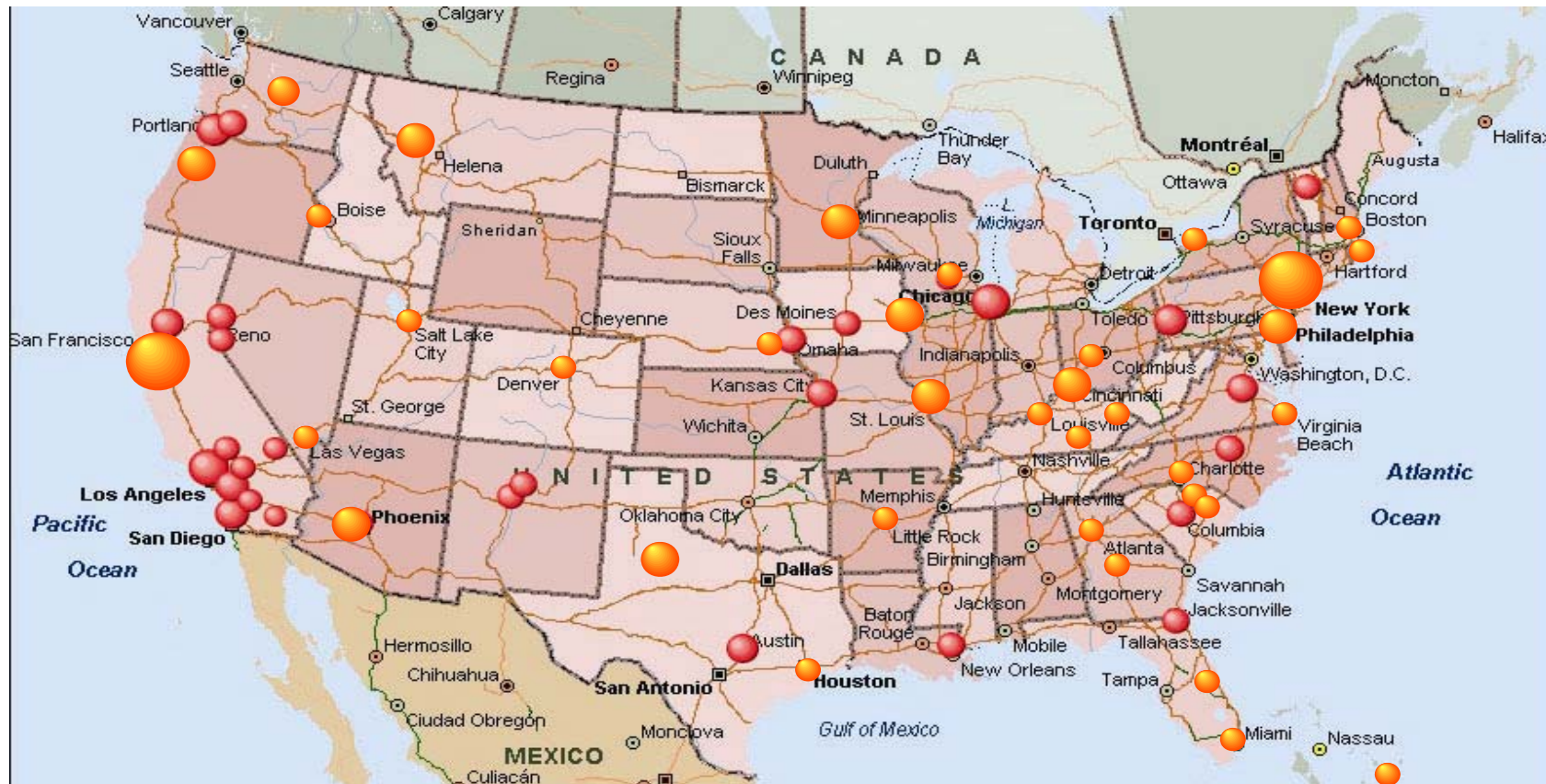
- **Commuter Check** acquisition in early 2006 to extend national coverage

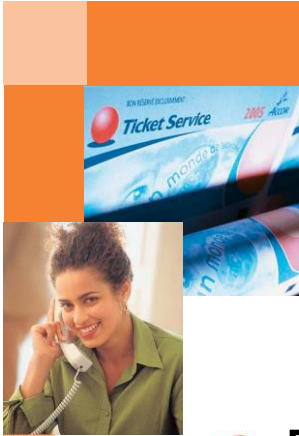
- To acquire market presence



Commuter Benefits in the US

Results achieved: 2nd market player





Key trend in HR: from “one size fits all” to a personalized approach

- Employee expectations:
 - Concept of total package
 - Flexible choice among various benefits at least once a year
 - Communication in a self-service mode
 - Maximization of tax benefits for each individual
- Traditional programs merged into flexible benefit programs

⇒ ***Strong market potential***