

NOVEMBER 2025

Tax Strategy

Shaftesbury Capital PLC (“Shaftesbury Capital” or the “Group”) has conducted an annual review of its large business tax strategy (LBTS). There have been no substantive changes to the LBTS since the previous publication.

Summary of our approach to tax

- The approach to tax risk is to operate with low tolerance, as mandated at Board level, with the objectives of maintaining Shaftesbury Capital’s low risk rating with HMRC and its REIT status.
- The Group continues to commit to complying with all applicable tax legislation and practice, through accurate and timely compliance and reporting, with a particular focus on listing and REIT regime requirements. This is achieved through implementing appropriate controls and risk registers to manage tax risk and ensuring appropriately qualified internal resources and specialist external advisers are available to the business. The Group keeps abreast of all applicable legislative changes, communicating these to the wider business and implementing process updates where required. We are fully committed to ensuring that we act with integrity and pay the correct amount of tax on a timely basis.
- The relationship with HMRC is open and transparent, with a “cards face up” approach being adopted. HMRC are kept apprised of the tax and business plans, and are regularly updated as to tax compliance, as well as themselves providing best practice for the Group to adhere to within our industry. HMRC clearance is sought on a formal or informal basis, where there are areas of uncertainty.
- Transactions are not tax motivated and instead align with the wider business strategy. The Group’s policy is to take a conservative approach to tax planning, and not to pursue aggressive tax planning arrangements or make interpretations of tax law that are opposed to its original spirit.

Our business

Shaftesbury Capital is a leading central London mixed-use Real Estate Investment Trust (“REIT”). Shaftesbury Capital’s purpose is to invest to create thriving destinations in London’s West End where people enjoy visiting, working and living.

Overview of our tax status

As Shaftesbury Capital PLC is a UK REIT, our net profits and gains from our UK investment properties are exempt from corporation tax. The Covent Garden business, of which we own 75 per cent, is also a UK REIT and subject to the same corporation tax exemption. We are obliged to meet certain requirements to maintain REIT status for both the Shaftesbury Capital PLC and Covent Garden REITs. These include the requirement to make a mandatory distribution each year. The Covent Garden REIT must distribute 90% of net rental profits as a Property Income Distribution (“PID”). For the Shaftesbury Capital PLC REIT, 100% of the PID received from the Covent Garden REIT must be distributed, together with 90% of net rental profits received from the rest of the group. These PIDs are subject to UK withholding tax at 20% unless the recipient has met the conditions to receive gross payment and made the appropriate notification of its status to us. Our shareholders are subject to tax on PIDs received as profits of a UK property rental business in accordance with their specific tax profile.

We are subject to corporation tax on our non-REIT income including the taxable income in our joint venture entities which are outside the REIT regime. We also collect and pay other taxes including payroll taxes, VAT, Stamp Duty Land Tax and business rates.

Our approach to tax governance

Our Tax Strategy is reviewed and approved annually by our Board of Directors but monitored on an ongoing basis throughout the year to identify any updates required as a result of legislative or business changes. Our Board is responsible for managing tax risk in our group assisted by appropriately qualified tax professionals in the internal tax team and external tax advisers as appropriate. They are also assisted in this by the Audit Committee, which provide regular oversight on tax risk and governance to assist the Board to fulfil its responsibilities in respect of tax governance.

To assist in our approach to tax risk and governance, our Board has put in place a Financial Crime Policy, which sets out for our staff and external parties the group's zero-tolerance approach to the facilitation of tax evasion. Our employees also receive regular, ongoing training on the topic which is mandatory.

Our tax risk management processes

Tax is an integral part of the Finance function of Shaftesbury Capital. The tax team, members of which are all qualified tax professionals, observes applicable laws, rules, regulations and disclosure requirements in managing risk effectively. This includes monitoring compliance with REIT status conditions; filing complete and accurate returns; making tax payments due on a timely basis and otherwise ensuring that controls and arrangements are in place to maintain our low risk rating with HMRC. In addition, the tax team reports to the Board on the tax implications of all significant business transactions throughout the year.

Tax risk is managed through strong internal review and compliance procedures which are continuously monitored and reviewed to ensure continuing compliance with applicable legislation and disclosure requirements. These procedures also ensure that we satisfy our obligations under the Senior Accounting Officer regime and comply with the Corporate Criminal Offences legislation.

The tax team is integrated into the business allowing it to work across the Group to identify and track all tax risks that may impact Shaftesbury Capital. A comprehensive tax risk register is maintained and reviewed quarterly by the tax team and the Executive Risk Committee.

The status of Shaftesbury Capital's tax position is reported half yearly to the Audit Committee and quarterly to the Board with ad hoc communication in the interim as appropriate. The half yearly and quarterly reports summarise Shaftesbury Capital's tax position with particular focus on material transactions, legislative updates and their impact on Shaftesbury Capital.

Our attitude to tax planning

We have a low tolerance for tax risk and are committed to maintaining our REIT status and low risk rating with HMRC. Therefore, all transactions we undertake are required to have a primary commercial purpose and not be tax-driven. While we will seek to use available reliefs where possible, it is not our intention to pursue tax planning proposals that are deemed aggressive, carry significant reputational risk from a corporate perspective or would negatively impact our relationship with HMRC.

While we aim for certainty on all tax positions we adopt, in areas of tax uncertainty and complexity, we will seek specialist advice as appropriate from professional, external advisers as well as engaging in constructive discussions with the relevant tax authority including seeking advance clearance as appropriate.

Our relationship with HMRC

We meet regularly with our Customer Compliance Manager at HMRC to provide updates on significant business transactions and their tax implications seeking advance clearance, where appropriate. We contribute to responses to formal HMRC consultations through industry bodies.

We take reasonable care to ensure that our tax reporting and disclosure is correct and accurate. However, if we identify an error, we will voluntarily disclose it to HMRC and settle any resultant additional tax, interest and penalties. We will also review and strengthen the controls in place to ensure similar errors are not repeated.

We strive to be open, honest and transparent in our relationship with HMRC. We consider this collaborative working approach in our dealings with HMRC to be an important factor in maintaining our low risk status with HMRC.

This tax strategy is published in compliance with paragraph 16(2) Schedule 19, Finance Act 2016 for the financial year ending 31 December 2026.

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