



HAMMERSON

Hammerson's Approach to Tax

Year ended 31 December 2026

Prepared in accordance with paragraph 16(2) Schedule 19 Finance Act 2016

Summary of Hammerson's approach to tax

- **Our approach to tax risk endorsed by our Board of Directors who are committed to ensuring effective processes and controls are in place to manage tax and to maintain our low risk business rating in the UK.**
- **We have a low tolerance of tax risk and only undertake transactions for bona fide commercial reasons**
- **We seek to maintain an open, transparent and collaborative approach with HMRC and overseas tax authorities**

About us

Hammerson invests in and manages prime retail-led city destinations in the UK, France and Ireland. We leverage our integrated pure-play operating platform to curate retail, leisure and community spaces to meet evolving customer and occupier needs while delivering sustainable long term growth for our stakeholders.

Tax Status

Hammerson became a UK Real Estate Investment Trust ("REIT") in 2007 and paid over £100 million to HM Revenue & Customs ("HMRC") on entry to the regime. As a UK REIT Hammerson is exempt from corporation tax on rental income and gains from its UK investment properties. Hammerson also has entities which own investment properties in France and Ireland. These overseas entities operate within broadly equivalent tax exempt regimes to the UK REIT regime in those countries.

The rationale of the UK REIT regime is to allow investors to obtain broadly similar returns as they would have had through a direct investment in property by moving the tax burden from the REIT to the shareholder level. To achieve this the REIT legislation requires REITs to distribute 90% of their UK annual property rental business profits, as computed for tax purposes, to shareholders as Property Income Distributions ('PIDs'). These PIDs are subject to withholding tax in the hands of shareholders depending on their status and they are taxed at the shareholder level as property income or gains rather than as ordinary dividends.

Hammerson entities also carry out income generating activities outside the UK REIT regime or equivalent tax exempt overseas regimes. These activities are subject to UK or overseas corporate taxes in the same way as for non-tax exempt entities.

In addition to corporate taxes, Hammerson pays a number of other taxes including Stamp Duty Land Tax, VAT, PAYE and employer's National Insurance and business rates. It also pays the equivalents of these taxes in France and Ireland.

Our approach to tax governance and risk management

The Group is committed to high standards of tax governance for which the Board of Directors has overall accountability. The Board reviews and approves the Tax Strategy annually to ensure it remains appropriate and up to date. The Board is supported by the Audit Committee in managing the tax risk and governance of the Group through its review of Hammerson's tax matters which considers tax accounting and controls, material transactions, REIT compliance, tax risks and changes to legislation.

We have a robust monitoring process in place for identifying and addressing tax risks which involves the Executive Directors, the internal tax team and the wider finance function. The internal tax team are qualified tax professionals who are integrated into the finance team and who work across the wider Group to ensure compliance with applicable legislation. The tax team monitors the conditions to maintain REIT status and the effectiveness of tax controls and processes on an ongoing basis. This internal review system supports the Senior Accounting Officer, our Chief Financial Officer, in certifying to HMRC that we have appropriate tax accounting arrangements.

We obtain advice from appropriately qualified external advisors on specialist UK and overseas tax matters, and we see the input of external advisers as a key source of specific tax expertise to supplement the skills of our internal tax team where required.

We have a published Code of Conduct, which sets out our commitment and processes for maintaining high standards of conduct, including ensuring integrity in financial accounting and reporting.

The Group has a zero-tolerance approach to fraud and dishonesty. We are committed to ensuring compliance with the legislation set out in Part 3 of the Criminal Finances Act 2017 relating to the corporate offences of failure to prevent the criminal facilitation of tax evasion as well as the provisions relating to the failure to prevent fraud set out in the Economic Crime and Corporate Transparency Act 2023.

Attitude towards tax planning and risk

Hammerson has a low tolerance for tax risk. We only undertake transactions which have a bona fide commercial purpose and are in line with our commercial objectives. We seek to minimise the risk of a dispute with taxing authorities by being open and transparent about our tax affairs and where appropriate seeking advance clearance to clarify points of uncertainty. Where considered necessary, e.g. major transactions or areas of tax uncertainty or complexity, we also obtain specialist external advice.

In determining our approach to tax risk the Board takes into account the views of our stakeholders: our occupiers, customers, colleagues, communities, partners and investors, and also government bodies.

Our relationship with taxing authorities

Hammerson is committed to seeking and maintaining an open, transparent and collaborative approach to our dealings with HMRC and overseas taxing authorities.

In the UK, we engage with HMRC through our Customer Compliance Manager to discuss our tax affairs on a real-time basis.

We take care to ensure that our tax affairs are reported accurately. If we were to identify an error in a submitted tax return, we would seek to voluntarily disclose it, quantifying the effect of the error and paying any additional tax, interest and penalties that may become due as a result.

We have historically and consistently been categorised by HMRC as a low-risk business, and this was last confirmed in 2023. Our Board of Directors is committed to ensuring that we continue to maintain this rating.

Approved by the Hammerson plc Board for publication on 24 February 2026