



# Medical Properties Trust

## UK Tax Strategy

### Introduction

Over the course of more than two decades, Medical Properties Trust Inc. (“MPT” or the “Company”) has grown into the second largest private owner of hospital real estate in the world, diversified our portfolio across geographies and care settings, and contributed to clinical excellence in hundreds of hospitals. Following our proven business model, we have focused on acquiring valuable hospital real estate and leasing those facilities to operators requiring capital to pursue a range of growth opportunities.

Currently, MPT owns properties valued at over £2 billion in the United Kingdom. We manage our assets to deliver sustainable environmental impact, future growth and long-term capital value for our shareholders. Tax is a consequence of the activities that MPT undertakes.

MPT owns a portion of its UK portfolio through a UK Real Estate Investment Trust (REIT). The aim of the REIT regime is to closely align the tax treatment of shareholders in a REIT to the equivalent of a direct property investment. This is achieved through removing one of the double layers of taxation, with rental income and gains from UK investment properties within a REIT exempted from corporation tax. In the UK, we must meet a number of conditions to maintain our REIT status, including a requirement for the REIT to distribute 90% of annual rental profits as a Property Income Distribution (PID).

Despite our REIT status in the UK, MPT is subject to a number of taxes including corporation tax on non-REIT income and gains, VAT, stamp duty land tax, stamp duty, and PAYE.

This UK Tax Strategy sets out the approach to UK taxation of MPT’s UK group companies. It has been reviewed and approved by our UK Board of Directors.

### Governance and strategy

The Board of Directors has an active role in the company’s overall strategies, and management of risks and opportunities. The Board annually reviews the Company’s corporate governance practices and are responsible for overall risk oversight of the company, including ultimate oversight over tax risks.

Accountability for tax sits with the Board of Directors. Operational execution of this strategy and management of UK tax risks is delegated to our local accounting team in the United Kingdom, led by the Manager of Accounting, Europe, who also serves as the Company’s Senior Accounting Officer (“SAO”).

Responsibility for day-to-day preparation and review of information, returns and payment of taxes has been delegated to the Managing Director of Tax, Director of Accounting and other senior members of the accounting team who are supported by third-party advisers.

### Tax governance and tax risk management

As a listed business in the US, MPT is subject to the requirements of Section 404 of the Sarbanes-Oxley Act. This requires us to establish internal controls and procedures over financial reporting, and document, test, and maintain those controls and procedures to ensure their effectiveness. This provides assurance over

the accuracy of the financial data upon which tax filings are based and instils a culture of risk management which applies equally to our approach to tax.

Due to the nature of MPT's business, our UK operations and tax affairs are relatively simple for a business of our size. We have a defined control framework in place to implement our tax strategy and ensure ongoing compliance across all taxes that MPT is liable for, and as part of this all corporation tax returns and REIT filings are prepared with assistance from one of the largest global accounting firms to reduce risk of error and ensure compliance.

The team members supporting our tax function are qualified professionals with several years of relevant experience, supported by regular training, and tax advice is obtained from reputable third-party advisers for any significant transactions which impact the UK companies.

MPT's robust control framework supports the SAO in meeting their main duty obligations under the SAO legislation.

### **Tax planning**

As documented in the MPT Code of Ethics and Business Conduct, each director, officer, and employee owes a duty to the Company to act in an honest and ethical manner and to abide by the letter and the spirit of all applicable laws, rules and regulations applicable wherever the Company does business.

MPT's focus for UK tax is on retaining our REIT status and meeting our compliance obligations. The business only undertakes transactions where there is a genuine commercial purpose, and advice on transactions may be sought from reputable third-party advisers to ensure compliance with relevant tax legislation.

### **Tax risk appetite**

As an employer, corporate citizen, and integral part of our community, we strive to create enduring value for our stakeholders – including our shareholders, tenants, employees, business partners, the environment, and the communities in which we live and work. Reporting and paying the correct amount of tax forms an important part of this objective and, accordingly, MPT takes its obligations as a taxpayer very seriously and has a low tolerance for tax risk.

### **Our relationship with HMRC**

MPT is committed to maintaining strong relationships with all stakeholders, including tax authorities, and has an open and transparent relationship in our dealings with HMRC.

As a large business, MPT has a dedicated HMRC Customer Compliance Manager and regular contact is made to discuss material transactions, improve HMRC's understanding of the business and provide HMRC with an opportunity to raise any queries on our UK tax compliance. If we were to identify an error in a tax return, we would seek to voluntarily disclose it to HMRC in a timely manner.

MPT has published this UK Tax Strategy for the financial year ended 31 December 2025 in accordance with Paragraph 19(2), Schedule 19 of Finance Act 2016 for the UK sub-group headed by Medical Properties Trust Ltd, and in accordance with Paragraph 22(2), Schedule 19 of Finance Act 2016 for the following qualifying companies: MPT UK Property Holdings Ltd; and MPT UK Services Ltd.