

Purpose The Group Tax Strategy sets out the Group's approach to managing its tax affairs. In particular it summarises how the Group manages risk in relation to tax, its dealings with HM Revenue & Customs (HMRC), its governing principles in relation to tax planning and its relationships with professional advisers.

The policy also sets out the overarching principles of the Group towards tax and the responsibilities for implementing these throughout the business.

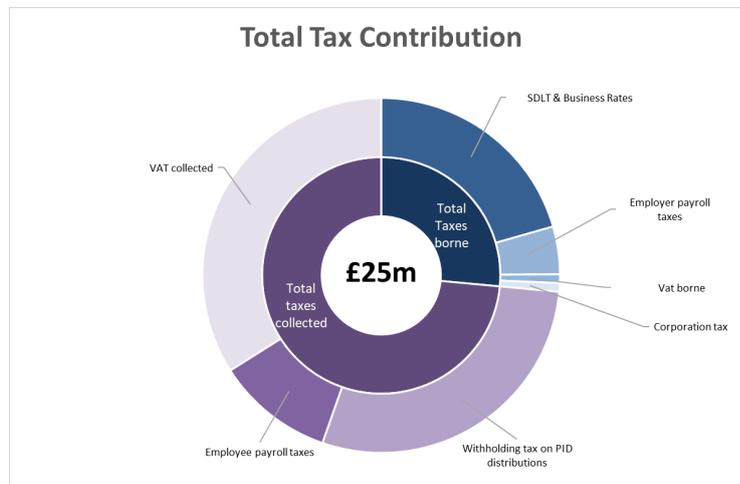
About Assura plc Assura is a leading healthcare real estate investment trust (REIT) with a portfolio of properties primarily comprised of medical centres in the UK. Our portfolio of properties is expanded through new developments and acquisitions focusing on creating outstanding spaces for health services in our communities.

As a REIT Assura is required to hold mainly investment properties and we are exempt from corporation tax on both rental profits and chargeable gains from our UK property rental business. In order to retain REIT status there are a number of criteria which must be satisfied. These criteria include distributing at least 90% of the rental business profits to shareholders which is treated as taxable income in the hands of those shareholders. Tax is withheld from these REIT distributions where appropriate and shareholders may pay additional tax themselves on the amounts received. This regime effectively moves the point of taxation from the Company to the investor. Maintaining our REIT status is a key tax objective.

The non-property business profits and gains of the group which do not fall within the REIT regime are fully taxable to UK Corporation Tax. This includes property trading profits and interest income. The REIT regime does not remove all our tax obligations and as a large business and employer we therefore account for and pay numerous taxes including VAT, PAYE income tax, National Insurance and Stamp Duty Land Tax.

At the 29th February 2024 the group comprised 46 wholly owned UK trading subsidiaries, 2 joint venture entities and a subsidiary registered in the Republic of Ireland.

Total Tax Contribution The Total Tax Contribution in the UK of Assura can be explained as the total taxes borne and the total taxes collected in the UK. Taxes borne are those that represent a cost to Assura such as Employers NI, Stamp Duty Land Tax, irrecoverable VAT, environmental taxes and insurance premium tax. Taxes collected are those taxes where Assura collects and remits tax to HMRC such as VAT on rent payable by tenants, withholding tax on PID distributions to shareholders and PAYE and National Insurance deducted from payments to employees. Based on the year ended 31 March 2023 the total tax contribution of Assura can be represented as follows:



Governance and risk management

Risk management is the responsibility of the Board, which sets out the risk appetite and tolerances of the business, determines the nature and extent of the principal risks the company is willing to take in achieving its strategic objectives and ensures that risk management and internal controls are embedded in the business's operations.

The CFO, also the Group's Senior Accounting Officer (SAO), oversees and ensures the proper execution of the tax strategy and reports to the Board as appropriate on any relevant tax matters.

Whilst the ultimate responsibility for the management of risk rest with the Board the effective day to day management of risk is embedded in all areas of our business and forms an integral part of our core values, procedures and practices. The Audit Committee monitors and reviews the effectiveness of our internal control and risk management structure, including our approach to tax risks.

The tax reporting processes are completed by trained individuals, reviewed in-house and where necessary reviewed by external tax advisors. We maintain robust processes and controls which are designed to minimise the risk of errors arising which could impact the amount of tax we pay and which helps give assurance that our tax accounting arrangements are appropriate.

We liaise with external advisors on a regular basis to ensure that we adapt our processes to comply with any legislative and regulatory changes and we encourage team members responsible for tax affairs to attend training courses to refresh their knowledge.

Tax risk and tax planning

Our main tax objectives include fulfilling all our UK tax compliance obligations, complying with the REIT requirements and communicating effectively with HMRC. The Group has a low risk appetite with regards to tax planning and all transactions are based on commercial considerations as opposed to gaining tax advantages.

Risk assessments have been completed and appropriate controls put in place in relation to the corporate offence of failure to prevent the criminal facilitation of tax evasion, contained in Part 3 of the Criminal Finance Act 2017.

The basis of our approach is that the tax outcome of business activity reflects the commercial and economic position and is compliant with both tax legislation and HMRC interpretation. The finance team works on transactions with other areas of the business from an early stage and external expert advice is sought where appropriate. Where the tax position is uncertain the approach adopted will follow the commercial position of the transaction and be in accordance with the relevant legislation and any HMRC guidance available.

Relationship with HMRC

We aim to engage openly and constructively with HMRC on matters relating to our tax affairs, providing appropriate timely responses to any queries raised. While we take every care to ensure our tax is correct, accurate, and paid on time if we do become aware of an error, we will make a voluntary disclosure paying any additional tax, interest and penalties that may be due. We would also revisit our processes to ensure that such an error is not repeated.

At our latest BRR+ review completed in December 2023, HMRC confirmed Assura as having a low tax risk rating.

We communicate regularly with our HMRC Customer Compliance Manager; where necessary seeking formal or informal clearance from HMRC for transactions where there is any doubt regarding the appropriate tax treatment.

The publication of this tax strategy statement for the year ended 31 March 2024 is regarded as satisfying the Group's statutory obligation under Para 16(2), Schedule 19, Finance Act 2016.