

Purpose

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

The Tax Strategy sets the overarching principles of the Group towards tax and the responsibilities for implementing these throughout the business.

Introduction

Unite Students is the UK's largest owner, manager and developer of purpose-built student accommodation (PBSA) serving the country's world-leading higher education sector. We provide homes to 75,000 students across 169 properties in 25 leading university towns and cities. We currently partner with over 60 universities across the UK. Our people are driven by a common purpose: to provide a 'Home for Success' for the students who live with us. Unite Students' accommodation is safe and secure, high quality, and affordable. Students live predominantly in en-suite study bedrooms with rents covering all bills, insurance, 24-hour security and high-speed Wi-Fi. We also achieved a five-star British Safety Council rating in our last audit. We are committed to raising standards in the student accommodation sector for our customers, investors and employees. This is why our new Sustainability Strategy, launched in 2021, includes a commitment to become net zero carbon across our operations and developments by 2030.

Unite Students is a REIT. REIT status is a Government implemented statutory regime that acts to replicate the tax position for shareholders as if they held direct ownership of the Group's property, provided certain conditions are met. As a REIT, the Group's income from its property business is not subject to tax and instead, at least 90% of its exempt profits must be distributed to shareholders. The non-property business profits of the Group remain subject to corporation tax. The Group's contribution of other taxes is unaffected by REIT status.

The Group's approach to tax is led by the Board, which has a low tolerance to tax risk and is focused on retaining REIT status.

Tax has an impact on shareholder value. This drives two key elements of the Group Tax Strategy:

- To maintain shareholder value and commercial competitiveness, whilst ensuring that the Group pays all appropriate tax
- Seek to maximise certainty around the Group's tax position by complying with all relevant legislation, whilst driving an open and honest relationship with HMRC

The Group pays a wide range of taxes, including corporation tax, income tax, VAT, stamp taxes, insurance premium tax and national insurance contributions. In addition, the Group has over 1,900 employees, generating a substantial further tax contribution to the economy (PAYE & NI).

The Group considers that paying its fair share of tax is part of its duty as a responsible corporate citizen. It acts with the highest standards of corporate governance and integrity at all times across all areas of operations and behaves in a responsible and sustainable manner towards all those it affects. In so doing, it ensures it operates ethically, efficiently and effectively.

The Group works closely with its Customer Compliance Manager based in HMRC's REIT specialist team, with whom it maintains a regular, open dialogue.

Responsibilities

The Group's Tax Strategy is set by the Board of Directors. It is implemented throughout the business by the Chief Financial Officer and the Head of Tax, with support from the Group Tax Team.

Group Tax Strategy

The Group's Tax Strategy is:

- To promote engagement with tax strategy at the Board and across all levels of the business.
- To operate a strong and reliable control framework to reduce tax risk.
- To act in accordance with all applicable laws and regulations.
- To pay all appropriate tax whilst using available incentives and reliefs to reduce the tax costs of conducting its business activities.
- To implement reasonable tax planning strategies only where such planning is aligned with the Group's commercial and economic activity, and gives a result consistent with the spirit of the legislation.
- To seek external expert advice where uncertainty exists regarding the interpretation or application of tax law.
- To pursue and promote an open, honest and transparent relationship with HMRC.
- To provide information to, and seek responses from, HMRC in a timely and responsive fashion in order to achieve certainty as to the Group's tax position.
- To actively input into the development of UK tax legislation and practice through responses to consultations and participation in relevant industry groups.
- To adopt and maintain status as a Real Estate Investment Trust in accordance with UK tax legislation.

Approved by the Board

This document satisfies the Group's requirement to publish its tax strategy for the year ended 31 December 2023 under Paragraph 16(4), Schedule 19, Finance Act 2016.

The Group consists of The Unite Group Plc, together with its subsidiary entities.