

UNITE
STUDENTS

GENDER PAY GAP REPORT 2023



OPENING STATEMENTS

Closing our gender pay gap is crucial to us building an inclusive culture where everyone can learn, grow and truly belong.

At Unite Students, we're on a mission to achieve extraordinary things and raise the bar together (one of our core values). Unite Students provide more than just a place to stay while you're at university. We are a support network, a place to meet new people, a space you can make your own, and a whole lot more.

Diversity, equity and inclusion are core to everything we do at Unite Students. We know that diverse and inclusive teams create better experiences for our students and better business decisions. We are committed to creating a workforce that reflects the communities and customers we serve. As with any business challenge, we are using data to inform targeted actions that will drive improvements, and our pay gap is a fundamental source of that data.

This year's gender pay gap numbers show that we are making progress but change of this nature takes time. This report therefore represents one chapter in a long journey towards no pay gap existing at all.

This year, we will be working through a robust plan of actions to really drive change in the coming years.



Amy Round

Group People Director



Joe Lister

Chief Executive

Doing what's right for students starts with doing what's right for our people.

As the largest provider of student accommodation in the UK we provide a home to over 70,000 students. We are committed to raising standards in the student accommodation sector for our customers, investors and employees.

We are driven by our values and culture and a commitment to develop diverse and inclusive teams, filled with positive energy and new ideas. We provide a range of career pathways and make opportunities for progression available to all.

We are developing greater representation of gender and ethnicity in senior positions to create a more diverse workforce. We believe it is important for everybody to be able to be themselves, have their voice heard and feel that they truly belong when they work with us.

We recognise the important role our teams play in providing a Home for Success for our students, which is why we remain committed to paying at least the Real Living Wage for all roles. In response to the challenging economic climate we applied an above inflation tiered pay award in both 2023 and 2024. This approach enabled us to give our lowest paid colleagues the most meaningful support.

I am delighted with the progress we have made in the last year, with an increase in female representation in senior roles including a new Non-Executive Director, two new appointments to our Executive Committee and a strong talent pipeline below them. I am heartened to see that in 2023 our gender pay gap has reduced, however, we are not standing still and will continue to strive for further parity in 2024 and beyond.

INTRODUCTION

PROVIDING OPPORTUNITIES FOR ALL

The Gender Pay Gap isn't the same as Equal Pay. The Gender Pay Gap shows us the difference in average and median earnings between females and males across the entire organisation. This is irrespective of role, nature of their work or level of seniority.

It's different from 'Equal Pay', which considers pay differences when comparing work that is the same, equivalent or of equal value.

Our purpose is to provide a Home for Success. That means going beyond offering a room in which to sleep or a place to work, and instead creating an environment in which people can grow and thrive. 'Home' means different things to different people, but fundamentally, it needs to be somewhere people feel they belong.

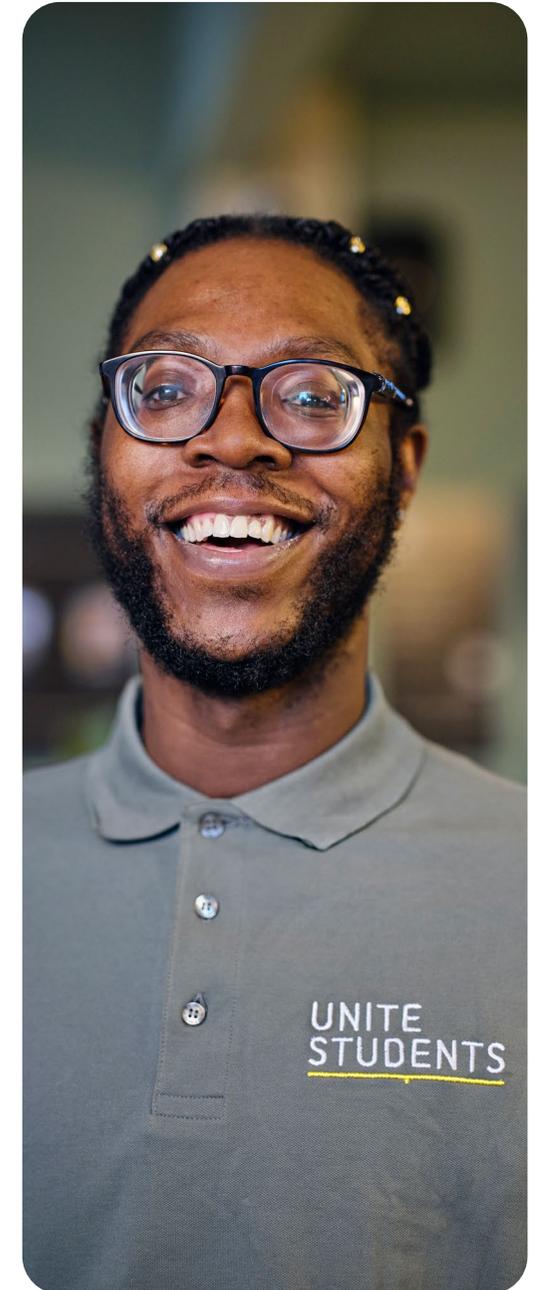
We recognise the importance of equitable representation of gender and all other protected characteristics across our workforce but especially in our more visible leadership roles in achieving this goal. We therefore set a target for female representation in our leadership and management roles of 40% by 2025. As of 1 January 2024, females represent 30% of our senior leadership roles, 33.3% of executive committee roles and 40% of board level roles.

We are pleased to report that we have made further progress in addressing our gender pay gap over the past year with the mean gender pay gap decreasing by 2.9% to 14.7%.

An increase in the representation of women in the upper quartile (from 40.2% to 43.4%) has had the biggest impact on our mean pay gap. The upper quartile contains all our leadership roles as well as many of our professional and technical roles and the improved representation here can be attributed to our continued focus on diversity, equity, inclusion and belonging.

- We have established robust processes with our search partners to ensure we have strong female candidates in all our external senior hire searches. Our internal senior talent and succession processes have also added to this resulting in 75% of senior appointments and appointments to our Executive Committee being offered to female candidates in 2023.
- We have continued to fill the majority of manager level roles internally, allowing us greater control over our leadership pipeline.

We recognise that there is still work to do in this area and will continue to monitor our progress against our action plan to increase the representation of women in senior leadership roles through clear progression and promotion opportunities and robust recruitment practices.



OUR 2023 GENDER PAY GAP REPORT

COMMITTED TO PAYING REAL LIVING WAGE FOR ALL ROLES

Our analysis shows that the overall difference between women and men’s earnings is 14.7% (mean) and 5.9% (median). This is based on hourly rates as of 5 April 2023. At this date Unite Students employed 1,899 employees with 45% female and 55% male employees.

Our headcount figure is around three times less than the FTSE 100 average and so the higher salaries paid to our Executives have more of an impact on our mean pay and bonus gaps than they would for a larger organisation.

Almost 75% of our employees are based in customer-facing roles such as housekeeping, student experience, student safety and facilities supporting our portfolio of more than 157 properties across 23 leading university towns and cities. We have structured salary ranges for these roles ensuring equal pay for all and we are committed to paying Real Living Wage for all roles. However, this high concentration of employees in customer-facing roles inevitably contributes to our mean gender pay and bonus gaps, as they attract lower salaries than for senior and leadership roles.

Pay and bonus gap

Difference between women and men	Mean	Median
Gender Pay Gap	14.7% (down 2.9% from 2022)	5.9% (up 1.0% from 2022)
Gender Bonus Gap	50.7% (down 4.5% from 2022)	8.4% (down 1.9% from 2022)

Our mean gender pay gap has reduced again this year to 14.7% (a decrease of 2.9%). This is due to both an increase in female representation in leadership and technical roles which attract a higher rate of pay, as well as the decision to award a tiered pay award in 2023 to support our lowest paid employees, which resulted in the majority of our operational team members and team leaders receiving a 10% increase in the annual pay award.

Our median gender pay gap increased slightly this year by 1.0% to 5.9%. The median is often considered to be a more reliable measure of the gender pay gap, as this measures the difference in average pay and is not skewed by the lowest or highest earning employees. This moderate difference in median pay between our male and female employees is due to the higher concentration of females in our lower paid housekeeping roles compared to their male counterparts.

Our mean gender bonus gap has decreased by 4.5% over the last 12 months to 50.7%. This is due to both the decision to award a discretionary one-off bonus payment of £500 to all employees below leadership level in August 2022 in response to the cost-of-living crisis, as well as a lower overall bonus payout across the business in 2022 compared with the previous scheme year. This meant that average bonus awards were lower for both males and females but the difference in the amount awarded to those individuals in entry levels and those in higher paid levels was smaller compared with the previous year.

The mean bonus gap primarily results from the lower representation of women in more senior leadership roles, which receive much larger bonus awards including payments under our long-term incentive plans which are linked to our long-term business growth.

OUR 2023 GENDER PAY GAP REPORT continued



Proportion of employees that received a bonus in 2023

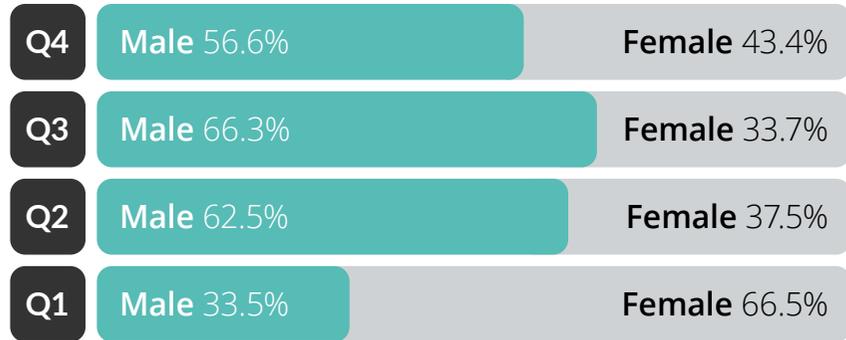


All employees with more than three months' service within the scheme year are entitled to participate in our annual bonus scheme. The proportion of both males and females receiving a bonus is lower than the previous year and reflects higher turnover levels in our customer-facing roles.



PAY QUANTILES

The proportion of males and females in each quartile is as follows:



Our gender pay gap is impacted by the representation of males and females across our organisational structure, in particular the lower representation in the highest quartile which includes our senior leadership roles.

We continue to see the lower quartile over-represented by females; primarily due to the concentration of housekeeping roles in this quartile, which are typically held by females. We are pleased to note that the proportion of females in the upper most quartile has also increased since the previous year and is now within 2 percentage points of their proportionate representation within the workforce. There are also more women in this upper quartile than either of the two middle quartiles, reflecting the increasing representation of women in senior leadership and professional roles.



NOTES ON OUR GENDER PAY GAP REPORT



The difference between our pay gap and equal pay

A pay gap measures the difference between the average earnings between two groups. For the gender pay gap, this means the difference between the average pay of men and women employees across our business.

Equal pay is our commitment as an employer to provide equal pay for equal work. We regularly monitor equal pay as both a legal and moral obligation and regularly take action to ensure we are compliant to equal pay law.

It is important to state that our pay gap does not exist as a result of equal pay issues. We take an objective and gender-neutral approach to pay across all levels of our business.

Explaining the calculations

The mean gender pay gap is the difference in the average hourly pay of all the women and all the men that work in our business.

The median represents the middle point of a population. If you lined up all our female and male employees in order of the hourly rate at which they are paid, the median pay gap is the difference between the hourly rate for the middle woman compared to that of the middle man.

The mean and median are both important metrics and need to be looked at together to understand an organisation's pay gap. However, the mean can be skewed by a small number of individuals earning more in the upper ranges.

Our legal requirements

Gender pay gap legislation requires employers in the United Kingdom with 250 employees or more to calculate and publish on an annual basis gender pay gap data.

The specific detail we are required to publish includes:

- Mean and median gender pay gap.
- Mean and median bonus gender pay gap.
- The proportion of men and women receiving a bonus payment.
- The proportion of men and women in each quartile pay band.