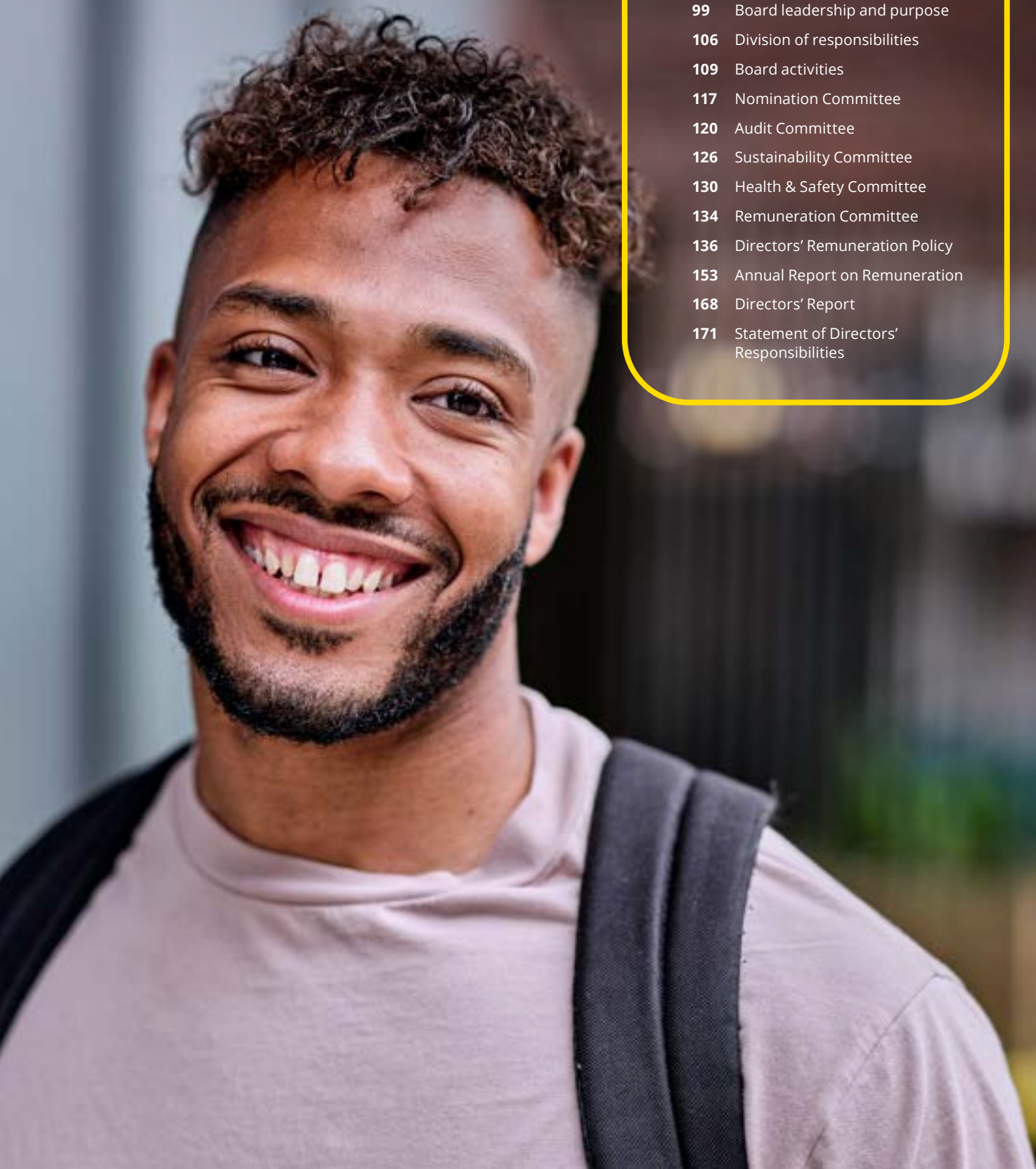


GOVERNANCE

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CHAIR'S INTRODUCTION TO GOVERNANCE

A SUCCESSFUL AND RESILIENT 2021

The Board's governance has supported delivery of a successful year

"The Board's response early in the pandemic, ensuring the right governance and dedicated resources were in place, has helped the business with this resilient performance through 2021"

Richard Huntingford
Chair



Through the hard work and dedication of our teams, underpinned by our robust governance and risk management framework, we have seen the business deliver a strong performance in 2021. The Board's response early in the pandemic, ensuring the right governance and dedicated resources were in place, has helped the business with this resilient performance through 2021. The Board has overseen the return to earnings growth driven by increased occupancy, whilst in parallel ensuring we enhance our portfolio by growing the development pipeline and delivering disposals.

The safety of our customers and employees has always been one of our key risks and especially so through the pandemic. It was important we remained open and fully operational, providing safe and secure homes to so many young people at such a critical part of their life, and our British Safety Council Covid Secure accreditation and our engagement with universities and public health authorities, have enabled us to do so. We took a number of key steps to ensure the safety and wellbeing of our customers, employees, and visitors to our sites. These are detailed in the Health and Safety Committee report on pages 130–131.

The challenges of Covid-19 weighed heavily on our key stakeholders, in particular our customers, whose lives and studies continued to be impacted by the pandemic. The Board recognised the ongoing disruption to students during the national lockdown in early 2021 and living our values and especially 'doing what's right', we offered additional rental discounts to students unable to use their accommodation. The Board has overseen over £100 million of financial support to students through the pandemic and believes this response has strengthened our reputation with students, parents, universities, and Government.

The Board's focus on our values and specifically 'doing what's right' and 'raising the bar together' has also driven our new Sustainability Strategy, launched in early 2021. Conscious this is a complex and dynamic area, the Board established our new Sustainability Committee early in 2021 to ensure governance and strategic oversight of the delivery of stretching new targets to reduce our environmental impact, improve opportunities for employees and raise standards across the student housing sector. Critical to the Board overseeing how we will reduce our environmental impact, is our 2030 net zero carbon roadmap, published at the end of 2021 and validated by the Science Based Targets Initiative (SBTi). This gives the Board assurance and confidence in the delivery of our Sustainability Strategy. For more detail, see the Sustainability Report on page 34 and the Sustainability Committee report on page 126.

Through the work of the Nomination Committee, we have reviewed our Board composition. Our mix of complementary skills and range of expertise across the higher education, real estate, finance, and hospitality sectors has supported us well through the pandemic. This is my first year as Chair, following Phil White stepping down on 31 March 2021, and I am grateful for Phil's leadership making Unite what it is today and helping prepare our platform for growth. During the year, Richard Akers also stepped down from the Board due to his other business commitments. I am grateful for Richard's valuable contributions to the Board with his wealth of real estate experience and sound judgement.

The Board sees growing demand for higher education in the UK together with further demand for high-quality, value-for-money student accommodation. We see this demand as a driver for the business's organic growth, whilst the Board also considers our strategy for growth through further development, University partnerships and potentially other living sectors complimentary to our operating platform and customer focus.

Engagement with our wider stakeholders continues as key to our growth, along with robust and effective governance and risk management.

The following pages explain how our governance and stakeholder engagement have supported us through 2021 and how it will continue to support our growth and sustainability in the longer-term.

Richard Huntingford

Chair

23 February 2022

BOARD OF DIRECTORS



Richard Huntingford
Chair



Years on the Board: 2

Richard joined the Board on 1 December 2020 and became the Chair on 1 April 2021.

Relevant skills, experience and contribution

Richard is a chartered accountant, and has over 30 years of plc board experience including as Chief Executive of Chrysalis Group plc between 2000 and 2007 and as a Non-Executive Director of Virgin Mobile Holdings (UK) plc. His Chair roles have included Wireless Group plc (formerly UTV Media plc), Creston plc and Crown Place VCT plc and Richard is currently Chair of Future plc.

Richard's proven FTSE chair, wider non-executive and executive experience helps us ensure best practice in board effectiveness and corporate governance. His wealth of experience in public company governance and leadership, corporate finance, investment, business development, investor relations and media helps us drive our strategy development and effective engagement with our wider stakeholders.

External appointments

- Future plc (Chair)
- JP Morgan Mid Cap Investment Trust plc (Non-Executive Director)



Richard Smith
Chief Executive Officer



Years on the Board: 10

Richard became Chief Executive Officer in June 2016 after working as Unite's Managing Director of Operations since 2011 and joining the business as Deputy Chief Financial Officer in 2010.

Relevant skills, experience and contribution

Prior to Unite, Richard spent 19 years in the transport industry, working in the UK, Europe, Australia and North America. Richard spent 14 years at National Express Group where he held a range of senior finance, strategy and operations roles, including Group Development Director and Chief Financial Officer, North America.

Richard continues to lead the successful development, communication and implementation of the Group's strategy, providing clear and valued leadership and delivery of the Group KPIs. His engagement with our investors helps ensure our strategy is well understood and valued. His operational expertise has helped ensure the business's resilience and ongoing delivery through the challenges of Covid-19 whilst ensuring the Group is well-placed for growth.

External appointments

- Industrials REIT Limited (Non-Executive Director)



Joe Lister
Chief Financial Officer



Years on the Board: 13

Joe joined Unite in 2002 and was appointed Chief Financial Officer in January 2008 having previously held a variety of roles including Investment Director and Corporate Finance Director.

Relevant skills, experience and contribution

Joe has continued to lead the design and delivery of the Group's sustainable growth and financial performance, which was especially tested through 2020 and 2021 by Covid-19. Joe's deep experience of our business and especially our funding arrangements has been critical in helping us navigate the challenges of the pandemic. Together with Richard, Joe ensures the development and communication of the Group's ongoing performance and strategy with our investors. Joe is the Executive Board lead for our Sustainability Strategy, our Property portfolio and our Information Systems and Technology (this includes Board responsibility for information security and data protection).

External appointments

- Helical PLC (Non-Executive Director)



Elizabeth McMeikan
Senior Independent Director



Years on the Board: 8

Elizabeth was appointed a Non-Executive Director in February 2014 and became the Senior Independent Director of Unite in January 2018.

Relevant skills, experience and contribution

Elizabeth has significant experience in customer-focused businesses previously working at Tesco and Colgate Palmolive, where she was successful in driving growth through an understanding of customer needs and an innovative marketing approach. Previously she was a Non-Executive Director of JD Wetherspoon plc, the chair of Moat Homes Ltd, a leading housing association in the South East, and CH & Co Ltd, a privately owned catering company.

Elizabeth brings her extensive consumer-focused experience, both as an executive and also on the boards of other FTSE companies, to help oversee the design and development of our customer proposition and enhanced customer service. As Senior Independent Director of Unite, Elizabeth supports the Chair in the effective running of the Board, and as Chair of the Remuneration Committee, helps ensure the Executive Directors' and broader senior leadership's remuneration is aligned to the long-term sustainable success of the Group.

External appointments

- McBride plc (Non-Executive Director)
- Dalata Hotel Group Plc (Non-Executive Director)
- Fresca Group Ltd (Non-Executive Director)
- Custodian REIT plc (Senior Independent Director)



Ross Paterson
Non-Executive Director



Years on the Board: 5

Ross joined Unite in September 2017 and became the Audit Committee Chair in January 2018.

Relevant skills, experience and contribution

Ross is the Finance Director of Stagecoach Group plc, and as a member of Stagecoach's Board is responsible for finance, business development and legal.

Ross contributes to Unite's Board using his many years' experience of managing finance in a complex operational business like our own. He also brings valued insight to innovation as we continue to enhance our service offer to our student customers. Ross uses his financial and broader business experience as Chair of the Audit Committee, helping oversee the Group's financial rigour and delivery.

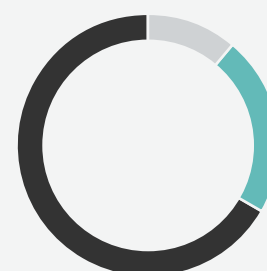
External appointments

- Stagecoach Group plc (Finance Director)
- WCT Group Holdings Limited (Non-Executive Director)
- Institute of Chartered Accountants of Scotland (Business Policy Panel member)

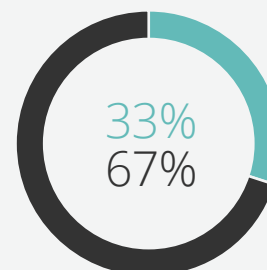
Committee key

- N** Nomination Committee Member
- A** Audit Committee Member
- R** Remuneration Committee Member
- H** Health & Safety Committee Member
- S** Sustainability Committee Member
- C** Committee Chair

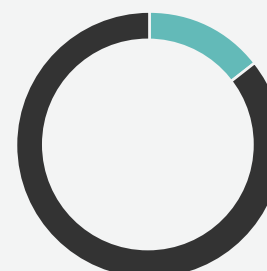
Composition of the Board



Gender diversity



Independence



BOARD OF DIRECTORS continued



Ilaria del Beato
Non-Executive Director

N A R H S

Years on the Board: 4

Ilaria was appointed a Non-Executive Director in December 2018. Ilaria is also our Designated Non-Executive Director for Workforce Engagement.

Relevant skills, experience and contribution

Ilaria is CEO of Frasers Property UK, part of Frasers Property, a global real estate group. Ilaria was formerly CEO of GE Capital UK, a regulated Bank and corporate lender and led GE Capital Real Estate UK, a commercial real estate investor, developer and lender.

Ilaria brings her 30 years of experience in real estate, including asset management, investment and lending, to the Group. This experience is vital to the Group as we navigate the ongoing and upcoming market uncertainties and increasing professionalisation of the sector.

External appointments

- Frasers Property UK (CEO)



Dame Shirley Pearce
Non-Executive Director

N A R H S

Years on the Board: 3

Dame Shirley joined the Board in November 2019 as a Non-Executive Director and Chairs our Sustainability Committee.

Relevant skills, experience and contribution

Dame Shirley has held chair, senior executive and non-executive roles at board level in Higher Education, health and policing with experience of both the public and private sectors. Shirley was Vice Chancellor of Loughborough University from 2006–2012 and was board member at the Higher Education Funding Council for England, the Universities and Colleges Employers Association, and the Healthcare commission, as well as being a Non-Executive Director of Health Education England, and the Norfolk, Suffolk and Cambridgeshire Strategic Health Authority. She has held senior governance roles at the LSE, and was appointed an independent reviewer of the Teaching Excellent Framework. She was appointed CBE in 2005 for services to education in the NHS and in 2014 appointed DBE for services to Higher Education.

Dame Shirley brings her wide ranging and hands on experience in the HE sector to the Board. This is especially critical at a time of ongoing change in the sector, where her insight and knowledge of HE and broader policy initiatives help inform the Board on our strategic direction. As Chair of Sustainability Committee, Shirley helps ensure appropriate oversight of our Sustainability Strategy.

External appointments

- Committee on Standards in Public Life (Independent member)
- Higher Education Quality Assurance Panel for the Ministry of Education in Singapore
- Royal Anniversary Trust (Trustee)
- HCA (Advisory Board member)
- Association of University Administrators AUA (Hon President)



Thomas Jackson
Non-Executive Director

N A R H S

Years on the Board: 3

Thomas joined as a Non-Executive Director in November 2019 following the Group's acquisition of Liberty Living from CPPIB.

Relevant skills, experience and contribution

Thomas has been the head of CPP Investments' UK real estate business since 2015 and is responsible for CPP Investments' entry into a number of new real estate sectors, including student housing, life sciences and the Build-to-rent sector. In addition to sitting on the Board of The Unite Group PLC, Thomas also sits on a number of CPP Investments' office, retail and logistics Joint Venture boards. Beyond the UK, Thomas is also responsible for CPP Investments' real estate investment activity in Germany and the CEE regions. Thomas originally joined CPP Investments in 2011 and was instrumental in its transaction activity in Spain, the Nordics and India.

Prior to joining CPP Investments, Thomas was a Vice President in the real estate investment banking team at Macquarie bank and focused on M&A transactions within the UK and European public and private real estate companies.

Thomas brings wide ranging real estate experience, not only from the student housing sector, but also his wider build-to-rent, retail and logistics real estate experience to the Board. His international experience will also be invaluable for the Board, helping provide a wider perspective on developments in real estate as the Board progresses further its strategic thinking.

External appointments

- Canada Pension Plan Investment Board (Managing Director, Head of Real Estate, UK)



Professor Sir Steve Smith
Non-Executive Director



Years on the Board: 2

Professor Sir Steve joined the Board on 1 April 2020.

Relevant skills, experience and contribution

Professor Sir Steve brings his wealth of experience in the HE sector. He was the Vice-Chancellor and Chief Executive of the University of Exeter from 2002 to August 2020. Sir Steve was the president of Universities UK (2009–2011), Chair of UCAS (2012–2019), served on the Boards of UUK and the Russell Group, and was Chair of the UUK International Policy Network (2014–2020).

Between 2007 and 2010, Sir Steve led for Higher Education on the Prime Minister's National Council of Excellence in Education, which provided advice to Government about strategy and measures to achieve world-class education performance for all children and young people. Sir Steve was knighted in 2011 for services to Higher Education locally and nationally.

Sir Steve's extensive experience in the HE sector contributes to how the Board navigates a changing HE sector. In addition, his hands-on knowledge and insight into how universities operate help us develop stronger University partnerships. Sir Steve also Chairs our Health and Safety Committee and his on-campus knowledge helps us ensure our approach to safety is well aligned with our customers, universities, employees and wider stakeholders.

External Appointments

- Chair of the Liveable Exeter Place Board
- Trustee for Fulbright Programme



Chris Szpojnarowicz
Company Secretary



Years with Unite: 8

Chris was appointed Company Secretary and Group Legal Director in 2013.

Relevant skills, experience and contribution

Prior to Unite, Chris held General Counsel roles at GE, MTV Networks and other multinationals. He was previously an M&A/corporate and commercial lawyer at Clifford Chance and Baker McKenzie. Chris uses his general counsel and corporate/commercial legal experience to ensure our corporate and risk governance is aligned with our business activity.

External appointments

- The West of England Friends Housing Society (Board Trustee)

Committee key

- N** Nomination Committee Member
- A** Audit Committee Member
- R** Remuneration Committee Member
- H** Health & Safety Committee Member
- S** Sustainability Committee Member
- C** Committee Chair

BOARD STATEMENTS

Under the UK Corporate Governance Code, the Board is required to make a number of statements. These statements are set out below

COMPLIANCE WITH THE CODE

REQUIREMENT

The Unite Group PLC is listed on the London Stock Exchange and is subject to the requirements of the UK Corporate Governance Code 2018 (the "Code"). The Board is required to apply the principles of the Code and to either comply with the provisions of the Code or, where it does not, explain the reasons for non-compliance.

The code is available at www.frc.org.uk

BOARD STATEMENT

The Board considers that the Company has, throughout the year ended 31 December 2021, applied the principles and complied with the provisions set out in the Code except in relation to (a) Provision 19: Chair tenure: Phil White resigned as the Chair and Non-Executive Director on 31 March 2021 after serving on the Unite Board for ten years and was succeeded by Richard Huntingford as Chair on 1 April 2021, who was independent on appointment (see explanation on page 96 of 2020 Annual Report on Chair tenure and successor appointment); (b) Provision 38: alignment of Executive Director pension contributions with the workforce (see explanation on page 138 of the Directors' Remuneration Report) and (c) Provision 40 and 41: Engagement with the workforce on remuneration policy (see explanation on page 152 of the Directors' Remuneration Report).

MORE INFORMATION

Details on how the Company has applied the principles and complied with the provisions can be found throughout this Corporate Governance section of the Annual Report.

The table below on page 98 details where disclosure against the principles of the Code can be found in this Corporate Governance report.

GOING CONCERN

REQUIREMENT

The Board is required to confirm that the Group has adequate resources to continue in operation for the foreseeable future.

BOARD STATEMENT

After making enquiries and having considered forecasts and appropriate sensitivities, the Directors have formed a judgement, at the time of approving the financial statements, that there is a reasonable expectation that the Group has adequate resources to continue in operational existence for the foreseeable future, being at least 12 months from the date of these financial statements.

MORE INFORMATION

More details on the Going Concern statement can be found on pages 190-191.

VIABILITY STATEMENT

REQUIREMENT

The Board is required to assess the viability of the Company taking into account the current position and the potential impact of the principal risks and uncertainties set out on pages 76-88.

BOARD STATEMENT

Taking account of the Company's current position and principal risks, the Directors have a reasonable expectation that the Group will be able to continue in operation and meet its liabilities as they fall due over the three-year period to December 2024.

MORE INFORMATION

More details on the Viability statement can be found on page 78.

PRINCIPAL AND EMERGING RISKS FACING THE GROUP

REQUIREMENT

The Board is required to confirm that it has carried out a robust assessment of the principal and emerging risks facing the Company and include a description of these principal risks, what procedures are in place to identify emerging risks, and an explanation of how these are being managed or mitigated.

BOARD STATEMENT

A robust assessment of the principal and emerging risks facing the Company was undertaken during the year, including those arising from climate change and Covid-19, and those that would threaten its business model, future performance, solvency or liquidity, together with an assessment of the procedures to identify emerging risks.

MORE INFORMATION

Information around key risks and risk management processes and how they are being managed or mitigated can be found on pages 74–88 and on pages 120–125 of the Audit Committee report.

RISK MANAGEMENT AND INTERNAL CONTROL

REQUIREMENT

The Board is required to monitor the Company's risk management and internal control systems and, at least annually, carry out a review of their effectiveness.

BOARD STATEMENT

The Board conducted a review of the effectiveness of the internal controls, supported by the work of the internal auditor and their reports to the Audit Committee.

No significant weaknesses were identified through the course of the reviews.

MORE INFORMATION

Details on the systems of risk management and internal control can be found on pages 74–88.

FAIR, BALANCED AND UNDERSTANDABLE

REQUIREMENT

The Board should confirm that it considers the Annual Report, taken as a whole, is fair, balanced and understandable and provides the information necessary for shareholders to assess the Company's position and performance, business model and strategy.

BOARD STATEMENT

The Directors consider, to the best of each person's knowledge and belief, that the Annual Report, taken as a whole, is fair, balanced and understandable and provides the information necessary for shareholders to assess the Company's position and performance, business model and strategy.

MORE INFORMATION

See the Audit Committee report on pages 120–125.

BOARD STATEMENTS continued

COMPLIANCE WITH THE CODE

The Company's disclosures on its application of the principles of the Code can be found in the table below:

BOARD LEADERSHIP AND COMPANY PURPOSE

- A. Long-term sustainable success and contribution
- B. Purpose, values and culture
- C. Resources and control framework
- D. Engagement with shareholders and stakeholders
- E. Workforce policies and practices

PAGE

Pages 12 to 13, 15 to 17, 34 to 49
 Pages 99 to 102
 Pages 74 to 78, 102
 Pages 12 to 13, 15 to 17, 104
 Pages 12, 15, 35, 41, 42, 46, 101, 102, 104

DIVISION OF RESPONSIBILITIES

- F. Board leadership
- G. Board composition and responsibilities
- H. Role and commitment of Non-Executive Directors
- I. Board effectiveness

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Pages 106
 Pages 106
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 Pages 107

COMPOSITION, SUCCESSION AND EVALUATION

- J. Board appointments, succession plans and diversity
- K. Board experience, skills and knowledge
- L. Board evaluation

PAGE

Pages 118 and 119
 Pages 92 to 95, 107
 Pages 114

AUDIT, RISK AND INTERNAL CONTROL

- M. Internal and external audit – independence and effectiveness
- N. Fair, balanced and understandable
- O. Risk management and internal controls

PAGE

Pages 124
 Pages 120 to 125
 Pages 74 to 88, 124

REMUNERATION

- P. Remuneration policies and practices – long-term strategy and success
- Q. Development of policy on remuneration
- R. Judgement and discretion

PAGE

Pages 134 to 167
 Pages 136, 142
 Pages 135, 142, 144, 151

BOARD LEADERSHIP AND PURPOSE

GOVERNANCE LEADERSHIP AND CORPORATE CULTURE

The Board is responsible for establishing the Company's purpose, values and strategy, promoting its culture, overseeing its conduct and affairs, and for promoting the long-term sustainable success of the Company for the benefit of its members and stakeholders.

Our Purpose – Home for Success

The Board has defined our purpose: to create a Home for Success for all our students. We do this by providing communities within our properties where students can succeed both professionally and personally. Our purpose describes our shared commitment and motivation and helps us articulate our business model, develop our strategy, operating practices, approach to risk and how we engage with our stakeholders.

Home for Success is about providing the right home experience for all the tens of thousands of students that come to live with us each year from across the globe and to enable them to achieve whatever goals and ambitions they aspire to. The Board oversees our service proposition and how we keep our students safe and secure. Our purpose of Home for Success and 'doing what's right' led to the Board's decision to offer further rental discounts in 2021 and complimentary tenancy extensions into the summer of 2021 to allow students to explore and enjoy their university cities following the ongoing Covid-19 disruption. This has enhanced our reputation with students, parents, universities and the Government and underlines our Home for Success purpose.

The Board's focus on Home for Success is also about ensuring the right platform for our University partners by understanding their long-term aspirations, accommodation requirements and evolving expectations around student welfare. This means our offer is built around the priorities of students and universities alike. Our focus on our Home for Success purpose and the quality and resilience of our operating platform has enabled all our properties to remain open during national lockdowns, providing homes to our student customers throughout Covid-19.

With our people being at the heart of our business, the Board's focus on Home for Success is also about ensuring an environment whereby our employees can grow, develop, succeed and belong. The Board is driven by our 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.

The Board has ultimate responsibility to Unite's shareholders for all the Group's activities as well as a broader responsibility to consider the views of other key stakeholders including our customers, universities, employees and the communities we operate in as well as considering environmental and social issues when making decisions. This responsibility is intertwined into our purpose of Home for Success.

Our values and culture

We remain committed to our purpose, continuing to evolve through our stakeholder engagement and our people. The Board's ambition is to have a 'One Team' culture, where our values can reflect the mindset, behaviours and attitudes we aspire to role model across the business. These continue to shape our culture, capture who we are, the things we believe in and how we act. They connect us and drive our behaviours. As we progress on our journey, we do so with an enhanced commitment to doing what's right. This goes beyond regulatory compliance and relates to all aspects of the business including the impact on our people and communities.

During 2021, the Board approved the formation of our 'Culture Matters' employee forum. The Board wanted to ensure our employees' voice is 'front and centre' in shaping and implementing our People strategy. This forum ensures two-way communication between the Board and the wider company, involving and engaging employees through consultation, enabling them to contribute to the success

of the business. Ilaria del Beato, our Designated Non-Executive Director for Workforce Engagement, attends the forum meetings. This forum also underpins a number of employee networks already established across the business including the Women's and LGBT+ forums.

How the Board monitors our culture

Our culture defines what makes Unite a great place to work and a great company to do business with and forms the fundamental basis for our governance. The Board monitors corporate culture through interaction and dialogue with our people and also through regular employee engagement surveys and site visits. This Board interaction takes place right through the organisation, helping ensure our values and culture are well understood and giving our people the opportunity for frank and open feedback and the sharing of different views.

Our employee surveys help measure engagement through their participation rates as well as the feedback received across the broad range of topics surveyed. During 2021, the Board resumed its City visits (not possible through 2020 due to Covid-19) and visited our operations in Cardiff, a new city for Unite following our Liberty Living acquisition, and our new developments in Bristol. Our +20 HE Trust score shows universities trust us to support them and gives an insight on our culture from our external stakeholders. Our initiatives undertaken supporting our Values mentioned on pages 99–101 reflects our values led culture.

BOARD LEADERSHIP AND PURPOSE continued

Our Values and Culture continued

Our Values

The Board led the development of our values, which guide the organisation in delivering our purpose of a Home for Success, where everyone feels they belong and are treated equally.



CREATING ROOM FOR EVERYONE

Being authentic and striving for a truly diverse and inclusive environment

Unite is a business that strives to be welcoming and inclusive to all, creating an opportunity to participate and feel valued. The Board has zero tolerance of any form of discrimination and embraces cultural diversity to provide an environment that enables everyone to be their true selves, creating a sense of belonging for everyone.



- 34% female / 66% gender split in leadership team
- 66% of managerial roles filled internally
- 83 individuals hired supporting Government's Kickstart scheme
- 514 Foundation scholars supported since 2012 and 254 scholars graduated
- Signed up for Black Interns programme
- Six city team training sessions held under Leapskills programme



KEEPING US SAFE

Safety is at the heart of our brand and at the core of everything we do

The Board believes we are at our best when everyone around us is at their best. Looking after everyone's wellbeing, both physically and mentally remains the Board's key priority. Safety is not just something else we do, it is part of everything we do and is weaved through the entire business and culture.



- Seven RIDDOR accidents
- British Safety Council Covid Assurance Assessment compliant
- Over 1,000 bodycam/solo protect cameras in operation across our city teams



DOING WHAT'S RIGHT

Always operate with a highly ethical, collaborative and solution driven mindset

Being a responsible business is part of our DNA. The Board always looks to do the right thing in the right way, creating trust for our people, our students, our University partners and the communities we operate in. This drives the Board's actions and decisions as demonstrated by the Board's leadership in the decision to offer rent discounts and four-week complimentary summer extensions of tenancy agreements due to the pandemic. The Board challenges the status quo when needed and takes accountability for its actions.



- Net Carbon Zero commitment by 2030
- Real Living Wage employer
- Gold Investor in People accreditation
- Launch of first Culture Matters employee engagement forum
- Over £73 million invested in replacement of cladding
- Social programmes including Leapskills and Unite Foundation
- Partnership with the British Heart Foundation



RAISING THE BAR TOGETHER

Continuously focused on improving the way things are done

The Board's ambition is to constantly strive to be better, by embracing an inquisitive mindset and exploring the potential of our people's own development. This does not mean constantly trying new ideas but focusing on our own expertise and building on that. The Board uses clear insight and data to help inform us and understand what really matters to students, driving efficiency, effectiveness and a great customer experience every time.



- +35 Customer satisfaction NPS
- +20 Higher Education Trust NPS
- Maintained a GRESB 4-star rating and improved score to 85
- Service improvements driven by ideas submitted by employees



For more about our culture and values, go online to:
unite-group.co.uk/cultureandvalues

BOARD LEADERSHIP AND PURPOSE continued

Fresh Start – reinvigorating our Purpose, Values and Culture

Following Covid-19 disruption through 2020, the Board was keen to reinvigorate our purpose, values and culture once physically meeting together again became possible through 2021. To support this, the business ran 19 Fresh Start events across 16 cities, with everyone across the business invited. The Board's focus for these events was to ensure we put our customers back at the heart of everything we do, empowering our teams to give a great customer experience in their cities and properties. After 18 months of working through the Covid pandemic, this also provided an opportunity to bring teams together and spend quality time as a team.

Unite Live

Unite Live provides employees with an opportunity to engage with our Chief Executive Officer and senior leadership directly through an online forum. Any question can be tabled about working in Unite with regular questions relating to safety, wellbeing and diversity.

We update our people on business developments through weekly updates from our Communications team and via a range of platforms including the employee intranet, the Hub.

BOARD SITE VISITS

5

properties visited by the Board during the year

Board oversight

The Board discharges some of its responsibilities directly and others through Committees and senior management. Terms of Reference for the Committees are available in our Governance Framework, published on www.unite-group.co.uk/about-us/corporate-governance. To discharge their broader responsibility effectively, the Group operates in an open, harmonious and transparent manner, ensuring open communication between the Board and the business and its stakeholders.

During 2021, the Board started meeting again in person where Covid-19 guidance allowed this but also held hybrid meetings ensuring there was ample opportunity to listen and hear directly from the leadership team, the wider business and our stakeholders. During 2021, this included comprehensive engagement with our employees, customers and universities on the impact of Covid-19 as well as our environmental and social impact.

The Board also receives updates on business performance from our leadership team, including the Chief Customer Officer, Group Investment & ESG Director, Group Property Director, Deputy Chief Financial Officer, Chief Strategy Officer, Head of Health & Safety, Group Communications Director, Head of Energy & Environment, Chief Technology Officer, Higher Education Engagement Director and Group Legal Director & Company Secretary (among others).

The Board is also responsible for:

- Assessing, monitoring and promoting the Company's culture, and ensuring that this closely aligns with its purpose, values and strategy (see page 99–101, Our Values and Culture).
- Ensuring the necessary resources are in place for the business to meet its strategic objectives. During 2021, this required the Board to ensure there was an appropriate balance between dedicated resources to focus on Covid-19 whilst ensuring other teams could also focus on other strategic priorities such as Fire Safety and implementing our Sustainability Strategy.
- Establishing workplace policies and business practices that align with the Company's culture and values and support its strategy (see page 104).
- Overseeing the implementation of a robust controls framework to allow effective management of risk, with this oversight delegated to the Audit Committee (see pages 120–125).
- Effective succession planning for key senior personnel, much of which is delegated to the Nomination Committee (see pages 117–119).

The Board has ultimate responsibility to Unite's shareholders for all the Group's activities as well as a broader responsibility to consider the views of other key stakeholders including our customers, universities, employees, suppliers and the communities we operate in as well as considering environmental and social issues when making decisions. All of the Board's significant decisions are considered having regard to Section 172 and specifically the likely consequences of these decisions in the long term and their impact on our stakeholders. Pages 12–17 of the Strategic Report highlight how the Board has sought to effectively consider and engage with our shareholders and wider stakeholders.

While the above summarises the key areas of Board responsibility, it is not intended to be exhaustive.






Board structure

Board Committees

The Board has delegated certain responsibilities to its Committees, as detailed on the following pages. The terms of reference for each Committee are reviewed annually.

During 2021, the Board established the Sustainability Committee to oversee the implementation of our Sustainability Strategy and ensure Unite is a responsible, resilient and sustainable business.

The current membership of each Committee of the Board is set out in the chart below:

<p style="text-align: center;">N</p> <p style="text-align: center;">NOMINATION COMMITTEE</p> <hr/> <p>The Nomination Committee reviews the structure, size, composition, skills and experience of the Board and focuses on succession planning with due regard to diversity.</p> <p>© Richard Huntingford Elizabeth McMeikan Ross Paterson Ilaria del Beato Professor Sir Steve Smith Shirley Pearce Thomas Jackson Richard Smith</p> <p style="text-align: center;"></p> <hr/> <p>See committee report on pages 117-119</p>	<p style="text-align: center;">A</p> <p style="text-align: center;">AUDIT COMMITTEE</p> <hr/> <p>The Audit Committee oversees the financial reporting, risk management and internal control procedures.</p> <p>© Ross Paterson Ilaria del Beato Professor Sir Steve Smith</p> <p style="text-align: center;"></p> <hr/> <p>See committee report on pages 120-125</p>	<p style="text-align: center;">R</p> <p style="text-align: center;">REMUNERATION COMMITTEE</p> <hr/> <p>The Remuneration Committee determines the remuneration policy in consultation with shareholders for the remuneration of the Board and the implementation of this policy.</p> <p>© Elizabeth McMeikan Ross Paterson Shirley Pearce Professor Sir Steve Smith</p> <p style="text-align: center;"></p> <hr/> <p>See committee report on pages 134-167</p>
<p style="text-align: center;">H</p> <p style="text-align: center;">HEALTH & SAFETY COMMITTEE</p> <hr/> <p>The Health and Safety Committee oversees the performance of the Group's health and safety and helps drive the Group's "Safe and Secure" promise.</p> <p>© Professor Sir Steve Smith Elizabeth McMeikan Ilaria del Beato Shirley Pearce Richard Smith</p> <p style="text-align: center;"></p> <hr/> <p>See committee report on pages 130-133</p>	<p style="text-align: center;">S</p> <p style="text-align: center;">SUSTAINABILITY COMMITTEE</p> <hr/> <p>The Sustainability Committee oversees the implementation of the Sustainability Strategy and helps ensure Unite is a responsible, resilient and sustainable business.</p> <p>© Shirley Pearce Richard Smith Ross Paterson Ilaria del Beato Thomas Jackson</p> <p style="text-align: center;"></p> <hr/> <p>See committee report on pages 126-129</p>	

BOARD LEADERSHIP AND PURPOSE continued

How the Board operates and stakeholder engagement

The Board has an annual operating rhythm with an agenda of items for the forthcoming year built around our strategic objectives. The Board's meetings are split between strategy (considered in light of principal and emerging risks, opportunities and the approval of specific investments above certain thresholds as well as ESG and longer term sustainability) and routine operational, property and financial updates (providing context for the strategic discussions as well as governance oversight of in-year activity).

Meetings usually take place throughout the UK, often at universities or in our operating cities, although this was more challenging during the pandemic. These meetings enable the Board to meet Vice-Chancellors and learn about their experiences with Unite, their accommodation requirements more generally and broader developments in the Higher Education sector. In the beginning of this year meetings took place virtually or as hybrid meetings (to allow for ongoing social distancing measures) and in the summer of 2021 resumed in person meetings once this was possible.

Senior leaders are regularly invited to attend meetings and present to the Board. These meetings provide the Board, and in particular the Non-Executive Directors, with direct and open access to leaders throughout the Group and helps build a culture of openness and directness. In addition, external experts are also invited to present to the Board (such as university Vice-Chancellors and property valuers) to give the Directors a broader and independent perspective.

Stakeholder engagement on pages 12–17 explains how the Board engages and measures the views of our key stakeholders and the outcomes from this engagement.

Workforce engagement and the role of our Designated Non-Executive Director for Workforce Engagement

The Board has designated one of its Non-Executive Directors (Ilaria del Beato) to help ensure the views and concerns of the workforce are brought to the Board and taken into account following the framework of 'listen, reflect and represent'. The Board chose Ilaria since she is a CEO at a real estate group and thus well placed to understand current challenges faced by employees and also since Ilaria is a member of our Sustainability Committee which includes our Social Impact as part of its ESG remit.

Her role includes:

- attending the Culture Matters forum;
- monitoring our employee engagement surveys and actions arising;
- soliciting the views of employees on remuneration structures and processes across the Group;
- collaborating with our Group People Director and the wider People team who also hear the views of the workforce directly; and
- providing feedback to the Board on People concerns and the results of surveys and other liaison.

By attending the Culture Matters forum and engaging with people across our organisation, Ilaria is able to:

- understand the concerns of the workforce and share these at Board meetings;
- ensure the Board, and in particular the Executive Directors, take appropriate steps to evaluate the impact of proposals and developments on the workforce and consider what steps should be taken to mitigate any adverse impact; and
- ensure plans are fed back to the workforce.

This chosen engagement mechanism continues to be the subject of feedback from the workforce in determining that it is an appropriate and effective mechanism for engagement and is included in the annual agenda of the Culture Matters forum.

Workforce engagement has led to shaping the Board's decision making. Through 2021, these decisions were primarily focused on our people and an increased focus on equality, diversity, inclusion and belonging as well as safety and wellbeing. This applied to both those employees who continued to work in our properties and those employees able to fulfil their roles working from home. See page 12 on how we engaged with our people in 2021. Our engagement resulted in the following:

- The recruitment of an ED&I lead who is developing our ED&I and wellbeing strategy and embedding diversity, inclusion and wellbeing into the culture of our business through a learning and development programme.
- ED&I training programmes led by Diversity specialist René Carayol and sharing of views and experiences of diversity and inclusion in the workplace. For more about these programmes see page 42.
- Employees being able to include their pronouns in their email profiles

through our Better Data, Fairer Workplace project. See more under 'Providing opportunities for all' on pages 35, 42 and 128 and Equality, Diversity and Inclusion on page 42.

- Wellbeing foundational training for all employees, especially those working from home conscious this has continued for two years. The Board continues to support flexibility in our ways of working. See more on page 35 on Enhancing the health and wellbeing of our employees and students.
- Relaunch of our Positive Impact programme (see more on page 44 about this programme).

The Board, through the detailed work of the Remuneration Committee, also monitors pay and practices across the wider workforce with the Group People Director attending these meetings to update on workforce initiatives and offer an employee perspective to the Committee's deliberations.

The Board also considers diversity, inclusivity and belonging across the workforce, by considering (among other things) our gender and ethnic diversity throughout the Group as well as our gender pay gap.

Investment in workforce

The Company invests in our people, conscious that we can only deliver a home for our students, and ultimately our purpose of Home for Success, through our people. Our people are a key stakeholder and how we engage with them and measure this is set out on pages 12, 15, 17, 35, 104 and 138. The Company is a fully accredited Living Wage employer and provides recognition through pay awards, annual bonuses for all employees and our annual employee scheme, Stars Awards, recognising individuals and teams. Senior leaders are eligible to participate in the Long Term Incentive Plan. All employees are eligible to participate in the Company's SAYE scheme. As a responsible and sustainable business, creating diverse and engaged teams is critical to our on-going success.

Whistleblowing programme

The Board annually reviews our Whistleblowing programme and the nature of concerns raised. Our Whistleblowing policy and a clear explanation as to how employees can raise a concern in confidence is readily available and published on our intranet. This includes raising a concern via an independent third-party if someone feels this is necessary. Concerns raised are then investigated by the Company Secretary and escalated as appropriate.

Section 172 of the Companies Act 2006 (Section 172)

Section 172 requires the Directors to take into consideration the interests of stakeholders in their decision making. In particular, Section 172(1) states that regard should be had to the long-term consequences of decisions; the interests of the Company's employees; the need to foster the Company's business relationships with suppliers, customers and others; the impact of the Company's operations on the community and the environment; the impact of the Company maintaining a reputation for high standards of business conduct and the need to act fairly as between members of the Company. Pages 15 to 17 explains how this was considered during 2021. Further, pages 109 to 113 explain Board activity and decision making during the year which flowed from our stakeholder engagement and how this is aligned to our strategic objectives.

How we engage with our investors

The Board values effective communication with shareholders and other providers of capital to the business and welcomes their views on the Group's approach to corporate governance. The Board creates sustainable value for our three types of investors: institutional, retail and debt investors:

INSTITUTIONAL INVESTORS

Investors attend our year-end and half-year results presentations (these were held virtually this year due to Covid-19 but are usually in person). The year-end results presentation also included the launch of our new Sustainability Strategy.

After our results, our Executive Directors held meetings with investors to ensure their views were taken into consideration as we develop our strategy, help them understand the ongoing performance of the business and our approach to the reinstatement of dividends.

We held a Capital Markets Day in October in Manchester, showing investors our new properties and our City operations and sharing views on the Higher Education outlook.

We also engage with investors throughout the year on various aspects of environmental, social and governance matters.

The Board is made aware of the views of major shareholders concerning the Company through, among other means, regular analyst and broker briefings and shareholder surveys. These will continue throughout 2022. Richard Huntingford also reaches out to the top 20 shareholders each year.

INSTITUTIONAL INVESTORS: c.800

RETAIL INVESTORS

Due to continued Covid-19 disruption, we had to hold our 2021 AGM as a closed AGM. However, to ensure all shareholders were given an opportunity to raise questions of the Board, shareholders were invited to ask questions via email in advance of the meeting.

All resolutions put to the 2021 AGM received overwhelming support from our shareholders. The results of voting are available at: www.unite-group.co.uk/investors/aggm. There were no resolutions with less than 80% voting in favour and therefore Code Provision 4 did not apply.

PRIVATE INVESTORS: c.450

DEBT INVESTORS

Bond holders

Bond holders are invited to an annual meeting with senior management and Treasury to update them on performance and business strategy. Other discussions are held with bondholders on specific topics as required such as ESG and our Sustainability Strategy.

Lenders

Regular dialogue is maintained with our key relationship lenders, through meetings or conference calls with our CFO and Treasury team. Our Treasury team also actively engages with new and potential lenders. During early 2021 engagement with our lenders had focused on our Financing covenants compliance but is now once again addressing our financing commitments more generally.

Credit Rating Agencies

During the year, business and financial updates were provided by our Treasury team to Standard & Poor's and Moody's who gave us an investment grade corporate rating of BBB and Baa2, respectively.

NUMBER OF LISTED BONDS: 5

NUMBER OF EQUITY INVESTORS: c.1,250

Shareholder consultation on proposed new Remuneration Policy

During 2021, the Remuneration Committee conducted a consultation with the Committee Chair engaging with the 20 largest shareholders (representing approximately two-thirds of the issued share capital) and with proxy advisors (Glass Lewis, the Investment Association and ISS) regarding proposed changes to the Company's Remuneration Policy (more detail on page 136). The Committee was grateful for investors taking the time to participate in the consultation and the constructive feedback received. The Committee used this direct feedback, along with the latest investor and shareholder proxy voting principles to refine and conclude our final proposals. The feedback received and the outcome of this engagement is set out on pages 136–138 under Review of the Directors' Remuneration Policy.

During 2021, the Company refreshed its corporate website providing insightful information for both institutional and retail investors. We continue to offer a scrip dividend alternative to shareholders, which enables them to opt for shares rather than cash with no dealing costs or stamp duty. The scheme was renewed for a further three years at the 2021 Annual General Meeting. Full details are available on our website. The Company has frequent discussions with shareholders on a range of issues affecting its performance, both following the Company's announcements and in response to specific requests. The Company regularly seeks feedback among its shareholders, the investor community more broadly and its wider stakeholders.

DIVISION OF RESPONSIBILITIES

Composition of the Board

The composition of the Board is set out in the table on page 108.

The Board currently consists of the Chair, two Executive Directors and six Non-Executive Directors.

Each of the Directors offers themselves for election or re-election at the Annual General Meeting, to be convened this year on 12 May 2022, in accordance with the requirements of the Code, Brief biographies of all the Directors and their skills, experience and contribution, are set out on pages 92 to 95. Following the individual performance evaluations of each of the Non-Executive Directors seeking re-election, it is confirmed that the performance of each of these Non-Executive Directors continues to be effective. They each demonstrate commitment to the role and add value and relevant experience to the Board.

On 15 December 2021, Richard Akers, a Non-Executive Director of the Company, stepped down from the Board in view of his other increasing business commitments. Richard has served as a Non-Executive Director of the Company since 1 September 2018.

Independence

The Board considers five of its six Non-Executive Directors to be independent. Thomas Jackson is not considered to be independent, having been nominated as a Director of the Company by its largest shareholder Canada Pension Plan Investment Board (CPPIB) pursuant to a Relationship Agreement signed as part of the Liberty Living acquisition. Accordingly, the Company meets the requirement of the Code that at least half of the Board (excluding the Chair) is made-up of independent Non-Executive Directors. In addition, Richard Huntingford (Chair of the Board) is considered independent on his appointment to the role.

Roles

The Chair and the Non-Executive Directors constructively challenge and help develop proposals on strategy, and bring strong, independent judgement, knowledge and experience to the Board's deliberations. The roles of the Chair and CEO are clearly separated. Summaries of the responsibilities of the Chair, CEO and Senior Independent Director are set out in the table below.

Role: Chair

Richard Huntingford's principal responsibilities are:

- to establish, in conjunction with the Chief Executive, the strategic objectives of the Group for approval by the Board
- to organise the business of the Board
- to enhance the standing of the Company by communicating with shareholders, the financial community and the Group's stakeholders generally

Role: Chief Executive

Richard Smith has responsibility for:

- establishing, in conjunction with the Chair, the strategic objectives of the Group, for approval by the Board
- implementing the Group's business plan and annual budget
- the overall operational and financial performance of the Group

Role: Senior Independent Director

As Senior Independent Director, Elizabeth McMeikan's principal responsibilities are to:

- act as Chair of the Board if the Chair is conflicted
- act as a conduit to the Board for the communication of shareholder concerns if other channels of communication are inappropriate
- ensure that the Chair is provided with effective feedback on his performance

The terms and conditions of appointment of the Non-Executive Directors are available for inspection at the Company's registered office and at the Annual General Meeting.

Time commitment

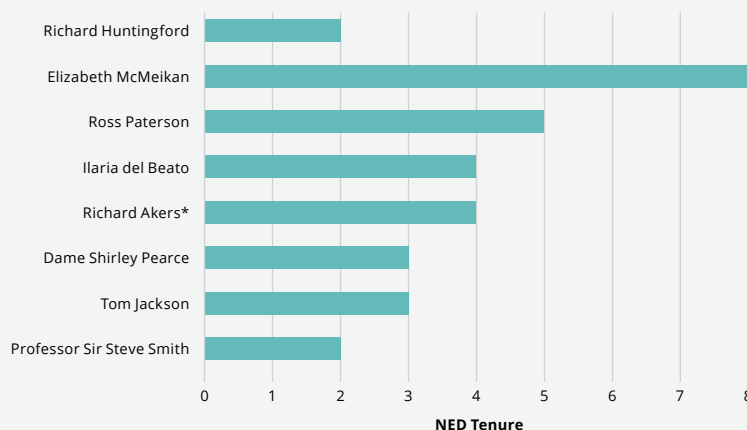
On 1 April 2021, Elizabeth McMeikan became a Senior Independent and Non-Executive Director of Custodian REIT plc. No potential conflict has been identified in relation to Elizabeth's appointment. Elizabeth's total time commitment with Custodian REIT plc is anticipated to be c.22 days per year. There are no timing issues identified with Unites' Board dates and Custodian REIT plc. Custodian REIT plc has a March financial year-end. The Board approved this appointment in advance and agreed that it would not impact Elizabeth's commitment as a Non-Executive Director of Unite.

Non-Executive Directors are expected to commit approximately 20 days per annum to the business of the Group. We have reviewed the responsibilities of all Directors and are satisfied that they can fully fulfil this commitment. During 2020 and 2021 additional time commitment was needed as a result of Covid-19 and the Directors attended regular Covid-19 Board calls in addition to the scheduled Board meetings to ensure an appropriate balance between a focused Covid-19 response and an ongoing focus on other key business areas.

It is the Board's policy to allow Executive Directors to accept directorships of other unconnected companies so long as the time commitments do not have any detrimental impact on the ability of the Director to fulfil his duties. It is considered this will broaden and enrich the business skills of Directors. Any such directorships must be undertaken with prior approval of the Board.

Board tenure

Each of the Executive Directors has a rolling contract of employment with a 12-month notice period, while Non-Executive Directors are, subject to re-election by shareholders, appointed to the Board for a term of approximately three years. The adjacent chart shows the current tenure of the Non-Executive Directors (rounded up to the nearest year).



* Richard Akers resigned on 15 December 2021

Professional advice and training

Directors are given access to independent professional advice at the Company's expense when the Directors deem it necessary in order for them to carry out their responsibilities. The Directors also have regular dialogue with, and direct access to, the advice and services of the Company Secretary, who ensures that Board processes and corporate governance practices are followed.

The Board considers it important that the Committee Chairs continue to receive sector and relevant functional training (such as on accounting, corporate governance and executive remuneration reporting developments) and accordingly the Committee Chairs attend relevant external seminars. The Board as a whole receives ongoing training on corporate governance and other relevant developments.

Board induction

On appointment to the Board, each Director takes part in a comprehensive and personalised induction programme. This induction is also supplemented with ongoing training throughout the year to ensure the Board is kept up to date with key legal, regulatory and industry updates. Any Director on appointment undergoes induction programme following this framework:

- The business and operations of the Group and the Higher Education sector; the role of the Board and matters reserved for its decisions; the terms of reference and membership of Board Committees; and powers delegated to those Committees.
- The Group's corporate governance practices and procedures and the latest financial information about the Group. The legal and regulatory responsibilities as a Director and, specifically, as a Director and Chair of a listed company.

As part of the induction programme, they meet with key senior executives, so from the outset they have access to people throughout the organisation to help them form their own independent views on the Group, its performance and the sector we operate in. In addition, they meet with representatives of the Company's key advisers. Arrangements are made for each Director to visit key locations to see our business operations and properties first-hand and the Higher Education institutions with which we partner.

DIVISION OF RESPONSIBILITIES continued

Board activities in 2021

Directors' attendance at meetings

Current Directors	Status	Date of appointment to the Board	Board	Audit Committee	Remuneration Committee	Nomination Committee	Health & Safety Committee	Sustainability Committee
Richard Huntingford	Chair / Independent	01 December 2020	11/11	-	-	100%	-	-
Elizabeth McMeikan	Independent	01 February 2014	11/11	-	100%	100%	100%	-
Joe Lister	Executive	02 January 2008	11/11	-	-	-	-	-
Richard Smith	Executive	01 January 2012	11/11	-	-	-	100%	100%
Ross Paterson	Independent	21 September 2017	11/11	100%	100%	100%	-	100%
Richard Akers ¹	Independent	01 September 2018	11/11	100%	100%	100%	-	100%
Ilaria del Beato	Independent	01 December 2018	11/11	100%	-	100%	100%	100%
Dame Shirley Pearce	Independent	01 November 2019	11/11	-	100%	100%	100%	100%
Thomas Jackson	Non-independent	29 November 2019	11/11	-	-	100%	-	100%
Professor Sir Steve Smith	Independent	01 April 2020	11/11	100%	-	100%	100%	-
Phil White ²	Chair	21 January 2009	3/3	-	100%	-	-	-

1. Resigned on 15 December 2021.

2. Resigned on 31 March 2021.

BOARD ACTIVITIES

2021 Board activities table

	Governance	Strategy	Financial & Risk management	People	Operational and commercial
February	Higher Education sector review	Group Strategy review	Annual Tax review Valuer update	Gender pay gap review ED&I initiatives	Development market update
March	Approve Annual Report IR review	Launched Sustainability Strategy LSAV extension	Preliminary results Group cashflow review Resuming Dividend	Development safety	Post-completion review Cladding review
May	Annual General Meeting Review auditors	Development strategy and review	Review internal controls Review Information Security	Employee Wellbeing review	Disposals
June	Embedding Sustainability Strategy	Digital Upskilling programme Strategy and Growth initiatives	Funding options Principal and emerging risks review	Safe and Secure promise during Covid-19 Employee engagement – Culture Matters Fire Safety	Investment market review Development and Estates update
July	Refreshing our OKRs (Objectives and Key Results in light of Covid-19) Internal Audit Cyber Security review	HE sector and Covid-19	Interim results Debt strategy	Plans for our 2021 internal Board evaluation	Covid-19 operational review
September	Climate Change risks and TCFD Higher Education sector engagement	Refreshing our Sustainability Strategy Marketing, Communications and Brand Strategy Review	Interims feedback Sustainability-linked revolving credit facility	Workforce Engagement update People & Culture Review Customer survey update	Net Zero Carbon Pathway
October	Capital Markets Day Shareholder Consultation on Remuneration Policy	Sustainability progress review	Cladding Update	Student wellbeing Unite Foundation update	Property – development approval (Derby Road, Nottingham)
November	Internal Board & Committee Evaluation feedback Audit Committee expansion to Audit & Risk Committee	Data and Technology Road Map and Strategy Implementation Update	2022 budget themes	Organisational people design to deliver our Strategy	Fire safety
December	Internal Audit & Assurance	Net Zero Carbon Pathway Annual Tax strategy review & approval	Principal and emerging risks review 2022 budget approval	Employee Bonus Scheme Whistleblowing review	Liberty Living integration – review of learnings

BOARD ACTIVITIES continued

Board Decision making during 2021

STRATEGIC OBJECTIVE

DELIVERING FOR OUR CUSTOMERS AND UNIVERSITIES



BOARD'S GOVERNANCE ROLE

Safety, health and wellbeing:

Governance to ensure the health, safety, wellbeing and security of our customers is paramount.

During 2021 this has continued with a particular focus on Covid-19 and fire safety.

LINK TO PRINCIPAL RISK

Operational risk – Major health and safety incident in a property or a development site on page 82

WHAT THE BOARD DID IN 2021 AND ITS DECISION MAKING

The Board reviews the safety of our students, visitors and employees, as well as contractors at our development sites, at each Board meeting.

- **Covid-19:** The Board oversees how our properties can remain open and operational throughout the pandemic and ensures we employ the appropriate range of measures across our buildings to reduce transmission of Covid-19 where possible.
- **Fire safety:** The Board and the Health and Safety Committee review and challenge our fire safety programme, a critical part of our health and safety strategy. The Board is committed to the business being a leader in fire safety standards through a proactive, risk-based approach embedded across the business and ensuring that students and our employees are kept safe. The Board also oversees our cladding remediation programme and related spending.



Read more about **Health & Safety Committee report** on [page 130](#)

Ensuring our product is affordable and provides good value-for-money for our customers.

Market risks – Demand reduction: value-for-money / affordability on page 80

Board governance of our decision and commitment to 'doing what's right' to offer further rental discounts and complimentary tenancy extensions to our customers unable to use their accommodation at the start of 2021.

Board analysis of the Higher Education accommodation sector, and ensuring we continue to offer an affordable and value-for-money product.

Board analysis of our customer offer and how we service undergraduate 1st-year students through lettings to universities under nomination agreements and also considering the opportunities to tailor our customer proposition to better meet the needs of returning students seeking greater independence and postgraduate and international students who may be willing to pay a premium for a higher level of service. Oversight of trials in 2021 of a postgraduate focused customer offer which delivered increases in rental income and Net Promoter Scores and our resulting increased offer of our product and service segmentation for postgraduates for the 2022/23 sales cycle.



Read more about **Operations review** on [pages 56-61](#)

DELIVERING FOR OUR CUSTOMERS AND UNIVERSITIES CONTINUED



BOARD'S GOVERNANCE ROLE

Governance to ensure our best-in-class operating platform delivers for our customers and University partners.

LINK TO PRINCIPAL RISK

Market risks – supply and demand on pages 79–81

WHAT THE BOARD DID IN 2021 AND ITS DECISION MAKING

Through our direct engagement with VCs and other levels of management within universities, the Board is able to take into account the views of these stakeholders as well as monitoring and measuring our performance.

Board oversight that our operating platform and our customer facing operational apps (such as the MyUnite app) deliver:

- a robust booking system
- an improved and scalable platform for revenue management and customer engagement
- enhanced service levels for both universities and students
- market differentiation.



Read more about **Operations review** on [page 56–61](#)

Read more about **Stakeholder engagement** on [pages 12–17, 104](#)

Ensuring our 'safe and secure' promise extends to keeping our customers' and employees' personal data safe and secure.

Operations risk – Information Security and Cyber threat on page 83

Ongoing review of our information security and its governance, in particular having regard to the General Data Protection Regulation (GDPR).

Board scrutiny of our developments and portfolio recycling to ensure we partner with the right universities and enhance our long standing relationships.

Building university relationships through ongoing engagement and dialogue with universities.

Market risk – supply and demand and Property/ Development risk on pages 79–81 and pages 84–85

Board portfolio activity focused on increasing our alignment to high and mid-ranked universities and being in the best locations with 90% of our rental portfolio and 100% of our development pipeline located in Russell Group cities and becoming more concentrated towards the strongest markets over time and our weighting towards London increasing to 44% through delivery of our development pipeline. Board approval of development/ disposals activity.



Read more about **Development and University partnership activity** on [page 66](#)

BOARD ACTIVITIES continued

Board Decision making during 2021 continued

STRATEGIC OBJECTIVE

ATTRACTIVE RETURNS
FOR SHAREHOLDERS

BOARD'S GOVERNANCE ROLE

Dividend Policy: Board governance role in framing of our dividend policy.

LINK TO PRINCIPAL RISK

Financing risk
on page 87

WHAT THE BOARD DID IN 2021 AND ITS DECISION MAKING

Board focus on reinstating our dividend payments with a payout ratio of 80% of adjusted EPS as market conditions stabilised.

Development pipeline: Board scrutiny of city and site selection for new developments against a backdrop of increasing competition for the best sites.

Governance of developments/acquisitions to ensure they run to budget and schedule and are earnings accretive.

Property/Development risk
on pages 84–85

Board oversight of our new investment focused on 8–10 cities, including London and prime regional markets with the strongest demand outlook. Through 2021, the Board led the increase in development through a development pipeline increase to 6,000 beds and £967 million in total development cost.

The Board takes into account its engagement with universities about these developments when making a decision whether to proceed or not with these development schemes.



Read more about **Development and partnership activity** on [page 66](#)

Disposals: Board governance of our portfolio recycling as we increase our exposure to the UK's best universities, while generating capital to invest in further development activity.

Property/Development risk
on pages 84–85

Board oversight of the sale of £261 million of assets to enhance our overall portfolio quality and fund reinvestment into the improvement of our estate. These have reduced our footprint from 27 to 25 markets and includes disposals identified following our acquisition of Liberty Living in 2019.



Read more about **Disposals** on [page 69](#)

STRATEGIC OBJECTIVE

A RESPONSIBLE AND
RESILIENT BUSINESS

BOARD'S GOVERNANCE ROLE

Sustainability: As a listed plc and responsible/trusted business, our wider stakeholders demand we proactively manage environmental, social and governance risks. The Board oversees the setting and implementation of our Sustainability Strategy which has the overarching ambition for Unite to clearly lead the student housing sector on sustainability issues and be in the leading pack of real estate companies in the wider sector.

LINK TO PRINCIPAL RISK

Sustainability/ESG risk on page 86

WHAT THE BOARD DID IN 2021 AND ITS DECISION MAKING

During March 2021, the Board led the launch of our new Sustainability Strategy developed following extensive stakeholder engagement and materiality assessments.

This new Sustainability Strategy provides a clear structure with objectives, flagship targets including net zero carbon operations and construction from 2030 and governance to ensure its successful delivery.

The Board approved the Net Zero Carbon Pathway, built on science based targets validated by the SBTi, which sets out the activities and investment required to achieve our objective of becoming net zero carbon across both the Company's operations and development activities by 2030.

The Board also interrogated our ongoing ESG regulatory and reporting compliance.

The Board considered the Board's specific climate change risks, identifying them across: Regulatory risk; Physical risk; Transition risk; and Stakeholder risk. The Board considered the impact of these risks and oversees the assurance of the corresponding risk management.

Fire safety: Proactive Board oversight of improvements in fire safety, demonstrating leadership on removal of HPL cladding.

Operational risk – Major health and safety incident in a property or a development site on page 82

The Board oversaw the Group being one of the first companies to take action to remove Aluminium Composite Materials (ACM) cladding from our buildings where needed. Following this, the Board led the review of High-Pressure Laminate (HPL) cladding on our properties and the governance of our cladding remedial plan and the investment to be incurred over the next 12–36 months implementing this plan.

Employee wellbeing: Governance to ensure the health, safety, wellbeing and security of our 1,900 employees is paramount.

Diversity and inclusion

Operational risk – Major health and safety incident in a property or a development site on page 82

The Board has designated one of its Non-Executive Directors (Ilaria del Beato) to help ensure the views and concerns of the workforce are brought to the Board and taken into account.

The Board approved the formation of our Culture Matters forum. This puts the employee voice 'front and centre' in supporting the shaping of our People strategy and consulting on strategic change.

The Board also has oversight of various wellbeing and Equality, Diversity, Inclusion & Belonging (ED&I) initiatives. We hired a Diversity, Inclusion & Belonging lead who is developing our ED&I and wellbeing strategy and embedding equality, diversity, inclusion and wellbeing into the culture of the business through a learning and development programme.



Read more about **employee wellbeing** and **ED&I initiatives** under **Workforce engagement** on [pages 42 and 104](#)

BOARD ACTIVITIES continued

Board Decision making during 2021 continued

A RESPONSIBLE AND RESILIENT BUSINESS CONTINUED



BOARD'S GOVERNANCE ROLE

HE Government Policy and Brexit: Continued focus on potential HE Government policy changes as well as our Brexit response.

LINK TO PRINCIPAL RISK

Market risk – supply and demand pages 79–81

WHAT THE BOARD DID IN 2021 AND ITS DECISION MAKING

Ongoing Board monitoring of HE Government policy and its impact for PBSA and more widely as well as continued monitoring of how we are responding to, and mitigating the impact of, Brexit on our business.

Covenants compliance:

Group Board oversight of our Covenants compliance.

Financing risk on page 87

Board oversight of our Financing Covenants compliance tested by the sudden, unexpected and wide ranging impact of Covid-19. During 2020 and early 2021, there has been a specific focus on ICR covenants.

The Board monitors Covenants' compliance across a range of income / stress scenarios to ensure that if any risks emerge, the Board is ready to identify further action and work with lenders well in advance.

Covenant compliance also has oversight in the Audit Committee and by the external audit review of our Covenant compliance through the Going Concern process.



Read more about **Financial review** on [page 70](#)

Capital structure: Group Board focus on a strong and flexible capital structure, which can adapt to market conditions, and reducing and diversifying the cost of funding.

Financing risk on page 87

Board oversight of our capital structure, including the £450 million sustainability-linked unsecured revolving credit facility.



Read more about **Financial review** on [page 70](#)

Leadership development and succession planning/talent pipeline.**Market risk – supply and demand on pages 79–81**

The Nomination Committee focuses on Board succession as well as our broader talent pipeline and leadership development.



Read more about **succession planning/talent pipeline** on [page 117](#)

2021 performance evaluation

Each year the Board, its Committees and Directors are evaluated, considering (among other things) the balance of skills, experience, independence and knowledge on the Board, its diversity (including gender), how it works together as a unit and other factors relevant to its effectiveness. The Company's policy is to conduct an externally facilitated evaluation every third year. During 2021, the evaluation was conducted internally. The previous external evaluation was in 2020 and the next external evaluation is expected to be during 2023.

Board evaluation process

The Board completed an anonymous online questionnaire using Thinking Board, provided by Independent Audit Limited that addressed a broad range of issues and which enabled it to provide comments on a range of matters. The questions covered Board performance, culture, the content and scope of topics covered at Board meetings, and the nature and dynamics of Director contributions at meetings. The question set were consistent with 2020 to provide comparative results. There were separate questionnaires for the Audit, Remuneration, Health & Safety and Nomination Committee. The conclusions were discussed by the Board and each Committee at their meetings in Q4 of 2021. Since the Sustainability Committee was only established earlier in 2021, it was not included in the formal Committee evaluation process but the Sustainability Committee considered its effectiveness in January 2022.

Conclusion from this year's Board evaluation

The general conclusion was that the Board and its Committees continue to operate to a high standard and work effectively. Other areas of strength included the skills and experience of the Non-Executive Directors both to challenge and support the Executive team, and contributions to Board discussion and decision making. The consensus is that the Board is effectively developing and reviewing its wider business strategy and Sustainability Strategy, with clear alignment around our Purpose and Values. The Directors believe that the Board fulfils its role relating to strategy, risk, governance and oversight of operational and financial performance well. The key areas where there are opportunities for further development include:

- organisation oversight, with a particular regard to succession planning, culture and values;
- a better understanding of risks and mitigation around IT and data and how this may inform our strategy and more generally understanding how our risks link to our strategy;
- a better understanding of our People issues and data; and
- upskilling in fast developing areas such as Technology, Sustainability and Net Zero.

The Board and each of its Committees reviewed the suggestions and outcomes of the Board evaluation and have developed an implementation plan. The Board also considered its and the Committees' current composition. The only change was adding Richard Smith as a member of the Nomination Committee (effective 1 February 2022) so as CEO he could share his views on the Board's structure, size and composition and helping ensure the Board has the right balance of skills, diversity and experience.

Progress against the 2020 Board Evaluation recommendations

2020 BOARD EVALUATION RECOMMENDATIONS

1. Consider setting up a Sustainability Committee, reporting to the Board, to have oversight of the development, integration and communication of the Sustainability Strategy and review how climate-related change and environmental concerns are integrated into our strategy.
2. Create space in the Board agenda for more unstructured strategic discussion and blue-sky thinking and discussion.
3. Continue to develop the Board's oversight of the Company's culture and approach to employee engagement.
4. Create more opportunities for the Board members to spend more informal time together when circumstances permit.

2021 PROGRESS AGAINST THESE RECOMMENDATIONS

The Board established a Sustainability Committee in early 2021 to provide this formal oversight and challenge to the execution of the Group's Sustainability Strategy. During 2021, the Committee had three Committee meetings and expects to have four meetings per year going forwards.

One 2021 Board meeting was focused purely on our strategy development and strategy is also picked up on Board focused sessions focusing on different themes of our strategy.

The Board approved our new People strategy, which among other things focuses on diversity and inclusion. The creation of the Culture Matters forum and the work of our Designated Non Executive Director for Workforce Engagement helps the Board better understand our employees and the business culture.

In mid-2021, the Board transitioned to hybrid meetings and has now moved back to in person meetings together with operational City visits (which included Bristol and Cardiff in 2021).

BOARD ACTIVITIES continued**2022 governance priorities****DELIVERING FOR OUR CUSTOMERS
AND UNIVERSITIES**

Governance of initiatives to enhance student experience and increase customer retention.

Governance to support our university partners to deliver their accommodation needs and future growth ambitions through off-campus development, on-campus development or stock transfer.

**ATTRACTIVE RETURNS
FOR SHAREHOLDERS**

Governance to generate attractive returns for shareholders through a combination of growing recurring income, rental growth and value add through our development activities, University partnerships and potentially other living sectors complimentary to our operating platform and customer focus.

**A RESPONSIBLE AND
RESILIENT BUSINESS**

Governance to ensure continued progress against the five pillars of our Sustainability Strategy. Governance of our Net Zero Carbon Pathway and investments in energy initiatives.

Governance of our People strategy to ensure the Group embraces the opportunities a truly diverse and inclusive workforce brings across all levels of our business, creating a sense of belonging and ensuring our people can bring their true selves to work.

NOMINATION COMMITTEE

PEOPLE GOVERNANCE

Succession planning and diversity continue
as the Committee's primary focus

NUMBER OF MEETINGS

2

ATTENDANCE

100%



Committee Membership

Richard Huntingford

Chair of the Nomination Committee

Elizabeth McMeikan

Senior Independent Director

Ross Paterson

Non-Executive Director

Ilaria del Beato

Non-Executive Director

Dame Shirley Pearce

Non-Executive Director

Thomas Jackson

Non-Executive Director

Professor Sir Steve Smith

Non-Executive Director

Richard Smith

Chief Executive Officer

(Joined effective 1 February 2022)



NOMINATION COMMITTEE continued

Nomination Committee

Chair's overview

Succession planning and growing the diversity of the Board has been the primary focus of the Committee through 2021, whilst also monitoring ongoing executive succession planning and our talent and leadership development.

Composition

The Committee consists of all the Non-Executive Directors and, effective 1 February 2022, Richard Smith also joined the Committee. The Committee felt it important that the Chief Executive is a member of the Committee for Board composition and wider leadership succession discussions and planning. At the invitation of the Committee, other people may be invited to attend meetings of the Committee if considered desirable in assisting the Committee in fulfilling its role.

Role

The role of the Committee is to:

- Ensure that appropriate procedures are adopted and followed in the nomination, selection, training, evaluation and re-election of Directors and for succession planning, with due regard in all cases to the benefits of diversity on the Board, including gender
- Regularly review the structure, size, composition, skills and experience of the Board and to make recommendations with regard to any adjustments considered necessary
- When it is agreed that an appointment to the Board should be made, lead a selection process that is formal, rigorous and transparent
- Be responsible for identifying, reviewing and recommending candidates for appointment to the Board

Nomination Committee meetings

The Nomination Committee met twice with 100% attendance at these meetings.

Review of Board composition and succession planning

During the year, the Committee reviewed the Board's composition to ensure it has the correct balance of skills, experience, independence and knowledge. The Committee noted the Board was strengthened by the appointment of two Non-Executive Directors with strong HE experience (Dame Shirley Pearce and Professor Sir Steve Smith). This proved especially helpful for higher education insight as the Board navigated Covid-19 through 2020 and 2021.

The Committee believes the Board currently has the correct balance of skills, experience, independence and knowledge but is conscious of the tenure of the longer standing Non-Executive Directors. Consequently, in early 2022, the Committee created a dedicated sub-committee to start the search for a new Non-Executive Director. MWM Consulting, an external search consultancy, is leading the search for this new Non-Executive Director. MWM Consulting has no other connection with the Company or individual Directors.

Board succession planning for executive roles is also considered by the Committee, looking to ensure the business has a deep, diverse and inclusive talent pipeline for future Board appointments. As an integral part of executive succession planning, the Committee oversees our talent mapping to ensure we are growing and nurturing our talent and developing our high-performers' potential. Our diversity and inclusivity initiatives (outlined below) are aligned with this succession planning.

Diversity and inclusion

The Board recognises that diversity and inclusion is fundamental to the culture of the Group, our purpose of Home for Success and ultimately our long-term sustainability. With employees a key stakeholder and at the heart of our business, the Board's focus is on creating a workplace where people feel they belong and can bring their whole and true selves into the workplace. Our values recognise this, especially 'creating room for everyone'.

In 2021, the Board oversaw the formation of our Culture Matters forum. This puts the employee voice 'front and centre' in supporting the shaping of our People strategy and consulting on strategic change. During the year senior leaders from across the business participated in a six-module workshop development programme with Rene Cayarol, an external specialist in coaching and a pioneer in cultural diversity and inclusive leadership. To help implement our EDI strategy, we appointed a new EDI & Wellbeing Lead.

Board Diversity Policy

The Board and Nomination Committee drive the agenda for diversity across the business. We are making progress, but recognise we need to do more.

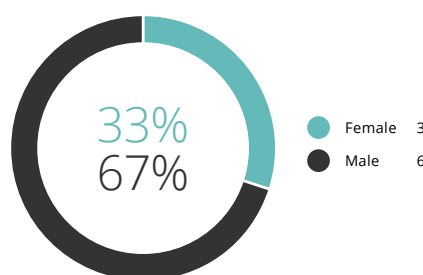
The Board's diversity policy is that Board appointments (a) are made on merit and relevant experience, while taking into account the broadest definition of diversity and (b) ensure Unite has, on an ongoing basis, the most effective Board and leadership team to operate the business for the benefit of all its stakeholders. The Committee ensures that when making Board appointments the retained search firm places an emphasis on putting forward candidates who would enhance the overall diversity of the Board. On an ongoing basis, the Committee keeps under review the tenure and experience of the Executive and Non-Executive Directors to ensure the Board has an appropriate and diverse mix of skills, experience, knowledge and diversity.

Board and senior leadership diversity

The Board embraces the Code's underlying principles with regard to Board balance and diversity, including in respect of ethnicity, gender and age.

As of 31 December 2021, the Board comprised three women and six men, meeting the recommendations of the Hampton-Alexander Review with a Board comprising at least 33% women.

Gender diversity



As of 31 December 2021, the number of women in the Executive Committee and their direct reports (including the Company Secretary as required by the Code) was 18 (out of a total of 51) representing 35% of this Group. We are looking to grow the percentage of women in leadership positions.

	Male	Female	Total
Executive Committee and Company Secretary	7	2	9
Direct Reports	26	16	42
Total	33	18	51
Total (%)	65%	35%	100%

The Nomination Committee is also conscious of the Parker Review and in particular one of its key recommendations that each FTSE250 Board should have at least one director of colour by 2024. Building on our diversity initiatives and having regard to this recommendation, the Nomination Committee will build a pipeline of candidates working towards the goal of making a Board appointment no later than 2024.

In addition, the Committee will continue its focus on delivering diversity for the wider business to help the Company develop a deep and diverse succession plan at more senior levels within the organisation.

Richard Huntingford
Chair – Nomination Committee
23 February 2022

AUDIT COMMITTEE

FINANCIAL GOVERNANCE

The Audit Committee provided oversight for the Board in respect of the Group's financial management and reporting

NUMBER OF MEETINGS

5

ATTENDANCE

100%



Committee Membership

Ross Paterson

Chair of the Audit Committee

Ilaria del Beato

Non-Executive Director

Professor Sir Steve Smith

Non-Executive Director



Audit Committee Chair's overview

During the year, the Audit Committee continued its key oversight role for the Board with its specific duties as set out in its terms of reference to reassure shareholders that their interests are properly protected in respect of the Group's financial management and reporting.

The Audit Committee works to a structured programme of activities, with agenda items focused to coincide with key events in the annual financial reporting cycle. The Audit Committee reports regularly to the Board on its work.

During the year, the Audit Committee has continued to monitor the integrity of the Group's financial statements and supported the Board with its ongoing monitoring of the Group's risk management and internal control systems in line with the requirements under the UK Corporate Governance Code. The Audit Committee determined the focus of the Group's internal audit activity, reviewed findings, and verified that management was appropriately implementing recommendations. The Audit Committee also challenged the approach to assessing the Group's ability to continue as a going concern and its likely loan covenant compliance, by reviewing various scenarios for future performance.

The Audit Committee undertook a review of its effectiveness in September 2021. The review found that the Audit Committee is working effectively. The review identified areas in which we can strengthen our performance and these are reflected in the Committee's priorities for 2022.

During 2021, the Audit Committee undertook a full evaluation exercise of the Deloitte audit approach to ascertain the effectiveness of the external audit function. Further to the completion of the evaluation of the external audit process, we are satisfied with both the auditor's independence and audit approach and have recommended to the Board that Deloitte be re-appointed as auditor in 2022.

We last reviewed the effectiveness of the internal auditors, PricewaterhouseCoopers (PwC), in 2020. Whilst we were satisfied with both the independence and effectiveness of the internal auditors, we undertook a full review of the overall risk assurance arrangements, including internal audit, to ensure they remained appropriate and effective for the enlarged Group following the major acquisition of Liberty Living in 2019. The review highlighted that risk and assurance for the enlarged Group would be more effective if an in-house team, with external support where appropriate, was established. The team is in the process of being established; a Group Risk and Assurance Director is now in post and further recruitment will be completed in 2022. To further support this transition from external to in-house, effective from 1 January 2022, the terms of reference of this Committee expanded to include oversight of the risk management framework and the name of this Committee changed to Audit & Risk Committee.

As noted in this Corporate Governance Statement, the Board delegates certain of its duties, responsibilities and powers to the Audit Committee, so that these can receive suitably focused attention. However, the Audit Committee acts on behalf of the full Board, and the matters reviewed and managed by the Audit Committee remain the responsibility of the Directors as a whole.

Role of the Audit Committee

The Audit Committee has delegated authority from the Board set out in its written terms of reference. The terms of reference for the Audit Committee take into account the requirements of the Code and are available for inspection at the registered office, at the Annual General Meeting and on the Group website at <http://www.unite-group.co.uk/about-us/corporate-governance>.

The key objectives of the Audit Committee are:

- To provide effective governance and control over the integrity of the Group's financial reporting and review significant financial reporting judgements
- To support the Board with its ongoing monitoring of the effectiveness of the Group's system of internal controls and risk management systems
- To monitor the effectiveness of the Group's internal audit function and review its material findings
- To oversee the relationship with the external auditor, including making recommendations to the Board in relation to the appointment of the external auditor and monitoring the external auditor's objectivity and independence.

Composition of the Audit Committee

The members of the Audit Committee are set out on page 103 of this Corporate Governance Statement. The Audit Committee members are all independent Non-Executives and have been selected with the aim of providing the wide range of financial and commercial expertise necessary to fulfil the Audit Committee's duties. The Board considers that as a chartered accountant and serving Finance Director of a UK-listed company, I have recent and relevant financial experience and that the Committee as a whole has competence relevant to the sector.

AUDIT COMMITTEE continued

Audit Committee meetings

The Audit Committee met five times during the year and attendance at those meetings is shown on page 108 of this Corporate Governance Statement. Meetings are scheduled to coincide with key dates in the financial reporting cycle and a forward agenda is agreed by the Committee and reviewed on an ongoing basis.

Meetings are attended, by invitation, by the Chief Financial Officer, the Deputy Chief Financial Officer, the Group Finance Director and (from December 2021) the Group Risk & Assurance Director.

I also invite our external auditor, Deloitte, to most meetings. The Audit Committee regularly meets separately with Deloitte without others being present. As appropriate, I also invite our internal auditor, PwC, to attend the meetings. Deloitte and PwC meet independently of management to ensure alignment, to update on respective findings and consider the impact on the relative approaches of their work.

Main activities of the Audit Committee during the year

Meetings of the Audit Committee generally take place just prior to a Group Board meeting and I report to the Board, as part of a separate agenda item, on the activity of the Audit Committee and matters of particular relevance to the Board in the conduct of its work. At its five meetings during the year, the Audit Committee focused on the following activities.

The Audit Committee reviewed the half-year and annual financial statements and the significant financial reporting judgements. As part of this review, the Audit Committee supported the Board by reviewing the financial viability and the basis for preparing the accounts on a going concern basis. This included challenging forecast cash headroom and reviewing scenarios, which were determined by management, to stress test the impact of a range of performance outcomes upon the viability of the business, in particular with regard to loan covenants.

The Audit Committee also reviewed and challenged the external auditor's report on these financial statements.

As discussed above, the effectiveness of the external audit function was considered during 2021. During the evaluation process the Audit Committee considered: the independence and objectivity of the external auditor; the make-up and quality of the audit team; the proposed audit approach and the scope of the audit; the execution of the audit and the quality of the audit report to the shareholders; as well as ultimately the fee structure.

The Audit Committee discussed reports from PwC, as the Group's internal auditor, on their audit and assessment of the control environment. The Committee reviewed and proposed areas of focus for the internal audit programme of review including the approach to ensure that the internal audit activity continues to be aligned to the principal Group risks.

Financial reporting

The primary focus of the Audit Committee, in relation to financial reporting in respect of the year ended 31 December 2021 was to review with both management and the external auditor the appropriateness of the half-year and annual financial statements concentrating on:

- The quality and acceptability of accounting policies and practices
- The clarity of the disclosures and compliance with financial reporting standards and relevant financial and governance reporting requirements
- Material areas in which significant judgements have been applied or where there has been discussion with the external auditor
- Whether the Annual Report and Accounts, taken as a whole, is fair, balanced and understandable and provides the information necessary for shareholders to assess the Group's position and performance, business model and strategy.

The Audit Committee's assessment of the Annual Report to ensure that it is fair, balanced and understandable took into account the following considerations:

- A review of what fair, balanced and understandable means for Unite
- The high level of input from the Chief Executive Officer and Chief Financial Officer with early opportunities for the Board to review and comment on the Annual Report
- Ensuring consistency in the reporting of the Group's performance and management information (as described on pages 30–31), risk reviews (as described on pages 74–88), business model and strategy (as described on pages 8 to 13 and 32–33)
- A cross-check between Board Minutes and the Annual Report is undertaken to ensure that reporting is balanced
- Whether information is presented in a clear and concise manner, illustrated by appropriate KPIs to facilitate shareholders' access to relevant information.

To aid our review, the Audit Committee considers reports from the Group Finance Director and reports from the external auditor on the outcomes of their half-year review and annual audit. As an Audit Committee, we support Deloitte in displaying the necessary professional scepticism its role requires.

Significant issues considered by the Committee

After discussion with both management and the external auditor, the Committee determined that the key risk of misstatement of the Group's 2021 financial statements related to:

- Property valuations
- Joint venture accounting

Further information about each of these items is set out on the next page.

Property valuations

The Group's principal assets are investment properties and investment properties under development that are either owned on balance sheet or in USAF or LSAV. The investment properties are carried at fair value based on an appraisal by the Group's external valuers who carry out the valuations in accordance with the RICS Red Book valuation guide, taking into account transactional evidence during the year. The valuation of property assets involves significant judgement and changes in the core assumptions could have a significant impact on the carrying value of these assets.

Management discusses the underlying performance of each asset with the external valuers and provides detailed performance data to them including rents, university lease agreements, occupancy, property costs and costs to complete (for development properties). Management receives detailed reports from the valuers and performed a detailed review of the valuations to ensure that management considers the valuations to be appropriate. The valuation report is reviewed by the Chief Financial Officer and the Group Property Director prior to sign-off.

During the year, the Committee and/or the Board met with members of the Group's valuer panel and challenged them on the basis of their valuations and their core assumptions, including the yield for each property, rental growth and forecast costs.

The Audit Committee questioned the external valuers on market trends and transactional evidence that supports the valuations. The Audit Committee was satisfied that the Group's valuers were appropriately qualified and provided an independent assessment of the Group's assets. The Audit Committee was satisfied that an appropriate valuation process had taken place, the core assumptions used were reasonable and hence the carrying value of investment and development properties in the financial statements was appropriate.

The external auditor explained the audit procedures to test the valuation of investment and development properties and the associated disclosures. On the basis of the audit work, the external auditor reported no inconsistencies or misstatements that were material in the context of the financial statements as a whole.

Further analysis and detail on asset valuations is set out on pages 62–69.

Joint venture accounting

Two of Unite's significant assets are its investments in USAF and LSAV which the Group has historically accounted for as joint ventures.

The Group reports under IFRS 10 – 12 which provides guidance on how an investor should account for its interests in other entities, including a definition of control and guidance on how to classify and account for jointly controlled arrangements. During the year, management undertook a detailed review of its classification for both USAF and LSAV, and following that analysis concluded that both USAF and LSAV should continue to be treated as joint ventures. The Audit Committee considered this and agreed there was no material change and accordingly it was appropriate to continue to account for USAF and LSAV as joint ventures under IFRS 11, with Unite recording its 22.0% share of the results and net assets of USAF as a joint venture using equity accounting and likewise 50% for LSAV.

Other issues considered by the Committee

Accounting for the cost of cladding remediation

The Group has provided for the estimated cost of remediating cladding on properties where there is a legal or regulatory requirement to do so. The Audit Committee reviewed, challenged and agreed the basis on which costs associated with the remediation of cladding have been included in the Financial Statements. The Committee also reviewed, challenged and agreed

the extent to which the Group had any constructive obligations in respect of cladding remediation that should be provided for. Based on this, the Committee was comfortable with the process and controls adopted by management around the disclosures and estimation of costs and provisions associated with cladding remediation.

Risk management

The Group's risk assessment process and the way in which significant business risks are managed is a key area of focus for the Audit Committee.

Our work here was driven primarily by performing an assessment of the approach to risk taken by the Group's Executive and senior leadership team Committee. In 2021 the Executive Committee took responsibility for the delivery of the Group's Risk Management Framework, which had previously been held by the Group's Risk Committee, a sub-committee of the Executive. The Audit Committee considered the work of the Executive through the year, which included a risk workshop facilitated by PwC and has approved both the Group's Risk Management Framework, and the Group's assessment of its principal risks and uncertainties, as set out on pages 76–88.

Through these reviews, the Audit Committee considered the risk management procedures within the business and was satisfied that the key Group risks were being appropriately managed.

The risk assessment flags the importance of the internal control framework to manage risk and this forms a separate area of review for the Audit Committee.

The Board also formally reviewed the Group's principal risks at two meetings during the year.

AUDIT COMMITTEE continued

Internal controls

Led by the Group's risk assessment process, we reviewed the process by which the Group evaluated its control environment. Management is responsible for establishing and maintaining adequate internal controls. Internal controls are designed to provide reasonable assurance regarding (among other things) the reliability of financial reporting and the preparation of the financial statements for external reporting purposes. A comprehensive strategic planning, budgeting and forecasting process is in place. Monthly financial information and performance insight is reported to the Board.

The Audit Committee's work to review the effectiveness of the internal controls was driven by the Deputy Chief Financial Officer's report on internal controls, supported by the work of the internal auditor and their reports to the Audit Committee. The feedback from the Group's internal auditor on specific areas of control is tested on a periodic basis and our external auditor is requested to provide specific feedback and assessment of the Group's financial controls and highlight any areas of weakness. No significant weaknesses were identified through the course of the Audit Committee's reviews.

Internal audit

The Group continued to engage PwC through 2021 to perform internal audit activity, with this internal audit function reporting directly to the Audit Committee.

Due to the ongoing Covid-19 situation, the 2021 internal audit plan was adapted allowing us to focus on key issues. This approach resulted in PwC completing two pieces of internal audit work. The first was over debt management, in particular the contract to cash process, the second was on the integration of Liberty Living into the Unite portfolio, with a focus on the implementation of key controls at former Liberty sites and integration of former Liberty colleagues. In addition, a specialist third party audit consultant was engaged to deliver an audit over

Estates compliance. Overall, both PwC and the specialist consultant concluded that there were no significant issues and controls were well designed, but noted there were some areas of improvement to be made to maximise controls and operational efficiency, which management is in the process of implementing.

External audit

The effectiveness of the external audit process is facilitated by appropriate audit risk identification at the start of the audit cycle which we receive from Deloitte in a detailed audit plan, identifying their assessment of these key risks.

For the 2021 financial year, the significant risks identified were in relation to valuation of properties, classification of joint ventures, revenue recognition and management override. These focus areas were discussed at the Audit Committee and it was agreed that they should be the principal areas of focus as they represent the areas with the greatest level of judgement and materially impact the overall performance of the Group. These risks are tracked through the year and we challenged the work done by the auditor to test management's assumptions and estimates around these areas.

We assess the effectiveness of the audit process in addressing these matters through the reporting we receive from Deloitte at both the half-year and year-end and also reports from management on how these risks are being addressed.

For the 2021 financial year, the Audit Committee was satisfied that there had been appropriate focus and challenge on the primary areas of audit risk and assessed the quality of the audit process to be good. We hold private meetings with the external auditor at each Audit Committee meeting to provide additional opportunity for open dialogue and feedback from the Audit Committee and the auditor without management being present. Matters typically discussed include:

- The auditor's assessment of business and financial statement risks and management activity thereof
- The transparency and openness of interactions with management, confirmation that there has been no restriction in scope placed on them by management and the independence of their audit
- How they have exercised professional scepticism

I also meet with the external lead audit partner outside the formal Audit Committee process.

The Audit Quality Review team of the Financial Reporting Council reviewed Deloitte's audit of the Group's financial statements for the year ended 31 December 2020. The Financial Reporting Council wrote to me setting out a summary of the scope of the review, its assessment of the audit work reviewed and examples of good practice. The Committee was satisfied with the assessment.

In October 2021, the Group received a letter from the FRC requesting further information following a review of the 2021 interim financial report. The questions related to revenue recognition associated with the LSAV performance fee. The Audit Committee reviewed and approved the Group's response to the FRC. The Group's correspondence with the FRC closed satisfactorily with agreement on enhanced disclosures.

Independence and external audit tender

The Audit Committee considers the re-appointment of the external auditor, including the rotation of the audit partner which is required every five years, each year and also assesses their independence on an ongoing basis. 2021 is the seventh year during which Deloitte has been the Group's external auditor.

The Audit Committee reviewed Deloitte's audit work and determined that appropriate plans are in place to carry out an effective and high quality audit. Deloitte confirmed to the Audit Committee that it maintained appropriate internal safeguards to ensure its independence and objectivity. As part of the Audit Committee's assessment of the on-going independence of the auditor, the Audit Committee receives details of any relationships between the Group and Deloitte that may have a bearing on their independence and receives confirmation that they are independent of the Group.

As discussed above, an assessment of Deloitte's effectiveness, its processes, audit quality and performance was undertaken in May 2021 following completion of the 2020 audit.

The Audit Committee also regularly considers when it next intends to complete a competitive tender process for the Company's external audit. As noted above, the Audit Committee remains satisfied with Deloitte's effectiveness and independence. In view of this, the Audit Committee does not currently anticipate that it will conduct an audit tender before 2024 in respect of the 2025 financial year for which a tender would be required in accordance with applicable law and regulations. The Audit Committee considers this to be in the best interests of the Company's shareholders for the reasons outlined above and will keep this decision under review.

The Committee confirms compliance with the provisions of the Statutory Audit Services for Large Companies Market Investigation (Mandatory Use of Competitive Tender Processes and Audit Committee Responsibilities Order 2014) Order 2014.

Non-audit services

To further safeguard the objectivity and independence of the external auditor from becoming compromised, the Committee has a formal policy governing the engagement of the external auditor to provide non-audit services. No material changes have been made to this policy during the year. This precludes Deloitte from providing certain services, such as valuation work or the provision of accounting services.

For certain specific permitted services (such as reporting accountant activities and compliance work), the Audit Committee has pre-approved that Deloitte can be engaged by management, subject to the policies set out above, and subject to specified fee limits for individual engagements and fee limits for each type of specific service. For all other services, or those permitted services that exceed the specified fee limits, I as Chair, or in my absence, another member, can pre-approve permitted services.

During the year, Deloitte was appointed to undertake non-audit services. Fees for non-audit work performed by Deloitte for the year ended 31 December 2021 were £0.1m (2020: £0.1m). The non-audit fees related to the work undertaken by Deloitte LLP in its role as external auditor to the Group for the review of the half year report. Further disclosure of the non-audit fees incurred during the year ended 31 December 2021 can be found in note 2.6 to the consolidated financial statements on page 205. Accordingly, the Audit Committee was satisfied that both the work performed by Deloitte LLP, and the level of non-audit fees paid to it, were appropriate and did not raise any concerns in terms of Deloitte LLP's independence as auditor to the Group.

The Audit Committee approved the fees for audit services for 2021 after a review of the level and nature of work to be performed, including additional audit procedures required as a result of Covid-19 and changes in the regulatory environment, and after being satisfied by Deloitte that the fees were appropriate for the scope of the work required.

Audit Committee evaluation

The Audit Committee's activities formed part of the evaluation of Board effectiveness performed in the year. Details of this process can be found under 'Performance evaluation'.

Ross Paterson

Chair – Audit Committee
23 February 2022

SUSTAINABILITY COMMITTEE

SUSTAINABILITY GOVERNANCE

Our Sustainability Strategy supports our growth as a responsible and resilient business

NUMBER OF MEETINGS

3

ATTENDANCE

100%



Committee Membership

Dame Shirley Pearce

Chair of the Sustainability Committee

Richard Smith

Chief Executive Officer

Ilaria del Beato

Non-Executive Director

Ross Paterson

Non-Executive Director

Tom Jackson

Non-Executive Director

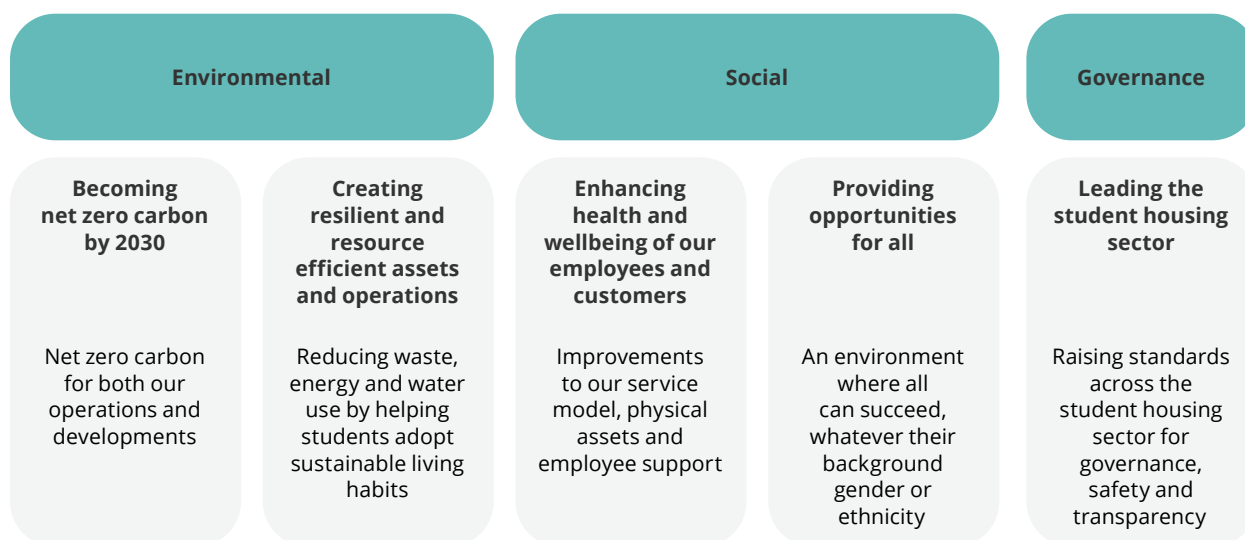


It has been a pleasure to chair the Board's first Sustainability Committee, established in 2021, and provide this report to shareholders.

The Sustainability Committee was formed to oversee the implementation of our Sustainability Strategy launched in March 2021 and recommend to the Board any changes to this strategy. Our Sustainability Strategy forms a key component of our business planning and is central to delivering our "Home for Success" purpose and our values, especially "doing what's right".

The Sustainability Committee reports to the Unite Board whilst seeking input from several different working groups from across the business to ensure Unite is a responsible and resilient business.

Keeping in mind the paramount importance of our responsibility to stakeholders and the wider community, the Sustainability Committee reviews the Group's performance against its targets and ambitions whilst engaging with the workforce in accordance with Provision 5 of the UK Corporate Governance Code. With the ever-increasing prominence of environmental, social and governance matters, the Sustainability Committee's focus is on the following five pillars of our Sustainability Strategy:



Key highlights for the year ended 31 December 2021

There was a strong focus in 2021 to identify the activity, investment and resources required to implement our Sustainability Strategy. This included an increased focus and review of our sustainability performance and disclosures which led to the publication of the Net Zero Carbon Pathway. The Sustainability Committee also reviewed the KPI reporting of the sustainability pillars in detail. The business confirmed its compliance with the Taskforce on Climate-related Financial Disclosure (TCFD) and improvements in the Global ESG Benchmark for Real Assets (GRESB) rating following input from the Sustainability Committee as further detailed on pages 50–55.

SUSTAINABILITY COMMITTEE continued

2021 saw the recruitment of an experienced and dedicated EDI & Wellbeing lead to help drive forward the development of the new EDI Strategy and launch of the Culture Matters forum. The Sustainability Committee had oversight over continued social impact engagement through the Unite Foundation, the Leapskills programme and the Positive Impact programme following its re-launch.

Environmental – Net Zero Carbon Pathway and Energy Efficiency

Our Net Zero Carbon Pathway was published on 15 December 2021. The Sustainability Committee provided oversight of the publication of our Net Zero Carbon Pathway and our pledge to be net zero carbon by 2030 in both our Developments and our Operations.

The pathway includes a detailed breakdown of our baseline carbon emissions and targeted reductions, the key activities of our delivery strategy as well as associated reporting metrics we will use to track our progress. The Sustainability Committee oversaw the validation of our net zero targets by the Science Based Targets Initiatives (SBTI) which endorses our emissions reduction targets and ensures they align with our commitment to support limiting global temperature increases to 1.5 degrees above pre-industrial levels.

Our pathway to net zero in both our Operations and Developments involves four key steps. The first step requires the reduction in absolute carbon emissions by cutting operational energy use to support this step, the Sustainability Committee ensured there is an appropriate programme driving behavioural change for our student customers and employees in the responsible use of energy, whilst overseeing significant capital investment in energy efficiency measures and a move away from gas. The second step requires the decarbonisation of our energy supply through investment in renewable energy with the Sustainability Committee considering options for onsite renewable generation (such as solar PV) as well as renewable energy purchasing. The third step focuses on reducing embodied carbon of new buildings we develop through the application alternative design

and construction approaches such as modular construction, the use of lower carbon materials including timber and cement-replacements, and a focus on cutting construction activity related emissions. Finally to achieve net zero carbon, any residual emissions that cannot be removed by these first three steps will be mitigated and through appropriately certified carbon offsetting programmes.

Our science based carbon targets requires a 56% reduction in combined scope 1 and 2 (market-based) carbon emissions from a 2019 base year. The Sustainability Committee oversees how these reductions will be delivered through a significant reduction in energy use and the development of property specific asset transition plans. These asset transition plans specify the physical improvements to building fabric and services and their impact on carbon emissions, energy consumption, utility costs and EPC compliance in accordance with Minimum Energy Electricity Standard (MEES) targets. For new developments, the Sustainability Committee has initially targeted at least a 20% reduction in the embodied carbon of new buildings (from the materials and construction process) with a view to achieving a 48% reduction by 2030 to achieve the RIBA 2030 Climate Challenge benchmark of 625kgCO₂, where possible. In addition,

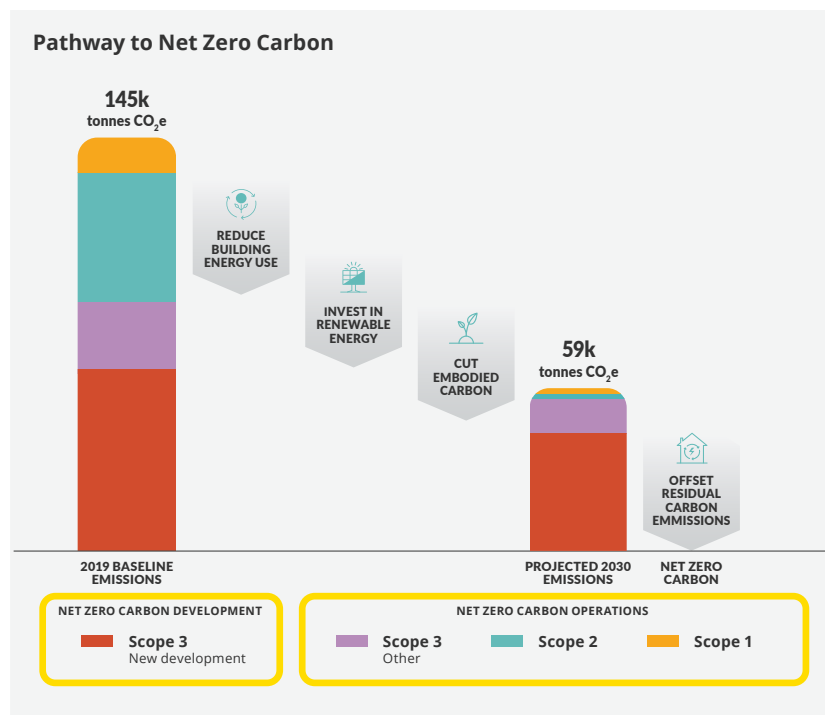
the Committee is looking towards a 75% reduction in operational energy use on completed schemes again in line with the RIBA 2030 benchmarks.

The Sustainability Committee ensures sustainability is a key consideration in all the business’s major investment decisions with this now integrated within our financial approvals governance. As part of the decarbonisation of our energy supply, 2021 saw an agreement to source 20% of our annual electricity supply from a Scottish wind farm under a corporate power purchase agreement, supporting our RE100 commitment to increase annual sourcing of renewable electricity to 100% by 2030.

Social – Wellbeing and Providing Opportunities for all

In what was again a challenging year due to ongoing disruption to people’s working and personal lives through the pandemic, the Sustainability Committee has had a particular focus on employee and student wellbeing. Increased support was given to our employees whilst remote working and on their gradual return to the office through training and new resources.

The Sustainability Committee oversaw the establishment of our new employee forum, the Culture Matters Group, which gives employees a voice and



offers two-way communication between the senior leadership team and the wider business by way of elected representatives. The Sustainability Committee will receive regular updates on our people through our designated Non-Executive Director for Workforce Engagement.

Our commitment to employee engagement continues evidenced by a positive employee engagement score of 75 (2020: 74). The business will focus on addressing concerns raised by all teams and seek input from the Sustainability Committee.

The Sustainability Committee has reviewed the Group's strategy for delivering positive social impact, examining areas including equality, diversity and inclusion, wellbeing of students and our employees and our initiatives to deliver a positive social impact for young people and the communities in which we operate. This includes the development of a Social Investment Fund which acts as the umbrella for all social investments carried out by the business including our contributions to the Unite Foundation. This fund helps ensure a more strategic approach to our social investments and maximising our impact, with our investments focused on activity which directly benefits young people, focusing on education, life skills and employment and/or the communities in which we operate.

The Sustainability Committee oversees that the new Sustainability Strategy is being embedded across the business, with engagement sessions with managers, Unite Live sessions with employees and the re-launch of The NUS Positive Impact programme in August 2021. This scheme is a collaboration between the business and the National Union of Students aimed at helping students adopt lasting sustainable living habits through wellbeing, community and social impact initiatives and comprised of a network of champions across the operation and support side of the business, with a keen interest and passion for sustainability.

The Sustainability Committee is keen to ensure the implementation of the Sustainability Strategy and its ambitions and targets become "business as usual" for our employees and is intrinsically aligned with "Home for Success".

Governance – Leading the Student Housing Sector and Raising Standards

Our Governance sustainability objective focuses on us Leading the Student Housing Sector and Raising Standards. To help achieve this, the Sustainability Committee considers two of the leading sustainability rating providers:GRESB and MSCI. The Group's GRESB rating has improved on a year-on-year basis to 85 (2020: 81), with the business ranked first among listed residential real estate companies. The MSCI rating has been reconfirmed at AA in the 2021 review (2020: AA). Our governance continues to score particularly highly but the Sustainability Committee has identified opportunities to enhance our rating through improved disclosure on our employee development strategy.

Alongside Governance, oversight of compliance with EPC regulations remains a key focus for the Sustainability Committee and the tightening of minimum standards to 'B' by 2030 in England and Wales, and likely to 'C' by 2027 in Scotland. At present, 53% of the Group's floorspace is rated A-C, and 100% is fully compliant with current regulations. The Sustainability Committee is overseeing the process for the creation of asset transition plans for every property to determine the investment required to ensure ongoing EPC compliance, alongside reductions in consumption, carbon emissions and cost. This includes a variety of improvement measures such as LED lighting, heating controls and air-source heat pumps. The Sustainability Committee oversees that EPC ratings are a fundamental consideration in the refurbishment of any asset and that energy improvements are delivered alongside regular lifecycle works.

Sustainable loan agreement

During 2021, as part of the renewal of the Group's revolving credit facility, it was converted into a sustainable loan agreement with three KPIs linked to our environmental and social initiatives, namely: (1) targeted reductions in Scope 1 & 2 carbon emissions, (2) improvements in the % of assets with an A-C EPC rating and (3) the value of social investments made by the business, including the Unite Foundation. The Sustainability Committee will oversee the performance of these three KPIs as part of its oversight of the business's Sustainability Strategy, being conscious that the margin on the loan agreement will be adjusted either marginally upwards or downwards depending on the performance against these KPIs.

Key focus areas for 2022

Looking ahead to 2022, the Sustainability Committee will:

- oversee the embedding and implementing of the Sustainability Strategy and regularly review the sustainability targets and performance of the business
- oversee the completion of the remaining asset transition plans for our properties
- actively encourage senior leaders to empower our people to 'bring sustainability to life' in the business including helping our students to adopt lasting responsible living habits
- oversee the commitment to support Unite Foundation scholars in the 2022/2023 academic year as well as the launch of our enhanced Leapskills programme. 2022 will also see the development of our community investment performance metrics which will be aligned to the Societal Impact (B4SI) Framework
- continue to oversee the development of the Social Investment Fund.

Dame Shirley Pearce

Chair – Sustainability Committee
23 February 2022

HEALTH & SAFETY COMMITTEE

HEALTH AND SAFETY GOVERNANCE

A focus on health, wellbeing, safety and security

NUMBER OF MEETINGS

4

ATTENDANCE

100%



Committee Membership

Professor Sir Steve Smith

Chair of the Health & Safety Committee

Richard Smith

Chief Executive Officer

Dame Shirley Pearce

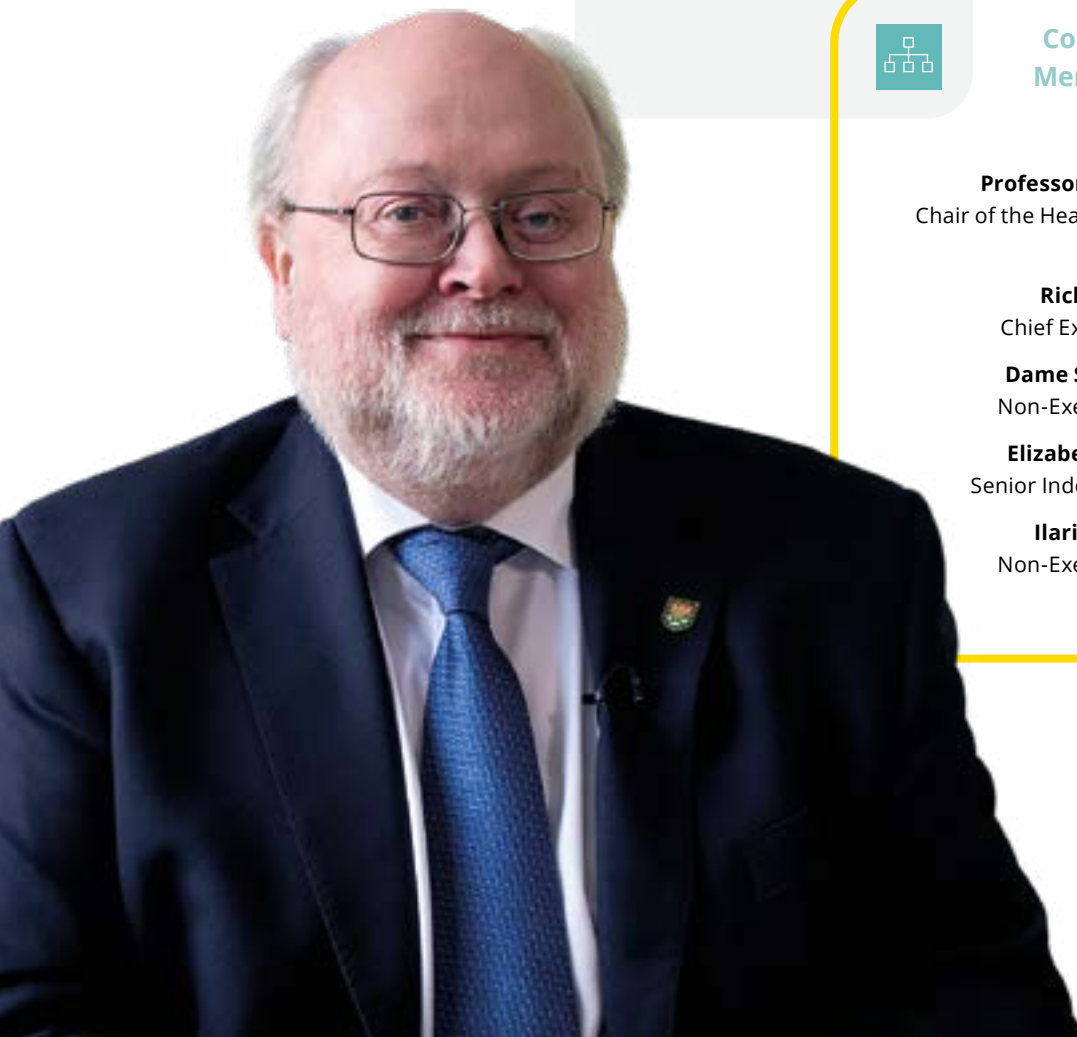
Non-Executive Director

Elizabeth McMeikan

Senior Independent Director

Ilaria del Beato

Non-Executive Director



Highlights and Achievements from 2021

We remained Covid secure whilst still ensuring the safety of our teams at work and customers living with us. In addition, we rolled out or restarted the following initiatives:

- Violence and assaults** – Following an increasing number of assaults and violence against our employees in 2020, the Health and Safety Committee oversaw the roll out of conflict management training across our service and safety teams. In addition, body-worn camera trials were carried out in 12 cities and body-worn camera technology has been available in all our cities from January 2022 following positive feedback from our employees.
- Customer Check-In** – We increased our focus on Covid-19 safety check-in measures and provided the local teams with event safety guidance for local events. In October 2021, just after the majority of students had checked in, we hosted our annual student fire safety campaign focused on kitchen safety.
- Health and Safety training** – We continued to deliver training courses to our employees on Health, Safety, Security, Fire and Wellbeing. Alongside this, we continued our mandatory e-learning modules for all employees.
- Health and Safety Software** – In the second half of 2021 we rolled out 'AVA', new market-leading health and safety software which has reduced the need for multiple systems for reporting on safety incidents, inspections and audits. It is simpler for our teams to use and provides greater insight and improved data collection.
- CCTV Upgrades** – We successfully upgraded the CCTV across a third of our estate, upgrading systems where the risk was greatest or systems were end-of-life. The remainder of the estate will be upgraded within the next two years, in line with the life expectancy of the systems.
- Third party H&S and Security Inspections** – We reinstated our programme of third-party H&S and Security inspections, paused in 2020 due to Covid-19. 132 of our buildings achieved a 'green' audit status meaning they scored 90% or more across a broad spectrum of safety areas. A further 23 buildings achieved 'amber' with a score between 80–89%. Given the challenging conditions that the teams were operating in, we were pleased to see a very small number of our properties receive a 'red' report, and in all cases, the score was over 70%.

Covid 19, fire safety, the mental wellbeing of employees and safety in our development activity remained key areas of focus through 2021.

Covid-19

Staying Covid secure is a priority for us. Key achievements and activities regarding Covid-19 during 2021 included:

- Covid-19 Secure Workplace** – Our Covid-19 controls and measures were subject to regular review and updates to ensure adherence to ongoing Government guidance including the re-opening of support services in Bristol and London.
- Working From Home/Hybrid Working Policy** – We introduced flexible working arrangements for our office-based teams alongside the phased re-opening of our support services offices in Bristol and London with physical control measures and risk assessments in place. Increased support was provided to our employees through training and the availability of new resources including an online DSE Assessment and e-learning. We also commenced a trial of a new hybrid working policy and are reviewing employee feedback.

- Getting ready for Academic Year 2021/22** – Our in-property teams worked tirelessly through Covid-19 to ensure our properties were ready for safe occupation at the start of the academic year. Our Home Charter sets out the requirement for two-way respect between students and our teams to maintain a Covid safe environment for all.
- Student welfare** – We have continued to work closely with our University partners to increase access to wellbeing and mental health support during the ongoing pandemic.
- Covid support team** – We set up a cross functional Covid team providing support to our employees dealing with Covid-19 queries. This included regular updates following Government advice, calls with Public Health England and regular 'drop-in' sessions for our teams with Q&A sessions.

Fire Safety

Fire safety is critical to our health and safety programme and fundamental to being a responsible business. We are committed to being leaders in fire safety standards, through a proactive, risk-based approach, which is embedded across our entire business, to ensure that students and our employees are kept safe. The business continued its partnership with the Avon Fire and Rescue Service as our Primary Authority and worked with safety experts to provide advice and assistance on projects enhancing and maintaining our safe and secure promise.

All our properties have been confirmed as safe to operate by independent fire safety experts. This reflects our extensive approach to fire safety and fire impairment across our portfolio, with increased building patrols and additional alarm measures where required. We previously completed the removal of Aluminium Composite Materials (ACM) cladding from our buildings where needed and in 2021 conducted a thorough review of the use of High-Pressure Laminate (HPL) cladding on our properties. Four buildings with HPL were remediated during the year with limited disruption to students and works are underway at eight other buildings.

HEALTH & SAFETY COMMITTEE continued

The Health and Safety Committee oversees the ongoing remedial work in respect of other fire impairments, including smoke ventilation systems and Automatic Opening Vents (AOVs). Areas for improvement were highlighted by survey reports with a remedial plan to be completed in 2022.

We continue to anticipate the impact of evolving fire safety legislation and are currently reviewing the impact of the upcoming Building Safety Act.

Mental health and wellbeing

Through 2021, the business engaged an external provider to review our current Employee Assistance Programme and Occupational Health provision to ensure the level of support and benefits to employees were fit for purpose. The primary focus of the review was the support provided for employees following critical incidents, however,

the findings of the report highlighted areas where improvements could be made to the service offerings more generally. In 2022 we plan to introduce a new Employee Welfare Framework, taking into consideration the findings of the review. The framework will include, amongst other things, the provision of training and support for employees impacted by serious incidents and trauma.

Our focus for 2022

Our top five risks remain unchanged from 2021 and which we continue to manage through robust health and safety management systems for which the Health and Safety Committee have oversight.

Our focus for 2022 remains on the safety of our customers and people, our properties and our workplace. We will continue to strive to deliver

our brand value 'Keeping us Safe' by building relationships with universities and local Fire & Rescue services, continuing to improve fire safety knowledge and awareness and developing our occupational health and wellbeing programme. We are also aiming to provide simplified H&S and Fire Management systems for our teams, along with a programme of continued professional development in managing safety risk at an individual property level.

2022 top five safety risks

- Fire Safety
- Electrical safety
- Contractor safety
- Driving for work
- Violence and assault against our team members in the workplace

Safety in our Development activity

Throughout 2021 we progressed the development of two sites: Middlesex Street in London and Campbell House in Bristol, and development continues at Derby Road in Nottingham for the 2022/23 academic year. In addition, building improvement works for Parkway Gate, Manchester and Kincardine, Manchester commenced in 2021 despite the Covid-19 challenges and in particular, the impact of contractor self-isolation.

We continued our efforts, alongside our contractors, to ensure our sites were safe to operate and the relevant social distancing, Covid-19 testing and personal protective equipment were in place. We also continued to work with our supply chain to mitigate delays in product and material delivery to our development sites.

In light of what was again a challenging environment throughout 2021, particular focus was on:

- **Wellbeing** – Promotion of the wellbeing programme offered to construction operatives through external specialists to promote the support of British Safety Council audit recommendations. Positive feedback has been received from those subscribing to the wellbeing programme.
- **Reporting** – Encouraged reporting of near misses and working closely with the estates and development teams to encourage cross departmental collaboration and reporting.
- **Integration of project delivery** – The appointment of a new construction director who has accountability and responsibility for unifying H&S and delivery standards across all construction projects.
- **Safety Audits** – Continuing across the development and estate projects under a revised metric, which seeks to push our contractors to achieve industry leading standards which far exceed statutory compliance.

All sites inspected under the revised metric have exceeded statutory compliance and thereby reinforces our safe and secure promise.

- **Safety KPIs** – Building on delivering year on year improvements with our safety KPIs across all developments.

Safety performance in our Development Sites and Cladding / Refurbishment works

Across our Development sites and cladding / refurbishment works in 2021, we had no RIDDOR reportable injuries and 16 minor incidents (15 in our cladding/refurbishments works and 1 at our Development sites). This represents good safety performance against the industry norm and within our Unite internal benchmarks. This is especially encouraging despite the continued challenges of Covid-19.

Development sites

Property	Total Hours Worked	Non-reportable Incidents	Reportable Incidents
Arch View House, London	23,230	0	0
Middlesex Street, London	289,124	1	0
Campbell House, Bristol	189,190	0	0
Derby Road, Nottingham	5,380	0	0
Total	506,924	1	0

Cladding / Refurbishment works

Property	Total Hours Worked	Non-reportable Incidents	Reportable Incidents
Chalmers Street, Edinburgh	2,421	0	0
Piccadilly Point, Manchester	21,009	0	0
Jennens Court, Birmingham	44,207	5	0
Aston Student Village – James Watt and William Murdoch, Birmingham	54,142	0	0
Aston Student Village – Mary Sturge and Harriet Martineau, Birmingham	37,710	2	0
Unite House, Bristol	14,150	1	0
Rosalind Franklin, Portsmouth	4,800	0	0
James Baillie Park, Leeds	9,556	0	0
Parkway Gate, Manchester	96,324	5	0
Phoenix Court, Bristol	4,547	1	0
Emily Bowes, London	464	1	0
New Medlock House, Manchester	460	0	0
Kincardine, Manchester	10,060	0	0
Total	299,850	15	0

2021 Combined Accident Reporting KPI

Incidents	KPI ¹	Benchmark
0 RIDDOR	0.00	0.30
16 Minor	1.98	5.00

1. KPI calculated as: No of incidents worked x 100,000 hours / hours worked.

Professor Sir Steve Smith

Chair – Health and Safety Committee

23 February 2022