

CHAIR'S INTRODUCTION TO GOVERNANCE

A STRONG PERFORMANCE IN 2022

Board Governance overseeing delivery of strong operational and financial performance



"The business has had a strong 2022 performance, built on our best-in-class operating platform and affordable and well-located portfolio, but ultimately delivered through the hard work and commitment of our people serving our customers. This has helped deliver the strong recovery in our operational performance with 99% occupancy and our financial performance, with earnings and dividends above their pre-pandemic peak."

Richard Huntingford
Chair

BOARD FOCUS AREAS IN 2022

- **Delivering for our customers and universities:** investment in our platform and service enhancements
- **Attractive returns for our shareholders:** balancing occupancy, with affordability and rental growth, alongside new developments and disposals
- **Delivering a positive impact:** implementing our sustainability strategy, through People and Places, with the social contribution we make to students living with us and reducing our environmental impact
- **Safety:** ensuring a safe and secure home, with a focus especially on fire safety and student mental health and wellbeing



Read more about the **key activities of the Board** on [pages 107-108](#)

Our governance and risk management framework focuses on our three strategic objectives, helping ensure we continue to bring value for all our stakeholders. The Board oversees how we deliver for our customers and universities, ensuring appropriate levels of investment in our operating and technology platform along with service enhancements, especially in student welfare. The Board also ensures the ongoing delivery of attractive returns for our shareholders, carefully balancing optimal occupancy with affordability and rental growth. These returns depend on the quality, location and scale of our portfolio and the Board ensures we develop new properties in the right cities, balanced with appropriate disposals, which this year saw us open two new properties (Hayloft Point, London and Campbell House, Bristol) whilst reducing our footprint from 25 to 23 markets.

Our governance and risk framework ensures we do all this responsibly and sustainably, delivering a positive impact through People and Places.

The safety of our customers and employees is one of our key risks and a key governance area for the Board. In 2022, the Board oversaw the introduction of our new operating model, with our people on site 24/7/365, and the introduction of our new Support to Stay framework, providing a supportive living environment for students. This is especially important with increasing mental health issues for students following the pandemic. The Board has also overseen our fire safety and cladding remediation programme, ensuring appropriate investment across the portfolio. The Health and Safety Committee Report on page 128 details further our safety governance.

The Board's focus on our values and specifically "doing what's right" and "raising the bar together" continues as we implement our sustainability strategy. Through the detailed work of the Sustainability Committee, we oversee our progress towards becoming a net zero carbon business by 2030, having invested £14 million in 2022 in energy initiatives to reduce consumption, save carbon and ensure ongoing compliance with regulations as well as further improvement in the EPC ratings of our portfolio. For more detail, see the Sustainability Report on page 46 and the Sustainability Committee Report on page 125.

Through 2022, the Nomination Committee continued to review our Board composition and succession planning, ensuring we have the right mix of skills and expertise across the higher education, real estate, finance, retail and hospitality sectors. With Elizabeth McMeikan coming up for nine years on the Board in 2023, the Committee conducted a search for a new Non-Executive Director, leading to the appointment of Nicky Dulieu in September 2022. Nicky brings a wealth of listed company Board experience as well as extensive consumer-facing executive experience, adding significant value to the Board. I would like to thank Elizabeth for her passion for the business and sound judgement during her nine years with Unite, especially as Chair of our Remuneration Committee and Senior Independent Director. Nicky will take over as Remuneration Committee Chair and Senior Independent Director on 1 March 2023 following Elizabeth's departure.

The Board continues to see increasing demand for student accommodation in the UK, with supply constrained due to slowing PBSA development and a shrinking HMO sector. Affordability, especially with increasing cost-of-living pressures, continues to be key for students, parents and universities and the Board oversees how we deliver safe and secure, high-quality, value-for-money homes for our customers, many of whom are living away from home for the first time.

With this increasing demand, the Board continues to explore opportunities to grow the business in UK PBSA through development, targeted acquisitions and partnerships with universities. Alongside this, the Board continues to explore exciting opportunities for growth in the wider living sector catering to young professional renters living in major UK cities. Our pilot BTR acquisition in Stratford, East London in September 2022 provides us the opportunity to test our operational capability in this sector and understand potential synergies with our core PBSA business. This will help the Board inform our next steps as we explore growth in PBSA and the wider living sector.

The following pages explain how our governance has supported us through 2022 and how it will continue to support our growth and sustainability in the longer-term.

Richard Huntingford

Chair

28 February 2023



FURTHER INFORMATION

Health and Safety Committee Report on [page 128](#)

Sustainability Report on [page 46](#)

Sustainability Committee Report on [page 125](#)

Board engagement on [page 102](#)

Stakeholder engagement on [page 104](#)

BOARD OF DIRECTORS



Richard Huntingford

Chair

N A R H S

Years on the Board: 3

Richard joined the Board on 1 December 2020 and became 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)



Richard Smith

Chief Executive Officer

N A R H S

Years on the Board: 11

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 and more recent economic uncertainty, whilst ensuring the Group continues to be well-placed for growth.

External appointments

- Industrials REIT Limited (Non-Executive Director)



Joe Lister

Chief Financial Officer

N A R H S

Years on the Board: 14

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 and his deep experience of our business and especially our funding arrangements was critical in helping us navigate the challenges of Covid-19 and the more recent economic uncertainty.

Together with Richard Smith, 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)

Committee key

- N Nomination Committee Member
- A Audit & Risk Committee Member

- R Remuneration Committee Member
- H Health & Safety Committee Member

- S Sustainability Committee Member
- C Committee Chair



Elizabeth McMeikan
Senior Independent Director

N A R H S

Years on the Board: 9

Elizabeth was appointed a Non-Executive Director in February 2014 and became the Senior Independent Director of Unite in January 2018. Elizabeth will retire from the Board after nine years of service on 28 February 2023.

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 Senior Independent Director of JD Wetherspoon plc and Chair of Moat Homes Ltd, a leading housing association in the South East.

Elizabeth has brought 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, has helped ensure the Executive Directors' and broader senior leadership's remuneration is aligned to the long-term sustainable success of the Group.

External appointments

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



Ross Paterson
Non-Executive Director

N A R H S

Years on the Board: 6

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

Relevant skills, experience and contribution

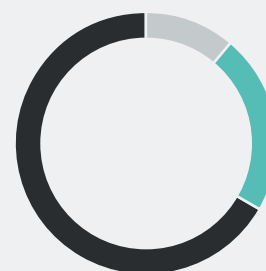
Ross is a former Chief Financial Officer of Stagecoach Group and Non-Executive Director of Virgin Rail Group Holdings Limited. Ross has experience in finance, business development and legal gained from his finance role at Stagecoach Group.

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 & Risk Committee, helping oversee the Group's financial rigour and delivery.

External appointments

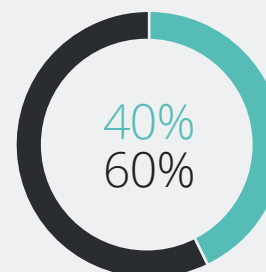
- Institute of Chartered Accountants of Scotland (Business Policy Panel member)

Composition of the Board



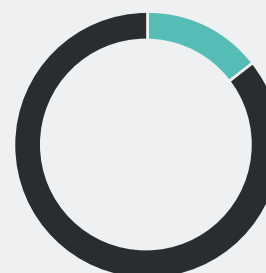
- Chair 1
- Executive Directors 2
- Non-Executive Directors 7

Gender diversity



- Female 4
- Male 6

Independence



- Non-Executive Directors 1
- Independent Non-Executive Directors 7

BOARD OF DIRECTORS continued



Ilaria del Beato
Non-Executive Director

N A R H S

Years on the Board: 5

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 over 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: 4

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 Excellence 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 Higher Education sector to the Board. This is especially critical at a time of ongoing change in the sector, where her insight and knowledge of Higher Education and broader policy initiatives help inform the Board on our strategic direction. As Chair of the 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: 4

Thomas joined as a Non-Executive Director in November 2019 following the Group's acquisition of Liberty Living from Canada Pension Plan Investment Board (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)

Committee key

- N** Nomination Committee Member
- A** Audit & Risk Committee Member

- R** Remuneration Committee Member
- H** Health & Safety Committee Member

- S** Sustainability Committee Member
- C** Committee Chair

**Professor Sir Steve Smith**

Non-Executive Director

N A R H S

Years on the Board: 3

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 Higher Education 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 (UUK) (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 Higher Education sector contributes to how the Board navigates a changing Higher Education 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

**Nicky Dulieu**

Non-Executive Director

N A R H S

Years on the Board: 1

Nicky joined the Board on 1 September 2022 and will replace Elizabeth McMeikan as Senior Independent Director and Chair of the Remuneration Committee with effect from 1 March 2023.

Relevant skills, experience and contribution

Nicky is a chartered accountant and a proven business leader with an established plc track record and extensive experience in consumer facing markets having been the Chief Executive of Hobbs between 2008 and 2014. Prior to this, Nicky was also the Finance Director of Marks & Spencer's Food Division following a career at the retailer spanning 1982–2005.

Nicky also has extensive Non-Executive Director experience which includes chairing Remuneration and Audit Committees and as a Senior Independent Director. Nicky's previous board appointments include Marshall Motor Holdings, Huntsworth and Notcutts.

External appointments

- WH Smith Plc (Non-Executive Director)
- Redrow Plc (Senior Independent Director)
- Adnams Plc (Non-Executive Director)

**Chris Szpojnarowicz**

Company Secretary

N A R H S

Years with Unite: 9

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)

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 2022, applied the principles and complied with the provisions set out in the Code except in relation to Provision 38: alignment of Executive Director pension contributions with the workforce (see explanation on page 133 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 96 details where disclosure against the principles of the Code can be found in this Corporate Governance Report.

LISTING RULE – BOARD DIVERSITY

REQUIREMENT

In accordance with the requirements of the new Listing Rule 9.8.6R(9) which applies to accounting periods starting on or after 1 April 2022, the Board is required to provide a statement as to whether it has met certain targets related to gender and ethnic diversity at Board level. The Board has chosen to provide these disclosures on a voluntary basis this year.

BOARD STATEMENT

The Board confirm that as at 31 December 2022, 2 out of 3 diversity targets were met:

1. 40% of the Board were women.
2. One of the senior Board positions (the Senior Independent Director) was held by a woman.
3. None of the Directors were from an ethnic minority background.

MORE INFORMATION

More details on the Company's compliance with the Listing Rules relating to Board diversity amongst the Board and executive management can be found on pages 115–118.

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 185–186.

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 82–87.

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 2025.

MORE INFORMATION

More details on the Viability statement can be found on page 81.

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 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 77-87 and on page 122 of the Audit & Risk 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 audit team and their reports to the Audit & Risk Committee.

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

MORE INFORMATION

Details on the systems of risk management and internal control and the review of their effectiveness can be found on pages 77-87 and 122-123.

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 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 & Risk Committee Report on pages 119-124.

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

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 Pages 97–100
 Pages 77–87 and 100
 Pages 10–11, 54, 66–68, 102 and 104
 Pages 10, 19, 50, 56, 100

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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 Page 114

COMPOSITION, SUCCESSION AND EVALUATION

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

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 Pages 90–92, 105 and 114–116
 Page 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

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 Pages 77–87 and 122

REMUNERATION

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

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Pages 133–163
 Pages 131, 133 and 137–140
 Pages 132, 138, 141–158

BOARD LEADERSHIP AND PURPOSE

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, generating value for shareholders and contributing to wider society.

Our purpose – Home for Success

The Board has defined our purpose: to create a Home for Success for all our students by building communities within our properties where students can succeed both professionally and personally. Our purpose describes our shared commitment and motivation and contributes to the delivery of our strategic objectives by informing the development of our business model and 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 world 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. This led to the introduction of a new operating model across all our properties providing a 24/7 staff presence, 365 days a year.

Our purpose of Home for Success and "doing what's right" led to the Board's decision to give 90% of our employees a £500 one-off payment to help with the rising cost-of-living pressures. This is in addition to a wider package of support provided to employees.

We awarded our largest ever annual pay increase in January 2023 of 10% to the majority of our operational team members and team leaders. We have proudly been a Real Living Wage employer for many years – the first in our sector – and this increase means that 90% of our employees will be paid in excess of the new 2023 Real Living Wage rates. For our operations management and support teams we introduced a sliding scale pay award, starting from 3% for a small number of our leadership roles, rising to 10.1% for the lowest paid. Overall, this amounts to an average pay award of 8.6% to all eligible employees across the business, with 95% of our people receiving a 2023 pay increase of 5% or more.

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 our support to students throughout the pandemic was recognised when we were named Student Accommodation Operator of the Year at the leading property sector awards, RESI. We also won Operator of the Year at Property Week's 2022 Student Accommodation Awards. This award recognised the financial support we provided to students affected by Covid-19 closures and our efforts to tackle inequality in the student accommodation sector.

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, which was demonstrated by the high number of internal promotions as part of our new operating model launched in 2022.

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, people 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, our ambitions, 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.

Through our Culture Matters employee forum (founded in 2021), our employees' voice remains front and centre ensuring dialogue between the Board and the wider Company, engaging employees and enabling them to contribute to the success of our business. Ilaria del Beato, our Designated Non-Executive Director for Workforce Engagement, attends the forum meetings and provides feedback to the Board to inform its decision-making (more details on Ilaria's role and activities this year can be found on page 102). This feedback helps inform how we develop greater gender and ethnic diversity in our senior leadership and create a more diverse workforce.

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 through our Designated Non-Executive Director for Workforce Engagement and also through regular employee engagement surveys and site visits. This Board's interaction takes place 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 2022, members of the Board visited Bristol and Manchester and met with regional and local managers and team leaders. Our Higher Education trust score monitors how universities view us and provides insight on our culture from our external stakeholders. Our initiatives undertaken to support our values, mentioned on pages 97–99, reflects our values-led culture.

BOARD LEADERSHIP AND PURPOSE continued

OUR VALUES

The Board's continued oversight of our values guide the organisation in delivering our purpose of a Home for Success, where everyone feels they belong, has their voice heard and is treated equally.



Being authentic and striving for a truly diverse and inclusive environment

Unite is a business that strives to be welcoming and inclusive to all and where every individual is respected and valued. The Board has zero tolerance of any form of discrimination and embraces cultural diversity to provide a positive working environment that enables everyone to be their true selves, creating a sense of belonging for everyone.

Our first Diversity, Equity, Inclusion, Belonging and Wellbeing strategy, We are US, was launched in 2022. The strategy is authentic to Unite and was built after listening and learning across the business. It lays out our three-year plan, recognising our responsibility to create healthier and happier workplaces, in which we can all strive for more equitable and sustainable futures.

Our values in action

- 40% female/60% male gender split in leadership team
- 60% of managerial roles filled internally
- 614 Foundation scholars supported since 2012 and 296 scholars graduated
- 9 interns joined us on an 8-week paid placement as part of the 10,000 Black Interns programme
- Partnered with UCAS to showcase our Leapskills programme across three cities
- Commitment of 1% annual profits to social initiatives every year
- Launch of Instinctive Inclusion, our first Diversity, Equity, Inclusion, Belonging and Wellbeing strategy



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 woven through the entire business and culture.

Our values in action

- 7 Reporting of injuries, diseases and dangerous occurrence regulations (RIDDOR) accidents
- New operating model across our properties ensuring 24/7 staff presence, 365 days a year
- Launch of Support to Stay framework
- Introduction of Student and Parent Safety leaflets at check-in
- Student welfare training across the operational business



For more about our **culture and values**, go online to:
unitegroup.com/cultureandvalues



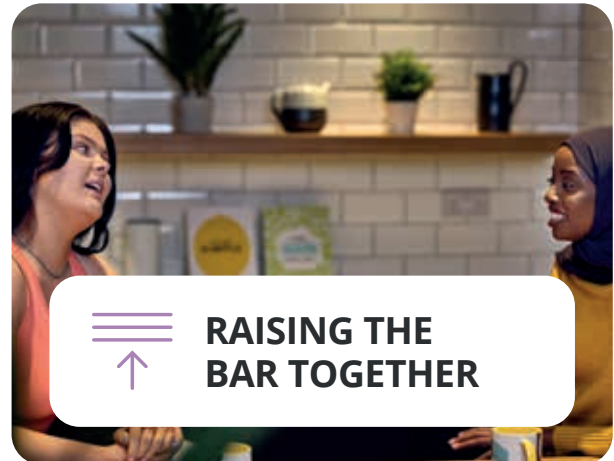
DOING WHAT'S RIGHT

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 all our stakeholders 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 give around 90% of our employees a £500 one-off payment to help with the rising cost-of-living pressures. The Board challenges the status quo when needed and takes accountability for its actions.

Our values in action

- Net zero carbon commitment by 2030
- Real Living Wage employer
- Gold Investor in people accreditation
- Over £99 million invested in replacement of cladding
- Increased participation in social programmes including Leapskills and Unite Foundation, which celebrated its 10th anniversary
- Partnership with the British Heart Foundation
- Participation in the Positive Impact programme
- Partnered with Streets of Growth, a youth intervention charity



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.

Our values in action

- +38 Customer satisfaction NPS
- Student Accommodation Operator of the Year 2022 at the REIS awards
- Alternatives Specialist award at the EG Awards in recognition of our "commitment to doing what's right" and our response during Covid-19
- Service improvements driven by employee feedback
- Maintained a GRESB 4-star rating
- Roll out of the Resident Ambassadors programme

BOARD LEADERSHIP AND PURPOSE continued

Forward Together and “Class of 22”

Following the launch of our new 24/7/365 operating model in June 2022, we brought employees together for our Forward Together events. These events focused on sharing our plans and strategy to deliver on our core purpose, Home for Success, and creating opportunities for all through our People Strategy.

The Board was keen to build upon the 2021 Fresh Start events to reinvigorate our purpose, values and culture and update our teams on our strategy. To support this, the business ran “Class of 22” events across 5 cities, with everyone across the business invited. The Board’s focus for these events was to prepare our teams for the 22/23 academic year student arrivals and working together to build a world-class customer offering.

Unite Live

Unite Live provides employees with an opportunity to engage directly with our Chief Executive Officer and the senior leadership team 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 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.unitegroup.com/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 2022, the Board resumed in-person meetings and ensured there was opportunity to listen and hear directly from the leadership team, the wider business and our stakeholders. Through 2022, the Board engaged with our employees and stakeholders on the impact of the rising cost-of-living pressures, as well as our environmental and social impact.

The Board receives updates on business performance from our leadership team, including the Chief Customer Officer, Group Investment & ESG Director, Group Property Director, Group People Director, Deputy Chief Financial Officer, Chief Strategy Officer, Group Safety Director, Group Communications Director, Head of Sustainability, 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 pages 98–99, Our Values and Culture).
- Ensuring the necessary resources are in place for the business to meet its strategic objectives.
- Establishing workplace policies and business practices that align with the Company’s culture and values and support its strategy (see pages 102–103).
- Overseeing the implementation of a robust controls framework to allow effective management of risk, with this oversight delegated to the Audit & Risk Committee (see pages 119–124).
- Effective succession planning for key senior personnel, much of which is delegated to the Nomination Committee (see pages 115–118).

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. These include 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 66–68 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 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.


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

N

NOMINATION COMMITTEE

The Nomination Committee reviews the structure, size, composition, skills and experience of the Board and focuses on succession planning with due regard to diversity.

© **Richard Huntingford**
 Elizabeth McMeikan*
 Ilaria del Beato
 Nicky Dulieu
 Richard Smith
 Ross Paterson
 Shirley Pearce
 Professor Sir Steve Smith
 Thomas Jackson


 See **Committee report** on [pages 115–118](#)

A

AUDIT & RISK COMMITTEE

The Audit & Risk Committee oversees the financial reporting, risk management and internal control procedures.

© **Ross Paterson**
 Ilaria del Beato
 Nicky Dulieu
 Professor Sir Steve Smith


 See **Committee report** on [pages 119–124](#)

R

REMUNERATION COMMITTEE

The Remuneration Committee determines the remuneration policy in consultation with shareholders for the remuneration of the Board and the implementation of this policy.

© **Elizabeth McMeikan***
 Nicky Dulieu**
 Ross Paterson
 Shirley Pearce
 Professor Sir Steve Smith


 See **Committee report** on [pages 131–163](#)

H

HEALTH & SAFETY COMMITTEE

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.

© **Professor Sir Steve Smith**
 Elizabeth McMeikan*
 Ilaria del Beato
 Richard Smith
 Shirley Pearce


 See **Committee report** on [pages 128–130](#)

S

SUSTAINABILITY COMMITTEE

The Sustainability Committee oversees the implementation of the sustainability strategy and helps ensure Unite is a responsible, resilient and sustainable business.

© **Shirley Pearce**
 Ilaria del Beato
 Richard Smith
 Ross Paterson
 Thomas Jackson

 See **Committee report** on [pages 125–127](#)

© Committee Chair

* Elizabeth McMeikan will retire as a Non-Executive Director on 28 February 2023.

** Nicky Dulieu has been appointed as Chair of the Remuneration Committee effective 1 March 2023.

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 or in our operating cities and enable the Board to meet employees and learn about their experiences with Unite. Meetings resumed in person this year with the flexibility of hybrid meetings to allow for increased participation from across the business, including senior leaders who 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, institutional investors and property valuers) to give the Directors a broader and independent perspective and to increase knowledge and development.

Stakeholder engagement on pages 66–68 explains how the Board engages and measures the views of our key stakeholders and the outcomes from this engagement.



FURTHER INFORMATION

Stakeholder engagement on [pages 66–68](#)

Wellbeing strategy on [page 50](#)

Positive Impact programme on [page 10](#)

Remuneration Committee on [pages 131–163](#)

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

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. Ilaria is also a member of our Sustainability Committee which covers ESG, including social impact, as part of its 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, the Senior Belonging, Equity and Engagement Manager 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 which included the launch of our first Diversity, Equity, Inclusion, Belonging (DEIB) and Wellbeing strategy. Through 2022, the Board's decisions were primarily focused on our people as well as safety and wellbeing. See page 10 on how we engaged with our people in 2022. Our engagement resulted in the following:

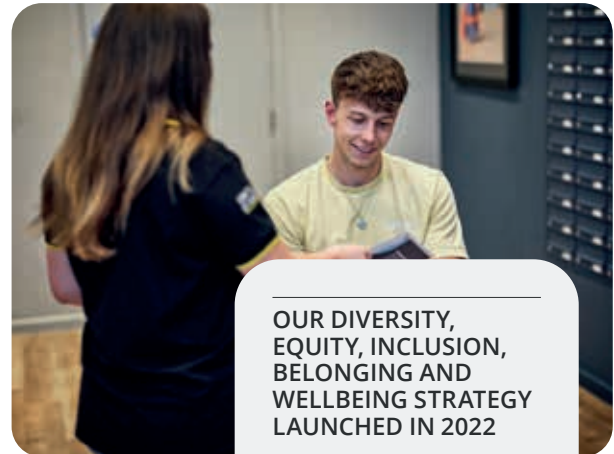
- An EDI survey completed by employees to better understand their needs and assess our progress.
- The expansion of the DEIB and Wellbeing team to assist with the implementation and embedding of the DEIB and Wellbeing strategy into the culture of our business. See more on page 50.
- Launch of the Academy and our first Diversity, Equity, Inclusion and Belonging course for all employees.
- The Board continued to support flexibility in our ways of working. See more on page 51 on enhancing the health and wellbeing of our employees and students.
- Ongoing participation in the Positive Impact programme (see more on pages 10 and 54 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. See more on page 134.

The Board also considers diversity, equity, inclusion, belonging and wellbeing 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 10, 31 and 49–51.



**OUR DIVERSITY,
EQUITY, INCLUSION,
BELONGING AND
WELLBEING STRATEGY
LAUNCHED IN 2022**

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.

The Academy was launched in 2022 and provides employees with a personalised and tailored learning experience. Training has been rolled out throughout the business across diversity, equity, inclusion and belonging, student support, sustainability and leadership, including the launch of our ninth leadership development cohort.

We refreshed our corporate induction during 2022 providing information about the business, roles and properties so that each new joiner has everything they need to succeed at Unite.

As a responsible and sustainable business, creating diverse and engaged teams is critical to our ongoing 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.

BOARD LEADERSHIP AND PURPOSE continued

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 66–67 explain how this was considered during 2022. Further, page 68 explains 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 which resumed in person this year.

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 an investor roadshow in May dedicated to sustainability. This included meetings with our largest investors, updating our progress around our sustainability strategy and learning more about the future sustainability expectations of our investors.

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 2023. The Chair, Richard Huntingford, also reaches out to the top 20 shareholders each year.

INSTITUTIONAL INVESTORS: c.750

RETAIL INVESTORS

Our 2022 Annual General Meeting resumed in person allowing shareholders the opportunity to attend and to raise questions of the Board. In addition, shareholders were invited to ask questions via email in advance of the meeting.

All resolutions put to the 2022 AGM received overwhelming support from our shareholders. The results of voting are available at: www.unitegroup.com/investors/agm. 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 bond holders 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 2022, engagement with our lenders focused on 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 reaffirmed our investment grade corporate rating of BBB with a stable outlook and Baa2 with a positive outlook, respectively.

NUMBER OF LISTED BONDS: 5

NUMBER OF EQUITY INVESTORS: c.1,200

The Company continues 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 91.

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

With effect from close of business on 28 February 2023, Elizabeth McMeikan, the Senior Independent Director of the Company and Chair of the Remuneration Committee, will retire from the Board after nine years of service. Elizabeth's insight, experience and commitment has been invaluable to the Board over the last nine years and we wish her the very best for the future.

All of the Directors (except for Elizabeth McMeikan) offer themselves for election or re-election at the Annual General Meeting, to be convened this year on 18 May 2023, in accordance with the requirements of the Code. Brief biographies of all the Directors and their skills, experience and contribution to the long-term sustainable success of the Company, are set out on pages 90–93. Following the individual performance evaluations of each of the Directors seeking election or re-election, it is confirmed that the performance of each of these Directors continues to be effective and that they each demonstrate commitment to the role and add value and relevant experience to the Board.

Independence

The Board considers six of its seven 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 and this will continue to be the case following Elizabeth McMeikan's departure. In addition, Richard Huntingford (Chair of the Board) was 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 tables to the right.

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; and
- 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; and
- the overall operational and financial performance of the Group.

Role: Senior Independent Director

As Senior Independent Director, Elizabeth McMeikan's (and, going forwards from 1 March 2023, Nicky Dulieu'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; and
- 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

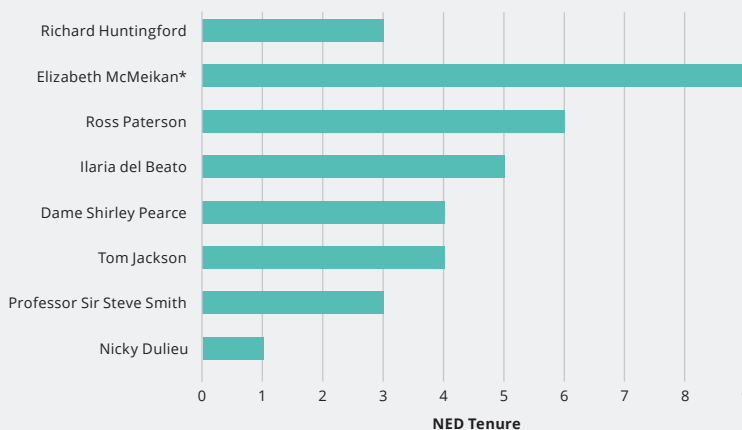
Non-Executive Directors are expected to commit approximately 20 days per annum to the business of the Group. We have reviewed the responsibilities of all Directors and are satisfied that they can fully fulfil this commitment.

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.

DIVISION OF RESPONSIBILITIES continued

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).



* Elizabeth McMeikan retires from the Board on 28 February 2023.

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 undertakes an 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.



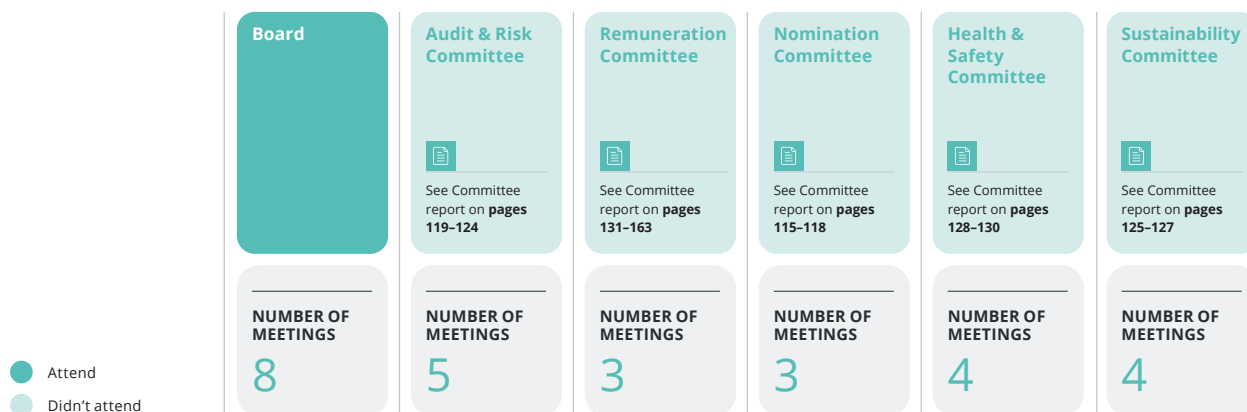
Spotlight on Nicky Dulieu, our new Non-Executive Director

"As part of my induction I was keen to visit Bristol, the original home of Unite, and see some of the very first Unite properties as well as the very latest ones. I also had the opportunity to meet our front-line teams, hearing first-hand about their experiences of working with our student customers and universities. I am passionate about creating an environment supporting young people's growth and development and it is good to see how Home for Success supports this for our customers and employees."

BOARD ACTIVITIES

Board activities in 2022

Directors' attendance at meetings



CHAIR/INDEPENDENT

Richard Huntingford 01 December 2020	●●●●●●●●	—	—	●●●	—	—
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EXECUTIVE DIRECTORS

Joe Lister 02 January 2008	●●●●●●●●	—	—	—	—	—
Richard Smith 01 January 2012	●●●●●●●●	—	—	●●●	●●●●	●●●●

INDEPENDENT DIRECTORS

Elizabeth McMeikan ¹ 01 February 2014	●●●●●●●●	—	●●●	●●●	●●●●	—
Ross Paterson 21 September 2017	●●●●●●●●	●●●●●	●●●	●●●	—	●●●●
Ilaria del Beato 01 December 2018	●●●●●●●●	●●●●●	—	●●●	●●●●	●●●●
Dame Shirley Pearce 01 November 2019	●●●●●●●●	—	●●●	●●●	●●●●	●●●●
Professor Sir Steve Smith 01 April 2020	●●●●●●●●	●●●●●	●●●	●●●	●●●●	—
Nicky Dulieu ² 01 September 2022	●●●	●	●●	●●	—	—

NON-INDEPENDENT DIRECTORS

Thomas Jackson 29 November 2019	●●●●●●●●	—	—	●●●	—	●●●●
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1. Retiring on 28 February 2023.

2. Nicky Dulieu was appointed to the Board in September 2022 and unable to attend the November 2022 meetings due to existing prior commitments.

BOARD ACTIVITIES continued

2022 Board activities table

2022

FEBRUARY

Governance

Approval of Annual Report

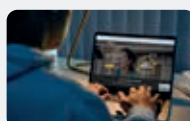


Strategy

Property valuer market review

Financial & risk management

Preliminary results final dividend



People

Remuneration review

Operational and commercial

City strategy and proposed property acquisition

MARCH

IR review and feedback

Group strategy deep dive

Debt review



Review of Board composition and succession planning

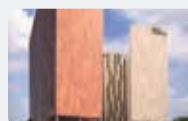
Employee and student engagement update

MAY

Annual General Meeting
External auditor effectiveness review

People strategy update

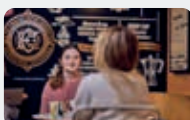
Risk and assurance H1 review and H2 preview



Cladding review

JULY

Listing Rules update



Interim results
Interim dividend
Principal and emerging risk review

Plans for our 2022 Board evaluation



SEPTEMBER

Environmental performance and sustainable investment

Property, development and asset management strategy

Interims feedback

Student welfare review

Investment market update

NOVEMBER

Board & Committee evaluation feedback

Strategy execution update
Technology implementation update

Budget 2023 themes
Defence planning

Workforce engagement update from Designated Non-Executive Director for Workforce Engagement

Customer and operations update
Building Safety Act update

DECEMBER

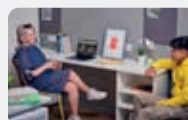
Whistleblowing review



Annual tax strategy and tax review

Principal and emerging risks review
2023 budget approval

Pay award and bonus scheme



Unite Foundation update

Board decision-making during 2022

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 2022, this has continued with a particular focus on student support and fire safety.

LINK TO PRINCIPAL RISK

Operational risk

Major health and safety incident in a property or a development site



Read more on [page 83](#)

WHAT THE BOARD DID IN 2022 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.

- **Student support:** the Board is committed to ensuring the business provides the right support to help students fulfil their potential. During 2022, the Board reviewed and approved our Support to Stay framework to provide a supportive living environment to students, despite medical, physical or mental health difficulties. Further information about our Support to Stay framework can be found on page 51.
- **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 [pages 128–130](#)

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

Market risks

Demand reduction: driven by value-for-money/affordability



Read more on [page 82](#)

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 first year students through lettings to universities under nomination agreements. 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. Board approval and oversight of our pilot purpose-built build-to-rent property in Stratford, East London to test our operational capability to extend our accommodation offer to young professionals and retain them as customers as they move on to the next stage in their lives.



Read more about [Operations review](#) on [pages 32–34](#)

BOARD ACTIVITIES continued

Board decision-making during 2022 continued

STRATEGIC OBJECTIVE

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



Read more on [page 82](#)

WHAT THE BOARD DID IN 2022 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; and
- market differentiation.



Read more about **Operations review** on [pages 32-34](#)

Read more about **Stakeholder engagement** on [pages 66-68](#)

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

Technology risk
Information Security and Cyber threat



Read more on [page 83](#)

Board review of our technology and information security and its governance.

STRATEGIC OBJECTIVE

ATTRACTIVE RETURNS
FOR SHAREHOLDERS

BOARD'S GOVERNANCE ROLE

Property/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.

LINK TO PRINCIPAL RISK

Property/development risk

Read more on [page 84](#)

WHAT THE BOARD DID IN 2022 AND ITS DECISION MAKING

Board oversight of:

1. Delivery of our two new 2022 properties: 920-bed Hayloft Point (London) and 431-bed Campbell House (Bristol), with a combined total development cost of £235 million.
2. The £65 million refurbishment of three existing properties in Manchester.
3. Our build-to-rent pilot, the acquisition of 180 Stratford, a 178-unit purpose-built build-to-rent property in Stratford, East London.



Read more about **Development and partnership activity** on [pages 36–39](#)

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

Read more on [page 84](#)

Board oversight of the sale of 11 properties and £306 million of assets to enhance our overall portfolio quality and fund reinvestment into the improvement of our estate and entry into the build-to-rent market.



Read more about **Disposals** on [page 39](#)

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

Financing risk

Read more on [page 86](#)

Board focus on dividend payments with a payout ratio of 80% of adjusted EPS.

BOARD ACTIVITIES continued

Board decision-making during 2022 continued

STRATEGIC OBJECTIVE

A RESPONSIBLE AND RESILIENT BUSINESS



BOARD'S GOVERNANCE ROLE

Sustainability and ESG: 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



Read more on [page 85](#)

WHAT THE BOARD DID IN 2022 AND ITS DECISION-MAKING

The Board continued its oversight of our sustainability strategy and Net Zero Carbon Pathway, built on science-based targets validated by the SBTi, to achieve our objective of becoming net zero carbon across both the Company's operations and development activities by 2030. Further information can be found within our Sustainability Report on pages 46–65.

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 and demonstrating leadership on cladding remediation.

Operational risk

Major health and safety incident in a property or a development site



Read more on [page 83](#)

The Board oversaw the Group being one of the first companies to take action to remove Aluminium Composite Materials (ACM) cladding and later 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 1,000 employees is paramount.

Operational risk

Major health and safety incident in a property or a development site



Read more on [page 83](#)

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 continues to monitor our Culture Matters forum which puts the employee voice front and centre and consulting on strategic change.

Diversity and inclusion

The Board also has oversight of our Diversity, Equity, Inclusion, Belonging (DEIB) and Wellbeing initiatives. We expanded our DEIB and Wellbeing team following the development of our DEIB and Wellbeing strategy and embedding diversity, equity, inclusion, belonging and wellbeing into the culture of the business through a learning and development programme.



Read more about **employee wellbeing** and **DEIB initiatives** under **Workforce engagement** on [pages 50, 103 and 126](#)

STRATEGIC OBJECTIVE

A RESPONSIBLE AND RESILIENT BUSINESS

continued



BOARD'S GOVERNANCE ROLE

Higher Education Government Policy:

Continued focus on potential Higher Education Government Policy changes.

LINK TO PRINCIPAL RISK

Market risk
Supply and demand



Read more on [page 82](#)

WHAT THE BOARD DID IN 2022 AND ITS DECISION-MAKING

Ongoing Board monitoring of Higher Education Government Policy and its impact for PBSA and universities more widely.

Covenants' compliance:

Group Board oversight of our Covenants' compliance.

Financing risk



Read more on [page 86](#)

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 & Risk Committee and by the external audit review of our Covenant compliance through the Going Concern process.



Read more about **Financial review** on [pages 32-45](#)

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



Read more on [page 86](#)

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



Read more about **Financial review** on [pages 32-45](#)

Leadership development and succession planning/ talent pipeline.

Market risk
Supply and demand



Read more on [page 82](#)

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



Read more about **succession planning/talent pipeline** on [pages 115-118](#)

BOARD ACTIVITIES continued

2022 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 2022, the evaluation was conducted internally. The previous external evaluation was in 2020 and the next external evaluation is expected to be during 2023.

Board and Committee evaluation process

The Board and its Committees 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 and Committee performance, culture, the content and scope of topics covered at Board and Committee meetings, the nature and dynamics of Director contributions at meetings and Chair of the meetings. The questions set were consistent with previous years to provide comparative results. There were separate questionnaires for the Audit, Remuneration, Health & Safety, Nomination and Sustainability Committees. The conclusions were discussed by the Board and each Committee at their meetings in Q4 of 2022.

Conclusion from this year's Board and Committee evaluation

The general conclusion was that the Board and its Committees continue to work effectively and operate to a high standard. Key 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 while considering stakeholders and incorporating ESG into the Board's strategic decision-making. The Board's decision making continues to align 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:

- continuing organisation oversight, with a particular regard to succession planning and meeting more of the wider leadership team;
- a better understanding of risks and mitigation around IT, data and cyber security 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 for improved organisational insight; 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. Richard Smith was added 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. Following Nicky Dulieu's appointment as a Non-Executive Director, she was appointed to the Remuneration, Audit and Risk Committee and Nomination Committee. Nicky will replace Elizabeth McMeikan as Chair of the Remuneration Committee following Elizabeth's retirement from the Board. Nicky brings a wealth of experience and proven track record as a Non-Executive Director.

Progress against the 2021 Board evaluation recommendations

2021 BOARD EVALUATION RECOMMENDATIONS

- 1 Create more opportunities for the Board members to spend more in-person time and meet more of the wider leadership team
- 2 Non-Executive Director interaction with key stakeholders
- 3 Develop the Board's insight and ability to challenge how technology and data should drive our strategy
- 4 Organisation oversight

2022 PROGRESS AGAINST THESE RECOMMENDATIONS

The Board meetings during 2022 were held in-person with informal time together outside of the meetings. In addition, members of the leadership team were invited to join Board meetings and will continue to be invited throughout 2023.

The Chair of the Remuneration Committee engaged with stakeholders through the 2021/22 remuneration consultation process. Our Non-Executive Director for Workforce Engagement has regular interaction with employees through our Culture Matters forum.

Following detailed discussions, the Board approved our Technology and Data Roadmap in 2021 and during 2022 we entered the initial implementation phase of our new IT infrastructure.

The Board held dedicated succession planning and talent mapping sessions throughout the year, including insights into key people data, our culture and values.

NOMINATION COMMITTEE

PEOPLE GOVERNANCE

Diversity and succession planning continues as the Committee's primary focus



"The Nomination Committee's focus was on the composition of the Board and succession planning this year, leading to the Board appointment of Nicky Dulieu in September 2022."

Richard Huntingford
Chair



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 the Committee on 1 February 2022)

Nicky Dulieu
Non-Executive Director
(Joined the Committee on 1 September 2022)

Nomination Committee Chair's overview

The Committee is focused on succession planning, with emphasis on growing the diversity of the Board. It also monitors ongoing executive succession planning and our talent and leadership development.

Composition

The Committee consists of all the Non-Executive Directors including Nicky Dulieu, who was appointed as a Non-Executive Director with effect from 1 September 2022. Richard Smith also joined the Committee in early 2022 as 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.

NUMBER OF MEETINGS

3

ATTENDANCE

See page 107

* Elizabeth McMeikan will retire as a Non-Executive Director on 28 February 2023.

NOMINATION COMMITTEE continued

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 of the Nomination Committee

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.

Review of Board composition and succession planning

At the start of 2022 and conscious of the tenure of longer standing Non-Executive Directors, a dedicated sub-committee was created to oversee the search for a new Non-Executive Director with assistance from an external search consultancy, MWM Consulting. MWM is a signatory to the Enhanced Voluntary Code of Conduct for Executive Search Firms and has no other connection with the Company or any individual Directors. Following an extensive search, Nicky Dulieu was appointed as a Non-Executive Director on 1 September 2022, bringing wide-ranging consumer and finance experience to the Board.

The Committee believes the Board currently has the correct balance of skills, experience, independence and knowledge, however, notes that additional diversity would strengthen the Board. Consequently, in late 2022 the Committee started the search for an additional Non-Executive Director who brings additional diversity to the Board. MWM Consulting has also been appointed to support this search.

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".

The Board continues to oversee the development and growth of our Culture Matters forum created in 2021 to ensure the employee voice is "front and centre" in supporting the shaping of our People strategy and consulting on strategic change. Through listening and learning from across the business, we launched our first Diversity, Equity, Inclusion, Belonging and Wellbeing strategy, We are US, in 2022. This strategy is authentic to the business and recognises our responsibility to create healthier and happier workplaces, striving for more equitable and sustainable futures.

Board Diversity Policy

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

The objectives of the Board's Diversity Policy are to ensure that Board and Committees of the Board appointments:

- (a) are made on merit and relevant experience, while taking into account the broadest definition of diversity (which includes factors such as ethnicity, sexual orientation, disability and socio-economic background, as well as age, gender, education and professional background); 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 and seeks to appoint search firms that are signatories to the Enhanced Voluntary Code of Conduct for Executive Search Firms where practicable. On an ongoing basis, the Committee keeps under review the tenure and experience of the Executive and Non-Executive Directors to ensure the Board, and the respective Committees, has an appropriate and diverse mix of skills, experience, knowledge and diversity.

As described above, Nicky Dulieu was appointed to the Board on 1 September 2022 and the Board is in the process of recruiting a further Non-Executive Director to bring additional diversity to the Board.

Board and senior leadership diversity

The Company voluntarily reports our Board and executive management diversity data, as at 31 December 2022, in accordance with the new UK Listing Rules targets and associated disclosure requirements.

As of 31 December 2022, the Board comprised 40% women, one of the four senior positions on the Board was held by a woman and there were no Directors from an ethnic minority background. Following Elizabeth McMeikan's departure on 28 February 2023, the Board will comprise 33% women and one of the four senior positions on the Board will continue to be held by a woman, following the appointment of Nicky Dulieu as Senior Independent Director with effect from 1 March 2023.

The Board is fully committed to ensuring diversity at all levels of the Company. As set out in last year's Annual Report, the Nomination Committee has been working to build a pipeline of diverse candidates with a view to complying with the Parker Review's recommendation that each FTSE 250 Board should have at least one director of colour by 2024. The Company was promoted to the FTSE 100 in June 2022 and this, combined with the new UK Listing Rules targets, has underlined the importance of the Company's efforts in this area. The Board expects to make further progress against the Listing Rules targets over the course of 2023 (including in light of the ongoing recruitment of another Non-Executive Director).

Gender identity and ethnicity as at 31 December 2022

	Number of Board members	Percentage of the Board	Number of senior positions on the Board (CEO, CFO, SID and Chair)	Number in executive management	Percentage of executive management
Men	6	60%	3	6	75%
Women	4	40%	1	2	25%
Not specified/prefer not to say	0	0%	0	0	0

	Number of Board members	Percentage of the Board	Number of senior positions on the Board (CEO, CFO, SID and Chair)	Number in executive management	Percentage of executive management
White British or other White (including minority-white groups)	10	100%	4	7	87.5%
Mixed/Multiple Ethnic Groups	0	0%	0	0	0%
Asian/Asian British	0	0%	0	1	12.5%
Black/African/Caribbean/Black British	0	0%	0	0	0%
Other ethnic group, including Arab	0	0%	0	0	0%
Not specified/prefer not to say	0	0%	0	0	0%

NOMINATION COMMITTEE continued

Approach to data collection

Gender and ethnicity data for the Board and executive management is collected on an annual basis through a standardised process managed by the Company Secretary.

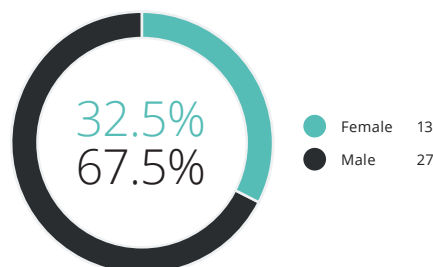
Each Director and member of the executive management team is asked to complete a standard form questionnaire on a confidential and voluntary basis, through which the individual self-reports on their ethnicity and gender identity (or can specify that they do not wish to provide such data). The criteria of the questionnaire are aligned to the definitions specified in the UK Listing Rules and set out in the tables above:

- Self-reported gender identity – selection from (a) male, (b) female or (c) not specified/prefer not to say; and
- Self-reported ethnicity – selection from (a) White British or other White (including minority-white groups), (b) mixed/multiple ethnic groups, (c) Asian/Asian British, (d) Black/African/Caribbean/Black British, (e) other ethnic group, including Arab or (f) not specified/prefer not to say.

The Company's approach to data collection is consistent for the purposes of all diversity-related reporting requirements under the Listing Rules and across all individuals in relation to whom data is being reported.

Gender diversity for the purposes of the UK Corporate Governance Code

Gender diversity



As of 31 December 2022, the number of women in the Executive Committee and their direct reports (including the Company Secretary as required by the Code) was 13 (out of a total of 40) representing 32.5% of this Group. Following some structural changes during 2022, the size of this Group has reduced, however, we are looking to grow the percentage of women in leadership positions.

	Male	Female	Total
Executive Committee and Company Secretary	6	2	8
Direct Reports	21	11	32
Total	27	13	40
Total (%)	67.5%	32.5%	100%

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

28 February 2023

AUDIT & RISK COMMITTEE

FINANCIAL GOVERNANCE

The Audit & Risk Committee provides oversight for the Board in respect of the Group's financial reporting process, the audit process, the system of internal controls, and the identification and management of significant risks



"During 2022, the Committee continued to focus on the quality and integrity of the financial statements alongside its oversight of risk and internal controls."

Ross Paterson
Chair



COMMITTEE MEMBERSHIP

Ross Paterson
Chair of the Audit & Risk Committee

Ilaria del Beato
Non-Executive Director

Nicky Dulieu
Non-Executive Director

Professor Sir Steve Smith
Non-Executive Director

Audit & Risk Committee Chair's overview

During the year, the Audit & Risk 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 & Risk 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 & Risk Committee reports regularly to the Board on its work.

During the year, the Audit & Risk 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 & Risk Committee determined the focus of the Group's internal audit activity, reviewed findings, and verified that management was appropriately implementing recommendations. The Audit & Risk 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.

NUMBER OF MEETINGS

5

ATTENDANCE

100%

AUDIT & RISK COMMITTEE continued

The Audit & Risk Committee undertook a review of its effectiveness in August 2022. The review found that the Audit & Risk 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 2023.

During 2022, the Audit & Risk 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 2023.

Following the 2021 appointment of a Group Risk & Assurance Director, all oversight of internal audit and risk management are now insourced. Whilst internal, we still consider the team to be independent of management with a direct line of communication to the Audit & Risk Committee. As is usual with an internal team, there are still areas where it is appropriate to engage third parties to undertake specific pieces of work and the relationship with PricewaterhouseCoopers (PwC) has been maintained.

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

Role of the Audit & Risk Committee

The Audit & Risk Committee has delegated authority from the Board set out in its written terms of reference. The terms of reference for the Audit & Risk 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.unitegroup.com/about-us/corporate-governance>.

The key objectives of the Audit & Risk 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 & Risk Committee

The members of the Audit & Risk Committee are set out on page 101 of this Corporate Governance statement. The Audit & Risk 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 & Risk Committee's duties. The Board considers that as a chartered accountant with substantial experience in senior finance roles, including as Chief Financial Officer 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 & Risk Committee meetings

The Audit & Risk Committee met five times during the year and attendance at those meetings is shown on page 107 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 Chair of the Board, the Chief Financial Officer, the Group Finance Director and the Group Risk & Assurance Director.

I also invite our external auditor, Deloitte, to most meetings. The Audit & Risk Committee regularly meets separately with Deloitte without others being present. Deloitte meets the Group Risk & Assurance Director to receive an update on any audit findings and how risks are being managed; Deloitte considers the impact of these on its approach to its work.

Main activities of the Audit & Risk Committee during the year

Meetings of the Audit & Risk 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 & Risk Committee and matters of particular relevance to the Board in the conduct of its work. At its five meetings during the year, the Audit & Risk Committee focused on the following activities.

The Audit & Risk Committee reviewed the half-year and annual financial statements and the significant financial reporting judgements. As part of this review, the Audit & Risk 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 & Risk 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 2022. During the evaluation process the Audit & Risk 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 & Risk Committee discussed reports from Group Risk & Assurance and its audit and assessment of the control environment. The Committee reviewed and proposed areas of focus for the internal audit programme to review including the approach to ensure that the internal audit activity continues to be aligned to the principal Group risks.

The Audit & Risk Committee has considered the Department for Business, Energy & Industrial Strategy (BEIS) consultation white paper: "Restoring trust in audit and corporate governance" published in March 2021 and the Government's response to the consultation responses published in May 2022. The Queen's Speech on May 10th 2022 included plans for a Draft Audit Reform Bill and whilst there is no timetable setting out when the Bill will be published, the Audit & Risk Committee will continue to review the potential impact on the Group with management.

Financial reporting

The primary focus of the Audit & Risk Committee, in relation to financial reporting in respect of the year ended 31 December 2022, 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 & Risk Committee's assessment of the Annual Report to ensure that it is fair, balanced and understandable and 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 24–29), risk reviews (as described on pages 77–87), business model and strategy (as described on pages 8–11 and 30–31).
- 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 & Risk 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 & Risk 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 2022 financial statements related to:

- Property valuations
- Joint venture accounting

Further information about property valuations can be found below and joint venture accounting can be found on the next page.

AUDIT & RISK COMMITTEE continued

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. The Committee noted that the 31 December 2022 valuations involved an increased level of judgement considering heightened macroeconomic uncertainty with higher UK inflation and interest rates.

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 performs 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 prior to sign-off.

Prior to finalising the 2022 accounts, the Committee 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 & Risk Committee questioned the external valuers on market trends and transactional evidence that supports the valuations. The Audit & Risk Committee was satisfied that the Group's valuers were appropriately qualified and provided an independent assessment of the Group's assets. The Audit & Risk 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. The Committee met with a Deloitte real estate specialist who was involved in the audit. 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 35–39.

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 & Risk 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 28.15% 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 either a legal/regulatory requirement to do so or where the Group has a constructive obligation. The Audit & Risk 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 & Risk Committee.

Our work here was driven primarily by performing an assessment of the approach to risk taken by the Group's Executive Committee and senior leadership team. The Executive Committee is responsible for the delivery of the Group's risk management framework. The Executive Committee and senior leadership team set the objectives for the Group and then assess what risks could prevent the Group from meeting these objectives. This assessment results in a number of principal and emerging risks that are brought to the Board for a detailed assessment.

The Audit & Risk Committee considered the work of the Executive through the year 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 79–87.

Through these reviews, the Audit & Risk 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 & Risk Committee.

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

Internal controls

Led by the Group's risk assessment process, we reviewed the process by which the Group evaluated its control environment. The Board has delegated responsibility to Management for establishing effective risk management and maintaining adequate internal controls, although the board retain oversight responsibility. 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.

Internal audit

The Group used the internal Group Risk & Assurance team for internal audit services through the year. The team embedded third line of defence audits in our operations, developing a framework of Operational Compliance Audits for our rental properties. The property audits are designed with a focus on safety and, where there are gaps identified, action plans are developed and monitored. The results are shared with our Customer Leadership Team to enable the sharing of best practice and drive improvements across all of our operations where themes are identified. In addition to this, the team completed three other pieces of internal audit work. The first was over compliance with UK Data Protection regulations and the efficient operation of the data protection team; the second was over the use and management of video and voice recording equipment in our rental properties (CCTV, Bodyworn Cameras and SoloProtect (personal voice recording equipment that is used when lone working)); the third was on the management of asbestos in our student properties.

Overall, the conclusion of all audits was 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 its assessment of these key risks.

For the 2022 financial year, the significant risks identified were in relation to valuation of properties, classification of joint ventures and management override. These focus areas were discussed at the Audit & Risk 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 2022 financial year, the Audit & Risk 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 & Risk Committee meeting to provide additional opportunity for open dialogue and feedback from the Audit & Risk 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 its audit.
- How it has exercised professional scepticism.

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

AUDIT & RISK COMMITTEE continued

Independence and external audit tender

The Audit & Risk 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 its independence on an ongoing basis. 2022 is the eighth year during which Deloitte has been the Group's external auditor.

The Audit & Risk 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 & Risk Committee that it maintained appropriate internal safeguards to ensure its independence and objectivity. As part of the Audit & Risk Committee's assessment of the ongoing independence of the auditor, the Audit & Risk 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, the Committee undertook an assessment of Deloitte's effectiveness, its processes, audit quality and performance in May 2022 following completion of the 2021 audit.

The Audit & Risk 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 & Risk Committee remains satisfied with Deloitte's effectiveness and independence. In view of this, the Audit & Risk 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 & Risk 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 & Risk Committee Responsibilities) 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 & Risk 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 2022 were £0.1 million (2021: £0.1 million). 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 2022 can be found in note 2.6 to the consolidated financial statements on page 200. Accordingly, the Audit & Risk 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 & Risk Committee approved the fees for audit services for 2022 after a review of the level and nature of work to be performed, including additional audit procedures required as a result of changes in the regulatory environment, and after being satisfied by Deloitte that the fees were appropriate for the scope of the work required.

Audit & Risk Committee evaluation

The Audit & Risk 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 & Risk Committee

28 February 2023

SUSTAINABILITY COMMITTEE

SUSTAINABILITY GOVERNANCE

A responsible and sustainable business, doing the right thing through People and Places



"It has been inspiring to see the intensity of action right across the business in the implementation of our sustainability strategy this year."

Dame Shirley Pearce
Chair



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

The 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 reviews the Group's performance against its targets and ambitions to ensure Unite is a responsible and resilient business, keeping in mind the paramount importance of our responsibility to stakeholders and the wider community. Our commitment to transparency can be seen through our sustainability-related targets and ongoing disclosure of our performance.

2022 highlights and progress

- Continued implementation of the sustainability strategy with regular reviews of our sustainability targets and performance of the business.
- Oversight of the asset transition plans, produced for each of our properties in 2022 and, a review of our sustainable investment approach.
- Oversight of our commitment to donate 1% of annual profits to social initiatives including additional funding for the Unite Foundation scholars 2022/23 academic year as well as the Group's ongoing investment in the Leapskills programme for school leavers. We also made progress in the development of our community investment performance metrics which will launch in 2023, aligned to the Societal Impact (B4SI) Framework.
- Supported the launch of our first Diversity, Equity, Inclusion, Belonging (DEIB) & Wellbeing strategy and participation in the 10,000 Black Interns programme.

NUMBER OF MEETINGS

4

ATTENDANCE

100%

SUSTAINABILITY COMMITTEE continued

Through the Committee's oversight, the business reviewed the framework for communicating our sustainability strategy and determined to communicate the essential elements of the sustainability strategy in terms of impact on People and Places.

Our people

Everyone is unique. Everyone is important. And everyone belongs in a community where they are safe, respected and included and we strive to make that happen.

The Sustainability Committee oversees that the sustainability strategy is being embedded across the business, with engagement sessions with managers, "Unite Live" sessions with employees and The NUS Positive Impact programme. This programme 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.

Our employee forum, Culture Matters, has become a very valuable forum for understanding and engaging with employees, offering two-way communication between the senior leadership team and the wider business by way of elected representatives. Through our Designated Non-Executive Director for Workforce Engagement, the Sustainability Committee receives regular updates on our people. Through this engagement, the Sustainability Committee helped oversee the launch of the Group's first Diversity, Equity, Inclusion, Belonging and Wellbeing strategy, We are US, in 2022. The strategy is authentic to Unite and sets out clear objectives to deliver our Home for Success purpose and our value of "creating room for everyone". Full details of our DEIB & Wellbeing strategy can be found on page 50.

Our continued commitment to employee engagement can be seen by our regular employee engagement surveys and addressing concerns raised by all teams. The feedback of these surveys is presented to the Sustainability Committee which monitors the process for identifying and addressing concerns raised by the employees. Through engagement with the Sustainability Committee, the Academy was launched in October 2022 providing tailored learning and development opportunities for employees to enhance their knowledge and skills.

The Sustainability Committee is keen to ensure the wellbeing, both physically and mentally of everyone across the business remains one of the Board's key priorities. Safety is part of everything we do and is woven through the entire business and culture with further details on page 52.

Our places

We want our places to deliver sustainable growth. For our people, our communities and the planet. We are working towards net zero carbon and finding ways to use less resources, future-proof our buildings and enable people to do their bit for the environment.

The Sustainability Committee is keen to ensure the continued 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.

Following the publication of our Net Zero Carbon Pathway in December 2021, the Sustainability Committee continues to provide oversight of our pathway to net zero in both our operations and developments. The Sustainability Committee tracks our progress using reporting metrics covering the key activities for delivery of our strategy as detailed below.

Step one – reduce absolute carbon emissions by cutting operational energy use

To support our targeted energy reductions, the Sustainability Committee has overseen the £10 million of energy initiatives delivered in the year including EPC improvements and the launch of a student behavioural change pilot, MyFootprint. This is a data-led energy reduction pilot using data to drive change and set expectations at the individual customer level. Further information can be found on page 59.

Step two – decarbonisation of our energy supply through investment in renewable energy

We already source around 25% of our annual electricity supply from a Scottish wind farm under a corporate power purchase agreement and continue to review options for further power purchase agreements in the future, as part of our commitment to source 100% renewable power by 2030.

Step three – reducing embodied carbon of new buildings

The Sustainability Committee reviews and has oversight of our developing sustainable construction framework including the application of 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.

The Sustainability Committee also monitors how our science-based target reductions in carbon emissions will be delivered through a significant reduction in energy use and property specific asset transition plans, which were completed during 2022. 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 33% 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.

Our approach

Our goal is to lead on sustainability and raise standards in the living sector. Our governance and processes ensure that we always operate with integrity and transparency.

With input from the Sustainability Committee, the business continues its compliance with the Taskforce on Climate-related Financial Disclosures (TCFD) and maintained a stable Global ESG Benchmark for Real Assets (GRESB) rating, with the business ranked second among listed residential real estate companies. The Sustainability Committee notes that while the GRESB rating was just below the Threshold target set for the financial year, positive progress was made in a number of areas. The MSCI rating has also been reconfirmed at AA in the 2022 review (2021: AA).

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 "C" by 2027 (2025 in Scotland). Following the UK Government's official update to the EPC methodology, 80% of the Group's floorspace is rated A-C, and 100% is fully compliant with current regulations. The Sustainability Committee steered the completion of asset transition plans for every property which helped determine the investment required to ensure ongoing EPC compliance, alongside reductions in energy consumption, carbon emissions and utility costs. These investments include a variety of improvement measures such as LED lighting, heating controls and air source heat pumps.

During 2022, the Group reviewed our revolving credit facility and the 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. We extended the revolving credit facility by a period of 12 months to ensure continued alignment with our wider sustainability commitments.

Key focus areas for 2023

Looking ahead to 2023, the Sustainability Committee will:

- Continue to oversee the embedding and implementation of the sustainability strategy with regular reviews of sustainability targets, performance and investment activity linked to sustainability-related objectives.
- Oversee increased engagement with employees around sustainability, with a view to enabling them to play a greater role in delivering the Group's sustainability objectives.
- Monitor and oversee the student behavioural change pilot, MyFootprint.
- Oversee the ongoing commitment to invest 1% of annual profits into social initiatives.

Dame Shirley Pearce

Chair – Sustainability Committee

28 February 2023

HEALTH & SAFETY COMMITTEE

HEALTH AND SAFETY GOVERNANCE

Health and Safety is at the core of everything we do. We are committed to providing a Safe and Secure workplace for our people and customers living with us



“The health & safety of our people and customers remains our top priority. Following the introduction of our new operating model in 2022, all our properties now have 24/7 staff presence, 365 days a year.”

Professor Sir Steve Smith
Chair



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

NUMBER OF MEETINGS

4

ATTENDANCE

100%

2022 highlights

Student safety and support

We introduced a new operating model in 2022, which means that all our buildings have our people on site 24/7/365 days a year. 2022 also saw the launch of our Support to Stay framework, providing a supportive living environment to help students fulfil their potential, regardless of any medical, physical or mental health difficulties.

Health and safety training

We reviewed our health and safety training courses and worked alongside our learning and development team to develop a new Fire Marshall course and Incident Response online learning. We continued to deliver health, safety, security, fire and wellbeing training courses to our existing employees and new starters. Alongside this, we continued our mandatory e-learning modules for all employees.

Third-party H&S and security inspections

We continued our programme of H&S and security inspections throughout our buildings, with this now overseen by our Group Risk & Assurance team.

Contractor forum

We launched our new cross-functional Contractor Forum meetings, an initiative to drive greater safety collaboration and an improved safety culture for all those working at our development sites and within the construction industry more generally.

Safety award

We launched our new Safety Award, encouraging contractors to submit innovative safety ways of working at our development sites.

Fire safety

Fire safety team

We have a dedicated Fire Safety team, whose sole focus is fire safety. This team welcomed three new managers this year, bringing in valuable hands-on knowledge and experience from fire authorities. This hands-on experience ensures we can continue to deliver on our Safe and Secure promise, during a rapidly changing fire and building safety regulatory environment.

Our Fire Safety team also work closely with Fire and Rescue services, local authorities, the Department for Levelling Up, Housing and Communities, as well as fire safety experts, to provide advice and guidance through the life of our buildings, from development design through to disposal. These relationships have grown stronger through 2022 and with the increasingly complex and dynamic regulatory environment, we expect this to continue through 2023.

Authority inspection activity

During 2022, we experienced an increase in inspection activity by Fire Authorities and local authorities alongside the Department for Levelling Up, Housing and Communities prior to the coming into force of the Building Safety Act 2022. These inspections have been helpful and collaborative, allowing us to better understand responsibilities and helping ensure we are ready for the Building Safety Act and evolving fire safety legislation. The Health and Safety Committee oversaw the progress of this inspection activity throughout the year.

Fire Safety Regulations and Fire Safety Act 2022

The introduction of the Fire Safety Act 2022 and Fire Safety Regulations 2022 this year highlighted the best practice approach taken by Unite in our day-to-day fire safety activities, with few minor changes being required to ensure compliance with this newly introduced legislation. This approach was overseen by the Committee to ensure effective and efficient adoption of changes, alongside challenging existing approaches.

Fire risk assessments

All our properties continue to be confirmed as safe to operate by our external third-party accredited fire risk assessors as part of the comprehensive annual fire risk assessment completed at every property. This reflects the robust fire safety and fire impairment management across our portfolio, as well as the continued proactive surveying and remediation of our external façades, smoke control systems, passive fire protection and fire doors. The Committee continues to drive improvement on the completion of fire risk assessment actions, with changes in national approach adopted to drive further improvements in 2023.

Fire impairment management

The Committee oversaw the ongoing fire impairment remedial work, which is predominantly the remediation of smoke control systems, external façades and passive fire protection. Recognising Unite's values and commitment to "doing what's right" and the emerging challenges highlighted by the national building safety crisis, we launched a dedicated Fire Impairment team in 2022, whose focus is the remediation of non-external façade-related impairments. This team works alongside another newly created team, the Special Projects team, whose dedicated focus is remediating external façades. The work of these teams has led to significant improvements in the fire safety of our properties.

Health and wellbeing in our workplace

Recognising the changing and challenging workplace environment after the pandemic, we adapted our wellbeing communication strategies during 2022 to ensure our employees are getting the information they need regarding the health and wellbeing benefits we offer and the support available. This resulted in our new employee support framework, designed with our people's wellbeing in mind and based upon employee feedback through structured conversations, focus groups and surveys as well as our employee forum, Culture Matters. This framework is being rolled out in the first half of 2023 and includes resources to promote better mental, physical, financial and social wellbeing and encourages and empowers our people to take ownership of their health and wellbeing.

Our focus for 2023

The Committee continues to oversee the governance of health and safety practices across the business. We will continue to prioritise the safety of our customers, people, properties and our workplace and strive to deliver our value "Keeping us Safe". Through upskilling our frontline teams and establishing core standards for safety and security, our people can assist to deliver our Safe and Secure promise. Safety and Student Welfare continues as a priority as we work closely with our University partners to help students deal with the pressures of university living.

2023 safety priorities

- Improving our safety culture, colleague engagement and competence.
- Ensuring effective business tools are provided to enable teams to deliver safety.
- Effective performance monitoring through assurance, auditing & investigation.

HEALTH & SAFETY COMMITTEE continued

Safety in our development activity

2022 saw another busy whilst safe year of development activity, with:

- the completion of the refurbishment of three properties in Manchester (Parkway Gate, Kincardine Court and New Medlock House). This £65 million upgrade improved the fire safety and sustainability of these properties, as well as creating an additional 100 beds. All three properties were completed in time for the start of the 2022/23 academic year; and
- the delivery of two new properties (the 920-bed Hayloft Point in London and 431-bed Campbell House in Bristol) with a combined total development cost of £235 million.

Our comprehensive approach to safety across our development and refurbishment activity, resulted in 0 RIDDOR reportable injuries and 26 minor incidents in 2022. This represents good safety performance against the industry norm and is well within our Unite internal benchmarks.

Development safety – 2022 in review

- **Site safety/Covid-19** – continued to work alongside our contractors to ensure our sites are safe to operate, together with Covid-19 testing and personal protective equipment in place.
- **Wellbeing** – reviewed our wellbeing offering for construction operatives and engaged with external providers to improve mental health and wellbeing awareness across our development sites. The British Safety Council is conducting a Wellbeing Gap Analysis which we will implement later in 2023.
- **Safety reporting** – encouraged safety observation reporting, with a particular focus on near miss reporting which is especially helpful for creating an improved Safety culture.
- **Safety Audits** – we enhanced our safety audits across our development and refurbishment projects with a more challenging metric. This seeks to push our contractors to achieve industry-leading standards which far exceed statutory compliance. All sites inspected under this revised performance metric have exceeded statutory compliance and helps to reinforce our Safe and Secure promise.

	Hours worked	Reportable incidents	Reportable incidents benchmark	Reportable incident KPI	Non-reportable incidents	Non-reportable incidents benchmark	Non-reportable incident KPI
2020	718,467	3	0.30	0.42	15	5.00	2.09
2021	806,774	0	0.30	0	16	5.00	1.98
2022	1,860,904	0	0.30	0	26	5.00	1.4

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

Professor Sir Steve Smith

Chair – Health and Safety Committee

28 February 2023

REMUNERATION COMMITTEE

REMUNERATION GOVERNANCE

The Remuneration Committee focuses on ensuring that executive reward is linked to the delivery of strategic objectives and that it reinforces the Group's values



"The Committee's decision-making during 2022 has been framed by the Group's broader performance context. The cost-of-living crisis has been a key area of focus for us, and our decisions around executive remuneration have sought to acknowledge the pressures faced by colleagues, customers and other stakeholders."

Elizabeth McMeikan
Chair



COMMITTEE MEMBERSHIP

Elizabeth McMeikan
Chair of the Remuneration Committee

Nicky Dulieu
Non-Executive Director

Ross Paterson
Non-Executive Director

Dame Shirley Pearce
Non-Executive Director

Professor Sir Steve Smith
Non-Executive Director

As in previous years, this report is split into three sections: this Annual Statement, the Policy Report and the Annual Report on Remuneration. Our Remuneration Policy was last submitted to shareholders at the 2022 AGM, with the Committee very pleased to receive 97.83% votes in favour. No changes are being proposed to the policy this year; however, we have reproduced the Policy Report in full over pages 137–147 for both ease of reference and in order to provide context to the decisions taken by the Committee during the year.

2022 performance and reward

As always, the Committee's decisions around executive remuneration for FY22 have been framed by the Group's broader performance context.

2022 was another strong year for Unite with progress made against each of our key strategic objectives. The Group continues to deliver attractive returns for shareholders, with financial highlights including a 48% increase in both earnings and dividends, a 5% increase in EPRA NTA, and an overall total accounting return of 8.1%. Unite's record in delivering for customers and universities is evidenced by a return to full occupancy and a 3-point increase in customer NPS, with the Group having made a range of service enhancements (including around student welfare support) during the year. On delivering a positive impact, the Group has continued to progress its Sustainability Strategy and move closer towards its objective of becoming a net zero business by 2030, with material investments in energy initiatives contributing to improvements in EPC ratings across the portfolio.

NUMBER OF MEETINGS

3

ATTENDANCE

See page 107

REMUNERATION COMMITTEE continued

Finally, Unite has continued to demonstrate its commitment to the health and safety of employees, visitors and students, with management working proactively to address issues faced and ensure there is a strong safety culture across the Group.

In addition to the above successes, there have also been challenges for the Group, with year-on-year falls in Higher Education trust and employee engagement scores driven by factors including the implementation of a new operating model and above average employee turnover. These outcomes have commensurately impacted incentive outcomes for 2022, and will be areas of particular focus for the 2023 annual bonus. Ongoing cost-of-living pressures faced by Unite's stakeholders have also been a key area of focus, and the Committee has been pleased with the executive team's leadership in this area, in particular around the support provided to our dedicated and hardworking frontline colleagues (further details on which are included throughout this report).

Salaries

As disclosed in last year's report, following a comprehensive review and reflecting positive feedback received in consultation with shareholders, Executive Director salaries were increased by the first of a planned two-stage rebasing of 10.6% (CEO) and 7.0% (CFO) with effect from 1 January 2022. These increases took into account the considerable increase in size, scale and complexity of the Group since base pay levels had last been reviewed, and in respect of the CEO, the discount which had been applied to his salary relative to that of his predecessor back in 2016. Salary increases across the Group averaged 3.0% in 2022, with higher increases applied to entry level salaries reflecting our commitment to being an accredited Real Living Wage employer and the rates set by the Living Wage Foundation.

Annual bonus

The annual bonus scheme was operated in line with the policy for Executive Directors in 2022. Following a review of performance against the targets set at the start of the year, the Committee has confirmed that Executive Directors will each receive bonuses of 36.0% of maximum (equating to 50.4% out of a maximum of 140% of salary). This overall outcome reflects mixed results against both financial and non-financial targets set at the start of the year, with full payouts recorded under both the LTV and customer satisfaction metrics, and an EPS outturn just above Threshold, but with zero payouts recorded under the other performance measures. The Committee has reviewed this outcome in the context of overall Group performance and believes that although some of the bonus targets were particularly stretching this year, the outcome is both fair and appropriate. Further details, including bonus targets and outcomes are included on page 152.

Long-term incentives

Following the publication of TAR results by comparators with March 2022 year-ends, the Committee confirmed the final vesting of the 2019 LTIP awards as 36.8%, in line with the estimate set out in last year's report.

LTIP awards made in April 2020 reached the end of their performance period as at 31 December 2022. These awards were based equally on absolute EPS, relative TSR and relative TAR, with Unite's performance for both the TAR and TSR elements compared to the constituents of the FTSE350 Real Estate Supersector Index. Over the three-year performance period Unite's relative TSR ranked just below median versus the comparator group (equating to 0% vesting), whilst EPS performance was below the threshold target (0% vesting). Vesting of the relative TAR element will be finalised following the publication of comparator results over the coming months, with the latest interim performance assessment suggesting that Unite is currently ranked just below median. Overall estimated vesting of the 2020 LTIP is therefore 0%. Further details are included on page 153.

Also during the year, Executive Directors were each granted an award under the LTIP in April 2022 which will vest based on performance over the three financial years to 31 December 2024. As disclosed in last year's report, the Committee resolved to introduce two relevant sustainability metrics linked to the Group's new strategy – operational energy intensity and EPC ratings – for these awards, alongside absolute EPS, relative TSR and relative TAR. Any award vesting will be required to be held for an additional two-year period. Further details on the number of shares granted and targets are included on page 158.

Overall pay outcomes for 2022

Taken as a whole, the Committee is satisfied that overall pay outcomes in respect of the year ended 31 December 2022 are appropriate and accordingly we have not applied any discretion to this year's incentive outcomes.

Implementation of the policy in 2023

The Committee is confident that the policy continues to effectively support Unite's short- and long-term strategic objectives and promote management and shareholder alignment.

Salaries

In summary, Executive Directors will each receive a 3.0% salary increase with effect from 1 January 2023, with implementation of the higher increases set out in last year's report delayed until a more appropriate time.

In January 2023 it had been intended that Executive Directors would receive the second (and final) of their phased salary increases. At its December meeting, the Committee satisfied itself that the qualifying conditions set out in last year's report around continued strong performance and personal contributions had been achieved by each of Richard Smith and Joe Lister, and that the planned increases would ordinarily have been fully warranted.

However, noting the cost-of-living pressures facing both colleagues and customers, Executive Directors indicated a preference – supported by the Committee – that their January salary increases instead be aligned with those awarded to other senior leaders. Accordingly, salaries of both Executive Directors have instead been increased by 3.0% with effect from 1 January 2023, in line with the increase for other senior management, and below the average increase across the Group of 8.6%. In practice, the Group has sought to target the available increase in salary budget at those colleagues most impacted by inflationary pressures, in particular our front-line employees, with over 95% of the workforce receiving a salary increase of 5% or more. Unite remains committed to being an accredited Real Living Wage employer and has implemented the rates set by the Living Wage Foundation (8.1% in London and 10.1% across the rest of the UK), with tiered salary increases across the rest of the organisation.

The Committee views this as a further example of Executive Directors' principled leadership and commitment to the Group's values, in particular "Doing what's right". Acknowledging the strong support received last year from shareholders on the proposed Executive Director salaries, and recognising that the rationale for these increases remains valid, the Committee has resolved that it will retain the flexibility to implement the previously-disclosed full-year percentage increases – 10.6% for the CEO and 7.0% for the CFO – at a future date within the next 18 months. Any such increases would again be dependent on the Committee satisfying itself of the continued strong performance and personal contributions from both Executive Directors.

Pension

Executive Directors will continue to receive a pension scheme contribution, a cash allowance of equivalent cost to the Company or a combination of both. With effect from 1 January 2023, total employer pension contributions will be further reduced to an equivalent of up to 11% of salary for both Executive Directors. This represents the final planned reduction in Executive Director pension contribution levels and brings both the CEO and CFO in line with the offering available to the wider employee population.

Annual bonus

There will be no changes to the maximum opportunities, performance metrics or weightings under the annual bonus for 2023, with the Committee satisfied that the current blend of financial and non-financial measures supports the Group's strategy and reinforces its values. For both the financial and non-financial elements, targets have been set to be challenging relative to business plan. Further details are included on page 159.

Long-term incentives

As with the annual bonus, there will be no change to the operation of the long-term incentive in 2023. Executive Directors will each receive an award of up to 200% of salary delivered through a combination of the PSP and ESOS, with the actual award levels to be approved by the Committee closer to the date of grant, taking into account the share price at that time, as compared to the share price used to determine awards over the last few LTIP cycles. The Committee is not proposing any changes to the performance metrics used for the 2023 LTIP, which will continue to include the two sustainability metrics introduced last year. Further details are included on pages 159–160.

REMUNERATION COMMITTEE continued

Workforce remuneration considerations

The Committee continues to monitor pay and practices for other senior executives and more broadly across the wider workforce when considering the remuneration of Executive Directors. The Group People Director is invited to attend Committee meetings on a regular basis to provide updates on workforce initiatives and to offer an employee perspective to the Committee's deliberations.

This year the Committee has been particularly mindful of ongoing cost-of-living pressures and has supported a range of management proposals to help those employees most impacted by rising prices and interest rates. In August 2022, around 90% of employees received a one-off £500 payment. Originally intended as an early release of the 2022 annual bonus scheme, it was subsequently agreed that this amount would be paid in addition to the normal bonus to recognise the excellent work of our employees. Additionally, and as noted above, the available increase in the 2023 salary budget was targeted towards those colleagues most impacted by inflationary pressures, with over 95% of colleagues receiving a salary increase of 5% or more, and with planned increases for the Executive Directors being postponed until a more appropriate time.

In November 2022, our Designated Non-Executive Director for Workforce Engagement facilitated a discussion at the Culture Matters employee forum on the topic of remuneration. Further details on the session, feedback received and subsequent actions is included on page 102 and 138.

We have continued to review and disclose both the statutory CEO pay ratios and additional ratios looking at both fixed pay and pay excluding long-term incentives. This year, the headline ratio of CEO total remuneration to the median employee, has fallen from 56:1 to 33:1, driven primarily by the lower bonus outcome for 2022 and the nil estimated vesting under the 2020 LTIP. The Committee remains satisfied that the year-on-year fluctuations mainly reflect differences in the structure of pay at different levels of seniority.

Finally, details of our gender diversity and pay gaps across the Group are provided on pages 63 and 155, with the Committee pleased to note a further modest improvement in both the mean and median gender pay gaps in 2022.

The Committee also noted from the analysis the increase in female representation in the upper quartile this year, and took this as evidence of the Group's 2022–25 diversity, equity, inclusion, belonging and wellbeing strategy starting to produce positive results. As for most companies, there is still work for Unite to do in this space and our 2022 Gender Pay Gap Report therefore references an updated action plan to further progress activity in this area over the short- and medium-term.

Committee changes

Nicky Dulieu joined the Unite Board with effect from 1 September 2022, and is currently a member of the Remuneration, Audit and Risk and Nominations Committees. Fees paid to Nicky are in line with the fees paid to the other Non-Executive Directors, as disclosed on page 151.

After nine years on the Board, I will be stepping down with effect from 28 February 2023. I am delighted that Nicky, who brings with her significant experience in chairing the remuneration committees of other FTSE-listed companies, will take over as Chair of the Remuneration Committee at that time.

Looking ahead













The Committee will continue to monitor market developments throughout the 2023 AGM season and will consider the appropriateness of any emerging trends for Unite. I hope that you find this report a clear account of the Committee's decisions for the year; my successor, Nicky, would be happy to answer any questions you may have at the upcoming AGM.

Elizabeth McMeikan

Chair – Remuneration Committee

28 February 2023

Overview of Unite remuneration policy and implementation

	REMUNERATION IN RESPECT OF 2022	OVERVIEW OF REMUNERATION POLICY	IMPLEMENTATION OF POLICY IN 2023
Base salary	<ul style="list-style-type: none"> Salaries increased with effect from 1 January 2022, as follows: <ul style="list-style-type: none"> CEO = £522,500 (+10.6%) CFO = £411,250 (+7.0%) <p> See page 150</p>	<ul style="list-style-type: none"> Reviewed from time to time, with reference to salary levels for similar roles at comparable companies, to individual contribution to performance; and to the experience of each Executive. <p> See page 141</p>	<ul style="list-style-type: none"> Salaries increased with effect from 1 January 2023, as follows: <ul style="list-style-type: none"> CEO = £538,175 (+3.0%) CFO = £423,588 (+3.0%) <p> See page 159</p>
Pension, benefits	<ul style="list-style-type: none"> Pension contributions (or equivalent cash allowance) at a maximum of 14% of salary for CEO and CFO. Benefits in line with policy. <p> See page 150</p>	<ul style="list-style-type: none"> For existing Executive Directors: commitment to phase down contributions (or equivalent cash allowance) to the workforce rate by 1 January 2023. For new Executive Director appointees: company pension contributions aligned with the broader workforce (currently 11% of salary). Benefits typically consist of the provision of a company car or a car allowance, and private health care insurance. <p> See page 141</p>	<ul style="list-style-type: none"> Pension contributions (or equivalent cash allowance) reduced to a maximum of 11% of salary for CEO and CFO with effect from 1 January 2023. No change to benefits for 2023. <p> See page 159</p>
Annual bonus	<ul style="list-style-type: none"> Annual bonuses of 50.4% of salary for each Executive Director (36.0% of maximum opportunity). 50% of these amounts will be deferred in Unite shares for two years. <p> See page 152</p>	<ul style="list-style-type: none"> Maximum annual bonus opportunity for all Executive Directors of 140% of salary. Performance measures typically include both financial and non-financial metrics, as well as the achievement of individual objectives. 50% of any bonus earned is deferred in shares for two years. Malus and clawback provisions apply. <p> See page 142</p>	<ul style="list-style-type: none"> Maximum annual bonus opportunities of 140% of salary. 2023 bonuses to be based: <ul style="list-style-type: none"> 25.0% on adjusted EPS 25.0% on TAR per share 20.0% on Loan to Value 7.5% on customer satisfaction 7.5% on university reputation 7.5% on employee engagement 7.5% on GRESB rating <p> See page 159</p>
LTIP	<ul style="list-style-type: none"> 2019 LTIP final vesting confirmed at 36.8%. 2020 LTIP final vesting to be finalised once comparator TAR results are published. Expected total vesting of 0% based on: <ul style="list-style-type: none"> Relative TSR ranking just below median compared to the constituents of the FTSE350 Real Estate Index 2022 adjusted EPS below the threshold target Estimated relative TAR ranking just below median compared to the constituents of the FTSE350 Real Estate Index <p> See page 153</p>	<ul style="list-style-type: none"> Maximum award size for all Executive Directors of 200% of salary in normal circumstances (up to 300% of salary in exceptional circumstances). Awards vest subject to performance over a three-year period. Vested shares are typically subject to an additional two-year holding period. Malus and clawback provisions apply. <p> See page 143</p>	<ul style="list-style-type: none"> Awards of up to 200% of salary to be made to each Executive Director in 2023. Performance to be measured over the period 1 January 2023 to 31 December 2025. Awards based: <ul style="list-style-type: none"> 28% on adjusted EPS 28% on relative TAR 28% on relative TSR 8% on operational energy intensity 8% on EPC ratings Two-year holding period will apply to all vested shares <p> See page 159</p>

REMUNERATION COMMITTEE continued

2022 Remuneration at a glance

2022 Single total figure of remuneration for current Executive Directors

	Salary (£)	Taxable benefits (£)	Pension (£)	Annual bonus (£)	LTIP (£)	Other (£)	Total (£)
Richard Smith	522,500	16,123	59,550	263,340	0	4,498	866,011
Joe Lister	411,250	16,854	46,918	207,270	0	0	682,292

2022 Annual bonus outcomes

Measure	Weight	Threshold	On-target	Maximum	Actual	Outcome (% of max)
		30% of max	50% of max	100% of max		
Adjusted EPS	25.0%	40.5p	42.5p	44.5p	40.9p	34%
TAR per share	25.0%	75.2p	83.6p	96.1p	71.2p	0%
Loan to Value	20.0%	35.0%	34.1%	32.0%	31.0%	100%
Customer satisfaction	7.5%	36	37	38	38	100%
University reputation	7.5%	21	22	23	7	0%
GRESB rating	7.5%	85	86	88	84	0%
Employee engagement	7.5%	73	75	77	65	0%

Executive	Max opportunity (% of salary)	Overall outcome (% of maximum)	Overall outcome (% of salary)	Overall outcome (£)
Richard Smith	140.0%	36.0%	50.4%	263,340
Joe Lister	140.0%	36.0%	50.4%	207,270

2020–2022 LTIP outcomes

Measure	Weight	Threshold	Stretch	Actual	Vesting (% of max)
		25% vest	100% vest		
2022 Adjusted EPS	1/3	51.1p	58.7p	40.9p	0.0%
Relative TSR performance	1/3	Median -17.4%	Upper quartile -2.7%	Just below median -19.8%	0.0%
Relative TAR performance	1/3	Median	Upper quartile	Current estimate*: Just below median	0.0%

Executive	Estimated* overall vesting (% of maximum)	Estimated* interests vesting	Date vesting*	Estimated* value (incl. dividends)
Richard Smith	0.0%	0	23 April 2023 (holding period applies until 23 April 2025)	£0
Joe Lister	0.0%	0		£0

* Vesting of the relative TAR element will be finalised following the publication of March year-end comparator results over the coming months, with Unite's TAR currently estimated to rank just below median (based on performance after two full financial years). Details of the final vesting outcome will be provided in next year's report.

Overview of remuneration across the Group

ELIGIBILITY	ELEMENT OF PAY	ELEMENT OF PAY
Employees at all levels	Salary	Salaries are generally reviewed annually, taking into account Company and individual performance, experience and responsibilities. As an accredited Living Wage employer, all of Unite's employees receive at least the voluntary living wage rate.
	Benefits	Employees across all levels of the business are eligible for the Company-funded Health Cash Plan and an enhanced Company sick pay scheme. All employees have free 24/7 access to our employee assistance programme which provides counselling and support to employees with everyday situations and more serious concerns including up to 12 face-to-face sessions per issue per year. Life assurance cover is provided for all eligible employees at 4 x annual salary and employees can access a range of deals and discounts through our discount providers. We offer employees 25 days annual leave a year plus bank holidays and also operate a holiday purchase scheme to allow employees to purchase up to an extra week of annual leave each year. Employees can support their chosen charities by participating in our charity match or give-as-you-earn schemes. We also offer financial support to our employees through season ticket loans, student rental discounts and the bike to work scheme and employee service is recognised with long-service awards.
	Pension	All employees can participate in the Unite Group Personal Pension scheme, with an alternative cash pension allowance available in certain circumstances. Our pension offering was reviewed and improved with effect from 1 January 2020, with all employees eligible to receive a Company contribution of up to 11% of salary, subject to their own contribution level.
	SAYE	We encourage all employees to become shareholders in Unite by participating in the SAYE scheme, under which participants save monthly over 3 years with the option to acquire shares at a discount at the end of the savings period. Currently c.15% of eligible employees participate in the SAYE.
	Annual bonus – cash	All employees are eligible to participate in the annual bonus scheme, with outcomes based on both Company performance and personal contribution. Maximum opportunities, performance measures and weightings vary by grade; metrics are similar across all levels to support delivery of our strategy.
	Executive Directors and other senior leaders	Long-term incentive
Executive Directors only	Annual bonus – deferred	Currently only Executive Directors are required to defer a proportion of their bonus into Unite shares, which supports shareholder alignment.
	Shareholding guidelines	While all employees are strongly encouraged to become shareholders to allow them to share in the success of the Group, currently only Executive Directors are subject to formal shareholding guidelines (both in-post and post-exit).

REMUNERATION COMMITTEE continued

Engaging with our employees on executive remuneration

In November 2022, our Designated Non-Executive Director for Workforce Engagement, the Group People Director and the Committee's independent advisor facilitated a discussion at the Culture Matters employee forum on the topic of remuneration. The session touched on the structure, role and remit of the Remuneration Committee at Unite and how current performance measures and overall pay policy help to support our strategy and values. Additionally, the forum was given an introduction to how pay practices for Executive Directors are aligned with those across the broader employee population (with reference to the table on page 137), with a subsequent discussion around some of the main differences – for example, the weighting on short- vs. long-term performance and the balance of financial and non-financial measures at different levels of the organisation. Throughout the session, forum members were invited to provide comments, questions and input, and there followed a constructive conversation around the role of remuneration at Unite.

The Remuneration Committee was apprised of the session at its December meeting, and discussed some of the main themes arising and possible follow-on actions. As an example, forum members had queried why there are currently no explicit measures in either the short- or long-term incentive around the value of "Keeping us safe". Given the importance of health, safety and wellbeing to the Group, the Committee continues to believe that such metrics should form part of its discretionary assessment of overall performance, and inform whether any downwards discretion should be applied to formulaic outcomes. Taking on board the feedback from the employee forum, we have included some commentary in the section on the 2022 annual bonus (see page 152) around how the Committee has considered this matter in confirming bonus outcomes this year.

The Committee is pleased with the feedback received from the employee forum and the insights gained from the session. We are keen to build further on this engagement during the forthcoming year, and have committed to reviewing relevant sections of the Directors' Remuneration Report with the forum at a meeting later in 2023.

How remuneration supports our strategy

2023 incentive measures	Captured in...		Strategic objectives supported		
	Annual bonus	LTIP	Delivering for our customers and universities	Attractive returns for shareholders	A responsible and resilient business
Earnings Per Share (EPS)	✓	✓		✓	
Total Accounting Return (TAR)	✓ Absolute	✓ Relative		✓	
Loan To Value (LTV)	✓				✓
Total Shareholder Return (TSR)		✓ Relative		✓	
Customer satisfaction	✓		✓		
University reputation	✓		✓		
Employee engagement	✓		✓		✓
GRESB rating	✓				✓
EPC Ratings		✓			✓
Operational energy intensity		✓			✓

This report has been prepared in accordance with the provisions of the Companies Act 2006 and Schedule 8 of the Large and Medium-sized Companies and Groups (Accounts and Reports) Regulations 2008 (as amended). It also meets the requirements of the UK Listing Authority's Listing Rules and the Disclosure and Transparency Rules.

In accordance with the Regulations, the following sections of the Remuneration Report are subject to audit: the Single total figure of remuneration for Directors and accompanying notes (pages 150–151), Scheme interests awarded during the financial year (page 158), Payments to past directors (page 158), Payments for loss of office (page 158) and the statement of Directors' shareholdings and share interests (pages 161–162). The remaining sections of the report are not subject to audit.

The 2018 UK Corporate Governance Code sets out principles against which the Committee should determine the policy for executives. A summary of the principles and how Unite's Remuneration Policy reflects these is set out below:

PRINCIPLE

Clarity – Remuneration arrangements should be transparent and promote effective engagement with shareholders and the workforce.

APPROACH

The Committee operates a consistent remuneration approach that is well-understood internally and externally. The Committee regularly engages with major shareholders on executive remuneration and undertook a detailed consultation during the design of the current policy.

Simplicity – Remuneration structures should avoid complexity, and their rationale and operation should be easy to understand.

The Group operates a market-standard remuneration structure consisting of fixed pay, an annual bonus and a single long-term incentive. The annual bonus scheme has been further simplified as part of the most recent policy review through the standardisation of the deferral requirement regardless of existing shareholdings.

Risk – Remuneration arrangements should ensure reputational and other risks from excessive rewards, and behavioural risks that can arise from target-based incentive plans, are identified and mitigated.

Each year, incentive targets will be set which the Committee believes are stretching and achievable within the risk-appetite set by the Board. The Committee retains full discretion to override formulaic incentive outcomes under both the annual bonus and long-term incentive in the event that this would produce a result inconsistent with the Company's remuneration principles.

All variable incentives incorporate recovery provisions (malus and clawback) that allow the Committee to reduce the outcomes, potentially down to zero, in specified cases. The Committee believes that these triggers are appropriately wide-ranging and enforceable.

Alignment to culture – Incentive schemes should drive behaviours consistent with company purpose, values and strategy.

All permanent employees participate in the annual bonus, and share similar corporate performance metrics to ensure cultural alignment across the Group. We believe that aligning remuneration across the business is a key element of aligning our culture, fulfilling our values and being a strong driver of business performance.

Predictability – The range of possible values of rewards to individual directors and any other limits or discretions should be identified and explained at the time of approving the policy.

The Committee maintains clear caps on incentive opportunities and will use its available discretion if necessary.

Proportionality – The link between individual awards, the delivery of strategy and the long-term performance of the company should be clear. Outcomes should not reward poor performance.

The Committee ensures performance metrics are clearly aligned with the Group's strategy each year, maintaining an appropriate balance between fixed pay, short- and long-term incentive opportunities. Targets are set to be stretching but achievable, within the Board's risk appetite. Details of our approach to measure selection and target setting is included as a note to the policy table.

REMUNERATION COMMITTEE continued

Unite's Remuneration Policy was approved by shareholders at the 2022 AGM on 12 May 2022. The report below, save for the minor changes identified, is as disclosed in the 2021 Directors' Remuneration Report, which is available to download from the Company's website at www.unitegroup.com/investors/reports-and-presentations:

- References to financial years have been updated where appropriate;
- References to changes to the 2019 Remuneration Policy have been removed;
- Legacy wording around the requirement to defer a % of annual bonus only if shareholding guidelines have not been met has been removed from the "Shareholding guidelines" section;
- Pay-for-performance charts have been updated to reflect 2023 salaries and pension contributions; and
- New Non-Executive Director service contract dates have been added.

The Group aims to balance the need to attract, retain and motivate Executive Directors and other senior executives of an appropriate calibre with the need to be cost effective, whilst at the same time rewarding exceptional performance. The Committee has designed a Remuneration Policy that balances those factors, taking account of prevailing best practice, investor expectations and the level of remuneration and pay awards made generally to employees of the Group.

In addition to the above, the Remuneration Policy for the Executive Directors and other senior executives is based on the following key principles:

- A significant proportion of remuneration should be tied to the achievement of specific and stretching performance conditions that align remuneration with the creation of shareholder value and the delivery of the Group's strategic plans, taking care to consider the needs of all stakeholders;
- There should be a focus on sustained long-term performance, with performance measured over clearly specified timescales, encouraging executives to take action in line with the Group's strategic plan, using good business management principles and taking well-considered risks;
- Individuals should be rewarded for success, but steps should be taken, within contractual obligations, to prevent rewards for failure – whether financial or operational; and
- Above all, executive remuneration should support the values and culture of the Group. Pay should be simple and easy to understand, with all aspects clear and openly communicated to stakeholders and with alignment with pay philosophies across the Group.

This section of the report sets out the policy which the Company asked shareholders to approve at the 2022 AGM and which came into effect from that date.

Policy table

Function	Operation	Opportunity	Performance metrics
<p>Base salary</p> <p>To recognise the individual's skills and experience and to provide a competitive base reward.</p>	<p>Base salaries are reviewed from time to time, with reference to salary levels for similar roles at comparable companies, to individual contribution to performance; and to the experience of each Executive.</p>	<p>Any base salary increases are applied in line with the outcome of the review as part of which the Committee also considers average increases across the Group.</p> <p>In respect of existing Executive Directors, it is anticipated that salary increases will generally be in line with those of salaried employees as a whole. In exceptional circumstances (including, but not limited to, a material increase in job size or complexity) the Committee has discretion to make appropriate adjustments to salary levels to ensure that they remain market competitive.</p>	None
<p>Pension</p> <p>To provide an opportunity for executives to build up income upon retirement.</p>	<p>All Executives are either members of The Unite Group Personal Pension scheme or receive a cash pension allowance.</p> <p>Salary is the only element of remuneration that is pensionable.</p>	<p>Existing Executive Directors receive a Company pension contribution or an equivalent cash allowance. Company contribution levels will be reduced from 1 January 2022 and 1 January 2023 to an equivalent of up to 14% and 11% of salary respectively.</p> <p>For future Executive Director appointees, the maximum Company pension contribution will be aligned to that offered to a majority of employees across the Group in percentage of salary terms (currently 11% of salary).</p>	None
<p>Benefits</p> <p>To provide non-cash benefits which are competitive in the market in which the executive is employed.</p>	<p>Executives receive benefits which consist primarily of the provision of a company car or a car allowance, and private health care insurance, although can include any such benefits that the Committee deems appropriate.</p>	<p>Benefits vary by role and individual circumstances; eligibility and cost is reviewed periodically.</p> <p>The Committee retains the discretion to approve a higher cost in certain circumstances (e.g. relocation) or in circumstances where factors outside the Company's control have changed materially (e.g. increases in insurance premiums).</p>	None
<p>SAYE</p> <p>To encourage the ownership of shares in Unite.</p>	<p>An HMRC approved scheme whereby employees (including Executive Directors) may save up to the maximum monthly savings limit (as determined by prevailing HMRC guidelines) over a period of three years. Options granted at up to a 20% discount.</p>	<p>Savings are capped at the prevailing HMRC limit at the time employees are invited to participate.</p>	None

REMUNERATION COMMITTEE continued

Function	Operation	Opportunity	Performance metrics
<p>Annual bonus</p> <p>To incentivise and reward strong performance against financial and non-financial annual targets, thus delivering value to shareholders and being consistent with the delivery of the strategic plan.</p>	<p>Performance measures, targets and weightings are set at the start of the year.</p> <p>At the end of the year, the Remuneration Committee determines the extent to which targets have been achieved.</p> <p>From the 2022 annual bonus onwards, 50% of any bonus payable will be deferred for two years.</p> <p>Deferral is generally by an allocation of shares in the Company, which are generally held in the Employee Share Ownership Trust.</p> <p>Awards under the Performance Related Annual Bonus are subject to malus and clawback provisions, further details of which are included as a note to the policy table.</p>	<p>For Executive Directors, the maximum annual bonus opportunity is 140% of base salary.</p> <p>Up to 30% of maximum will be paid for Threshold performance under each measure and up to 50% of maximum will be paid for on-target performance.</p> <p>A payment equal to the value of dividends which would have accrued on vested deferred bonus shares will be made following the release of awards to participants, either in the form of cash or as additional shares. It is the Committee's current intention to make any dividends payments in the form of shares.</p>	<p>Performance is assessed on an annual basis, as measured against specific objectives set at the start of each year.</p> <p>Financial measures will make up at least 70% of the total annual bonus opportunity in any given year. The remainder will be split between non-financial metrics and personal/team objectives according to business priorities, with the weighting on the latter being no more than 20% of the total annual bonus opportunity.</p> <p>The Committee has discretion to adjust the formulaic bonus outcomes both upwards (within the plan limits) and downwards (including down to zero) to ensure alignment of pay with performance, e.g., in the event of one of the targets under the bonus being significantly missed or unforeseen circumstances outside management control. The Committee also considers measures outside the bonus framework (e.g. Health & Safety) to ensure there is no reward for failure.</p> <p>For 2023, financial metrics and non-financial metrics will make up 70% and 30% of the total annual bonus opportunity respectively. Further details of the measures, weightings and targets applicable are provided on page 159.</p>

Function	Operation	Opportunity	Performance metrics
<p>LTIP</p> <p>To drive sustained long-term performance that supports the creation of shareholder value.</p>	<p>The LTIP comprises a Performance Share Plan (PSP) and an Approved Employee Share Option Scheme (ESOS).</p> <p>The ESOS is used to deliver a proportion of the LTIP in a tax-efficient manner, and is subject to the same performance conditions as awards made under the PSP.</p> <p>Award levels and performance conditions are reviewed before each award cycle to ensure they remain appropriate and no less stretching than the first cycle.</p> <p>Awards under the LTIP are subject to malus and clawback provisions, further details of which are included as a note to the policy table.</p>	<p>The LTIP provides for an award up to a normal aggregate limit of 200% of salary for Executive Directors, with an overall limit of 300% of salary in exceptional circumstances. The current intention is to grant each Executive Director awards equivalent to 200% of salary.</p> <p>Awards may include a grant of HMRC approved options not exceeding £6k per annum, valued on a fair value exchange.</p> <p>A payment equal to the value of dividends which would have accrued on vested shares will be made following the release of awards to participants, either in the form of cash or as additional shares. It is the Committee's current intention to make any future dividends payments in the form of shares.</p>	<p>Vesting of LTIP awards is subject to continued employment and performance against relevant metrics measured over a period of at least three years. The Committee will select performance measures ahead of each cycle to ensure that they continue to be linked to the delivery of the Company strategy.</p> <p>Under each measure, threshold performance will result in up to 25% of maximum vesting for that element, rising on a straight-line to full vesting.</p> <p>If no entitlement has been earned at the end of the relevant performance period, awards will lapse. A proportion of vested awards may, at the discretion of the Committee, be subject to a holding period following the end of a three-year vesting period. The Committee's current intention is that all awards will be required to be held for an additional two-year period post-vesting.</p> <p>As under the Performance Related Annual Bonus, the Committee has discretion to adjust the formulaic LTIP outcomes to ensure alignment of pay with performance, i.e. to ensure the outcome is a true reflection of the performance of the Company.</p> <p>Details of the measures and targets to be used for 2023 LTIP awards are included in the Annual Report on Remuneration on page 160.</p>

REMUNERATION COMMITTEE continued

Notes to the policy table

The Committee is satisfied that the above Remuneration Policy is in the best interests of shareholders and does not promote excessive risk-taking.

For the avoidance of doubt, in approving this Directors' Remuneration Policy, authority is given to the Company to honour any commitments entered into with current or former Directors (such as the vesting or exercise of past share awards).

Performance measure selection and approach to target setting

Measures used under the Annual bonus and LTIP are selected annually to reflect the Group's main short- and long-term objectives and reflect both financial and non-financial priorities, as appropriate.

The Committee considers that EPS (currently used in both the short- and long-term incentive) is an objective and well-accepted measure of the Company's performance which reinforces the strategic objective of achieving profitable growth, whilst a focus on Total Accounting Return (also currently used in both the short- and long-term incentive) is consistent with one of our stated objectives and a key indicator of Company performance in the real estate sector. The use of relative TSR is strongly aligned with shareholders and ensures that executives are rewarded only if they exceed the returns which an investor could achieve elsewhere in our sector. Finally, from 2022, the Committee has increased the overall weighting on sustainability metrics across variable incentives in order to support and reinforce the Group's strategy in this area.

Targets applying to the Performance Related Annual Bonus and LTIP are reviewed annually, based on a number of internal and external reference points. Performance targets are set to be stretching but achievable, with regard to the particular strategic priorities and economic environment in a given year. Under the bonus, target performance typically requires meaningful improvement on the previous year's outturn, and, for financial measures, targets are typically set with reference to market consensus.

Remuneration Policy for other employees

Unite's approach to annual salary reviews is consistent across the Group, with consideration given to the level of experience, responsibility, individual performance and salary levels in comparable companies. The Company is a fully accredited Living Wage employer.

In terms of variable incentives, all employees are eligible to participate in an annual bonus scheme with business area-specific metrics incorporated where appropriate. Senior managers are eligible to participate in the LTIP with annual awards currently up to 100% of salary. Performance conditions are consistent for all participants, while award sizes vary by level. Specific cash incentives are also in place to motivate, reward and retain staff below Board level.

All employees are eligible to participate in the Company's SAYE scheme on the same terms.

Shareholding guidelines

The Committee continues to recognise the importance of Executive Directors aligning their interests with shareholders through building up a significant shareholding in the Company. Shareholding guidelines are in place that require Executive Directors to acquire a holding (excluding shares that remain subject to performance conditions) equivalent to 250% of base salary for the Chief Executive and 200% of base salary for each of the other Executive Directors. Details of the Executive Directors' current shareholdings are provided in the Annual Report on Remuneration.

In order to provide further long-term alignment with shareholders and ensure a focus on successful succession planning, Executive Directors will normally be expected to maintain a holding of Unite shares for a period after their employment as a Director of the Group. This "post-exit" shareholding guideline will be equal to the lower of a Directors' actual shareholding at the time of their departure and the shareholding requirement in effect at the date of their departure, with such shares to be held for a period of at least two years from the date of ceasing to be a Director. The specific application of this shareholding guideline will be at the Committee's discretion.

In order to monitor and enforce the post-exit shareholding requirement, the Committee has established an internal policy document detailing which shares are covered, the valuation methodology, the holding mechanism and any discretions available. In summary, this post-exit requirement will apply to any LTIP awards or deferred bonus share awards granted on or after 9 May 2019 (being the date of approval of the 2019 Policy), with shares deposited into a Nominee Account until such time that the required post-exit shareholding level has been achieved (calculated annually). Shares held in the Nominee Account will generally be held for a period of not less than 2 years from the date an individual ceases employment as a Director of the Group.

Malus and clawback

Awards under the Performance Related Annual Bonus and the LTIP are subject to malus and clawback provisions which can be applied to both vested and unvested awards. Malus and clawback provisions will apply for a period of at least two years post-vesting. Circumstances in which malus and clawback may be applied include a material misstatement of the Company's financial accounts, gross misconduct on the part of the award-holder, error in calculating the award vesting outcome and, from 2019 awards onwards, corporate failure as determined by the Remuneration Committee.

Non-Executive Director remuneration

Subject to annual re-election by shareholders, Non-Executive Directors are appointed for an initial term of approximately three years. Subsequent terms of three years may be awarded. The appointment, re-appointment and the remuneration of Non-Executive Directors are matters reserved for the full Board.

The Non-Executive Directors are not eligible to participate in the Company's performance-related bonus plan, long-term incentive plans or pension arrangements.

Details of the policy on fees paid to our Non-Executive Directors are set out in the table below:

NED	Date of service contract
E McMeikan	13 November 2013
R Paterson	21 September 2017
I Beato	20 July 2018
S Pearce	14 October 2019
T Jackson	29 November 2019
S Smith	14 October 2019
R Huntingford	26 October 2020
N Dulieu	5 August 2022

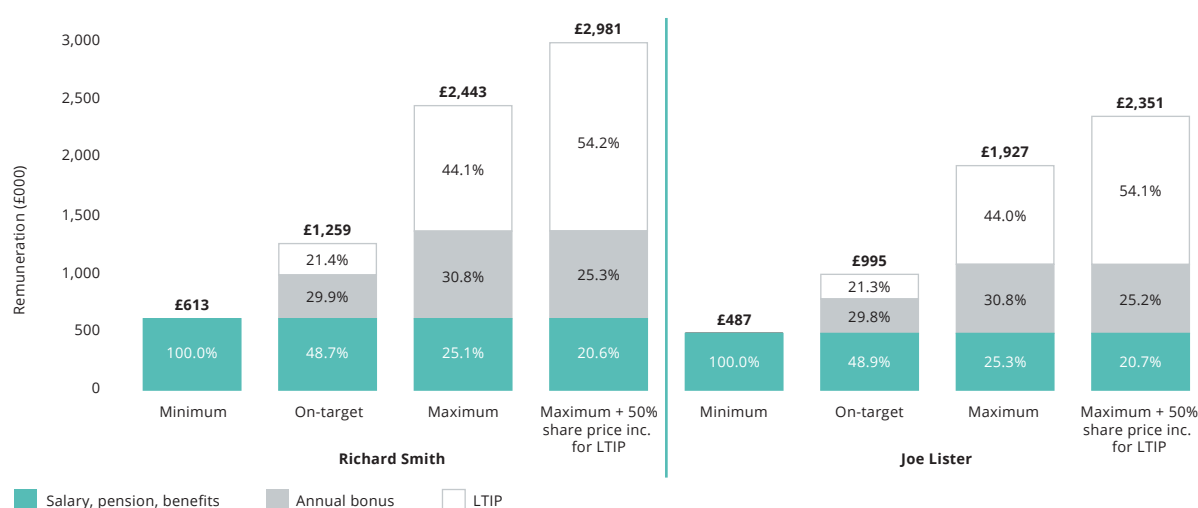
Function	Operation	Opportunity	Performance metrics
<p>Fees</p> <p>To attract and retain Non-Executive Directors of the highest calibre with broad commercial and other experience relevant to the Company.</p>	<p>Fee levels are reviewed annually, with any adjustments typically effective 1 January in the year following review.</p> <p>The fees paid to the Chair are determined by the Committee, whilst the fees of the Non-Executive Directors are determined by the Board.</p> <p>Additional fees are payable for acting as Senior Independent Director and as Chair of any of the Board's Committees (Audit & Risk, Remuneration, Nomination, Health & Safety, Sustainability).</p> <p>Fee levels are benchmarked against sector comparators and FTSE-listed companies of similar size and complexity. Time commitment and responsibility are taken into account when reviewing fee levels.</p> <p>Expenses incurred by the Chair and the Non-Executive Directors in the performance of their duties (including taxable travel and accommodation benefits) may be reimbursed or paid for directly by the Company, as appropriate.</p>	<p>Non-Executive Director fee increases are applied in line with the outcome of the annual fee review. Fees for the year commencing 1 January 2023 are set out in the Annual Report on Remuneration.</p> <p>It is expected that increases to Non-Executive Director fee levels will be in line with salaried employees over the life of the policy. However, in the event that there is a material misalignment with the market or a change in the complexity, responsibility or time commitment required to fulfil a Non-Executive Director role, the Board has discretion to make an appropriate adjustment to the fee level.</p>	None

REMUNERATION COMMITTEE continued

Pay for performance scenarios

The charts below provide an illustration of the potential future reward opportunities for the Executive Directors, and the potential split between the different elements of remuneration under four different performance scenarios: “Minimum”, “On-target”, “Maximum” and “Maximum including the impact of a 50% share price appreciation on LTIP awards”.

Potential reward opportunities are based on Unite’s Remuneration Policy, applied to the base salaries effective 1 January 2023. Pension contributions reflect the agreed reduction to a maximum of 11% of salary effective 1 January 2023. The annual bonus and LTIP are based on the maximum opportunities set out under the Remuneration Policy, being 140% of salary under the annual bonus and a 2023 LTIP grant of 200% of salary. Note that the LTIP awards granted in a year do not normally vest until the third anniversary of the date of grant, and the projected value is based on the face value at award rather than vesting (i.e. the scenarios exclude the impact of any share price movement over the period). The exception to this is the last scenario which, in line with the requirements of the UK Corporate Governance Code, illustrates the maximum outcome assuming 50% share price appreciation for the purpose of LTIP value.



The “minimum” scenario reflects base salary, pension and benefits (i.e. fixed remuneration) which are the only elements of the Executive’s remuneration packages not linked to performance.

The “on-target” scenario reflects fixed remuneration as above, plus bonus payout of 70% of salary and LTIP threshold vesting at 25% of maximum award (50% of salary).

The “maximum” scenario is shown on two bases: excluding and including the impact of share price appreciation on the value of LTIP outcomes. In both cases, the scenario includes fixed remuneration and full payout of all incentives (140% of salary under the annual bonus and 200% of salary under the LTIP), with the final scenario also including the impact of a 50% increase in Unite’s share price on the value of the LTIP (in effect valuing this element of pay at 300% of salary).

	Salary	Benefits (based on FY22)	Pension	2023 maximum annual bonus	2023 LTIP award face value
CEO	£538,175	£16,123	11% of salary	140% of salary	200% of salary
CFO	£423,588	£16,854	11% of salary	140% of salary	200% of salary

Approach to recruitment remuneration

External appointment to the Board

In the cases of hiring or appointing a new Executive Director from outside the Company, the Remuneration Committee may make use of all the existing components of remuneration, as follows:

Component	Approach	Maximum annual grant value
Base salary	The base salaries of new appointees will be determined by reference to relevant market data, experience and skills of the individual, internal relativities and their current basic salary. Where new appointees have initial basic salaries set below market, any shortfall may be managed with phased increases over a period of two to three years subject to the individual's development in the role.	
Pension	New appointees will receive Company pension contributions or an equivalent cash supplement aligned to that offered to a majority of employees across the Group at the time of appointment (currently 11% of salary).	
Benefits SAYE	New appointees will be eligible to receive benefits which may include (but are not limited to) the provision of a company car or cash alternative, private medical insurance and any necessary relocation expenses. New appointees will also be eligible to participate in all-employee share schemes.	
Performance Related Annual Bonus	The structure described in the policy table will apply to new appointees with the relevant maximum being pro-rated to reflect the proportion of employment over the year. Targets for the individual element will be tailored to each executive.	140% of salary
LTIP	New appointees will be granted awards under the LTIP on the same terms as other executives, as described in the policy table. The normal aggregate limit of 200% of salary will apply, save in exceptional circumstances where up to 300% of salary may be awarded.	300% of salary

In determining appropriate remuneration, the Remuneration Committee will take into consideration all relevant factors (including quantum, nature of remuneration and the jurisdiction from which the candidate was recruited) to ensure that arrangements are in the best interests of both Unite and its shareholders. The Committee may make an award in respect of a new appointment to "buy out" incentive arrangements forfeited on leaving a previous employer on a like-for-like basis, which may be awarded in addition to the remuneration structure outlined in the table above. In doing so, the Committee will consider relevant factors including time to vesting, any performance conditions attached to these awards and the likelihood of those conditions being met. Any such "buy-out" awards will typically be made under the existing annual bonus and LTIP schemes, although in exceptional circumstances the Committee may exercise the discretion available under Listing Rule 9.4.2 R to make awards using a different structure. Any "buy-out" awards would have a fair value no higher than the awards forfeited.

Internal promotion to the Board

In cases of appointing a new Executive Director by way of internal promotion, the Remuneration Committee and Board will be consistent with the policy for external appointees detailed above. Where an individual has contractual commitments made prior to their promotion to Executive Director level, the Company will continue to honour these arrangements. With regards to pension contributions, as above, this would be aligned to that offered to a majority of employees across the Group at the time of promotion to the Board. The Remuneration Policy for other employees is set out on page 144. Incentive opportunities for below Board employees are typically no higher than Executive Directors, but measures may vary to provide better line-of-sight.

Non-Executive Directors

In recruiting a new Non-Executive Director, the Remuneration Committee will utilise the policy as set out in the table on page 145. A base fee in line with the prevailing fee schedule would be payable for Board membership, with additional fees payable for acting as Senior Independent Director and/or as Chairman of the Board's Committees.

REMUNERATION COMMITTEE continued

Service contracts and treatment for leavers and change of control

Executive Director service contracts, including arrangements for early termination, are carefully considered by the Committee. In accordance with general market practice, each of the Executive Directors has a rolling service contract requiring 12 months' notice of termination on either side. Such contracts contain no specific provision for compensation for loss of office, other than an obligation to pay for any notice period waived by the Company, where pay is defined as salary, benefits and any other statutory payments only. Where a payment is made in equal monthly instalments, the Committee will expect the Director to mitigate his/her losses by undertaking to seek and take up, as soon as reasonably practicable, any suitable/similar opportunity to earn alternative income over the period in which the instalments are to be made. The instalment payments will be reduced (including to zero) by the amount of such income that the employee earns and/or is entitled to earn over the applicable period. Executive Director service contracts are available to view at the Company's registered office.

Executive	Date of service contract
J Lister	28 March 2002
R Smith	28 September 2011

The Remuneration Committee will exercise discretion in making appropriate payments in the context of outplacement, settling legal claims or potential legal claims by a departing Executive Director, including any other amounts reasonably due to the Executive Director, for example to meet the legal fees incurred by them in connection with the termination of employment, where the Company wishes to enter into a settlement agreement and the individual must seek independent legal advice.

When considering exit payments, the Committee reviews all potential incentive outcomes to ensure they are fair to both shareholders and participants. The table below summarises how the awards under the annual bonus and LTIP are typically treated in specific circumstances, with the final treatment remaining subject to the Committee's discretion:

Calculation of vesting/payment	
Annual bonus	
Cash element	In the event of retirement, ill health, death, disability, redundancy or any other circumstance at the discretion of the Remuneration Committee, or in the event of a change of control, Executive Directors may receive a bonus payment for the year in which they cease employment. This payment will normally be pro-rated for time and will only be paid to the extent that financial and individual objectives set at the beginning of the plan year have been met. Otherwise, Executive Directors must be employed at the date of payment to receive a bonus.
Deferred element	Deferred bonus shares will normally be retained and will be released in full following completion of the applicable deferral period.
LTIP	
Leavers before the end of the performance period	In the event of retirement, ill health, death, disability, redundancy or any other circumstance at the discretion of the Remuneration Committee, or in the event of a change of control, the Committee determines whether and to what extent outstanding awards vest based on the extent to which performance conditions have been achieved and the proportion of the vesting period worked. This determination will be made as soon as reasonably practical following the end of the performance period or such earlier date as the Committee may agree (within 12 months in the event of death). In the event of a change of control, awards may alternatively be exchanged for new equivalent awards in the acquirer where appropriate. If participants leave for any other reason before the end of the performance period, their award will normally lapse.
Leavers after the end of the performance period	Any awards in a holding period will normally vest following completion of the holding period.

External appointments

With the approval of the Board in each case, and subject to the overriding requirements of the Group, Executive Directors may accept external appointments as Non-Executive Directors of other companies and retain any fees received. Joe Lister was appointed as a Non-Executive Director on the Board of Helical Plc effective 1 September 2018 and received a fee of c.£61k in respect of his service for 2022. Richard Smith was appointed as a Non-Executive Director on the Board of Industrials REIT (formerly Stenprop Limited) effective 4 November 2020 and received a fee of c.£45k in respect of his service for 2022.

Consideration of conditions elsewhere in the Company

When making decisions on Executive Director remuneration, the Committee considers pay and conditions across Unite and reflects on available data such as the Gender Pay Gap reporting and the CEO pay ratio analyses. Prior to the annual salary review, the Group People Director provides the Committee with a summary of the proposed level of increase for overall employee pay. The Remuneration Committee did not formally consult with employees in designing the above executive Remuneration Policy. The Culture Matters forum, launched in October 2021 and attended by the employee engagement NED, will, in future, provide the Board and Committee with a greater opportunity to solicit the views of employees on remuneration structures and processes across the Group. Specifically, this forum will include as part of its agenda an opportunity to discuss remuneration issues, answer any questions around pay practices, and to explain to the workforce how executive pay arrangements align with the wider pay policy.

Consideration of shareholder views

In designing the current policy, the Remuneration Committee consulted with Unite's top 20 investors and with proxy advisors (Glass Lewis, the Investment Association and ISS) to seek their views on proposed changes, as well as remuneration at Unite more broadly. The Committee thanks investors for taking the time to participate in the consultation and we welcomed the positive and constructive feedback received. The Committee used this feedback, along with updates to investor body principles published around the time of the review, to refine and further develop the final proposals. The Committee will continue to monitor trends and developments in corporate governance and market practice to ensure the structure of the executive remuneration remains appropriate.

Annual Report on Remuneration

The following section provides details of how Unite's Remuneration Policy was implemented during the financial year ended 31 December 2022 and how it will be implemented in 2023.

Remuneration Committee membership in 2022

The primary role of the Committee is to:

- Review, recommend and monitor the level and structure of remuneration for the Executive Directors and other senior executives;
- Approve the remuneration packages for the Executive Directors and ensure that pay outcomes reflect the performance of the Company; and
- Determine the balance between base pay and performance-related elements of the package so as to align Directors' interests to those of shareholders.

The Committee's terms of reference are set out on the Company's website. As of 31 December 2022, the Remuneration Committee comprised five independent Non-Executive Directors.

- Elizabeth McMeikan (Committee Chair)
- Ross Paterson
- Dame Shirley Pearce
- Professor Sir Steve Smith
- Nicky Dulieu

Certain Executives, including Richard Smith (Chief Executive) and Helene Murphy (Group People Director), are invited to attend meetings of the Committee, and the Company Secretary, Christopher Szpojnarowicz, acts as secretary to the Committee. Richard Huntingford and Thomas Jackson are also invited to attend meetings. No individuals are involved in decisions relating to their own remuneration. The Remuneration Committee convened three times during the year and details of members' attendance at meetings are provided in the Corporate Governance section on page 107.

Key activities of the Remuneration Committee in 2022 included:

- Reviewed and approved the Executive Directors' performance against 2019 LTIP targets and approved vesting;
- Approved the Directors' Remuneration Report for 2021;
- Determined the Executive Directors' bonus and LTIP performance targets for 2022 in line with the strategic plan and approved grant of awards under the LTIP in April 2022;
- Considered remuneration market trends and corporate governance developments;
- Reviewed the CEO pay ratio and gender pay data and disclosures;
- Reviewed the principles for, and implementation of, group-wide pay awards and approved the delay of planned salary increases for Executive Directors;
- Considered feedback from the Culture Matters forum; and
- Commenced preparation of the 2022 Directors' Remuneration Report.

REMUNERATION COMMITTEE continued

Advisors

Ellason LLP was appointed as the independent remuneration advisor to the Committee effective 1 January 2021 and retained during the year. The Committee undertakes due diligence periodically to ensure that Ellason is independent and that the advice provided is impartial and objective. During 2022, Ellason provided independent advice including updates on the external remuneration environment, performance testing for long-term incentive plans and Directors' Remuneration Report drafting support. Ellason reports directly to the Chair of the Remuneration Committee and does not advise the Company on any other issues. Their total fees for the provision of remuneration services to the Committee in 2022 were £37,050 (2021: £43,113) on the basis of time and materials.

Ellason is a member and signatory of the Code of Conduct for Remuneration Consultants, details of which can be found at www.remunerationconsultantsgroup.com. None of the individual Directors have a personal connection with Ellason.

Summary of shareholder voting at AGMs

The following table shows the results of the advisory vote on the 2021 Annual Report on Remuneration and the binding vote on the Directors' Remuneration Policy at the 2022 AGM:

	2021 Annual Report on Remuneration		Directors' Remuneration Policy	
For (including discretionary)	354,173,687	97.05%	357,032,859	97.83%
Against	10,765,117	2.95%	7,905,945	2.17%
Total votes cast (excluding withheld votes)	364,938,804		364,938,804	
Votes withheld	1,761,682		1,761,682	
Total votes cast (including withheld votes)	366,700,486		366,700,486	

Single total figure of remuneration for Executive Directors (audited)

The table below sets out a single figure for the total remuneration received for 2021 and 2022 by each Executive Director who served in the year ended 31 December 2022:

£		Salary	Taxable benefits	Pension	Annual bonus	LTIP	Other	Total single figure	Total fixed	Total variable
		Note 1	Note 1	Note 2	Note 3	Note 4	Note 5			
	R Smith	2022 522,500	16,123	59,550	263,340	0	4,498	866,011	598,173	267,838
	2021	472,313	17,242	65,613	484,688	387,898	0	1,427,754	555,168	872,586
	J Lister	2022 411,250	16,854	46,918	207,270	0	0	682,292	475,022	207,720
	2021	384,441	17,269	53,406	394,513	315,748	2,483	1,167,860	455,117	712,744

1. Taxable benefits for 2022 consist primarily of company car or car allowance and private health care insurance. The figures above include car benefits of £15,000 for Messrs. Smith and Lister.
2. Pension figures include contributions to the UNITE Group Personal Pension Scheme and cash allowances, where applicable. Pension contributions were reduced to a maximum of 14% of salary with effect from 1 January 2022.
3. Annual bonus figures reflect the full amount earned in respect of the relevant financial year, including any amounts which are required to be deferred.
4. 2021 figures: Vesting of 2019 awards was confirmed as 36.8% of maximum following the publication of comparator full-year results. The LTIP figures shown are based on the market price on the date of vesting (24 July 2022) of 1,207.0p. These amounts have been revised from last year's report to reflect the actual vesting outcome and share price on the date of vesting.
2022 figures: For the 2020 awards, vesting of the relative TAR element will be finalised following the publication of comparator results over the coming months, with Unite currently estimated to rank below median. Overall anticipated vesting of the 2020 awards used in this single figure is therefore 0% of maximum. See following sections for further details.
2021 LTIP figures include the value of dividends for vested awards which will be paid as additional shares. Awards in the form of HMRC-approved options are valued based on the embedded gain at vesting (i.e. subtracting the applicable exercise price) and attract no dividends.
5. "Other" includes the embedded value of SAYE options at grant.

Single total figure of remuneration for Non-Executive Directors (audited)

The table below sets out a single figure for the total remuneration received for 2021 and 2022 by each Non-Executive Director who served in the year ended 31 December 2022:

£		Base fee	Committee Chair/SID fees	Taxable benefits ²	Total single figure
Note 1				Note 2	
R Huntingford ⁽ⁱ⁾	2022	231,750	-	-	231,750
	2021	181,110	-	74	181,184
E McMeikan	2022	50,925	16,595	269	67,789
	2021	49,440	16,120	39	65,599
R Paterson	2022	50,925	10,600	39	61,564
	2021	49,440	10,300	3	59,743
I Beato	2022	50,925	-	45	50,970
	2021	49,440	-	3	49,443
S Pearce ⁽ⁱⁱ⁾	2022	50,925	10,600	45	61,570
	2021	49,440	8,279	3	57,722
T Jackson ⁽ⁱⁱⁱ⁾	2022	-	-	-	-
	2021	-	-	17	17
S Smith	2022	50,925	10,600	50	61,575
	2021	49,440	10,300	49	59,789
N Dulieu ^(iv)	2022	20,508	-	0	20,508
	2021	-	-	-	-

1. Relevant changes in Non-Executive Directors and responsibilities as follows:

- i. Richard Huntingford joined the Board as Chair Designate on 1 December 2020 and assumed the role of Chair on 1 April 2021.
- ii. Dame Shirley Pearce became Chair of the Sustainability Committee with effect from 12 March 2021.
- iii. Reflecting the Relationship Agreement with CPPIB Holdco, Thomas Jackson does not receive any fees in respect of his Non-Executive Director position with Unite.
- iv. Nicky Dulieu joined the Board on 1 September 2022. An administrative error, which resulted in an overpayment of fees in 2022, has since been corrected and will be reflected as a deduction to the single figure for 2023.

2. Taxable benefits relate primarily to certain travel expenses.

REMUNERATION COMMITTEE continued

Incentive outcomes for the year ended 31 December 2022 (audited)

Annual bonus in respect of 2022 performance

The maximum bonus opportunity for each Executive Director in 2022 was 140% of base salary, with Threshold and On-target performance paying 30% and 50% of maximum respectively under each performance measure. The 2022 annual bonus was based on an additive combination of financial (weighted 70%) and non-financial (30%) metrics, with a new measure, employee engagement, added to coincide with the rollout of a new People strategy across the Group, and to reflect the increasing importance of engaging the workforce to help deliver against an ambitious strategy. Further details, including the targets set and performance against each of the metrics, are provided in the tables below:

	Measure	Weight	Threshold	On-target	Maximum	Actual	Outcome (% of max)
			30% of max	50% of max	100% of max		
Financial (70%)	Adjusted EPS	25.0%	40.5p	42.5p	44.5p	40.9p	34%
	TAR per share	25.0%	75.2p	83.6p	96.1p	71.2p	0%
	Loan to Value	20.0%	35.0%	34.1%	32.0%	31.0%	100%
Non-financial (30%)	Customer satisfaction	7.5%	36	37	38	38	100%
	University reputation	7.5%	21	22	23	7	0%
	GRESB rating	7.5%	85	86	88	84	0%
	Employee engagement	7.5%	73	75	77	65	0%
Executive			Overall outcome (% of maximum)	Overall outcome (% of salary)	Overall outcome (£)		
Richard Smith			36.0%	50.4%	£263,340		
Joe Lister			36.0%	50.4%	£207,270		

The Committee notes that Unite's GRESB rating was just below the Threshold target set for the financial year despite ranking 2nd out of 9 companies in the European Listed Residential Property peer-group and with positive progress made in a number of areas. In finalising the outcome under this element, the Committee considered the findings of an independent review of the GRESB rating by Longevity Partners which illustrated that the impact of the return to near pre-pandemic occupancy levels on energy consumption had more than offset the gains made elsewhere in the GRESB assessment. With input from the Sustainability Committee, the Committee considered whether an adjustment to targets was justified in this instance but concluded, on balance, that the original target range should stand and that there should be no payout under this element.

There will likewise be no payout under either the University reputation or the employee engagement metrics, with results coming in below the Threshold targets set at the start of the financial year. The Committee reviewed the reasons for the movement in scores, and noted that the implementation of a new operating model and above average employee turnover had, amongst other factors, contributed to these outcomes. The Committee is satisfied that the overall bonus outcome for 2022 reflects these challenges and is confident in the executive team's plans for improvement going forward.

Prior to finalising the annual bonus outcome, the Committee received a report from Professor Sir Steve Smith, Chair of the Health and Safety Committee, detailing the Group's 2022 operational incident and fire safety performance, providing an update on the cladding remediation programme and associated safety metrics, as well as details on changes to the Safe and Secure team and the launch of the Group's Support to Stay Framework. The Committee's conclusion aligned with that in the report, namely that the executive team has continued to work proactively to address any challenges faced and to ensure that health and safety remains Unite's number one priority.

Having taken the above into account, the Committee is satisfied that the overall bonus outcome of 50.4% of salary (cf. a maximum of 140% of salary) in respect of 2022 is appropriate. In line with the new policy, 50% of the annual bonuses earned by Executive Directors will be satisfied in Unite shares, deferred for 2 years.

Vesting of deferred bonus shares granted in respect of the 2019 annual bonus

In accordance with the Remuneration Policy at the time, Richard Smith and Joe Lister were each awarded shares, deferred for 2 years, in respect of the portion of their bonus earned for the 2019 financial year in excess of 100% of salary. The mandatory 2-year deferral period for these awards ended on 27 February 2022. The value of these deferred bonuses was captured in the 2019 single figure of remuneration.

Executive	Interests held	Interests vesting	End of deferral period
Richard Smith	5,067	5,067	27 February 2022
Joe Lister	4,124	4,124	

Confirmation of 2019 LTIP vesting (vested on performance to 31 December 2021)

In last year's report, the Committee provided an estimate for the vesting of the 2019 LTIP awards. Following the publication of TAR results by comparators with March 2022 year-ends, the Committee was able to assess this element of the LTIP, with Unite's TAR of 17.8% coming in between median (12.4%) and upper quartile (28.7%) over the 3-year performance period. The resulting vesting outcome was 49.9% of maximum for the relative TAR element which, when combined with the outcomes for the relative TSR (60.5% of maximum) and EPS (0% of maximum) elements, resulted in an overall vesting outcome for the 2019 LTIP of 36.8% of maximum.

Values included in the 2021 single figure of remuneration table for both Richard Smith and Joe Lister have been updated to reflect the revised number of shares vesting, as well as the actual share price on 24 July 2022 of 1,207.0p.

Executive	Interests held	Confirmed vesting %	Interests vesting	Date vesting
Richard Smith	85,747	36.8%	31,553	24 July 2022
Joe Lister	69,890		25,718	

2020 LTIP vesting (vested on performance to 31 December 2022)

Awards in 2020 were made under the LTIP, consisting of the Unite Group Performance Share Plan (PSP) and the Unite Group Approved Employee Share Option Scheme (ESOS). Vesting of the awards was dependent on three equally-weighted measures over a three-year performance period: absolute EPS, relative TSR and relative TAR, with Unite's performance for both the TSR and TAR elements compared to the constituents of the FTSE350 Real Estate Supersector Index. There was no retest provision. Further details, including vesting schedules and performance against each of the metrics, are provided in the table below:

Measure	Weight	Targets	Outcome	Vest %
2022 Adjusted EPS	1/3	0% vesting below 51.1 pence 25% vesting for 51.1 pence 100% vesting for 58.7 pence or more; Straight-line vesting between these points	40.9 pence	0.0%
TSR ranking vs. constituents of the FTSE350 Real Estate Supersector Index	1/3	0% vesting below median 25% vesting for performance in line with median 100% vesting for performance in line with upper quartile or above; Straight-line vesting between these points	-19.8%: below median (-17.4%)	0.0%
TAR ranking vs. constituents of the FTSE350 Real Estate Supersector Index	1/3	0% vesting below median 25% vesting for performance in line with median 100% vesting for performance in line with upper quartile or above; Straight-line vesting between these points	Estimated: below median	Estimated: 0.0%
Total estimated LTIP vesting (sum product of weighting and vest %)				0.0%

REMUNERATION COMMITTEE continued

Vesting of the relative TAR element will be finalised following the publication of comparator results over the coming months, with Unite currently estimated to rank below median, equating to 0% vesting under this element, and overall. No discretion has been exercised in respect of the 2020 LTIP to-date; the Committee will confirm this position once final vesting of the relative TAR element has been approved later in 2023.

Executive	Interests held	Estimated vesting %	Estimated interests vesting	Date vesting	Assumed market price	Estimated value...	...of which, value due to share price growth
	Note 1						
Richard Smith	118,129	0.0%	0	After TAR assessment	n/a	£0	n/a
Joe Lister	96,256		0	(June/July)		£0	n/a

1. In each case, interests held includes 746 HMRC-approved options under the ESOS.

Percentage change in remuneration of Directors and employees

This table is voluntarily produced in accordance with the Companies (Directors' Remuneration Policy and Directors' Remuneration Report) Regulations 2019 and shows the change in remuneration of Unite Directors and employees over time.

Executive Director remuneration includes base salary, taxable benefits and annual bonus (where eligible). Non-Executive Director remuneration includes base fee and any additional fees paid, and taxable benefits. In 2022, we have transitioned to presenting pay for all employees using the increase in the earnings of employees on a full-time equivalent basis. Previously the analysis excluded part-time employees. Growth rates are based on a consistent set of employees, i.e. the same individuals appear in the 2022 and 2021 populations for the 2022 analysis and so on.

Director ¹	Basic salary/total fee			Taxable benefits ²			Annual bonus ³		
	2021-22	2020-21	2019-20	2021-22	2020-21	2019-20	2021-22	2020-21	2019-20
R Smith	10.6%	11.1%	(6.9)%	(6.5)%	6.4%	0.0%	(45.7)%	n/m	(100.0)%
J Lister	7.0%	11.1%	(6.9)%	(2.4)%	(1.3)%	3.4%	(47.5)%	n/m	(100.0)%
R Huntingford	28.0%	266.3%	n/a	(100.0)%	n/m	n/a	n/a	n/a	n/a
E McMeikan	3.0%	11.1%	(7.3)%	589.6%	(70.5)%	(60.2)%	n/a	n/a	n/a
R Paterson	3.0%	11.1%	(7.3)%	1,190.0%	(71.1)%	100.0%	n/a	n/a	n/a
I Beato	3.0%	11.1%	(7.3)%	1,400.0%	n/m	(100.0)%	n/a	n/a	n/a
S Pearce	6.6%	29.7%	(7.3)%	1,400.0%	(71.1)%	100.0%	n/a	n/a	n/a
T Jackson	n/a	n/a	n/a	(100.0)%	n/m	n/a	n/a	n/a	n/a
S Smith	3.0%	17.0%	n/a	2.0%	n/m	n/a	n/a	n/a	n/a
N Dulieu	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
All employees	3.6%	2.9%	4.4%	3.2%	2.3%	2.3%	(52.8)%	285.0%	(67.8)%

1. Changes in Directors and responsibilities during the 2021 and 2022 financial years which are relevant to the calculations above are as follows:

- Richard Huntingford joined the Board as Chair Designate on 1 December 2020 and assumed the role of Chair on 1 April 2021.
- Dame Shirley Pearce became Chair of the new Sustainability Committee from 12 March 2021.
- Nicky Dulieu joined the Board with effect from 1 September 2022.

2. For Executive Directors, taxable benefits consist primarily of company car or car allowance and private health care insurance. For Non-Executive Directors, taxable benefits relate primarily to certain travel expenses and accommodation which, given the relatively small numbers involved, can produce sizeable % changes from year to year.

3. The figures shown are reflective of any bonus earned during the respective financial year. Non-Executive Directors are not eligible to participate in the annual bonus scheme.

Relative importance of spend on pay

The table below shows shareholder distributions (i.e. dividends and share buybacks) and total employee pay expenditure for the financial years ended 31 December 2021 and 31 December 2022, along with the percentage change in both.

	2022 £m	2021 £m	% change 2021-22
Total employee pay expenditure	65.8	65.0	1.2%
Distributions to shareholders	96.4	68.0	41.8%

Distributions to shareholders reflects actual payments made during the relevant financial year. Employee remuneration excludes social security costs.

Relationship between the remuneration of the CEO and all employees

There is strong alignment between the Company's approach to remuneration for Executive Directors and other employees (see page 137 for details).

Consistent with previous years, given the significant undertaking required to calculate the single figure of remuneration for all UK employees, the Committee opted to use data already available from the gender pay reporting as the basis for identifying employees at P25, P50 and P75 ("Option B"). We believe this provides a reasonable estimate for employees' pay at these levels within the organisation. Further details on the specific steps used in calculating the above ratios are as follows:

- We used the most recent gender pay gap data from 5 April 2022 to rank the hourly rates of all UK employees. From this initial ranking we identified those individuals positioned at P25, P50 and P75, as well as the immediate employees either side of P25, P50 and P75.
- Employees selected as P25, P50 and P75 were checked to confirm that they were employed for the whole of the 2022 financial year.
- Total FTE remuneration for each of these individuals was then calculated to 31 December 2022 on the same basis as used in the single figure table for our CEO. All figures are total amounts paid to full-time employees covering the whole 2022 financial year. Overtime pay, where received during the year, has been excluded so that the figures are comparable with the Chief Executive.
- In reviewing the employee pay data, the Committee is comfortable that the P25, P50 and P75 individuals identified appropriately reflect the employee pay profile at those quartiles, and that the overall picture presented by the ratios is consistent with our pay, reward and progression policies.

The Committee notes that the statutory CEO pay ratios have largely fallen in 2022 as compared to 2021, with the ratio of CEO total remuneration to the median employee, for example, moving from 56:1 to 33:1. This change reflects both a c.39% fall in the CEO's single figure of remuneration – driven primarily by the lower bonus outcome for 2022 and the nil estimated vesting under the 2020 LTIP – and a c.2% increase to the equivalent employee figure.

Reflecting that a significant proportion of the CEO's remuneration is linked to Group performance and share price movements over the longer-term – and as a result that changes in the headline ratios may be volatile – the Committee also reviews ratios for salary and salary plus annual bonus. Participation in the Group's long-term incentives is currently limited to c.50 senior leaders, with none of the individuals identified as P25, P50 and P75 in this group. On the other hand, the significant majority of our employees are eligible to participate in annual bonus arrangements – and so the Committee considers this ratio, as well as the ratio comparing just salaries, to provide helpful additional context. Having reviewed these additional data points, the Committee is satisfied that the fluctuation in the headline ratios this year reflects appropriate differences in the structure of remuneration at different levels of seniority.

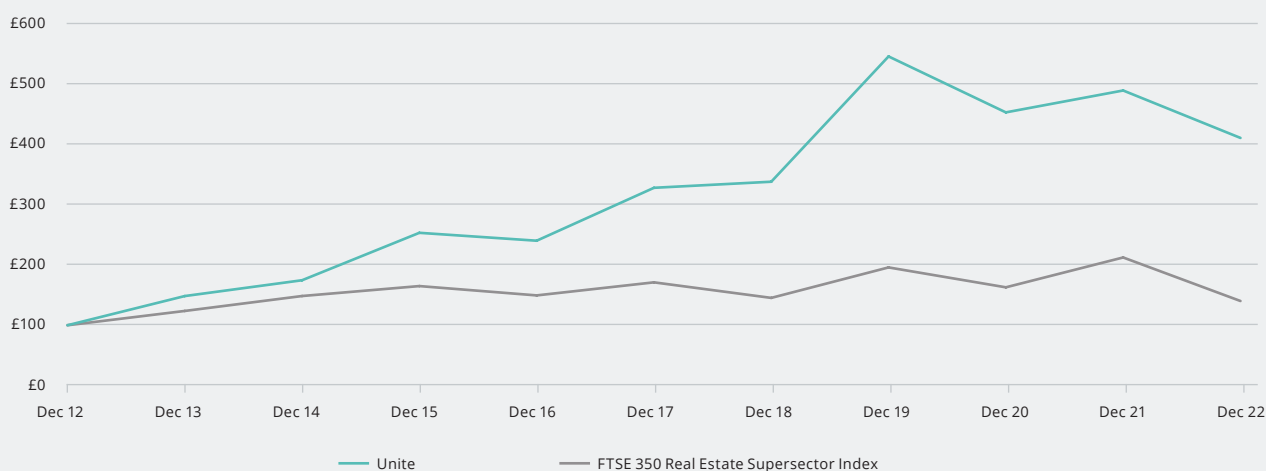
REMUNERATION COMMITTEE continued

CEO pay ratio	2022	2021	2020	2019
		Note 1		
Methodology used	B	B	B	B
Average number of employees	1,889	1,900	1,756	1,450
Ratio of CEO single figure total remuneration:				
- To employee at the 25th percentile	39:1	58:1	44:1	113:1
- To employee at the 50th percentile	33:1	56:1	38:1	96:1
- To employee at the 75th percentile	23:1	43:1	29:1	70:1
Ratio of CEO base salary plus annual bonus figure:				
- To employee at the 25th percentile	37:1	42:1	21:1	49:1
- To employee at the 50th percentile	32:1	40:1	18:1	41:1
- To employee at the 75th percentile	24:1	31:1	14:1	30:1
Ratio of CEO base salary figure:				
- To employee at the 25th percentile	26:1	22:1	22:1	25:1
- To employee at the 50th percentile	23:1	22:1	19:1	21:1
- To employee at the 75th percentile	17:1	17:1	14:1	15:1
Additional details				
CEO total single figure (£000)	866	1,428	934	2,336
CEO base salary (£'000)	523	472	425	457
Employees total pay and benefits (£000)				
- at the 25th percentile	22.4	24.4	21.2	20.6
- at the 50th percentile	25.9	25.3	24.6	24.4
- at the 75th percentile	37.7	32.8	32.0	33.5
Employees base salary (£000)				
- at the 25th percentile	20.0	21.1	19.6	18.1
- at the 50th percentile	23.2	21.8	22.6	21.7
- at the 75th percentile	30.4	28.5	29.4	29.6

1. 2021 CEO single figure of remuneration has been trued-up from last year's report to reflect the final vesting outcome and actual market price on the date of vesting for 2019 LTIP awards, with ratios updated accordingly.

Review of past performance

The following graph charts the TSR of the Company and the FTSE350 Real Estate Supersector Index over the ten-year period from 1 January 2013 to 31 December 2022. Whilst there is no comparator index or group of companies that truly reflects the activities of the Group, the FTSE350 Real Estate Index (the constituent members of which are all property holding and/or development companies or real estate investment trusts within the UK), was chosen as it reflects trends within the UK property market generally and tends to be the index against which analysts judge the performance of the Company. The table below details the Chief Executive's single figure of remuneration over the same period.



	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
	M Allan	M Allan	M Allan	M Allan R Smith	R Smith	R Smith	R Smith	R Smith	R Smith	R Smith
								Note 1	Note 2	Note 3
CEO single figure of remuneration (£000)	£1,944	£2,987	£2,382	£1,239	£1,456	£2,131	£2,336	£934	£1,428	£866
Annual bonus outcome (% of maximum)	84.0%	89.4%	88.2%	n/a	63.6%	74.3%	80.9%	n/a	73.3%	36.0%
LTIP outcome (% of maximum)	83.1%	95.2%	100.0%	n/a	96.1%	81.9%	97.1%	33.33%	36.8%	0.0%

1. 2020 annual bonus scheme was cancelled for Executive Directors in April 2020.

2. 2021 CEO single figure of remuneration has been trued-up from last year's report to reflect the final vesting outcome and market price on the date of vesting for 2019 LTIP awards.

3. 2022 CEO single figure and LTIP outcome are based on an estimate of the vesting of the TAR element, see pages 153–154 for further details.

REMUNERATION COMMITTEE continued

Scheme interests awarded in 2022 (audited)

LTIP

In April 2022, Executive Directors were granted awards under the LTIP with a face value of 200% of their respective salaries. Any awards vesting for performance will be subject to an additional two-year holding period.

Executive	Date of grant	Shares over which awards granted Note 1	Market price at date of award	Face value
Richard Smith	10 April 2022	93,672	1,121.0p	£1,050,063
Joe Lister		73,823		£827,556

1. Combination of HMRC-approved options under the ESOS (535) and nil cost options under the PSP calculated using a share price of 1,121.0p, being the closing mid-market price on the day the awards were calculated.

Vesting of these awards is dependent on the achievement of three-year performance targets set out in the table below. In addition to absolute Adjusted EPS, relative TAR and relative TSR, the Committee introduced two sustainability metrics linked to the Group's strategy for awards made in 2022, with the rationale set out in last year's report.

Measure	Weight	Threshold (25% vesting)	Stretch (100% vesting)
2024 Adjusted EPS	28.0%	48.5 pence	53.6 pence
TSR ranking vs. constituents of the FTSE350 Real Estate Supersector Index (2022–2024)	28.0%	In line with median	In line with upper quartile
TAR per share ranking vs. constituents of the FTSE350 Real Estate Supersector Index (2022–2024)	28.0%	In line with median	In line with upper quartile
Operational energy intensity: cumulative reduction; 2024 vs 2019 baseline (kWh/m ²)	8.0%	6.3% cumulative reduction	12.6% cumulative reduction
EPC ratings: % of floorspace A–C rated in 2024	8.0%	67% of floorspace	79% of floorspace

No vesting below Threshold; straight-line vesting between Threshold and Stretch.

The Committee retains overarching discretion under the Remuneration Policy to approve the vesting of these awards. Any payout will be scrutinised by the Committee to ensure it reflects the underlying performance of the Company and the experience of stakeholders over the period.

Deferred annual bonus

Reflecting the previous policy under which the 2021 annual bonus operated, and having already reached their respective share ownership guidelines, Executive Directors each received the first 100% of salary of their 2021 bonus awards in cash, with the remainder (2.6% of salary) deferred in shares for two years, as follows:

Executive	Date of grant	Shares over which awards granted	Market price at date of award	Date of vesting
Richard Smith	24 February 2022	1,235	977.0p	24 February 2024
Joe Lister		1,005		

SAYE

During 2022, Richard Smith entered into a new savings contract under the SAYE plan. Details of all outstanding awards under this plan are included in the table on page 163.

Exit payments made in the year (audited)

There have been no exit payments during the year ended 31 December 2022.

Payments to past Directors (audited)

There have been no payments (2021: £nil) in excess of the de minimis threshold to former Directors during the year ended 31 December 2022 in respect of their former roles as Directors. The Company has set a de minimis threshold of £5,000 under which it would not report such payments.

Implementation of Executive Director Remuneration Policy for 2023

Base salary

As detailed in the Annual Statement on page 133, Executive Directors will each receive a 3.0% salary increase with effect from 1 January 2023, with implementation of the higher increases set out in last year's report delayed until a more appropriate time. This decision acknowledges the cost-of-living pressures facing both colleagues and customers, and means that salary increases for Richard Smith and Joe Lister will be aligned with those awarded to other senior leaders.

Executive	Base salary from 1 January 2022	Base salary from 1 January 2023	Percentage increase
Richard Smith	£522,500	£538,500	3.0%
Joe Lister	£411,250	£423,588	3.0%

The average salary increase across the Group in 2023 will be 8.6%, with the available increase in salary budget targeted at those colleagues most impacted by inflationary pressures, in particular our front-line employees. Unite remains committed to being an accredited Real Living Wage employer and has implemented the rates set by the Living Wage Foundation (8.1% in London and 10.1% across the rest of the UK), with tiered salary increases across the rest of the organisation.

Pension

Executive Directors will continue to receive a pension scheme contribution, a cash allowance of equivalent cost to the company or a combination of both. With effect from 1 January 2023, total employer pension contributions will be further reduced to an equivalent of up to 11% of salary for both Executive Directors. This represents the final planned reduction in Executive Director pension contribution levels and brings both the CEO and CFO in line with the offering available to the wider employee population.

Annual bonus

For 2023, the maximum bonus opportunity for each executive will be 140% of salary, with threshold and target performance paying 30% and 50% of maximum respectively under each performance measure.

	Corporate measures	Weighting
Financial 70%	Adjusted EPS	25.0%
	TAR per share	25.0%
	Loan to Value (LTV)	20.0%
Non-financial 30%	Customer satisfaction	7.5%
	Higher Education reputation	7.5%
	Employee engagement	7.5%
	GRESB rating	7.5%

The Committee is not proposing any changes to the performance metrics used under the annual bonus for 2023, and remains satisfied that the current blend of financial and non-financial measures supports the Group's strategy and reinforces Unite values.

For both the financial and non-financial elements of the annual bonus, targets have been set to be challenging relative to the business plan. Reflecting concerns around commercial sensitivity at this time, it is the Committee's intention to disclose all targets retrospectively in next year's Directors' Remuneration Report. This decision takes into account Unite's status as one of only two listed PBSA providers in the UK and the possible insight that prospective disclosure might provide to our competitors as to our short-term financial and operational strategy.

In line with the Remuneration Policy, 50% of any bonus earned will be satisfied by an allocation of shares in the Company deferred for two years. Clawback and malus provisions apply to all awards.

LTIP

During 2023, Executive Directors will each receive an award of up to 200% of salary delivered through a combination of the PSP and ESOS, with vesting dependent on the achievement of three-year performance targets. Actual award levels will be approved by the Committee closer to the date of grant and will take into account the share price at that time, as compared to the share price used to determine awards over the last few LTIP cycles.

REMUNERATION COMMITTEE continued

The Committee is not proposing any changes to the performance metrics used for the 2023 LTIP, which will continue to include the two sustainability metrics introduced last year. Targets for the relative TSR, TAR and operational energy intensity measures are set out in the table below.

Targets for the EPS and EPC ratings measures will be disclosed in a market announcement no later than the date of grant for these awards (expected to be in April 2023). The delay to target-setting for the EPS metric reflects the rapidly changing macroeconomic environment and a revised timetable for the internal sign-off of a new 5-year plan. In respect of the EPC metric, the Committee is keen to review recent changes to the underlying measurement methodology to ensure the target range set is both appropriately stretching and reflects our longer-term sustainability ambitions.

Measure	Weight	Threshold		Stretch
		25% vesting		100% vesting
2025 Adjusted EPS	28.0%	To be disclosed no later than the date of grant		
TSR ranking vs. constituents of the FTSE350 Real Estate Supersector Index (2023–2025)	28.0%	In line with median	In line with upper quartile	
TAR per share ranking vs. constituents of the FTSE350 Real Estate Supersector Index (2023–2025)	28.0%	In line with median	In line with upper quartile	
Operational energy intensity: cumulative reduction; 2025 vs 2019 baseline (kWh/m ²)	8.0%	9.4% cumulative reduction	15.7% cumulative reduction	
EPC ratings: % of floorspace A–C rated in 2025	8.0%	To be disclosed no later than the date of grant		

No vesting below Threshold; straight-line vesting between Threshold and Stretch.

Any awards vesting for performance will be subject to an additional two-year holding period, during which time clawback provisions will also apply. Further details of the grant date and number of interests awarded will be disclosed in next year's report.

Implementation of Non-Executive Director Remuneration Policy for 2023

Chair and Non-Executive Director Fees

During the final quarter of 2022, the Board undertook its annual review of Non-Executive Director fees. Following consideration of salary increases across the Group and indicative fee increases at sector and FTSE comparators, the Board determined that the basic fee should be increased by 3.0% from £50,925 to £52,453 and that additional fees should be increased by a similar rate. The Committee, in considering similar factors, determined that the fee payable to the Chair of the Board should be increased by a similar rate from £231,750 to £238,703. Each of these fee increases is in line with senior management and below the average increase applied to the broader employee population.

A summary of the fee increases, which are effective 1 January 2023, is set out in the table below:

Position	2022 fees	2023 fees
Base fees		
Chair	£231,750	£238,703
Non-Executive Director	£50,925	£52,453
Additional fees		
Senior Independent Director	£5,995	£6,175
Audit & Risk Committee Chair	£10,600	£10,900
Remuneration Committee Chair	£10,600	£10,900
Nomination Committee Chair	Note 1	n/a
Health and Safety Committee Chair	£10,600	£10,900
Sustainability Committee	£10,600	£10,900

1. Role is undertaken by the Chair of the Board, with no additional fee payable in respect of chairing this Committee.

Directors' interests (audited)

A table setting out the beneficial interests of the current Directors and their families in the share capital of the Company as at 31 December 2022 is set out below. None of the Directors has a beneficial interest in the shares of any other Group company. Since 31 December 2022, there have been no changes in the Directors' interests in shares.

	Ordinary shares of 25p each at 31 December 2022	Ordinary shares of 25p each at 31 December 2021
R Smith	372,959	295,586
J Lister	581,006	518,006
R Huntingford	10,350	10,135
E McMeikan	7,980	7,824
R Paterson	8,312	8,312
I Beato	1,724	1,724
S Pearce	1,186	1,163
T Jackson	0	0
S Smith	0	0
N Dulieu	0	n/a

Details of Executive Directors' interests in share-based incentives are set out in the tables below.

Share price information

As at 31 December 2022 the middle market price for ordinary shares in the Company was 910.0p per share. During the course of the year, the market price of the Company's shares ranged from 791.5p to 1,207.0p per ordinary share.

Executive Directors' shareholding requirements (audited)

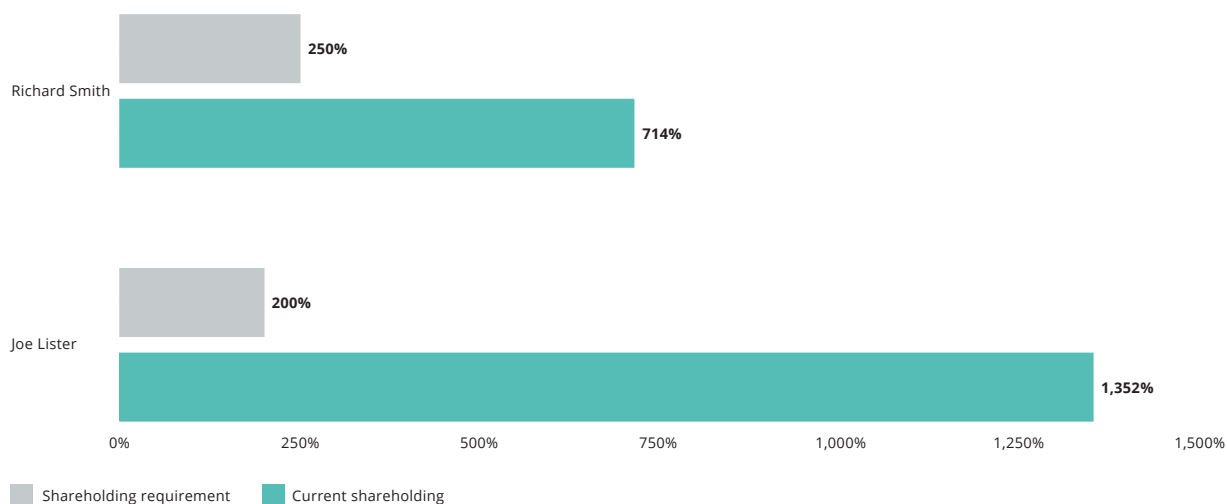
The table below shows the shareholding of each Executive Director against their respective shareholding requirement as at 31 December 2022:

	Interests					Shareholding requirement % of salary/ base fee	Current shareholding % of salary/ base fee	Requirement met
	Owned outright	Subject to deferral/ holding period		Unvested and/or subject to perf. conditions				
		Shares/ nil-cost options	Options/ HMRC options	Shares/ nil-cost options	Options/ HMRC options			
	Note 1				Note 2			
R Smith	372,959	69,332	450	297,590	1,760	250%	714%	Yes
J Lister	581,006	56,476	450	239,648	1,760	200%	1,352%	Yes
R Huntingford	10,350						41%	
E McMeikan	7,980						143%	
R Paterson	8,312						149%	
I Beato	1,724						31%	
S Pearce	1,186						21%	
T Jackson	0						n/a	
S Smith	0						0%	
N Dulieu	0						0%	

1. Includes shares subject to a holding period under the LTIP and deferred bonus shares, where applicable. Excludes SAYE options.

2. Based on share price as at 31 December 2022 of 910.0p. Shares subject to deferral/holding periods are taken on a "net of tax" basis for the purposes of the current shareholding calculation.

REMUNERATION COMMITTEE continued



Directors' interests in shares and options under Unite incentives (audited)

Deferred bonus

Executive	Interests held at 01.01.22	Granted during the year	Lapsed during the year	Vested during the year	Interests held at 31.12.22	End of deferral period
Richard Smith	5,067	-	-	5,067	-	27.02.22
	-	1,235	-	-	1,235	24.02.24
Joe Lister	4,124	-	-	4,124	-	27.02.22
	-	1,055	-	-	1,055	24.02.24

LTIP awards

Executive	Plan	Interests held at 01.01.22	Interests awarded during the year	ESOS exercise price	Interests vested during the year	Interests lapsed during the year	Interests outstanding at 31.12.22	Period of qualifying conditions
Note 1								
Richard Smith	PSP	85,190	-	-	31,349	53,841	-	24.07.19-
	ESOS	557	-	1,076.0p	204	353	-	24.07.22
	PSP	117,383	-	-	-	-	117,383	23.04.20-
	ESOS	746	-	803.5p	-	-	746	23.04.23
	PSP	87,070	-	-	-	-	87,070	12.04.21-
	ESOS	479	-	1,083.5p	-	-	479	12.04.24
	PSP	-	93,137	-	-	-	93,137	10.04.22-
	ESOS	-	535	1,121.0p	-	-	535	10.04.25
Joe Lister	PSP	69,333	-	-	25,514	43,819	-	24.07.19-
	ESOS	557	-	1,076.0p	204	353	-	24.07.22
	PSP	95,510	-	-	-	-	95,510	23.04.20-
	ESOS	746	-	803.5p	-	-	746	23.04.23
	PSP	70,850	-	-	-	-	70,850	12.04.21-
	ESOS	479	-	1,083.5p	-	-	479	12.04.24
	PSP	-	73,288	-	-	-	73,288	10.04.22-
	ESOS	-	535	1,121.0p	-	-	535	10.04.25

1. All awards vesting for performance during the year are subject to an additional two-year holding period.

SAYE

Executive	Options held at 01.01.22	Granted during the year	Exercised during the year	Option price per share	Options held at 31.12.22	Maturity date
					Note 1	
Richard Smith	2,122	-	-	848.0p	2,122	01.12.22
	-	2,098	-	857.6p	2,098	01.12.25
Joe Lister	1,266	-	1,266	710.8p	-	01.12.21
	1,182	-	-	760.8p	1,182	01.12.23
	913	-	-	985.2p	913	01.12.24

1. As at year-end, Richard Smith held 2,122 options under the 2019 scheme which had matured but not yet been exercised.

Details of the qualifying performance conditions in relation to the above referred-to awards made in prior years are set out on previous pages or in earlier reports.

Awards made in prior years took the form of a combination of nil cost options under the PSP and HMRC-approved options under the ESOS. No variations have been made to the terms or conditions of any awards.

The Directors' Remuneration Report has been approved by the Remuneration Committee and signed on its behalf by:

Elizabeth McMeikan

Chair – Remuneration Committee

28 February 2023

DIRECTORS' REPORT

As at 31 December 2022, the Company had received notifications from the following companies and institutions of themselves and their clients holding 3% or more of the issued share capital of the Company. The Company has not received any further notifications since that date through to 28 February 2023.

SHARE CAPITAL

Shareholder	Percentage of share capital
Canada Pension Plan Investment Board (CA)	18.26
BlackRock Inc	8.40
APG Asset Management NV (NL)	5.76
Norges Bank Investment Management	5.35
The Vanguard Group Inc	3.93
Royal London Asset Management Ltd (UK)	3.91

Share capital

At the date of this report, there are 400,293,418 ordinary shares of 25p each in issue, all of which are fully paid-up and quoted on the London Stock Exchange.

During the year and through to the date of this report, the following numbers of ordinary shares of 25p each were allotted and issued as follows:

- 865,069 – Unite share scrip scheme;
- 138,017 – pursuant to the exercise of options under Unite Group PLC Savings Related Share Option Scheme;
- 164,811 – pursuant to the exercise of options under Unite Group PLC Performance Share Plan; and
- 11,360 – pursuant to the exercise of options under Unite Group PLC Approved Scheme.

The rights attaching to the Company's ordinary shares, as well as the powers of the Company's Directors, are set out in the Company's Articles of Association.

There are no restrictions on the transfer or voting rights of ordinary shares in the capital of the Company (other than those which may be imposed by law from time to time or as set out in the Company's Articles of Association).

The Directors have no authority to buy back the Company's shares.

In accordance with the Market Abuse Regulations, certain employees are required to seek approval to deal in the Company's shares.

The Company is not aware of any agreements between shareholders that may result in restrictions on the transfers of securities and/or voting rights. No person holds securities in the Company carrying special rights with regard to control of the Company. Unless expressly specified to the contrary, the Company's Articles of Association may be amended by special resolution of the shareholders.

Authority to issue shares

The Directors may only issue shares if authorised to do so by the Articles of Association or the shareholders in general meeting. At the Company's Annual General Meeting held on 12 May 2022, shareholders granted an authority to the Directors to allot ordinary shares up to an aggregate nominal amount of £33,262,527 (which represented one-third of the nominal value of the issued share capital of the Company as at 23 March 2022). In accordance with guidelines issued by the Investment Association, this resolution also granted the Directors authority to allot further equity securities up to the aggregate amount of £33,262,527 (representing one-third of the nominal value of the issued share capital of the Company as at 23 March 2022). This additional authority was only permitted for fully pre-emptive rights issues. As at 31 December 2022, the shares that had been allotted were to satisfy awards under the Company's share schemes and the scrip scheme shares. As this authority is due to expire on 11 August 2023, shareholders will be asked to renew and extend the authority, given to the Directors at the last Annual General Meeting, to allot shares in the Company, or grant rights to subscribe for, or to convert any security into, shares in the Company for the purposes of Section 551 of the Companies Act 2006. Further details on the resolution will be provided in the Notice of this year's Annual General Meeting and its explanatory notes.

Disapplication of pre-emption rights

If the Directors wish to allot new shares and other equity securities, or sell treasury shares, for cash (other than in connection with an employee share scheme) company law requires that these shares are offered first to shareholders in proportion to their existing holdings. There may be occasions, however, when the Directors need the flexibility to finance business opportunities by the issue of shares without a pre-emptive offer to existing shareholders. This cannot be done under the Companies Act 2006 unless the shareholders have first waived their pre-emption rights. At the forthcoming Annual General Meeting, shareholders will be asked to pass two special resolutions to grant the Directors powers to disapply shareholders' pre-emption rights under certain circumstances. Further details on the resolutions will be provided in the Notice of this year's Annual General Meeting.

Change of control

All of the Company's share schemes contain provisions relating to a change of control. Outstanding rewards and options would normally vest and become exercisable on a change of control, subject to the satisfaction of any performance conditions. Other than certain of the Group's banking facilities, there are no other significant agreements to which the Company is a party that affect, alter or terminate upon a change of control of the Company following a takeover bid. Nor are there any agreements between the Company and its Directors or employees providing for compensation for loss of office or employment that occurs because of a takeover bid.

Going concern and viability statement

The going concern statement and viability statement are set out on pages 185–186 and page 81 respectively and are incorporated into this Directors' Report by reference.

Independent auditor and Disclosure of information to auditors

The Directors who held office at the date of approval of the Directors' Report confirm that, so far as they are each aware, there is no relevant audit information of which the Company's auditor is unaware; and each Director has taken all the steps that he/she ought to have taken as a Director to make himself/herself aware of any relevant audit information and to establish that the Company's auditor is aware of that information. This confirmation is given and should be interpreted in accordance with the provisions of section 418 of the Companies Act 2006. A resolution to reappoint Deloitte as auditor of the Group will be put to shareholders at the forthcoming Annual General Meeting.

Directors' conflicts of interest

The Company has procedures in place for managing conflicts of interest. A Director must notify the Chair (and the Chair notifies the Chief Executive) if he/she becomes aware that he/she, or any of his/her connected parties, may have an interest in an existing or proposed transaction with the Company or the Group. Directors have a continuing duty to update any changes to these conflicts.

Political donations

No political donations, contributions or expenditure were made during the year ended 31 December 2022.

Indemnities

There are no qualifying third-party indemnity provisions or qualifying pension scheme indemnity provisions for the benefit of any of the Directors.

Research and development

The Company is not currently carrying on any activities in the field of research and development.

Branches outside the UK

The Company does not have any branches outside of the UK.

Appointment and replacement of Directors

The Company's Articles of Association provide that Directors may be appointed by the existing Directors or by the shareholders in a general meeting. Any person appointed by the Directors will hold office only until the next general meeting, notice of which is first given after their appointment and will then be eligible for re-election by the shareholders. A Director may be removed by the Company as provided for by applicable law and shall vacate office in certain circumstances as set out in the Articles of Association. In addition the Company may, by ordinary resolution, remove a Director before the expiration of his/her period of office and, subject to the Articles of Association, may by ordinary resolution appoint another person to be a Director instead. There is no requirement for a Director to retire on reaching any age.

DIRECTORS' REPORT continued

Disclosures required under Listing Rule 9.8.4R

For the purposes of LR 9.8.4C, the information required to be disclosed by LR 9.8.4R can be found in the following locations within the Annual Report:

INFORMATION REQUIRED UNDER LR 9.8.4R	REFERENCE
(1) Amount of interest capitalised and tax relief	Note 3.1, page 201
(2) Publication of unaudited financial information	N/A
(4) Details of long-term incentive schemes	Pages 153 and 158-160
(5) Waiver of emoluments by a Director	N/A
(6) Waiver of future emoluments by a Director	N/A
(7) Non-pre-emptive issues of equity for cash	N/A
(8) Item (7) in relation to major subsidiary undertakings	N/A
(9) Parent participation in a placing by a listed subsidiary	N/A
(10) Contracts of significance	N/A
(11) Provision of services by a controller shareholder	N/A
(12) Shareholder waiver of dividends	N/A
(13) Shareholder waiver of future dividends	N/A
(14) Agreements with controlling shareholders	N/A

All the information referenced above is incorporated by reference into the Directors' Report.

Other information incorporated by reference

The following information in the Strategic Report and financial statements is incorporated into this Directors' Report by reference:

- Results and dividend on pages 40 and 224
- Greenhouse Gas Emissions and Energy Consumption Disclosures on pages 61-65
- Financial instruments and financial risk management on page 77 and Section 4 of the notes to the financial statements on page 213
- Future developments on pages 36-37
- Employment of disabled persons/employee involvement on page 50
- Workforce engagement on page 103
- Engagement with customers, partners, suppliers and others on pages 10-11

The Corporate Governance Report (which includes details of Directors who served throughout the year) on pages 88-166, the Statement of Directors' responsibilities on page 167 and details of post balance sheet events on page 232 are incorporated into this Directors' Report by reference.

Management Report

This Directors' Report together with the Strategic Report and other sections from the Annual Report forms the Management Report for the purposes of DTR 4.1.8 R.

Annual General Meeting

The Annual General Meeting of the Company will be held at the Company's registered office at South Quay, Temple Back, Bristol, BS1 6FL at 9.30am on 18 May 2023. We request that shareholders who do wish to attend in person preregister their intention to attend to help us manage numbers. Shareholders are encouraged to monitor our website at <https://www.unitegroup.com/investors/aggm> and London Stock Exchange announcements for any updates regarding the Annual General Meeting arrangements.



Formal notice of the meeting is given separately and will be available on the Company's website at: [unitegroup.com/investors](https://www.unitegroup.com/investors)

This report was approved by the Board on 28 February 2023 and signed on its behalf by

Christopher Szpojnarowicz

Company Secretary

28 February 2023

STATEMENT OF DIRECTORS' RESPONSIBILITIES

The Directors are responsible for preparing the Annual Report and Accounts and the Group and Parent Company financial statements in accordance with applicable law and regulations.

Company law requires the Directors to prepare Group and Parent Company financial statements for each financial year. Under that law they are required to prepare the Group financial statements in accordance with IFRS as adopted by the UK (Adopted IFRS) and applicable law and have elected to prepare the Parent Company financial statements in accordance with United Kingdom Accounting Standards including FRS 101 – Reduced Disclosure Framework (“United Kingdom Generally Accepted Practice”).

Under company law, the Directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the Group and Parent Company and of their profit or loss for that period.

In preparing each of the Group and Parent Company financial statements, the Directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- state whether they have been prepared in accordance with IFRSs as adopted by the UK (or in accordance with UK Generally Accepted Practice); and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Group and the Parent Company will continue in business.

The Directors are responsible for keeping adequate accounting records that are sufficient to show and explain the Parent Company’s transactions and disclose with reasonable accuracy at any time the financial position of the Parent Company and enable them to ensure that its financial statements comply with the Companies Act 2006. They have general responsibility for taking such steps as are reasonably open to them to safeguard the assets of the Group and to prevent and detect fraud and other irregularities.

Under applicable law and regulations, the Directors are also responsible for preparing a Directors’ Report, Directors’ Remuneration Report and Corporate Governance statement that comply with that law and those regulations.

The Directors are responsible for the maintenance and integrity of the corporate and financial information included on the Company’s website. Legislation in the UK governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

The Directors confirm that:

- the financial statements, prepared in accordance with the applicable set of accounting standards, give a true and fair view of the assets, liabilities, financial position and profit or loss of the Company and the undertakings included in the consolidation taken as a whole; and
- the Directors’ Report includes a fair review of the development and performance of the business and the position of the issuer and the undertakings included in the consolidation taken as a whole, together with a description of the principal risks and uncertainties that they face.

R S Smith

Director

28 February 2023

J J Lister

Director