

## CHAIR'S INTRODUCTION TO GOVERNANCE



### BOARD FOCUS AREAS IN 2023

- **Delivering for our customers and universities:** oversight of in-year investment in our operating platform, with the launch of our new Support to Stay framework, alongside longer-term investment in our digital capabilities and technology platform.
- **Responsible and resilient business:** oversight of progression in our net zero carbon 2030 journey with the launch of our Sustainable Construction Framework, our roadmap to sustainable design and construction for new developments and refurbishments kickstarted in 2023, as well as over £8.2 million in energy-efficient capital projects.
- **Attractive returns for our shareholders:** a focus on earnings, balancing strong rental growth with customer affordability and our university partnerships, whilst overseeing longer-term growth opportunities through a sustainable development pipeline.
- **Safety:** ensuring a safe and secure home with a continued focus on customer safety and wellbeing, providing access to a 24/7 Student Wellbeing Helpline and Digital Therapy services, alongside completing fire safety improvements on 16 buildings across our estate during 2023 and plans for our ongoing future remediation.
- **Board succession planning and diversity:** CEO and CFO succession planning alongside bringing wider diversity to the Board.

## BOARD GOVERNANCE OVERSEEING STRONG PERFORMANCE IN A CHALLENGING ECONOMIC ENVIRONMENT

*"We continue to see increasing demand for high-quality, purpose-built student accommodation. Affordability and ongoing cost-of-living pressures continue to be key concerns for students, parents and universities and the Board continues to oversee how we deliver high-quality, safe and secure, value-for-money homes for our customers and university partners."*

**Richard Huntingford**

Chair

The Board and our Committees govern the business with a focus on our three strategic objectives, balancing in-year operational and financial performance with longer-term responsible and sustainable performance. The Board oversees how we will keep delivering for our customers and universities through ongoing investment in our best-in-class operating platform. With increasing wellbeing concerns among young people, we introduced an enhanced Support to Stay framework in 2023. The business was named the Student Accommodation Operator of the Year at Property Week's RESI Awards 2023, for a second year running, recognising our people's commitment to supporting customers' mental and physical health alongside wider diversity and inclusion initiatives. This award comes from the hard work, kindness and dedication of our people serving our customers and living by our values, especially creating room for everyone and keeping us safe. On behalf of the Board, I would like to thank them for another excellent year.



## CHAIR'S INTRODUCTION TO GOVERNANCE continued



The Board's focus on our second strategic objective, creating a responsible and resilient business, continues as we implement our Sustainability Strategy. Through the detailed work of the Sustainability Committee, we continue to oversee progress towards becoming net zero carbon across our operations and developments by 2030, as well as ensuring compliance with future energy performance certificate (EPC) requirements. This work also extends to wider social and community initiatives, overseeing wider access to Higher Education through the Unite Foundation and sector-leading diversity research in Higher Education. For more detail, see Sustainability on page 48 and the Sustainability Committee report on page 120.

Alongside the Board's focus on our customers, university partners and being a responsible business, the Board also continued its focus on delivering attractive returns for shareholders, carefully balancing optimal occupancy with rental growth and affordability. These returns depend on the quality, location and scale of our portfolio and through 2023 the Board oversaw the delivery of 1,620 new or refurbished beds, along with new sites in strong university locations (Nottingham, Bristol, Stratford (London) and Glasgow), delivering long-term growth through a sustainable development pipeline.

The safety of our customers and employees is one of our key risks and a key governance area for the Board. In 2023, the Board continued its focus and substantial investment in fire safety, completing fire safety improvements on 16 buildings across our estate. The Health & Safety Committee Report on page 123 provides more information on our safety governance.

On 31 December 2023, Richard Smith stepped down as Chief Executive, after 13 years with Unite Students and being Chief Executive since 2016. Richard has played a key role in the success and growth of Unite Students and on behalf of the Board and everyone at Unite Students, I would like to thank him and wish him well for the future.

Joe Lister was appointed as Chief Executive, having been with Unite Students for 22 years and spending 15 years as our Chief Financial Officer. Following Joe's appointment as CEO, Mike Burt, our Group Investment Director, was promoted to Chief Financial Officer and joined the Board on 1 January 2024. I very much look forward to working with them in their new roles and am confident that under Joe's leadership, Unite Students can continue to build on its success to date.

During 2023, we also welcomed Angela Jain to the Board as a Non-Executive Director. Angela brings a wealth of knowledge and understanding of young people and their changing needs, along with wide-ranging digital, brand and communication expertise, from her extensive experience in unscripted television focused on younger audiences. I am delighted she has joined the Board and look forward to working with her.

The Board continues to see increasing demand for high-quality, purpose-built student accommodation in the cities and with the universities where we are located. Affordability and ongoing cost-of-living pressures continue to be key concerns for students, parents and universities and the Board continues to oversee how we deliver high-quality, safe and secure, value-for-money homes for our customers and university partners.

The following pages explain how our governance has supported the delivery of our strategy through 2023 and how it will continue to support our growth and sustainability in the longer-term.

### Richard Huntingford

Chair

27 February 2024

## BOARD OF DIRECTORS



**Richard Huntingford**

Chair

N A R H S

Richard joined the Board on 1 December 2020 and became Chair on 1 April 2021. Richard became Chair of the Nomination Committee on the same date.

### 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 Media plc), Creston plc and Crown Place VCT plc and Richard is currently Chair of Future plc.

Richard's proven FTSE Chair experience and 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)



**Joe Lister**

Chief Executive Officer

N A R H S

Joe Lister was appointed Chief Executive Officer with effect from 1 January 2024.

Joe joined Unite Students in 2002 and was previously Chief Financial Officer (since January 2008) and before that held a variety of roles including Investment Director and Corporate Finance Director.

### Relevant skills, experience and contribution

Through his various roles at Unite Students, Joe has been integral to the design and delivery of the Group's strategy, sustainable growth and financial performance with his deep experience of our business and the sector.

As Chief Executive, Joe now leads on the development, implementation and communication of the Group's strategy and ongoing performance.

### External appointments

- Helical PLC (Non-Executive Director)



**Mike Burt**

Chief Financial Officer

N A R H S

Mike joined Unite Students in 2019 and became Chief Financial Officer on 1 January 2024, after working as the Group's Investment Director.

### Relevant skills, experience and contribution

Mike has a wealth of financial experience, having started his career working in corporate finance across a range of sectors. Prior to joining Unite Students, Mike spent 10 years as a research analyst covering real estate companies in the UK and on the Continent, most recently at Exane BNP Paribas.

Mike has a strong track record of leading our investor relations, sustainability commitments, and as a member of the Executive team. Prior to his appointment as Chief Financial Officer, Mike was responsible for our investment strategy and asset management.

### External appointments

None

**BOARD OF DIRECTORS** continued



**Nicky Dulieu**  
Senior Independent Director

N A R H S



**Ross Paterson**  
Non-Executive Director

N A R H S

Nicky joined the Board on 1 September 2022 and was appointed 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, including as Chief Executive of Hobbs between 2008 and 2014. Prior to this, Nicky was also the Finance Director of Marks & Spencer's Food Division in a career at the retailer spanning 1982-2005.

Nicky 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.

As Senior Independent Director of Unite Group, Nicky supports the Chair in the effective running of the Board, and as Chair of the Remuneration Committee, helps ensure the Executive Directors' and broader senior leadership's remuneration is aligned to the long-term sustainable success of Unite Group.

**External appointments**

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

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

**External appointments**

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

**Committee key**

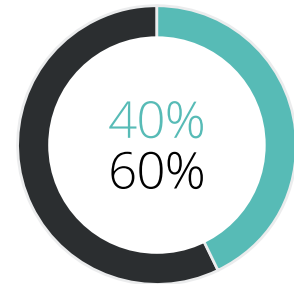
- N Nomination Committee member
- A Audit & Risk Committee member
- R Remuneration Committee member
- H Health & Safety Committee member
- S Sustainability Committee member
- C Committee Chair

**Composition of the Board**



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

**Gender diversity**



- Female 4
- Male 6

**Non-Executive Director Independence**



- Non-Executive Directors 1
- Independent Non-Executive Directors 6

**BOARD OF DIRECTORS** continued**Ilaria del Beato**

Non-Executive Director

N A R H S

**Dame Shirley Pearce**

Non-Executive Director

N A R H S

**Thomas Jackson**

Non-Executive Director

N A R H S

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 Unite Group. This experience is vital to the Unite Group as we navigate the ongoing and upcoming market uncertainties and increasing professionalisation of the sector.

**External appointments**

- Frasers Property UK (CEO)

Dame Shirley joined the Board in November 2019 as a Non-Executive Director and was appointed Chair of our Sustainability Committee in June 2021.

**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. She 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 a Non-Executive Director of Health Education England, and the Norfolk, Suffolk and Cambridgeshire Strategic Health Authority. 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, which is especially critical at a time of ongoing change in the sector. As Chair of the Sustainability Committee, Shirley helps ensure appropriate oversight of our Sustainability Strategy.

**External appointments**

- Higher Education Quality Assurance Panel for the Ministry of Education in Singapore
- Royal Anniversary Trust (Trustee)
- HCA (Advisory Board member)

Thomas joined as a Non-Executive Director in November 2019 following the Unite 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 our Board, he sits on a number of CPP Investments' office, retail and logistics joint venture boards. Beyond the UK, he is responsible for CPP Investments' real estate investment activity in Germany and the CEE regions.

Thomas was previously 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.

He brings wide-ranging real estate experience from the student housing sector and wider build-to-rent sector. His international experience is 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)

**BOARD OF DIRECTORS** continued**Professor Sir Steve Smith**

Non-Executive Director

**Angela Jain**

Non-Executive Director

**Chris Szpojnarowicz**

Company Secretary



Professor Sir Steve joined the Board on 1 April 2020 and was appointed Chair of our Health & Safety Committee in July 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, he 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.

His extensive experience in the Higher Education sector contributes to the way the Board navigates a changing Higher Education sector, particularly the development of strong university partnerships. Sir Steve Chairs our Health & Safety Committee.

**External appointments**

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

Angela was appointed a Non-Executive Director on 1 August 2023.

**Relevant skills, experience and contribution**

Angela works in the commercial television industry and for the past 12 years has held Senior Executive roles at ITV. She is currently Director of Unscripted, UK.

Having sat on the boards of BusinessLDN and ITN, Angela brings with her strong insights into the broader business community, government and key stakeholders.

Through Angela's experience with younger audiences, particularly relating to wellbeing and safeguarding, she contributes to the Board's better understanding of the needs, wants and behaviours of Unite Students' customer base.

**External appointments**

- ITV (Director of Unscripted, UK)

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

**Relevant skills, experience and contribution**

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

**External appointments**

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

**Committee key**

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



## BOARD STATEMENTS

# 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](http://www.frc.org.uk).

### Board statement

The Board considers that the Company has, throughout the year ended 31 December 2023, applied the principles and complied with all of the provisions set out in the Code.

### 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 88 details where disclosures 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 Listing Rule 9.8.6R(9), 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.

### Board statement

The Board confirm that as at 31 December 2023, all three 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. One Director was 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 page 111.

## Going concern

### Requirement

The Board is required to confirm that Unite 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 Unite 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 page 183.

**BOARD STATEMENTS** continued**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 67–79.

**Board statement**

Taking account of the Company's current position and principal risks, the Directors have a reasonable expectation that Unite Group will be able to continue in operation and meet its liabilities as they fall due over the three-year period to December 2026.

**More information**

More details on the Viability statement can be found on page 71.

**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 67–79 and on page 117 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.

**More information**

Details on the systems of risk management and internal control and the review of their effectiveness can be found on page 117.

Through the Board's governance role, it considered principal risks as part of its decision-making during 2023. See page 104 for further information.

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

**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 114.



**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:

|   |                               |
|---|-------------------------------|
| <b>Board leadership and Company purpose</b>                             | <b>Page</b>                   |
| A. Long-term sustainable success and contribution                       | Pages 12–17 and 99–101        |
| B. Purpose, values and culture  | Pages 89–92                   |
| C. Resources and control framework                                      | Pages 67–79 and 92            |
| D. Engagement with shareholders and stakeholders                        | Pages 16–17, 94–96 and 99–101 |
| E. Workforce policies and practices                                     | Pages 16, 51 and 94–95        |
| <b>Division of responsibilities</b>                                     | <b>Page</b>                   |
| F. Board leadership   | Pages 89–96                   |
| G. Board composition and responsibilities                               | Page 97                       |
| H. Role and commitment of Non-Executive Directors                       | Page 97                       |
| I. Board effectiveness  | Page 109                      |
| <b>Composition, succession and evaluation</b>                           | <b>Page</b>                   |
| J. Board appointments, succession plans and diversity                   | Pages 110–113                 |
| K. Board experience, skills and knowledge                               | Pages 82–85, 97 and 110–111   |
| L. Board evaluation   | Page 109                      |
| <b>Audit, risk and internal control</b>                                 | <b>Page</b>                   |
| M. Internal and external audit – independence and effectiveness         | Pages 117–119                 |
| N. Fair, balanced and understandable                                    | Page 116                      |
| O. Risk management and internal controls                                | Pages 67–79 and 117           |
| <b>Remuneration</b>   | <b>Page</b>                   |
| P. Remuneration policies and practices – long-term strategy and success | Pages 129–162                 |
| Q. Development of policy on remuneration                                | Pages 127, 129, 133–140       |
| R. Judgement and discretion   | Pages 129, 134, 137–156       |



## BOARD LEADERSHIP AND PURPOSE

**The Board is responsible for establishing the Company's purpose, strategy and values, 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 – creating a Home for Success

The Board has defined our common purpose: creating a Home for Success, a foundation where students can thrive. We provide homes which are more than a space to live and where students feel they belong to a community. 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.

#### How the Board leads on our purpose

Home for Success is about giving the tens of thousands of students that come to live with us, each year from across the world, the right foundation to enable them to achieve their goals and ambitions. The Board oversees our service proposition and how we provide a place where students belong and have access to support. Our operating model provides 24/7 round-the-clock support, 365 days a year across all our properties. During 2023, we launched a student assistance programme providing 24/7 access to a counsellor-led triage service over the phone. This wellbeing helpline provides a safety net for our students and demonstrates our commitment to mental health support.

Our purpose of Home for Success, linked to our value of Doing what's right, led to the Board's decision to award 2023 and 2024 pay increases, using a tiered approach, to ensure we can give our lowest paid employees the most meaningful support, while maintaining our commitment to being an accredited Living Wage employer.

Good governance remains a priority and the Board supported refreshed training for each employee across the business on key policies, including our Code of Ethics and Whistleblowing Policy. Our Code of Ethics sets out guidelines for employees to follow, while our Whistleblowing Policy encourages employees to raise any concerns in confidence. These policies and training reinforce for our employees our commitment to always acting with integrity and our zero tolerance of bribery and corruption.

As an established provider of choice for more than 60 UK universities, Home for Success is also about supporting our university partners to deliver a great student experience. Our nomination agreements with universities cover over half of our reservations for the 2023/24 academic year and it is through our long-standing relationships that we have been able to secure multi-year agreements and support additional demand. We regularly engage with our university partners to understand 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. Unite Students is trusted by universities to deliver a safe and high-quality student experience where everyone's wellbeing is prioritised. Our focus on our Home for Success purpose and our support to students is demonstrated through our Support to Stay initiative launched in 2022, which provides support to help our students fulfil their potential despite any physical, medical or mental health difficulties. Our student support team is focused on creating and maintaining a supportive and productive environment for students and we work collaboratively with Higher Education institutions to achieve this.

With our people being at the heart of our business, the Board's focus on Home for Success is also about ensuring an environment where 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, and are focused on being an employer of choice.

During 2023, we launched our dedicated General Manager learning programme to support the development of our General Managers and help them thrive in their roles.

The Board has ultimate responsibility to shareholders for all Unite 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 with our purpose.

### Our values and culture

Aligning with our purpose of Home for Success, the Board has defined our values: Creating room for everyone, Keeping us safe, Doing what's right and Raising the bar together. Pages 90-91 set out our values in action throughout 2023. These 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, our employees' voice remains front and centre, ensuring dialogue between the Board and the wider business. The relationships built within the forum have allowed for meaningful and open conversations with actions taken to contribute to our Home for Success purpose.

Ilaria del Beato, our Designated Non-Executive Director for Workforce Engagement, attends the forum meetings where she demonstrates the commitment of the Board through supportive and informative dialogue. Ilaria 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 94). In particular, 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 Students a great place to work and a great Company to do business with, and this 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 through regular employee engagement surveys and site visits. The Board also meets the wider business when visiting properties and seeing our operations, 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. During 2023, this included the Board visiting properties in Bristol, London and Nottingham and meeting with the local teams, learning about their experiences of working at Unite Students and with our customers and university partners.

Our employee surveys help measure engagement through their participation rates, as well as the feedback received across the broad range of topics surveyed. Our DEIB and Wellbeing survey helped the Board to identify areas for improvement and feedback on the environment which our employees want to create for themselves and our customers.

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 90-91, reflect our values-led culture.

## BOARD LEADERSHIP AND PURPOSE continued

# OUR VALUES

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

## Creating room for everyone

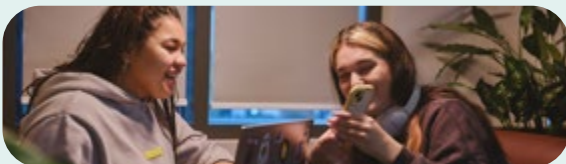
### Being authentic and striving for a truly diverse and inclusive environment

Unite Students is a business that strives to be welcoming and inclusive to all, and where every individual is respected and valued. We create a culture where difference is valued so our employees and customers feel they belong. The Board has zero tolerance for 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 Students and was built after listening to and learning from employees across the business. Our commitment to diversity, equity, inclusion, belonging and wellbeing is an essential component of our dedication to providing a Home for Success. We are US sets out our strategic ambition to provide the foundation on which we can build our success mindset.

#### Our values in action

- 12 interns joined us on a 10-week paid placement, for our second year, taking part in the 10,000 Black Interns programme.
- Six industrial placement students joined us for 12 months.
- Commitment of 1% adjusted profits to social initiatives every year, including the Unite Foundation.
- 228 employees took part in our Instinctive Inclusion training, part of our Diversity, Equity, Inclusion, Belonging and Wellbeing strategy.
- Awarded the Diversity Champion Corporate Award and International Inclusion award at the Diversity & Inclusion Awards 2023 by Diversicon.



## Keeping us safe

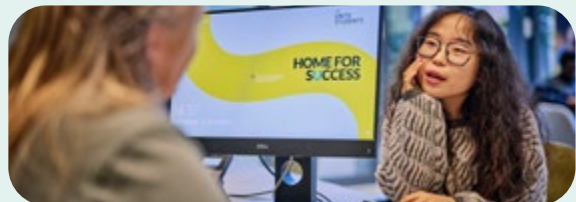
### Safety is at the heart of our brand and at the core of everything we do

The Board believes we are at our best when everyone around us is at their best. Looking after everyone's wellbeing, both physically and mentally, remains the Board's key priority. We do not take shortcuts when it comes to health and safety, and work hard to make our people, and the students who live with us, safe and supported. Safety is not just something else we do, it is part of everything we do and is woven through the entire business and culture.

Through the Board and Health & Safety Committee's oversight, we carried out a comprehensive physical security review of our entire estate to better understand the risks and create more tailored mitigation plans. 2024 will see the implementation of additional security improvement measures keeping our people and the students who live with us safe and supported.


#### Our values in action

- A decrease in reports of injuries, diseases and dangerous occurrence regulations (RIDDOR) accidents, with one report in 2023 (2022: 7).
- 24/7 staff presence, 365 days a year across all of our properties.
- Launch of 24/7 wellbeing and mental health telephone service to students through our Support to Stay framework.
- Rolled out increased student welfare training across the operational business.
- Body-worn cameras available in properties.



**BOARD LEADERSHIP AND PURPOSE** continued



 [Click here for more about our culture and values.](#)

 **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 award our largest ever annual pay increases in January 2023, and January 2024, of 10% to the majority of our operational team members and team leaders, to help with the continued cost-of-living pressures.

**Our values in action**

- Commitment to net zero carbon by 2030.
- Real Living Wage employer.
- Gold Investor in People accreditation.
- £86 million invested in replacement of cladding during 2023.
- 719 Unite Foundation scholars supported since 2012 and 344 scholars graduated.
- 29 Positive Impact community projects and 20 Silver and 9 Gold Awards made.
- 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 means focusing on our own expertise and building on that. We are committed to leading positive change with sector-leading research and insight, which helps inform us and understand what really matters to students - driving efficiency, effectiveness and a great customer experience every time.

**Our values in action**

- Increased customer satisfaction NPS score of +42 (2022: +38).
- Service improvements driven by employee and customer feedback.
- Expansion of Resident Ambassadors programme with increased focus on diversity and inclusion.
- Roll out of General Manager learning programme.
- Refreshed corporate policies training, including Code of Ethics and Whistleblowing.
- Student Accommodation Operator of the Year at Property Week's RESI Awards 2023.
- Property Week's Alternative Team of the Year Award 2023.



## BOARD LEADERSHIP AND PURPOSE continued

### Class of '23

During 2023, we hosted a series of Class of '23 events that took place within our cities ahead of the 2023/24 academic year. These events allowed the opportunity for employees to discuss with senior leaders our plans and strategy to deliver on our core purpose, Home for Success, and create opportunities for all through our People strategy. In addition, it allowed teams to agree local actions based on the latest surveys and to recognise and celebrate individual and team performance from across the year.

### 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 at Unite Students 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](http://www.unitegroup.com/about-us/corporate-governance). To discharge their broader responsibility effectively, the Unite Group operates in an open, harmonious and transparent manner, ensuring open communication between the Board and the business and its stakeholders.

During 2023, the Board listened and heard directly from the leadership team, the wider business and our stakeholders. The Board engaged with our employees and stakeholders on the impact of the rising cost-of-living pressures, employee and student wellbeing and support, 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 Director, Group Development Director, Group People Director, Chief Strategy Officer, Group Safety Director, Group Finance 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 page 90, Our Values).
- 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 page 94).
- Overseeing the implementation of a robust controls framework to allow effective management of risk, with this oversight delegated to the Audit & Risk Committee (see page 114).
- Effective succession planning for key senior personnel, much of which is delegated to the Nomination Committee (see page 110).

The Board has ultimate responsibility to Unite Group's shareholders for all the Unite 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 99–101 highlight how the Board has sought to effectively consider and engage with our shareholders and wider stakeholders.

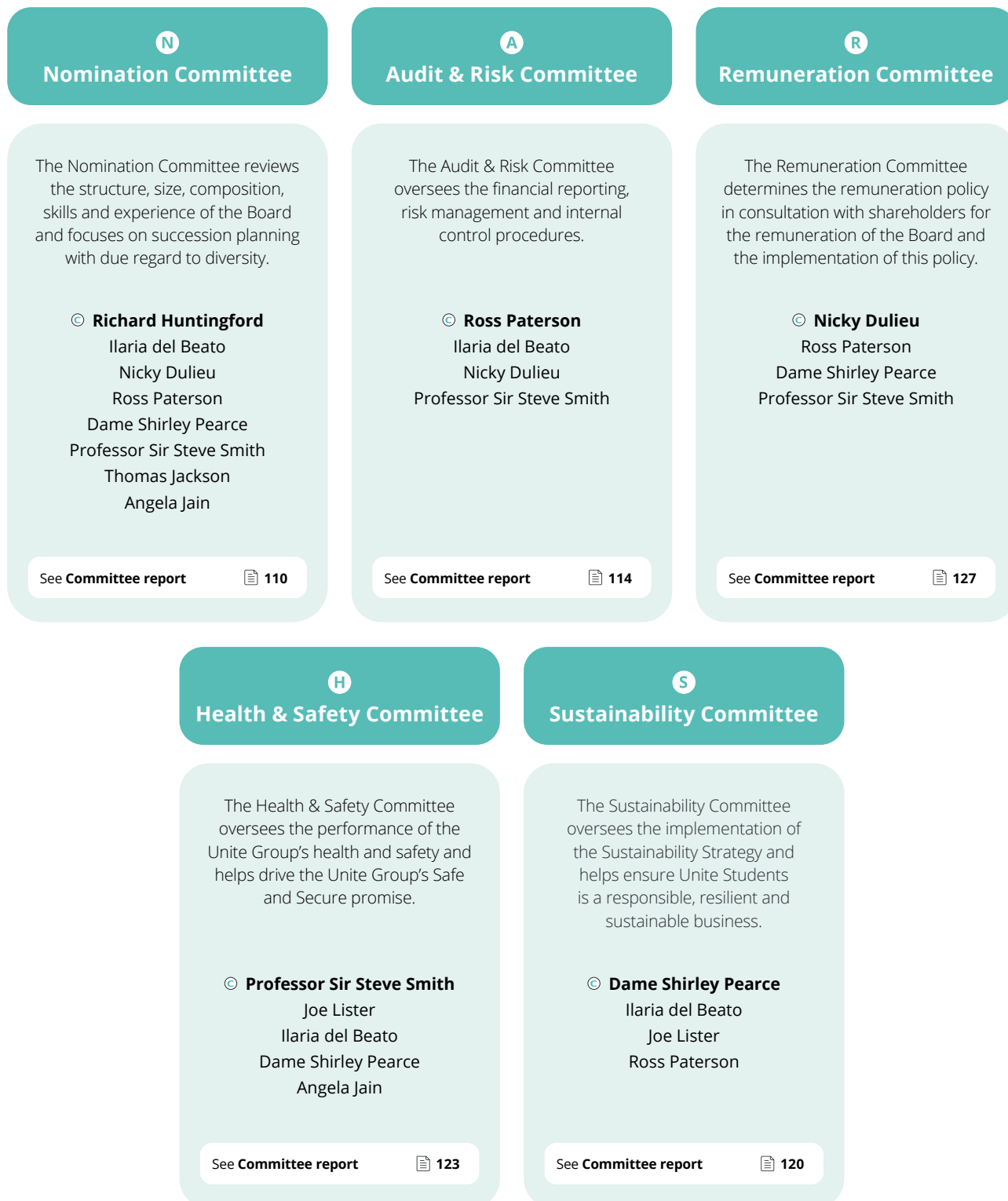
While the above summarises the key areas of Board responsibility, it is not intended to be exhaustive.



**BOARD LEADERSHIP AND PURPOSE** continued**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:



**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 and culture at Unite Students.

Meetings were held 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 Unite Group and help build a culture of openness and directness. In addition, subject matter experts are also invited to present to the Board to give the Directors a broader and independent perspective and to increase knowledge and development.

**Further Information**

**DEIB and Wellbeing strategy**  
**Positive Impact programme**  
**Remuneration Committee**

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**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. Ilaria is CEO at a real estate group and is thus well placed to understand current challenges faced by employees.

***"The passion of the Culture Matters forum members has been inspirational throughout the year, ensuring the employee voice is heard."***

**Ilaria del Beato**

Non-Executive Director



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 Unite Group.
- Collaborating with our Group People Director and the wider People team who also hear the views of the workforce directly.
- Providing feedback to the Board on people concerns and the results of surveys and other liaisons.

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.
- Ensure plans are fed back to the workforce.

We continue to consider this engagement mechanism to be the most appropriate and effective for our Group as it facilitates an insightful two-way dialogue between employees and the Board. This chosen mechanism continues to be an effective and appropriate way to gather feedback from the workforce.

## BOARD LEADERSHIP AND PURPOSE continued

Workforce engagement continues to shape the Board's decision-making and, in particular, our Diversity, Equity, Inclusion, Belonging (DEIB) and Wellbeing strategy. Through 2023, the Board's decisions were primarily focused on our people as well as safety and wellbeing. Our engagement resulted in the following:

- Annual DEIB survey completed by employees to better understand their needs and assess our progress.
- The development and transformation of our People policies including our family leave policy and menopause policy.
- Introduction of a new grading framework providing career progression pathways for our employees across the business.
- Increased learning catalogue as part of The Academy to help our employees take charge of their learning journey.
- The Board continued to support flexibility in our ways of working. See more on pages 5, 16 and 101 on enhancing the health and wellbeing of our employees and students.
- Launch of new initiatives to support employee wellbeing, and improve experience inside and outside the office, as part of our DEIB and Wellbeing strategy.

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.

### Remuneration Committee Report

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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 Unite 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 16 and 99.

The Company is a fully accredited Real Living Wage employer and provides recognition through pay awards, annual bonuses for all employees, Round of Applause awards 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.

Following the launch of The Academy in 2022, employees have access to our learning catalogue which provides employees with a personalised and tailored learning experience to help take charge of their learning journey. Training continues across the business on diversity, equity, inclusion and belonging, safety, student support, sustainability, and leadership, including our dedicated General Manager programme.

Our corporate induction days are highly interactive and engaging providing key information about the business, roles and properties so that each new joiner has everything they need to succeed at Unite Students.

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 and escalated as appropriate. The Board was pleased to see good awareness of the whistleblowing channel and noted that no material concerns had been raised in 2023.



## BOARD LEADERSHIP AND PURPOSE continued

### 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 Unite Group's approach to corporate governance. The Board creates sustainable value for our three types of investors: institutional, retail and debt.

#### Institutional investors

Investors attend our year-end and half-year results presentations.

After the announcement of our results in February 2023, our Executive Directors held meetings with investors to ensure their views were taken into consideration as we continue to develop our strategy; to help them understand the ongoing performance of the business and our approach to dividends.

We held an investor property tour in November showcasing our London properties, Hayloft Point and Stratford One. The tour also included our current development properties, Meridian Square and Jubilee House. This property tour included meeting with our largest investors, updating our progress around our development pipeline and learning more about the future 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 2024. The Chair, Richard Huntingford, also reaches out to the top 20 shareholders each year and during 2023, invited shareholder discussions with Nicky Dulieu as Chair of the Remuneration Committee and Ross Paterson, as Chair of the Audit & Risk Committee. Richard also engaged following the CEO succession announcement in October.

#### Retail investors

Our 2023 Annual General Meeting was held in person and allowed 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 2023 AGM received overwhelming support from our shareholders. The results of voting are available at: [www.unitegroup.com/investors/aggm](http://www.unitegroup.com/investors/aggm). There were no resolutions with less than 80% voting in favour and therefore, Code Provision 4 did not apply.

Our July 2023 capital raise included a retail offer alongside a non-pre-emptive placing to offer our retail investors the chance to participate in the capital raise, in line with the Pre-Emption Group Guidelines.

Further details relating to our capital raise can be found in the Directors' Report on page 163.

#### Debt investors

##### Bond holders

Bond holders are periodically invited to meet with senior management and our Treasury Team 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 2023, 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. Moody's upgraded our investment grade corporate rating to Baa1 with a stable outlook and Standard & Poor's investment grade corporate rating remains at BBB, upgrading to a positive outlook.

Institutional investors: c.750

Private investors: c.450

Number of listed bonds: 4

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. We will be seeking renewal of the scrip dividend scheme at our 2024 AGM. 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 82–85.

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

Richard Smith stepped down as Chief Executive and Director effective 31 December 2023, after 13 years with Unite Students and 8 years as Chief Executive. As announced on 5 October 2023, Joe Lister was appointed Chief Executive with effect from 1 January 2024 alongside Mike Burt's appointment as Chief Financial Officer with effect from the same date.

All of the Directors offer themselves for election or re-election at the Annual General Meeting, to be convened this year on 16 May 2024, 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 82–85. 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. 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 on 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 Unite Group for approval by the Board.
- To organise the business of the Board.
- To enhance the standing of the Company by communicating with shareholders, the financial community and the Unite Group's stakeholders generally.

### Role: Chief Executive

**Joe Lister** has responsibility for:

- Establishing, in conjunction with the Chair, the strategic objectives of the Unite Group, for approval by the Board.
- Implementing the Unite Group's business plan and annual budget.
- The overall operational and financial performance of the Unite Group.

### Role: Senior Independent Director

As Senior Independent Director, **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.
- 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

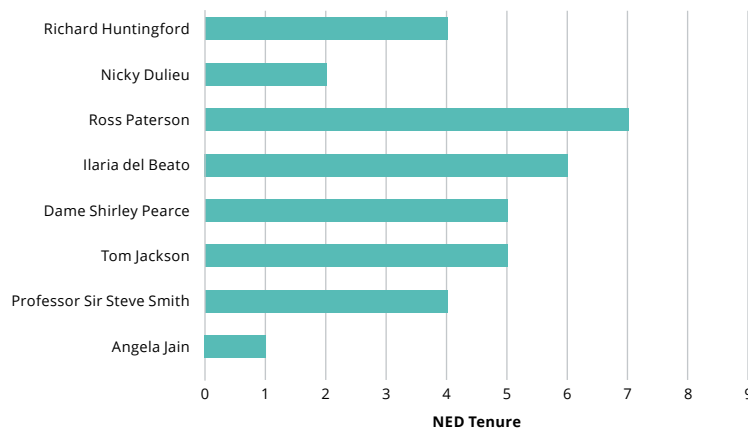
Non-Executive Directors are expected to commit approximately 20 days per annum to the business of the Unite Group. We have reviewed the responsibilities of all Directors and are satisfied that they can fully fulfil this commitment.

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 or her 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).



### 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 good 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 Unite 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 Unite Group's corporate governance practices and procedures and the latest financial information about the Unite Group. The legal and regulatory responsibilities as a Director of a listed company.

As part of the induction programme, they meet with key senior leaders, so from the outset they have access to people throughout the organisation to help them form their own independent views on the Unite 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 Angela Jain, our new Non-Executive Director

*"As part of my induction, I met with senior leaders from across the business to understand more about Unite Students and its Home for Success purpose. I also met with local teams on property tours in Bristol and Nottingham. Through my experience of working with the younger generation, I'm pleased to see that mental health is prioritised by Unite Students and the support offered is high quality."*

## SECTION 172

### Statement by the Directors in accordance with Section 172(1)(a) to (f) of the Companies Act 2006

Meeting the needs and expectations of our stakeholders is fundamental to delivery of our purpose, creating a Home for Success. This statement sets out how the Board of Directors has acted to promote the success of the Company for the benefit of the members, having regard to the interest of stakeholders in their decision-making, as further detailed below during the year ended 31 December 2023.

#### The likely consequences of any decision in the long term and desirability to maintain a reputation for high standards of business conduct

Acting in the long-term interests of the business and all our stakeholders is central to the Board's decision-making process and shapes the Group's strategy. To help the Board understand our wider stakeholder relationships and inform the Board's decision-making, the Board receives regular updates from the Executive team, as well as the wider senior leadership team. In all decision-making, the potential impact on our stakeholders is taken into account, together with the likely consequences of these decisions in the long term and also the desirability of the Company maintaining a reputation for high standards of business conduct. You can read more about our principal decision-making on pages 104. The Board also supported our review and refresher training on key corporate policies across the business including our Code of Ethics and Whistleblowing Policy.

The Board maintains oversight of the Company's performance and reserves specific matters for approval, including significant new strategic initiatives and major decisions relating to capital raising and allocation. Through measurement against long-term objectives, the Board monitors how management is acting in accordance with the Board's agreed strategy and the long-term interests of our key stakeholders.

#### The interests of our employees

As a service business, providing homes for tens of thousands of young people, who are often living away from home for the first time, the Board recognises the importance of our employees and the role they play in creating our Home for Success purpose. The Board receives regular feedback through Unite Live sessions held with our CEO and other members of the senior leadership team. These Unite Live sessions enable employees to ask questions directly and for Executive management to understand the issues that matter most to our employees and take that into account in their decision-making at Board level. Our commitment to employee engagement can be seen by our regular employee engagement surveys where we take the feedback received and turn it into meaningful action.

Through our employee engagement forum, Culture Matters, the Board receives regular feedback from our Non-Executive Director for Workforce Engagement, Ilaria del Beato. Ilaria attends the Culture Matters meetings and hears first-hand the context and debate while demonstrating the commitment of the Board. The Board also receives regular updates from our Group People Director, ensuring consideration is given to employee needs and concerns. You can read more about Culture Matters on page 94.

#### The need to act fairly between members of the Company

The Board recognises that acting fairly in the interests of all shareholders increases investor confidence, reduces our cost of capital and ensures good governance. This also supports the ability of the business to invest and grow through access to capital when it is required. We provide all investors with equal access to information through our public reporting for financial results and trading statements, as well as additional disclosures in areas such as sustainability through our corporate website. Our Annual General Meeting also provides an opportunity for all shareholders to have their say. We engage regularly with investors at conferences and meetings, which address investor groups from a range of markets and of differing sizes. The Chair of the Board engages with shareholders on governance matters.

The Board had oversight of the Company's July 2023 capital raise, which included a retail offer alongside a non-pre-emptive placing. As part of the capital raise, the Board considered the need to raise capital efficiently and quickly with the desire to treat shareholders as fairly as possible. In doing so, the Board supported efforts to ensure that shareholders who did not participate in the placing were given the opportunity to participate via the follow-on offer, in line with Pre-Emption Guidelines.

Read more about **employee engagement**

16, 94

Read more about **shareholder engagement**

96



## SECTION 172 continued

### The need to foster business relationships with our key stakeholders including our customers, university partners and suppliers

#### Our customers

Our purpose, creating a Home for Success, means we provide more than a space to live, we provide homes where students feel they belong to a safe community in which they can thrive. Our regular student surveys provide opportunities for students to provide direct and frank feedback so that we can understand what is important to them during their time living with us and also on wider topics. The Board reviews the Net Promoter Score from our student surveys which help the Board decide where to invest in customer service and property enhancements to ensure we deliver value-for-money for our customers.

Through Board oversight and support, our buildings continue to operate with 24/7 round-the-clock support, 365 days a year across both frontline and management staff. We prioritise wellbeing and the mental health support we offer customers is sector leading. Our student support team is focused on creating and maintaining a supportive and productive environment for our students during their time with us. Read more in our Health & Safety Committee report on page 123.

Our city teams engage with our student customers on a day-to-day basis covering welfare issues, complemented by our resident ambassadors, who provide peer-to-peer support to students, and organise activities in our properties to help foster a community.

#### University partners

Universities are key strategic stakeholders, directly accounting for around half of our reservations each year under nomination agreements and the other half indirectly through their students who book directly with us. The reputation, health and future growth of our university partners remains central to our business prospects.

The Unite Group supports the growth ambitions of its university partners through a range of different approaches from single-year accommodation arrangements to more strategic on-campus relationships. Through this partnering, we can explore opportunities for new university partnerships, where we can unlock operational efficiencies, alongside new accommodation options.

Our Higher Education engagement team and student support team meets regularly with UK university leaders and teams at various levels enabling us to discuss this strategic planning as well as day-to-day operational requirements. This feedback is shared with our Board which in turn considers our strategies for delivering value to universities. Our student support team also engages and has collaborative relationships with Higher Education institutions and provides the Board with insight into trends and specific themes relating to student wellbeing across the Higher Education sector.

Our annual Higher Education engagement survey provides the Board with key insight into our reputation and performance with our university partners as further detailed as part of our Higher Education Trust operational KPI on page 31. This helps inform the way we improve our product and service. The Board is also regularly updated on trends in the Higher Education sector in the UK and globally, which inform Unite Group's strategy around the universities with which it seeks to partner over the long term.

#### Suppliers

We work with a wide range of suppliers across our operations and development activities to deliver a high-quality, affordable customer offer. Our teams maintain strong relationships with suppliers and ensure that the contractors we use have the right skill set and accreditations to undertake the work in our buildings. The Board recognise the importance of supplier relationships and is provided with regular updates throughout the year.

During 2023, the Board had oversight of the development of our Sustainable Procurement framework. This framework sets out our plan for achieving best-in-class sustainable procurement. Through this framework we also launched our Supplier Code of Conduct setting out expectations in accordance with the highest standards of business and personal ethics.

Our sustainable procurement policy was refreshed during the year which requires, among other things, suppliers to have policies in place regarding the minimum legal age of employment and compliance with local laws regarding working hours and overtime. You can read more about our Sustainable Procurement Framework in our stand-alone Sustainability Report (<https://www.unitegroup.com/sustainability>).

#### Our impact on the community and the environment

Home for Success is about creating a sense of belonging and community in our properties and beyond and we ensure our actions have a positive impact. Through the Board's understanding of wider stakeholder demands, we seek to play an active role in local communities and build trusted, long-term relationships with community partners. This can be seen in our development activity where we actively engage with local communities to ensure the design of our buildings, public spaces and community facilities also meets their needs. The Board's oversight of our Sustainability Strategy on social risks and our Positive Impact programme encourages our people and teams to work with local stakeholders on community impact initiatives. Engagement with local communities has helped our people better understand sustainability and social responsibility. 29 community impact projects received 20 Silver and 9 Gold Positive Impact Awards made. You can read more about our Positive Impact programme on pages 52 and 121. As a responsible business, our wider stakeholders demand we proactively manage environmental, social and governance risks. The Board understand the significant contribution that property makes to global carbon emissions and how essential it is that we play our part in the fight against climate change.

**SECTION 172** continued

Through the Sustainability Committee, the Board has oversight of our environmental impact through continued review of our Sustainability Strategy launched in 2021. This strategy specifies clear targets to reduce our environmental impact over time. In addition, our Net Zero Carbon Pathway, published in December 2021, details our approach to reach net zero carbon across our operations and developments by 2030.

During the year, the Sustainability Committee oversaw the development of our first Sustainable Construction Framework. This framework is built upon our existing net zero carbon pathway while also considering other impacts of our buildings on the environment, communities and their users.

Engagement around environmental impact comes indirectly through feedback from investors, students, universities and local communities, all of which is considered by the Board.

Read more about **Sustainability Strategy** 65  
Read more about **Sustainable Construction Framework** 07

Shown below we have highlighted some key decisions demonstrating how the Board has taken Section 172 matters into account in decision-making.

**Employee and student wellbeing**

Wellbeing is at the heart of the business and following feedback received through our employee engagement forum, Culture Matters, the Board listened and supported the roll out of new wellbeing initiatives across the business to help employees take ownership of their health and wellbeing. These wellbeing initiatives include the launch of additional employee post incident support which has been vital to ensuring all employees receive adequate and consistent support post incident.

The Board was supportive of the launch of the new Student Wellbeing Helpline which provides unlimited access to the 24/7 confidential mental health and counselling helpline. This service also provides debt, financial and legal information with access to cognitive behavioural therapy (CBT) and online trauma courses to support with a wide range of issues.

Read more about **Employee wellbeing** 16, 95  
Read more about **Support to Stay framework** 05

**£300m capital raise and development pipeline**

Through consultation with a significant number of our shareholders, the Board approved a capital raise of approximately £300 million in July 2023. Through this capital raise, the Board acted to promote the long-term sustainable success of the Company taking into account impact on stakeholders including our customers and suppliers. This capital raise will be used to increase our development pipeline as well as increasing investment in our existing estate, thereby enhancing future returns to generate value for shareholders while contributing to wider society. The successful completion of the capital raise is evidence of the strong investor support for Unite Students and our future prospects.

**Sustainable Construction Framework**

The Board supported the launch of the Sustainable Construction Framework during 2023. Underpinned by our Supplier Code of Conduct and sustainable procurement approach, this framework considered the needs of our suppliers and will inform how we procure future net zero developments. It also sets out our approach to the sustainable design and build of new PBSA.



## BOARD ACTIVITIES

### Directors' attendance at meetings

| Board Director                      | Member since | Board                          | Audit & Risk Committee         | Remuneration Committee         | Nomination Committee           | Health & Safety Committee      | Sustainability Committee       |
|-------------------------------------|--------------|--------------------------------|--------------------------------|--------------------------------|--------------------------------|--------------------------------|--------------------------------|
|                                     |              | Number of meetings<br><b>8</b> | Number of meetings<br><b>5</b> | Number of meetings<br><b>5</b> | Number of meetings<br><b>4</b> | Number of meetings<br><b>4</b> | Number of meetings<br><b>4</b> |
|                                     |              |                                | See Committee report  114      | See Committee report  127      | See Committee report  110      | See Committee report  123      | See Committee report  120      |
| <b>Richard Huntingford</b>          | 2020         | 8/8                            | —                              | —                              | 4/4                            | —                              | —                              |
| <b>Joe Lister</b>                   | 2008         | 8/8                            | —                              | —                              | —                              | —                              | —                              |
| <b>Richard Smith<sup>1</sup></b>    | 2012         | 8/8                            | —                              | —                              | 4/4                            | 4/4                            | 4/4                            |
| <b>Ross Paterson</b>                | 2017         | 8/8                            | 5/5                            | 5/5                            | 4/4                            | —                              | 4/4                            |
| <b>Ilaria del Beato<sup>2</sup></b> | 2018         | 8/8                            | 4/5                            | —                              | 4/4                            | 4/4                            | 4/4                            |
| <b>Dame Shirley Pearce</b>          | 2019         | 8/8                            | —                              | 5/5                            | 4/4                            | 4/4                            | 4/4                            |
| <b>Professor Sir Steve Smith</b>    | 2020         | 8/8                            | 5/5                            | 5/5                            | 4/4                            | 4/4                            | —                              |
| <b>Nicky Dulieu<sup>3</sup></b>     | 2022         | 7/8                            | 4/5                            | 4/5                            | 4/4                            | —                              | —                              |
| <b>Angela Jain<sup>4</sup></b>      | 2023         | 3/3                            | —                              | —                              | 1/1                            | 2/2                            | —                              |
| <b>Thomas Jackson<sup>5</sup></b>   | 2019         | 8/8                            | —                              | —                              | —                              | —                              | 3/3                            |

1. Richard Smith stepped down on 31 December 2023.

2. Ilaria del Beato was unable to attend the July 2023 Audit & Risk Committee due to a bereavement.

3. Nicky Dulieu was unable to attend the December 2023 meetings due to a bereavement.

4. Angela Jain was appointed to the Board on 1 August 2023.

5. Thomas Jackson stepped down from the Sustainability Committee in September 2023.



## BOARD ACTIVITIES continued

## 2023 Board activities table

2023

|                  | Governance   | Strategy  | Financial & risk management  | People   | Operational and commercial  |
|------------------|--|---|--|--|---|
| <b>JANUARY</b>   | Setting 2023 forward agenda  |          | Preliminary results and key message review   |    | Higher Education update   |
| <b>FEBRUARY</b>  | Approval of Annual Report  | Property valuer market review   | Preliminary results<br>Final Dividend  | Remuneration review  | Business and growth overview  |
| <b>MARCH</b>     | IR review and feedback   | Group strategy update<br>Cyber maturity update  |                        | Succession planning  |         |
| <b>MAY</b>       | Annual General Meeting<br>Share plan approval  | Build-to-rent strategy review   |                       | People strategy & culture update   | University partnerships update<br>Development post completion review                        |
| <b>JULY</b>      | Corporate Governance Code update   |        | Interim results<br>Interim dividend<br>Principal and emerging risks<br>Defence planning                  | Student safety update<br>Culture Matters update                                      |        |
| <b>SEPTEMBER</b> | Sustainability update<br> | Public affairs strategy<br>Commercial strategy  | Interims feedback<br> | Student support update   | Property and investment update<br>Higher Education update<br>University partnerships update |
| <b>NOVEMBER</b>  | Sustainability and Positive Impact update  |        | Budget 2024 themes   |  | Customer and operations update  |
| <b>DECEMBER</b>  | Board & Committee evaluation feedback<br>Whistleblowing review<br>Terms of reference review<br>Audit tender  | Group strategy review<br>Annual tax strategy and tax review<br>Data and technology update | Principal and emerging risks review<br>2024 budget approval  | Pay award and bonus scheme<br>Workforce engagement update                            |        |



**BOARD ACTIVITIES** continued

## Board decision-making during 2023

## 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.

Throughout 2023 student support and fire safety remained priorities.

**Link to principal risk****Operational risk**

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

[Read more](#)

73

**What the Board did in 2023 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 foundation and support to help students fulfil their potential. Through the Board's oversight in 2023, we developed a student assistance programme as part of our Support to Stay framework. This helpline provides our customers with 24/7 access to a counsellor-led triage service and supports our aim 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 5.

**Fire safety:** the Board and the Health & 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.

The Board and Health & Safety Committee review and monitor our implementation of the requirements of the Building Safety Act 2022, which has been fully embedded into day-to-day workings of the business.

**Security:** The safety of our students and employees is paramount and through oversight of the Board and the Health & Safety Committee, we carried out a full review of security across the entire estate and highlighted buildings where additional security measures were needed. Planned improvements to security will continue into 2024.

[Read more in the Health & Safety Committee Report](#) 123

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](#)

72

The Board reviewed analysis of the Higher Education accommodation sector, to ensure 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.

Continued Board 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](#)

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**BOARD ACTIVITIES** 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](#)

72

**What the Board did in 2023 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.
- Competitive advantage.

[Read more about Operations review](#)

32

[Read more about Stakeholder engagement](#)

16, 99

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](#)

78

The Board reviewed the effectiveness and risks surrounding our technology and information security and its governance.

The Board received regular updates from management on the progression of the technology upgrade project and on the Company's maturity in cyber security.

## BOARD ACTIVITIES continued

## Board decision-making during 2023 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 Students to lead the living sector on sustainability issues and be in the leading group of real estate companies in the wider sector.

## Link to principal risk

## Sustainability/ESG risk

Failure to meet sustainability related reporting requirements and stakeholder expectations.

[Read more](#)

76

## What the Board did in 2023 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 in our stand-alone Sustainability Report.

The Board has remained up to date with ongoing ESG regulatory and reporting requirements and has met with management to receive updates on compliance; providing appropriate challenge to ensure we meet our obligations.

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.

The Board oversaw the Unite Group's launch of the Sustainable Procurement Framework in early 2023. This framework included a refreshed Sustainable procurement policy which requires, among other things, suppliers to have policies in place regarding the minimum legal age of employment and compliance with local laws regarding working hours and overtime.

In addition the Board also had oversight of the launch of our Sustainable Construction Framework which will inform how we procure future net zero developments.

## 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](#)

73

The Board continue to oversee the cladding remediation programme and the progress against its delivery.

The Board continues to have oversight of the works being undertaken in respect of fire safety.

## Employee wellbeing:

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

## People risks

Loss of talent and capability.  
Keeping pace with changes required to ensure we meet our DEIBW goals.

[Read more](#)

75

Ilaria del Beato remains the Board's Designated Non-Executive Director for Workforce Engagement to help ensure the views and concerns of the workforce are brought to the Board and taken into account.

Through our Culture Matters forum, the Board monitors employee engagement and issues which are important to our employees.

The Board also has oversight of our Diversity, Equity, Inclusion, Belonging (DEIB) and Wellbeing strategy and progress against objectives.

[Read more about employee wellbeing and DEIB initiatives under Workforce engagement](#)

94

## Higher Education Government Policy:

Continued focus on potential Higher Education Government Policy changes.

## Market risk

Supply and demand.

[Read more](#)

72

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



## BOARD ACTIVITIES continued

## STRATEGIC OBJECTIVE

## A responsible and resilient business continued



## Board's governance role

## Covenant compliance:

Group Board oversight of our Covenant compliance under debt facilities.

## Link to principal risk

## Financing risk

Failure to comply with contracted Covenants.

[Read more](#)

79

## What the Board did in 2023 and its decision-making

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 in the Financial review](#)

41

## Capital structure:

Unite Group Board focus on a strong and flexible capital structure, which can adapt to market conditions, and reduce and diversify the cost of funding.

## Financing risk

The increasing cost of debt and being unable to obtain funding at a cost that is within our risk appetite.

[Read more](#)

79

Board oversight of our capital structure, including the £600 million sustainability-linked unsecured revolving credit facility.

The Board approved the £300 million capital raise in July 2023 which received strong investor support. The proceeds will be used to grow our committed pipeline and increase investment into our existing estate through asset management projects to enhance future returns.

[Read more in the Financial review](#)

41

## Leadership development and succession planning/talent pipeline

Retain a high performing workforce with suitable succession plans and a focus upon diversity, equality, inclusivity, belonging and wellbeing goals.

## People risk

Lack of strategic leadership capability to deliver a challenging business strategy.

[Read more](#)

75

The Nomination Committee focused on Board succession and diversity, as well as our wider leadership talent pipeline and development.

The Board approved the appointment of Angela Jain as Non-Executive Director with effect from 1 August 2023.

Joe Lister was appointed as Chief Executive Officer replacing Richard Smith who stepped down with effect from 31 December 2023. Mike Burt was also appointed as Chief Financial Officer from 1 January 2024.

[Read more about succession planning/talent pipeline](#)

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**BOARD ACTIVITIES** continued

## Board decision-making during 2023 continued

## 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 accretive to shareholder returns.

**Link to principal risk****Property/development risk**

Inability to secure the best sites on the right terms, at a suitable level of return on investment.

[Read more](#)

74

**What the Board did in 2023 and its decision-making**

Board oversight of:

1. Delivery of our new 2023 property: 705-bed Morriss House in Nottingham, with a total development cost of £57 million.
2. The £24 million refurbishment of three existing properties in London, Birmingham and Edinburgh.
3. Progress with the purchase of a new 800-bed property in central Glasgow, adding to our already 3,000-bed portfolio in the city.
4. Approval of the build contract to develop a new 596-bed property at the heart of Bristol's biggest-ever regeneration project, Temple Quarter.

[Read more about](#)**development and partnership activity**

36

**Disposals:**

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

**Property/development risk**[Read more](#)

74

Board oversight and monitoring of disposal activity to enhance our overall portfolio quality and fund reinvestment.

**Dividend Policy:**

Board governance role in framing of our Dividend Policy.

**Financing risk**

Unable to renew or secure debt funding to meet committed business plans and having to cut dividends.

[Read more](#)

79

Board approval for recommended dividend payments, based on a target payout ratio of 80% of adjusted EPS.



## BOARD ACTIVITIES continued

### 2023 effectiveness review

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 and ethnicity), 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 2023, the evaluation was conducted by Independent Audit Limited (who have no other connection to the business or Directors).

### Board and Committee effectiveness review

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 the Board 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. Independent Audit Limited conducted follow up interviews with each member of the Board and Company Secretary in addition to observing a Board meeting during Q3. The conclusions were discussed by the Board and each Committee at their meetings in Q4 of 2023.

### Conclusion from this year's Board and Committee effectiveness review

The general conclusion was that the Board and its Committees have many strengths and work hard to ensure oversight and governance responsibilities are fulfilled. Key areas of strength included the range of skills, experience and thinking styles of the Non-Executive Directors to challenge and support the Executive team. The consensus from the Directors' assessment of themselves 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 with 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:

- Develop a better understanding of how technology is enabling our strategy.
- A better understanding of the challenges posed by IT security, particularly regarding cyber risks and mitigations in place.
- More opportunities for the Board to meet the wider business and oversee the culture at Unite Students.

The Board and each of its Committees reviewed the suggestions and outcomes of the Board evaluation and have developed an implementation plan. No changes to the Board are anticipated following this effectiveness review.

### Progress against the 2022 Board evaluation recommendations

| 2022 Board evaluation recommendations   | 2023 Progress against these recommendations  |
|---|--|
| 1. Create more opportunities for the Board to have more informal time together, as well as more opportunities to meet the wider leadership team and hear from lower levels of management. | The Board were able to meet regularly in our operating cities and will continue to do so into 2024. During 2023, members of the wider leadership team were invited to spend informal time with the Board outside of meetings.  |
| 2. Improve the Board's understanding of technological shifts and its impact for our customers.  | Strategy and growth opportunities were regularly discussed in the Board during 2023. In addition, a detailed tech review and update was presented to the Board including an exploration of technological shifts and its impact for our customers.                    |
| 3. Improve Board awareness of our cyber-attack readiness and our overall IT security.   | Our risk management framework, which includes our information security risk, is regularly discussed and reviewed in our Audit & Risk Committee. We also considered our principal risks in the Board which include our information security and data protection risk. |
| 4. A better understanding of our people issues and data for improved organisational insight.  | People strategy and People data were regularly discussed in Board and Committee meetings and a wider People strategy update was presented to the Board during 2023.  |
| 5. More time to discuss our Board composition and succession planning.  | In addition, improved People data has been available to the Board since early 2023.  |
|   | The Board and Nomination Committee held dedicated succession planning and talent mapping sessions throughout the year, including insights into key People data, our culture and values.  |

## NOMINATION COMMITTEE



### Committee membership

**Richard Huntingford**

Chair of the Nomination Committee

**Nicky Dulieu**

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

**Angela Jain**

Non-Executive Director

Number  
of meetings

4

Attendance

See page 102

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.

## PEOPLE GOVERNANCE

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

*"Board succession planning for Executive roles was an ongoing focus for the Committee during the year, to ensure a deep, diverse and inclusive talent pipeline for future Board appointments. The Board also 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."*

**Richard Huntingford**

Chair

#### Nomination Committee Chair's overview

The Committee is focused on succession planning, with an emphasis on Executive succession planning, our talent and leadership development and growing the diversity of the Board and Executive management.

#### Composition

The Committee consists of all the Non-Executive Directors including Angela Jain, who joined the Board as a Non-Executive Director on 1 August 2023.

#### 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 and ethnicity.
- Regularly review the structure, size, composition, skills and experience of the Board and to make recommendations with regard to any adjustments considered necessary.
- When it is agreed that an appointment to the Board should be made, lead a selection process that is formal, rigorous and transparent.
- Be responsible for identifying, reviewing and recommending candidates for appointment to the Board.



## NOMINATION COMMITTEE continued

### Review of Board composition and succession planning

At the start of 2023, the Nomination Committee started a search for a new Non-Executive Director with assistance from an external search consultancy, MWM Consulting. Aside from its involvement in other Director and succession search processes (including that of Nicky Dulieu in 2022), MWM Consulting has no other connection with the Company or any individual Directors and is a signatory to the Enhanced Voluntary Code of Conduct for Executive Search Firms. Following an extensive search, Angela Jain was appointed as a Non-Executive Director on 1 August 2023. Angela brings a wealth of knowledge and understanding of young people, along with wide ranging digital, brand and communication expertise, from her extensive experience in unscripted television focused on younger audiences. Angela's appointment also supports the development of a more diverse pipeline at Board level. I am delighted she has joined the Board and look forward to working with her.

Board succession planning for Executive roles was also an ongoing focus for the Committee during the year, to ensure a deep, diverse and inclusive talent pipeline for future Board appointments. The Committee was supported by independent consultants, MWM Consulting and Redgrave Partners, in its succession planning. Redgrave Partners has no other connection with the Company or any individual Directors and is a signatory to the Voluntary Code of Conduct for Executive Search Firms.

Following Richard Smith's decision to step down as Chief Executive Officer, the Nominations Committee proposed the Board appoint Joe Lister as Chief Executive, effective 1 January 2024. The Nomination Committee and Board regarded him as an outstanding candidate ideally equipped to lead the Company as it continues to execute on its proven strategy and deliver high-quality growth.

Following Joe's appointment as Chief Executive Officer, Mike Burt, Group Investment Director, was promoted to Chief Financial Officer, also effective 1 January 2024.

With the addition of Angela Jain and the changes to Chief Executive and Chief Financial Officer, the Committee believes the Board currently has the correct balance of skills, experience, independence and knowledge.

The Committee will continue to oversee 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 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.

### Board Diversity Policy

The Board and Nomination Committee drive the agenda for diversity across the business. We are making progress, but recognise we still 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).
- (b) Ensure Unite Group 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 recommending 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.

We made further progress on implementing the Board Diversity Policy during the year. As described above, Angela was appointed to the Board on 1 August 2023 and we are delighted to have met all three of the Board diversity targets set out in the UK Listing Rules for the first time this year:

- 40% of the Board are women.
- One of the senior positions on the Board (SID) is held by a woman.
- We have one Director from a minority ethnic background.



**NOMINATION COMMITTEE** continued**Board and senior leadership diversity**

The Company reports our Board and Executive management diversity data, as at 31 December 2023, in accordance with the UK Listing Rule targets and associated disclosure requirements.

The Board is fully committed to ensuring diversity at all levels of the Company and as at 31 December 2023, has complied with the Parker Review's recommendation that each FTSE 250 board should have at least one Director from a minority ethnic background by 2024. The Board continues to review its composition on an ongoing basis and, in line with the Parker Review, has committed to a target of 10% ethnic minority representation in senior management by 2025, ahead of the main 2027 target.

**Gender identity and ethnicity as at 31 December 2023**

|                                 | 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) | 9                       | 90%                     | 4   | 7                              | 90%                                |
| Mixed/Multiple ethnic groups                                   | 0                       | 0%                      | 0   | 0                              | 0%                                 |
| Asian/Asian British  | 1                       | 10%                     | 0   | 1                              | 10%                                |
| 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%                                 |

**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.

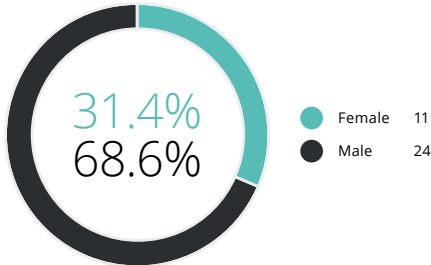
Each Director and member of the Executive management team is asked to complete a standard form questionnaire on a confidential and voluntary basis, through which the individual self-reports on their ethnicity and gender identity (or can specify that they do not wish to provide such data). The criteria 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.
- 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.

**NOMINATION COMMITTEE** continued**Gender diversity for the purposes of the UK Corporate Governance Code**

## Gender diversity



As of 31 December 2023, the number of women in the Executive Committee and their direct reports (including the Company Secretary as required by the Code) was 11 (out of a total of 35) representing 31.4% of this Group.

|   | Male         | Female       | Total       |
|---|--------------|--------------|-------------|
| Executive Committee and Company Secretary | 6            | 2            | 8           |
| Direct reports                            | 18           | 9            | 27          |
| Total                                     | 24           | 11           | 35          |
| <b>Total (%)</b>                          | <b>68.6%</b> | <b>31.4%</b> | <b>100%</b> |

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 of the Nomination Committee

27 February 2024



## AUDIT & RISK COMMITTEE



### 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

## 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 2023, the Committee continued to focus on the quality and integrity of the financial statements alongside its oversight of risk and internal controls. The Committee also ran a tender process for the Group's external auditor."*

**Ross Paterson**

Chair

Number  
of meetings

5

Attendance

See page 102

### 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 loan covenant compliance, by reviewing various scenarios for future performance.



## AUDIT & RISK COMMITTEE continued

The Audit & Risk Committee undertook a review of its effectiveness in August 2023. 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 2024.

During 2023, 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 reappointed as auditor in 2024.

At the conclusion of the 2024 audit cycle, Deloitte will have been the Group's auditor for 10 years and as such, at that time we would be required to re-tender the audit. After consulting with external auditors, management was advised that resource in the market was stretched and that it would be good practice to run the tender process in 2023, allowing sufficient time for a smooth transition to new auditors, should one be required. The Audit & Risk Committee considered this and agreed with management to run the process in the latter half of 2023. The tender process concluded in December 2023 and the Audit & Risk Committee recommended both Deloitte and another firm to the Board as potential auditors, with a justified preference to reappoint Deloitte as the Group Auditors with effect from 1 January 2025.

Oversight of internal audit and risk management is 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. A third-party was engaged to undertake an assessment over cyber security in 2023.

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 93 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 and former 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 full Audit & Risk Committee met five times during the year and attendance at those meetings is shown on page 102 of this Corporate Governance statement. In addition, a sub-Committee of the Audit & Risk Committee met separately to consider the bids of audit firms that took part in the audit tender and to make a recommendation to the Board over whom to appoint as Group auditors with effect 1 January 2025. 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.

During 2023, at my invitation, meetings were attended by the Chair of the Board, the Chief Financial Officer, the Group Investment Director, the Group Finance Director, and the Group Risk & Assurance Director. I also invite our external auditor, Deloitte, to all meetings, with an exception this year, when the Committee met to discuss the audit tender. 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.

## AUDIT & RISK COMMITTEE continued

As discussed above, the effectiveness of the external audit function was considered during 2023. 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 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 continued to monitor and consider developments in corporate governance and reporting regulations. The Group has continued to make enhancements to its corporate governance, including in respect of reporting on internal controls, and welcomed the publication of the Corporate Governance Code 2024 on 22 January 2024 and the further guidance that was published on 29 January 2024. The Committee has considered the new IFRS Sustainability Disclosure Standards which, based on FCA guidance will become effective for UK companies for reporting periods from 1 January 2025. Work is underway to ensure the Group appropriately applies these within the required timescale. The Audit & Risk Committee will continue to review the potential impact of developments in corporate governance and reporting regulations on the Group with management. A dedicated Audit & Risk Committee meeting focused on this area of potential change was held on 9 October 2023, where further detail was provided by experts from Deloitte.

The Audit & Risk Committee, supported by the finance management team, ran a tender process for the external audit. The tender process concluded in December 2023 and the Audit & Risk Committee recommended both Deloitte and another firm to the Board as potential auditors, with a justified preference to reappoint Deloitte as the Group auditors with effect from 1 January 2025.

### Financial reporting

The primary focus of the Audit & Risk Committee, in relation to financial reporting in respect of the year ended 31 December 2023, 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 considered the following:

- A review of what fair, balanced and understandable means for Unite Students.
- 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 page 23), risk reviews (as described on pages 67-79), business model and strategy (as described on pages 14-17 and 3-9).
- 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 Team 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 2023 financial statements related to Property valuations.

### 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 key assumptions could have a significant impact on the carrying value of these assets.

Management discusses the underlying performance of each asset with the external valuers and provides detailed performance data to them including rents, university lease agreements, occupancy, property costs and costs to complete (for development properties). Management receives detailed reports from the valuers and 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 2023 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.



## AUDIT & RISK COMMITTEE continued

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 (CBRE, JLL and Knight Frank) 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. Based on 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 36–40.

### 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.

#### SaaS accounting

The Group has a number of contracts for Software as a Service (SaaS) cloud computing arrangements.

In March 2019, the IFRS Interpretation Committee (IFRIC), concluded on its assessment of the application of IAS 38 intangible Assets in respect of SaaS arrangements. IFRIC concluded that SaaS arrangements are likely to be service arrangements, rather than intangible or leased assets, because the customer only has the right to use the software on a supplier's cloud infrastructure. Therefore, the supplier controls the software and not the customer.

During the year, the Group identified that a portion of costs capitalised in 2022 meet the definition of SaaS arrangements and has made an adjustment to Intangible Assets to remove the amounts. Further information is set out on page 34.

### 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.

The Audit & Risk Committee's 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 Committee 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 67–79.

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 Committee has delegated responsibility to management for establishing effective risk management and maintaining adequate internal controls, although the Committee retains 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 continued with the third line of defence audits in our operations, utilising a framework of Operational Compliance Audits for our 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 four other pieces of internal audit work.



## AUDIT & RISK COMMITTEE continued

The first was a review over compliance with Senior Accounting Officer requirements; the second was over the Starters, Leavers, Movers process in place; the third was a post incident review over the Escape of Water; and the fourth was a review of the Health & Safety Management System in place. The team also undertook follow-up reviews of the CCTV, Asbestos and GDPR audits from 2022 and two post-project reviews over refurbishments at two of the Group's properties. A Cyber Maturity Assessment was undertaken by external experts and overseen by the Group Risk & Assurance team.

Overall, the conclusion of all audits was that whilst improvements can be made to processes audited, there were no significant issues and controls were adequately designed. All reports noted there were some areas of improvement required to maximise controls and operational efficiency, which management is in the process of implementing.

The Audit Committee has carried out a review of the Company's risk management and internal control systems. Any control weaknesses that are identified are monitored and addressed in the normal course of business, and no control weaknesses that are material to the Group were identified in respect of 2023.

### 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 2023 financial year, the significant risks identified were in relation to valuation of properties 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 reports from management on how these risks are being addressed.

For the 2023 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.

### Independence and external audit tender

The Audit & Risk Committee considers the reappointment of the external auditor (including the rotation of the audit partner which is required every five years) each year and assesses its independence on an ongoing basis. 2023 is the ninth 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 2023 following completion of the 2022 audit.

The Audit & Risk Committee also regularly considers when it next intends to complete a competitive tender process for the Company's external audit. Given that the 2024 audit will be Deloitte's tenth year auditing the Group, a tender for the 2025 audit is required by applicable law and regulations. In the meantime, the Committee remains satisfied with Deloitte's effectiveness and independence. The Committee and the Board therefore decided to undertake an audit tender process with a view to any change of auditor taking effect for the 2025 audit. The Committee was mindful of capacity constraints in the audit market, the need to allow a cleansing period for any audit firm currently providing non-audit services to the Group, and the need to allow for a sufficient transition period for any change of auditor. Accordingly, we conducted an audit tender in 2023.



## AUDIT & RISK COMMITTEE continued

The Committee agreed with the Board the criteria that would apply to assessing audit firms' proposals. Those criteria focused on audit quality (including independence, professional scepticism, technical competence and expertise in real estate accounting and audit) and willingness to constructively challenge. As part of the assessment of audit quality, the Group reviewed applicable public reports on firms by the Financial Reporting Council and asked each firm that bid for the audit to explain what risks it saw to audit quality. The Committee considered, but decided not to proceed with, a price-blind audit tender but agreed with the Board that audit quality, and not price, would be the primary criterion on which firms' proposals were assessed. The Committee considered the criteria applied to be non-discriminatory.

The Group invited several challenger firms to participate in the audit tender in addition to inviting the four major UK audit firms, including Deloitte. None of those challenger firms wished to participate.

In December 2023, the Committee recommended both Deloitte and another firm to the Board as potential auditors, with a justified preference to reappoint Deloitte as the Group auditors with effect from 1 January 2025. The Board considered and supported the Committee's recommendation and intends to reappoint Deloitte. 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.

The Committee continued to monitor and manage other audit firms undertaking non-audit services for the Group, including considering the audit tender explained above.

During 2023, the Committee considered the potential for an audit firm to be appointed to support the Group's ongoing technology transformation, but the tender process for that resulted in the appointment of an organisation that does not generally provide statutory audit services. The Committee also considered tax services being provided by an audit firm and the interaction with the audit tender. 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 2023 were £0.1 million (2022: £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 2023 can be found in note 2.6 to the consolidated financial statements on page 197. 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 2023 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.

### Engagement with shareholders

As part of the Group's wider programme of shareholder engagement, the Group offered our major shareholders the opportunity to speak directly with me in my capacity as Chair of the Audit & Risk Committee. None of those shareholders requested such a discussion.

### 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 the 2023 Effectiveness Review found on page 109.

### Ross Paterson

Chair of the Audit & Risk Committee

27 February 2024



## SUSTAINABILITY COMMITTEE



### Committee membership

**Dame Shirley Pearce**

Chair of the Sustainability Committee

**Joe Lister**

Chief Executive Officer

**Ilaria del Beato**

Non-Executive Director

**Ross Paterson**

Non-Executive Director

Number  
of meetings

4

Attendance

See page 102

## SUSTAINABILITY GOVERNANCE

**As a responsible and sustainable business, we want our places to deliver sustainable growth for our people, our communities and the planet.**

*“The Sustainability Committee works to ensure the continued implementation of the Sustainability Strategy and that its ambitions and targets become business as usual for our employees.”*

**Dame Shirley Pearce**

Chair

**During the year, the Sustainability Committee continued its oversight of our Sustainability Strategy, which is 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. Our Sustainability Strategy provides the framework to achieve our key objectives of creating a positive impact, through people and places.**

The Sustainability Committee regularly reviewed the Group’s performance against its targets and ambitions, to ensure Unite Students is a responsible and resilient business. With oversight from the Sustainability Committee, Unite Group focused on driving lasting improvements in sustainability performance supported by increased sustainability awareness and engagement across the business and its wider stakeholders.

During 2023, the Sustainability Committee undertook an external review of its effectiveness. The review found that the Sustainability Committee is working effectively and going into 2024, the Committee will continue to develop knowledge across the evolving ESG landscape.



## SUSTAINABILITY COMMITTEE continued

### Sustainability Committee activities in 2023

- Monitored the implementation of our Sustainability Strategy and reviewed sustainability-related risks including climate-related risks.
- Supported the development of our Sustainable Construction Framework and our Sustainable Procurement Framework.
- Oversight of the successful delivery of £8.2 million energy efficiency capital projects.
- Oversight of our commitment to invest 1% of adjusted profits to social initiatives including funding for the Unite Foundation.
- Monitored the continued implementation of our People strategy and progress towards our Diversity, Equity, Inclusion, Belonging (DEIB) & Wellbeing targets.

### 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.**

During the year, there was an increased focus on embedding sustainability across the business through a new programme of communication and updated procurement policies, DEIB training and onboarding. The NUS Positive Impact programme, a collaboration between the business and the National Union of Students, has helped drive employee engagement and during the year we saw an increase in employee volunteering and community projects. You can read more about our Positive Impact programme on page 17.

The Sustainability Committee also receives regular engagement updates from the wider leadership team and our Designated Non-Executive Director for Workforce Engagement who hears first-hand feedback from across the business via their participation in the Culture Matters employee forum. This feedback helps the Sustainability Committee monitor the progress of the Group's DEIB strategy, We are US, which launched in 2022. During 2023, the strategy focused on consistent and inclusive leadership and business behaviours alongside the increase in diversity across the business. Further details of our DEIB & Wellbeing strategy can be found on page 95.

Our regular employee surveys demonstrate our commitment to employee engagement and allow us to address concerns raised by all teams. The feedback of these surveys is presented to the Board which monitors the process for identifying and addressing concerns raised by the employees. 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. Through engagement with the Sustainability Committee, the business carried out a review and refresh of our People policies and rolled out new wellbeing initiatives to employees.

The Sustainability Committee oversaw a business-wide focus on embedding our Sustainability Strategy, including a pilot scheme to trial different approaches to engaging students on energy and water consumption and a strong focus on sustainability running through our new procurement policies in our stand-alone Sustainability Report. Increased participation in our Positive Impact programme and volunteering were key measures of employee engagement during 2023.

### 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 works to ensure the continued implementation of the Sustainability Strategy and that its ambitions and targets become business as usual for our employees.

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.

To support our targeted energy reductions, the Sustainability Committee has overseen the £8.2 million of energy initiatives delivered in the year including LED lighting, smart water tanks, solar PV and smart heating controls. During 2023 the Committee supported a review of energy efficiency projects delivered in 2022 and 2023 to assess performance versus original expectations. The outcome of this review determined annualised savings from projects completed in 2022 and 2023 will deliver a c.4%/year reduction compared to our 2019 base year. This review will help inform ongoing energy efficiency plans in 2024 and beyond.

Keeping in mind the importance of improving sustainability performance in our development activity, the Sustainability Committee supported the launch of our first Sustainable Construction Framework. This framework sets out our approach to sustainable design and construction and complements our Net Zero Carbon Pathway and other sustainability commitments.

## SUSTAINABILITY COMMITTEE continued

### 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 to build on work done as an early adopter of the Task Force on Climate-related Financial Disclosures (TCFD) recommendations to improve our management of climate-related risks. The ongoing improvement in our climate disclosures supported a two-point improvement in GRESB rating from 2022 to 2023, up from 84 to 86, and retained a four-star rating. Alongside governance, oversight of compliance with the UK Government's official update to EPC Minimum Energy Efficiency Standards requirements was a key focus for the Sustainability Committee during 2023. As a result of a concerted focus on improving the quality of EPC surveys, the impact of capital investments made, and changes to the Government's EPC calculation methodology, the Unite Group achieved significant improvements in EPC ratings in 2023 with 99% of properties now rated A-C, (the new minimum standard which takes effect in England and Wales from 2027). The Sustainability Committee will continue to review and monitor EPC compliance across all properties.

### Priorities for 2024

The aims for the coming year include continuing to oversee the implementation of the Sustainability Strategy with regular reviews of sustainability targets and performance.

The Committee will oversee the £12 million investment into energy efficiency projects during 2024 and continue to monitor the decarbonisation and climate resilience of our business to ensure our plans remain credible and meet stakeholder expectations, while protecting the business from material financial risks. The Committee will also continue to monitor developments relating to climate-related risk to ensure the Group's net zero carbon ambition evolves to remain in line with emerging expectations, guidance and regulation in this area.

Following the launch of our Sustainable Procurement Framework in 2023, the Committee will monitor the impact of our supply chain on the Group's sustainability objectives. There will also be a continued focus to support increased sustainability engagement amongst our people and customers.

Alongside this, the Committee will maintain oversight of our ongoing commitment to invest 1% of adjusted profits into social initiatives, which align with Unite's wider purpose of providing a Home for Success.

The successes of this last year outlined in this report are a consequence of the exceptional expertise in our core Sustainability team and the commitment of the Executive to embed our sustainability objectives in the day-to-day work of the business. This is not easy and requires changes in behaviour at all levels of the Company. The progress that has been achieved to date gives confidence that we can meet the challenges of the future.

### Dame Shirley Pearce

Chair of the Sustainability Committee

27 February 2024



## HEALTH & SAFETY COMMITTEE



### Committee membership

**Professor Sir Steve Smith**  
Chair of the Health & Safety Committee

**Joe Lister**  
Chief Executive Officer

**Dame Shirley Pearce**  
Non-Executive Director

**Angela Jain**  
Non-Executive Director

**Ilaria del Beato**  
Non-Executive Director

Number  
of meetings

4

Attendance

See page 102

## 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 Committee monitored the implementation of the Support to Stay framework, which provides a supportive living environment to help students fulfil their potential, regardless of any medical, physical or mental health difficulties.”*

**Professor Sir Steve Smith**  
Chair

**Health and safety is at the heart of all we do. Throughout 2023 the Health & Safety Committee continued to oversee and drive improved health and safety practices while reviewing the Unite Group’s health and safety performance.**

Each year the Health & Safety Committee reviews its performance and evaluates its effectiveness. During 2023, this evaluation was conducted externally by Independent Audit Limited. The review found that the Health & Safety Committee continue to work effectively.

### 2023 highlights across health and safety

#### Student safety and support

Our operating model means that all our buildings have 24/7 round-the-clock support, 365 days a year. The Committee monitored the implementation of the Support to Stay framework, which provides a supportive living environment to help students fulfil their potential, regardless of any medical, physical or mental health difficulties. Through the Support to Stay framework, we launched a new student assistance programme providing students with confidential 24/7 access to a wellbeing helpline. The student assistance programme also provides access to financial and legal information.



## HEALTH & SAFETY COMMITTEE continued

### Employee health and wellbeing

Our employee support framework defines our commitment to creating a healthy and happy workplace for our employees. This framework ensures employees are getting the information they need regarding health and wellbeing benefits and the support available. During the year we rolled out new wellbeing initiatives including:

- Wellness action plans to support the development of healthy working patterns.
- Post-incident employee support management, ensuring all employees receive adequate support.
- A new wellbeing platform offering a range of resources encouraging a self-led approach to wellbeing.

### Health and safety training

We continued to deliver health, safety, security, fire and wellbeing training courses to our existing employees and new starters, in addition to mandatory e-learning modules for all employees. During the year, and working in conjunction with the Academy, our employees undertook fire marshall training and we rolled out enhanced security training including personal safety and conflict management.

### Safety management system

During 2023, we carried out a comprehensive safety management system review working alongside our internal Risk & Assurance team. As part of this review, we are focused on updating our policies and procedures related to health, safety, security and fire to ensure they remain aligned with current standards and best practice. Into 2024, we will focus on the development and implementation of a comprehensive Health & Safety management system.

### H&S inspections

Our Risk & Assurance team continued to carry out H&S and security inspections throughout our buildings to ensure compliance. We also recruited a dedicated Standards Manager to establish the safety standards for the business, with a robust Compliance Framework implemented to audit each property at least once a year across these core safety standards.

### Security review

Keeping in mind the paramount importance of safety across the business, the Health & Safety Committee supported a proactive and comprehensive physical security review of our entire estate to better understand the risks and create more tailored mitigation plans. As we move into 2024, the Health & Safety Committee will oversee the implementation of additional security improvement options.

### Building Safety Act 2022

Following the implementation of the Building Safety Act 2022, during the year we completed the relevant registrations and compliance responsibilities as required. The Health & Safety Committee will continue to oversee the progress on the Building Safety Act and monitor the Group's compliance.

### Fire safety during 2023

#### Fire safety team

During 2023, our investment and commitment to improving fire safety performance continued. We have a proactive approach to fire safety with a dedicated Fire Safety team in place. This team have valuable hands-on knowledge and experience from fire authorities to ensure we continue to deliver on our Safe and Secure promise.

Our Fire Safety team also work closely with several 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. With the increasingly complex and dynamic regulatory environment, we expect these strong relationships will continue through 2024.

The way that we manage our fire risk comes from the responsibility we have to our customers living with us. Our motivation of Doing what's right and Keeping everyone safe in line with our values led the Fire Safety team to increase fire safety engagement with our customers ahead of the 2023/24 academic year, followed by regular fire safety communication during Fire Safety Week and throughout the academic year.

#### Authority inspection activity

Throughout 2023, there was a continued increase in authority inspection activity by Fire Authorities and local authorities alongside the Department for Levelling Up, Housing and Communities. These inspections have been helpful and collaborative, allowing us to better understand responsibilities and evolving fire safety legislation. The Health & Safety Committee oversaw the progress of this inspection activity throughout 2023.

#### Fire Safety Regulations and Fire Safety Act 2022

We continue to operate our day-to-day activities in accordance with the best practice approach following the introduction of the Fire Safety Act 2022 and Fire Safety Regulations 2022. The Committee continues to oversee our approach to ensure it is effective and efficient.

#### 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.

## HEALTH & SAFETY COMMITTEE continued

### Fire impairment management and cladding remediation

Through the Committee's oversight and recognising Unite Student's values and commitment to Doing what's right, our dedicated Fire Impairment team focused on the remediation of non-external façade-related impairments such as Passive Fire Protection and Smoke Vents. In total, 54 projects were completed in 2023 with any remaining work due to be completed in the first half of 2024. In addition, we completed fire safety improvements on 16 buildings across our estate during 2023.

We have made significant fire safety improvements across our properties and following a detailed governance review, new processes and procedures have been implemented to ensure improved ways of fire impairment management.

### Our development activity

During 2023, we successfully completed another safe year of development activity with the delivery of £57 million Morriss House in Nottingham. This 705-bed property welcomed students for the start of the 2023/24 academic year.

We also completed phase 1 of the refurbishment of Oak Brook Park in Birmingham in October 2023. This refurbishment saw updates to 371 bedrooms, kitchens and ensuite bathrooms, forming part of our wider £50-75 million annual improvements programme. The second phase of work is due to commence in 2024.

During the year work started on five new development sites in Lower Parliament Street, Nottingham; Rushford Court, Durham; Jubilee House, London; Abbey Lane, Edinburgh; and Feeder Road, Bristol. These sites have a combined student bed count of over 2,000. These developments are due to be delivered across the 2024, 2025 and 2026 academic years.

We also held four Contractor Forum meetings. These meetings allowed us to engage with our contractors and key stakeholders to enhance collaboration, improve our safety culture and strengthen the feedback loop for all those who work in our Development and Construction teams. As part of these Contractor Forum meetings, we were delighted to award two Safety Awards to contractors whose ideas encouraged innovative safety ways of working at development sites.

### Development safety – 2023 in review

- **Site safety** – We continued to work alongside our contractors to ensure our sites are safe to operate.
- **Wellbeing** – During 2023, we renewed our three-year charity commitment to Mates in Mind who provide mental health support and guidance for all our delivery sites. We also instructed the British Safety Council to conduct a Wellbeing Gap Analysis on the contractors across our development sites. The report acknowledged the positive steps taken to date, as well as identifying areas for improvement which will be implemented and embedded during 2024.
- **Safety reporting** – We actively encouraged safety observation and near miss reporting to help build a clearer picture of our day-to-day risk profile and to promote a transparent safety culture.
- **Third-party audits and inspections** – We have a robust site safety inspection regime in place with our framework adviser who attends each site monthly to audit standards and push improvements. During the year, we introduced a new assurance site safety inspector who conducts random site safety inspections each quarter. This independent assurance inspection has enabled us to verify that our framework inspector scoring is accurate and that our sites are achieving industry-leading standards, which far exceed statutory compliance.



**HEALTH & SAFETY COMMITTEE** continued**Safety performance in our development and refurbishment sites**

Our comprehensive approach to safety across our development and recladding activity, resulted in zero RIDDOR reportable injuries and 17 minor incidents in 2023. This represents good safety performance against the industry norm and is well within our Unite Students internal benchmarks.

|             | 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                         |
| <b>2023</b> | <b>843,533</b> | <b>0</b>             | <b>0.30</b>                    | <b>0</b>                | <b>17</b>                | <b>5.00</b>                        | <b>2.02</b>                 |

KPI calculated as: number of incidents x 100,000 hours/hours worked.

**Our focus for 2024**

Looking ahead to 2024, the Health & Safety Committee will:

- Oversee the governance of health and safety practices across the business while prioritising the safety of our customers, people, properties and our workplace as we strive to deliver our value, Keeping us safe.
- Support the ongoing commitment to fire safety remediations and security improvements across properties.
- Monitor the health and safety training of our frontline teams so our people can assist to deliver our Safe and Secure promise.
- Support our continued close relationships with our university partners to ensure student welfare is prioritised to help students deal with the financial and wellbeing pressures of university living.

**2024 safety priorities**

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

**Professor Sir Steve Smith**

Chair of the Health & Safety Committee

27 February 2024

## REMUNERATION COMMITTEE



### Committee membership

**Nicky Dulieu**

Chair of the Remuneration Committee

**Ross Paterson**

Non-Executive Director

**Dame Shirley Pearce**

Non-Executive Director

**Professor Sir Steve Smith**

Non-Executive Director

Number  
of meetings

5

Attendance

See page 102

## 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.**

*"During 2023 the Committee continued to focus on aligning remuneration with the long-term sustainable success of the Company. Alongside executive succession remuneration arrangements, the Committee focused on ensuring the real living wage was maintained for the wider workforce."*

**Nicky Dulieu**

Chair

**Dear Shareholder,**

**On behalf of the Board, it is my pleasure to present the Directors' Remuneration Report for 2023.**

**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 135 to 145 for both ease of reference and in order to provide context to the decisions taken by the Committee during the year.**

### Changes to the Executive team

In October, Unite Students announced several changes to its Board and Executive team for the forthcoming financial year, with the Committee tasked with determining the remuneration arrangements for outgoing and incoming Directors in line with the policy approved by shareholders.

After 13 years with Unite Students, including over seven years as Chief Executive, Richard Smith stepped down from the Board with effect from 31 December 2023. He will remain as an adviser to the business until 3 October 2024 to ensure a smooth handover of responsibilities and to provide advisory support on Unite Group's relationships with Higher Education partners and government stakeholders.





## REMUNERATION COMMITTEE continued

Richard will continue to receive base pay, pension and other contractual benefits until 3 October 2024 but he will not be eligible to participate in the 2024 annual bonus, nor will he receive a 2024 long-term incentive award. Reflecting the circumstances of his stepping down, to pursue a personal goal to support the education and development of young people – and noting also his long-service and proactive role in succession planning – Richard will be treated as a 'Good Leaver' for the purposes of his outstanding 2021, 2022 and 2023 PSP awards. Full details around the time pro-rating and performance testing of these awards are set out on page 156. Richard will also be subject to a post-exit shareholding guideline in accordance with the policy.

Richard is succeeded as Chief Executive by Joe Lister, who stepped into the role after 22 years with Unite Group, including 15 years as Chief Financial Officer. Reflecting his significant and relevant experience on the Board, and the expectation that he will be strongly placed to lead the Company as it continues to execute on its proven strategy and deliver valuable growth the Committee determined that Joe's remuneration package should be fully aligned with that of his predecessor. Specifically, Joe will receive a base salary of £606,900 (the same as the former CEO after the application of the 5% senior management pay increase for 2024), a pension contribution of up to 11% of salary, a maximum annual bonus opportunity of 140% of salary and an annual LTIP award of 200% of salary. Joe's shareholding guideline will also increase from 200% to 250% of salary.

Mike Burt was promoted from Group Investment Director to Chief Financial Officer, joining the Board with effect from 1 January 2024. In setting Mike's remuneration, the Committee sought to balance his wealth of sector experience with the fact that this will be his first PLC Executive Director role. Taking these factors into consideration, Mike's starting salary was set at £393,750 (a 10.5% discount to his predecessor). In line with the policy, the Committee reserves discretion to increase Mike's salary to market levels over the short to medium term subject to his performance and development in role, noting that this may necessitate higher percentage increases than awarded to the wider employee population. The remainder of Mike's package will be aligned with his predecessor, namely a pension contribution of up to 11% of salary, a maximum annual bonus opportunity of 140% of salary and an annual LTIP award of 200% of salary. Mike's shareholding guideline will be 200% of salary.

### 2023 performance and reward

2023 was another strong year for Unite with record earnings, dividends, occupancy and reservations driven by the effort and commitment of our teams across the country, and with continued progress against our three key strategic objectives.

The Group continued to deliver for customers and universities, with service and product initiatives driving a four-point increase in customer NPS and continued thought-leadership, proactive engagement and an unerring focus on student welfare resulting in our highest-ever Higher Education NPS score – a particularly impressive outcome given the challenges of 2022. Unite also continued to deliver attractive returns for shareholders, with financial highlights including a 13% increase in earnings and an 8% increase in dividends, with the latter helping to offset a small decrease in EPRA NTA to deliver a positive Total Accounting Return for the year. In July, the Group also completed a successful £300m equity raise to help accelerate its investment into development and asset management over the coming years. Finally, on being a responsible and resilient business, good progress was made against Unite Group's 'People and Places' sustainability framework, including further significant investments in energy initiatives, a two-point improvement in the Group's GRESB score and the recent publication of an ambitious Sustainable Construction Framework roadmap.

The Committee decisions around Executive remuneration continue to be framed by the Group's broader performance context, and in light of the above – as well as other relevant considerations – we approved the following in respect of 2023:

### Salaries

As disclosed in last year's report, the salaries of both Executive Directors were 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% – with implementation of larger planned increases being delayed to a future date.

During the year, the Committee resolved to implement the remainder of the phased uplift for Executive Directors, and approved further increases of 7.4% and 3.9% for Richard Smith and Joe Lister with effect from 1 July 2023, bringing their total 2023 salary increases to 10.6% and 7.0% respectively. In making this decision, the Committee took into account the collective and personal contributions of Executive Directors, as well as the strong mid-year trading update detailing the Group's record reservations for the 2023/24 academic year. The Committee also reflected on market practice which showed that the median 2023 salary increase for Executive Directors at FTSE 350 Real Estate companies had been 5%, with Unite Group's overall market competitiveness therefore continuing to deteriorate, despite strong relative performance.



## REMUNERATION COMMITTEE continued

### Annual bonus

The annual bonus scheme was operated in line with the Policy for Executive Directors in 2023. Following a review of performance against targets set at the start of the year, the Committee confirmed that Executive Directors will each receive bonuses of 55.0% of maximum (equating to 77.0% 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 maximum payouts recorded under the LTV, customer satisfaction and university reputation metrics, and above-target performance for the adjusted EPS and GRESB rating metrics. In-year performance against the TAR per share and employee engagement metrics, however, fell short of the target range set. The Committee has reviewed this outcome in the context of overall Group performance and believes that the outcome is both fair and appropriate. Further details, including bonus targets and outcomes, are included on page 149.

### Long-term incentives

Following the publication of TAR results by comparators with March 2023 year-ends, the Committee confirmed the final vesting of the 2020 LTIP awards as 18.7% – higher than that estimated in last year's report. This overall outcome reflected Unite's strong relative TAR in the final year of the performance period, being one of only seven companies to report positive year-on-year TAR growth and having overtaken four comparators compared to the two-year performance assessment.

LTIP awards made in April 2021 reached the end of their performance period as at 31 December 2023. 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 FTSE 350 Real Estate Supersector Index. Over the three-year performance period, Unite's relative TSR ranked above upper quartile versus the comparator group (equating to 100.0% vesting), whilst EPS performance was just above the threshold target (28.0% 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 above upper quartile. Overall estimated vesting of the 2021 LTIP is therefore 76.0%. Further details are included on page 150.

Also during the year, Executive Directors were each granted an award under the LTIP in April 2023 which will vest based on performance over the three financial years to 31 December 2025. Stretching targets linked to relative TSR, relative TAR and operational energy were disclosed prospectively in last year's report, whilst setting of the absolute EPS and EPC ratings targets was delayed slightly and disclosed in the 6 April 2023 market announcement. 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 155.

### Overall pay outcomes for 2023

Taken as a whole, the Committee is satisfied that overall pay outcomes in respect of the year ended 31 December 2023 are appropriate and accordingly we have not applied any discretion to this year's incentive outcomes.

### Implementation of the policy in 2024

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

As noted above, Joe Lister's starting salary as CEO will be aligned with that of his predecessor, taking into account the 2024 senior management pay increase of 5%. Mike Burt's starting salary as CFO has been set at £393,750.

The average salary increase across the Group will be 8.8%. As in 2023, the Group will operate a tiered approach to salary increases, with the majority of the budget targeted towards lower-paid colleagues. Unite Group maintains its commitment to being an accredited Real Living Wage employer and, for relevant individuals, has implemented the rates set by the Living Wage Foundation (10.0% in London and 10.1% across the rest of the UK).

### 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. Total employer pension contributions for the CEO and CFO are in line with the offering available to the wider employee population at 11% of salary.

### Annual bonus

Joe Lister and Mike Burt will participate in the 2024 annual bonus, with maximum opportunities of 140% of salary. There will be a small number of changes to the performance metrics and/or approach to measurement for 2024, including reverting back to using net debt to EBITDA in place of LTV and to using Higher Education Trust rather than NPS, as well as revising the Customer NPS metric to be based on year-round performance rather than just check-in. The Committee remains satisfied that the overall blend of financial and non-financial measures continues to support 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 the business plan. Further details, including the rationale for the various changes outlined above, are included on page 157.

### Long-term incentives

There will be no change to the operation of the long-term incentive in 2024. Joe Lister and Mike Burt will each receive an award of up to 200% of salary delivered through a combination of the PSP and ESOS. The Committee is not proposing any changes to the performance metrics used for the 2024 LTIP, which will continue to include two sustainability metrics. Further details are included on page 158.



## REMUNERATION COMMITTEE continued

### Non-Executive Director fees

The fee payable to the Chair of the Board will be increased by 7.5% in 2024, with a second stage increase to be considered for 2025. This reflects the outcome of a periodic review by the Committee of the responsibilities and time commitment of the role, relevant market data and a broader discussion around our philosophy on positioning fee levels at Unite Group. The most recent previous review took place in September 2020. Following a similar review by the Chair of the Board and Executive Directors, adjustments have been implemented for the Non-Executive Director base fee and the additional fee payable to the Senior Independent Director. Further details are included on page 151.

### 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 reviewed proposals for the introduction of a Restricted Share Plan to replace the PSP at certain below-Board levels – a scheme which is designed to support retention and provide a clearer reward outcome for individuals where line-of-sight to Group metrics is limited. As noted above, the Committee also reviewed proposals for the 2024 salary budget and the continued approach of tiered increases to support those colleagues most impacted by inflationary pressures.

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 increased from 42:1 to 54:1, driven primarily by the strong estimated vesting under the 2021 LTIP (76.0% vs. 18.7% for the 2020 LTIP). However, the ratio of median employee salary to the CEO fell from 23:1 to 19:1 reflecting the tiered approach to salary increases last year and the substantial Real Living Wage increase awarded to relevant individuals; whilst the ratio of median employee salary plus annual bonus to the CEO was broadly flat, recognising the similarity in outcomes under the schemes operated at all levels. 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 54 and 152, with the Committee pleased to note a further modest improvement in the mean gender pay gap in 2023. As for most companies, there is still work for Unite Group to do in this space and our Gender Pay Gap Report therefore references an action plan to further progress activity in this area over the short and medium term.

### Other Board changes during the year

Elizabeth McMeikan retired as Non-Executive Director, Senior Independent Director and Chair of the Remuneration Committee with effect from 28 February 2023 and I took over the latter two roles from the same date.

Angela Jain joined the Unite Group Board with effect from 1 August 2023, and is a member of the Health & Safety and Nomination Committees. Fees paid to Angela are in line with the fees paid to the other Non-Executive Directors, as disclosed on page 148.

### Looking ahead

The 2025 AGM will mark the third anniversary of the adoption of the current Remuneration Policy and in accordance with UK reporting regulations, we will be required to submit a new policy to shareholders for approval at this time. In line with Unite Group's approach for previous reviews, the Committee is planning to conduct a full review of existing remuneration arrangements during 2024, and will look to engage major shareholders to seek their input in due course. The Committee will continue to monitor market developments throughout the 2024 AGM season and will consider the appropriateness of any emerging trends for Unite Group. I hope that you find this report a clear account of the Committee's decisions for the year and would be happy to answer any questions you may have at the upcoming AGM.

### Nicky Dulieu

Chair of the Remuneration Committee

27 February 2024



## REMUNERATION COMMITTEE continued

### Overview of Unite Group remuneration policy and implementation

|                          | REMUNERATION IN RESPECT OF 2023   | OVERVIEW OF REMUNERATION POLICY  | IMPLEMENTATION OF POLICY IN 2024   |
|--------------------------|---|--|--|
| <b>Base salary</b>       | <ul style="list-style-type: none"> <li>Salaries increased with effect from 1 January 2023, as follows:               <ul style="list-style-type: none"> <li>CEO = £538,175 (+3.0%)</li> <li>CFO = £423,588 (+3.0%)</li> </ul> </li> <li>Salaries further increased from 1 July 2023, as follows:               <ul style="list-style-type: none"> <li>CEO = £578,000 (+7.4%)</li> <li>CFO = £440,000 (+3.9%)</li> </ul> </li> </ul>   | <ul style="list-style-type: none"> <li>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.</li> </ul>   | <ul style="list-style-type: none"> <li>Starting salaries for new CEO and CFO set as follows:               <ul style="list-style-type: none"> <li>CEO = £606,900 (in line with predecessor after 5% senior Executive increase)</li> <li>CFO = £393,750 (10.5% below predecessor)</li> </ul> </li> </ul>  |
|                          | See <a href="#">page 147</a>  | See <a href="#">page 137</a>   | See <a href="#">page 156</a>   |
| <b>Pension, benefits</b> | <ul style="list-style-type: none"> <li>Pension contributions (or equivalent cash allowance) at a maximum of 11% of salary for CEO and CFO.</li> <li>Benefits in line with policy.</li> </ul>  | <ul style="list-style-type: none"> <li>Company pension contributions (or cash allowance) aligned with the broader workforce (11% of salary).</li> <li>Benefits typically consist of the provision of a company car or a car allowance, and private health care insurance.</li> </ul>   | <ul style="list-style-type: none"> <li>Pension contributions (or equivalent cash allowance) to remain at 11% of salary.</li> <li>No change to benefits for 2024.</li> </ul>  |
|                          | See <a href="#">page 147</a>  | See <a href="#">page 137</a>   | See <a href="#">page 157</a>   |
| <b>Annual bonus</b>      | <ul style="list-style-type: none"> <li>Annual bonuses of 77.0% of salary for each Executive Director (55.0% of maximum opportunity).</li> <li>50% of these amounts will be deferred in Unite shares for two years.</li> </ul>   | <ul style="list-style-type: none"> <li>Maximum annual bonus opportunity for all Executive Directors of 140% of salary.</li> <li>Performance measures typically include both financial and non-financial metrics, as well as the achievement of individual objectives.</li> <li>50% of any bonus earned is deferred in shares for two years.</li> <li>Malus and clawback provisions apply.</li> </ul> | <ul style="list-style-type: none"> <li>Maximum annual bonus opportunities of 140% of salary.</li> <li>2024 bonuses to be based:               <ul style="list-style-type: none"> <li>25.0% on adjusted EPRA EPS</li> <li>25.0% on TAR per share</li> <li>20.0% on Net debt:EBITDA</li> <li>7.5% on Customer satisfaction</li> <li>7.5% on Higher Education Trust</li> <li>7.5% on Employee engagement</li> <li>7.5% on GRESB rating</li> </ul> </li> </ul>   |
|                          | See <a href="#">page 149</a>  | See <a href="#">page 138</a>   | See <a href="#">page 157</a>   |
| <b>LTIP</b>              | <ul style="list-style-type: none"> <li>2020 LTIP final vesting confirmed at 18.7%.</li> <li>2021 LTIP final vesting to be finalised once comparator TAR results are published. Expected total vesting of 76.0% based on:               <ul style="list-style-type: none"> <li>Relative TSR ranking above upper quartile compared to the constituents of the FTSE 350 Real Estate Index</li> <li>2023 adjusted EPRA EPS just above the threshold target</li> <li>Estimated relative TAR ranking above upper quartile compared to the constituents of the FTSE 350 Real Estate Index</li> </ul> </li> </ul> | <ul style="list-style-type: none"> <li>Maximum award size for all Executive Directors of 200% of salary in normal circumstances (up to 300% of salary in exceptional circumstances).</li> <li>Awards vest subject to performance over a three-year period. Vested shares are typically subject to an additional two-year holding period.</li> <li>Malus and clawback provisions apply.</li> </ul>    | <ul style="list-style-type: none"> <li>Awards of up to 200% of salary to be made to each Executive Director in 2024.</li> <li>Performance to be measured over the period 1 January 2024 to 31 December 2026. No change to measures, with awards based:               <ul style="list-style-type: none"> <li>28% on adjusted EPRA EPS</li> <li>28% on relative TAR</li> <li>28% on relative TSR</li> <li>8% on operational energy intensity</li> <li>8% on EPC ratings</li> </ul> </li> <li>Two-year holding period will apply to all vested shares.</li> </ul> |
|                          | See <a href="#">page 150</a>  | See <a href="#">page 139</a>   | See <a href="#">page 158</a>   |



## REMUNERATION COMMITTEE continued

## 2023 Remuneration at a glance

## 2023 Single total figure of remuneration for Executive Directors

|               | Salary   | Taxable benefits | Pension | Annual bonus | LTIP     | Other  | Total             |
|---------------|----------|------------------|---------|--------------|----------|--------|-------------------|
| Richard Smith | £558,088 | £16,241          | £53,238 | £429,727     | £682,670 | £0     | <b>£1,739,964</b> |
| Joe Lister    | £431,794 | £17,068          | £38,734 | £332,482     | £555,499 | £2,318 | <b>£1,377,895</b> |

## 2023 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%  | 42.0p      | 44.0p      | 46.0p       | 44.3p  | <b>57.5%</b>       |
| TAR per share         | 25.0%  | 64.5p      | 73.5p      | 83.5p       | 26.5p  | <b>0.0%</b>        |
| Loan to value         | 20.0%  | 35.0%      | 34.0%      | 32.0%       | 28.0%  | <b>100.0%</b>      |
| Customer satisfaction | 7.5%   | 38         | 40         | 42          | 42     | <b>100.0%</b>      |
| University reputation | 7.5%   | 11         | 13         | 15          | 32     | <b>100.0%</b>      |
| GRESB rating          | 7.5%   | 84         | 85         | 87          | 86     | <b>75.0%</b>       |
| Employee engagement   | 7.5%   | 73         | 75         | 77          | 70     | <b>0.0%</b>        |

| Executive     | Max opportunity (% of salary) | Overall outcome (% of maximum) | Overall outcome (% of salary) | Overall outcome (£) |
|---------------|-------------------------------|--------------------------------|-------------------------------|---------------------|
| Richard Smith | 140.0%                        | 55.0%                          | 77.0%                         | £429,727            |
| Joe Lister    | 140.0%                        | 55.0%                          | 77.0%                         | £332,482            |

## 2021-2023 LTIP outcomes

| Measure                  | Weight | Threshold       | Stretch                | Actual                                     | Vesting (% of max) |
|--------------------------|--------|-----------------|------------------------|--|--------------------|
|                          |        | 25% vest        | 100% vest              |  |                    |
| 2023 Adjusted EPS        | 1/3    | 44.0p           | 51.5p                  | 44.3p                                      | 28.0%              |
| Relative TSR performance | 1/3    | Median<br>-5.5% | Upper quartile<br>3.9% | Above upper quartile:<br>5.9%              | 100.0%             |
| Relative TAR performance | 1/3    | Median          | Upper quartile         | Current estimate*:<br>Above upper quartile | 100.0%             |

| Executive     | Estimated* overall vesting (% of maximum) | Estimated* interests vesting | Date vesting*  | Estimated* value (incl. dividends) |
|---------------|---|------------------------------|--|------------------------------------|
| Richard Smith | 76.0%                                     | 66,537                       | 12 April 2024 (holding period applies until 12 April 2026) | £682,670                           |
| Joe Lister    |   | 54,210                       |  | £555,499                           |

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



## REMUNERATION COMMITTEE continued

## Overview of remuneration across the Group

| ELIGIBILITY              | ELEMENT OF PAY                               | DETAILS  |
|--------------------------|--|--|
| 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 Group'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 eight face-to-face sessions per issue per year. Life assurance cover is provided for all eligible employees at 4x 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 Group by participating in the SAYE scheme, under which participants save monthly over three 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 individual contribution. Maximum opportunities, performance measures and weightings vary by grade; however, metrics are broadly 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 Group 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

Our Designated Non-Executive Director for Workforce Engagement and the Group People Director periodically discuss the topic of remuneration at the Culture Matters employee forum, including the structure, role and remit of the Remuneration Committee, how the pay policy helps to support Unite Group's strategy and values, and how pay practices for Executive Directors are aligned with those across the broader employee population. Consistent with last year's report, and based on feedback received from the forum in 2022, the Committee has continued to include some commentary in the section on the 2023 annual bonus (see page 149) around how it has considered health, safety and wellbeing in confirming bonus outcomes this year.

Due to last-minute transport complications, the employee forum scheduled for 2023 was shortened and the format revised. Forum members were invited (and remain able at any time of the year) to submit any comments, queries or concerns they have on the matter of Executive remuneration to the Designated Non-Executive Director for Workforce Engagement. Any submissions are passed on to the Committee at its next formal meeting; however, none were received in 2023.

In 2024, the Committee intends to use a session of the Culture Matters forum to discuss the Remuneration Policy review, and will consider any employee input received – as well as that received from shareholders – in finalising the overall structure and design.

### How remuneration supports our strategy

|                                | Captured in...       |                      | Strategic objectives supported                |                                     |                                      |
|--------------------------------|----------------------|----------------------|---|-------------------------------------|--------------------------------------|
|                                | Annual bonus         | LTIP                 | Delivering for our customers and universities | Attractive returns for shareholders | A responsible and resilient business |
| <b>2024 incentive measures</b> |                      |                      |   |                                     |                                      |
| Earnings Per Share (EPS)       | ✓                    | ✓                    |   | ✓                                   |                                      |
| Total Accounting Return (TAR)  | ✓<br><i>Absolute</i> | ✓<br><i>Relative</i> |   | ✓                                   |                                      |
| Net debt:EBITDA                | ✓                    |                      |   | ✓                                   |                                      |
| Total Shareholder Return (TSR) |                      | ✓<br><i>Relative</i> |   | ✓                                   |                                      |
| Customer satisfaction          | ✓                    |                      | ✓   |                                     |                                      |
| Higher Education Trust         | ✓                    |                      | ✓   |                                     |                                      |
| Employee engagement            | ✓                    |                      | ✓   |                                     | ✓                                    |
| GRESB rating                   | ✓                    |                      |   |                                     | ✓                                    |
| EPC Ratings                    |                      | ✓                    |   |                                     | ✓                                    |
| Operational energy intensity   |                      | ✓                    |   |                                     | ✓                                    |



## REMUNERATION COMMITTEE continued

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 147 to 148), Scheme interests awarded during the financial year (page 155), Payments to past Directors (page 156), Payments for loss of office (page 156) and the statement of Directors' shareholdings and share interests (pages 160 to 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 the Unite Group's Remuneration Policy reflects these is set out below:

| Principle  | Approach   |
|--|--|
| <b>Clarity</b> – Remuneration arrangements should be transparent and promote effective engagement with shareholders and the workforce.   | 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.  |
| <b>Simplicity</b> – 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.  |
| <b>Risk</b> – 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.<br><br>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. |
| <b>Alignment to culture</b> – 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.   |
| <b>Predictability</b> – 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.  |
| <b>Proportionality</b> – 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

### Directors' Remuneration Policy

Unite Group's Remuneration Policy was approved by shareholders at the 2022 AGM on 12 May 2022 and came into effect from that date. 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](http://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.
- Wording around legacy pension arrangements in effect prior to 1 January 2023 has been removed.
- Legacy wording around the requirement to defer a percentage 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 2024 packages for the new CEO and CFO.
- New 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.
- 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.



## REMUNERATION COMMITTEE continued

## Policy table

| Function   | Operation  | Opportunity  | Performance metrics |
|--|--|--|---------------------|
| <p><b>Base salary</b></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<sup>1</sup>, 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><b>Pension</b></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>Executive Directors receive a Company pension contribution – or an equivalent cash allowance – aligned to that offered to a majority of employees across the Group in percentage of salary terms (currently 11% of salary).</p>   | None                |
| <p><b>Benefits</b></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><b>SAYE</b></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                |

1. Remuneration peer companies include the constituents of the FTSE 350 Real Estate Index and UK-listed companies of similar market capitalisation. The Committee reviews comparator groups periodically to ensure they remain appropriate and retains the discretion to change companies.



## REMUNERATION COMMITTEE continued

| Function   | Operation  | Opportunity  | Performance metrics   |
|--|--|--|---|
| <p><b>Annual bonus</b></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 dividend 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 &amp; Safety) to ensure there is no reward for failure.</p> <p>For 2024, 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 157.</p> |



## REMUNERATION COMMITTEE continued

| Function  | Operation   | Opportunity   | Performance metrics  |
|---|---|---|--|
| <p><b>LTIP</b></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 2024 LTIP awards are included in the Annual Report on Remuneration on page 158.</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 Group'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 two 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.

**REMUNERATION COMMITTEE** continued**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, reappointment 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:

| <b>NED</b>    | <b>Date of service contract</b> |
|---------------|---------------------------------|
| 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                   |
| A Jain        | 15 May 2023                     |

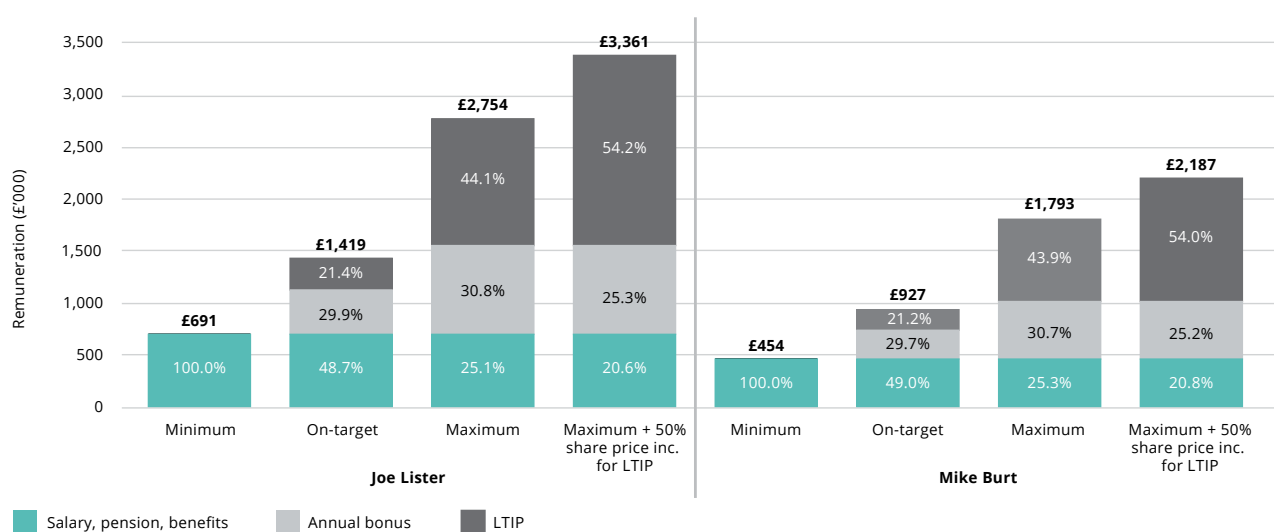
| <b>Function</b>   | <b>Operation</b>  | <b>Opportunity</b>   | <b>Performance metrics</b> |
|---|---|--|----------------------------|
| <b>Fees</b><br>To attract and retain Non-Executive Directors of the highest calibre with broad commercial and other experience relevant to the Company. | Fee levels are reviewed annually, with any adjustments typically effective 1 January in the year following review.<br><br>The fees paid to the Chair are determined by the Committee, whilst the fees of the Non-Executive Directors are determined by the Board.<br><br>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).<br><br>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.<br><br>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. | Non-Executive Director fee increases are applied in line with the outcome of the annual fee review. Fees for the year commencing 1 January 2024 are set out in the Annual Report on Remuneration.<br><br>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. | 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 Group's Remuneration Policy, applied to the base salaries effective 1 January 2024. 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 2024 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 Group's share price on the value of the LTIP (in effect, valuing this element of pay at 300% of salary).

|     | Salary   | Benefits<br>(based on FY23) | Pension       | 2024 maximum<br>annual bonus | 2024 LTIP award<br>face value |
|-----|----------|-----------------------------|---------------|------------------------------|-------------------------------|
| CEO | £606,900 | £17,068                     | 11% of salary | 140% of salary               | 200% of salary                |
| CFO | £393,750 | Same as above               | 11% of salary | 140% of salary               | 200% of salary                |

**REMUNERATION COMMITTEE** continued**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 |
|---|--|----------------------------|
| <b>Base salary</b>                      | 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. |                            |
| <b>Pension</b>                          | 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).   |                            |
| <b>Benefits</b><br><b>SAYE</b>          | 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.   |                            |
| <b>Performance Related Annual Bonus</b> | 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             |
| <b>LTIP</b>                             | 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 Group 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 140. 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 141. 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 Chair of the Board's Committees.



**REMUNERATION COMMITTEE** continued

## Service contracts and treatment for leavers and change of control

| Executive | Date of service contract |
|-----------|--------------------------|
| J Lister  | 1 January 2024           |
| M Burt    | 1 January 2024           |
| R Smith   | 28 September 2011        |

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.

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.<br><br>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).<br><br>In the event of a change of control, awards may alternatively be exchanged for new equivalent awards in the acquirer where appropriate.<br><br>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.  |

## REMUNERATION COMMITTEE continued

### 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.£62k in respect of his service for 2023. 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.34k in respect of his service for 2023.

### 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 Group's top 20 investors and with proxy advisers (Glass Lewis, the Investment Association and ISS) to seek their views on proposed changes, as well as remuneration at Unite Group more broadly. The Committee thanks investors 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.





## REMUNERATION COMMITTEE continued

### Annual Report on Remuneration

The following section provides details of how Unite Group's Remuneration Policy was implemented during the financial year ended 31 December 2023, and how it will be implemented in 2024.

#### Remuneration Committee membership in 2023

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.
- 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 2023, the Remuneration Committee comprised four independent Non-Executive Directors.

- Nicky Dulieu (Committee Chair from 1 March 2023)
- Ross Paterson
- Dame Shirley Pearce
- Professor Sir Steve Smith

Elizabeth McMeikan served as Committee Chair until 28 February 2023. Certain Executives, including Richard Smith, Joe Lister 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 five times during the year and details of members' attendance at meetings are provided in the Corporate Governance section on page 102.

Key activities of the Remuneration Committee in 2023 included:

- Reviewed the Executive Directors' performance against 2020 LTIP targets and approved final vesting.
- Approved the Directors' Remuneration Report for 2022.
- Determined the Executive Directors' bonus and LTIP performance targets for 2023 in line with the strategic plan and approved grant of awards under the LTIP in April 2023.
- Approved implementation of delayed salary increases for Executive Directors with effect from 1 July 2023.
- Considered and approved the leaver arrangements for Richard Smith.
- Considered and approved remuneration arrangements for Joe Lister and Mike Burt in their new roles.
- Continued to monitor remuneration market trends and corporate governance developments.
- Reviewed the CEO pay ratio and gender pay data and disclosures.
- Considered feedback from the Culture Matters forum.
- Commenced a review of the fee payable to the Board Chair.
- Commenced preparation of the 2023 Directors' Remuneration Report.

#### Advisers

Ellason LLP was appointed as the independent remuneration adviser 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 2023, Ellason provided independent advice including updates on the external remuneration environment, guidance on the leaver arrangements for Richard Smith and on the remuneration arrangements of the new CEO and CFO, 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 2023 were £42,823 (2022: £37,050) 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](http://www.remunerationconsultantsgroup.com). None of the individual Directors have a personal connection with Ellason.



## REMUNERATION COMMITTEE continued

### Summary of shareholder voting at AGMs

The following table shows the results of the advisory vote on the 2022 Annual Report on Remuneration at the 2023 AGM and the binding vote on the Directors' Remuneration Policy at the 2022 AGM:

|  | 2022 Annual Report on Remuneration |        | Directors' Remuneration Policy |        |
|--|------------------------------------|--------|--------------------------------|--------|
| For (including discretionary)                      | 352,941,199                        | 98.64% | 357,032,859                    | 97.83% |
| Against  | 4,856,647                          | 1.36%  | 7,905,945                      | 2.17%  |
| <b>Total votes cast (excluding withheld votes)</b> | <b>357,797,846</b>                 |        | <b>364,938,804</b>             |        |
| Votes withheld                                     | 1,765,182                          |        | 1,761,682                      |        |
| <b>Total votes cast (including withheld votes)</b> | <b>359,563,028</b>                 |        | <b>366,700,486</b>             |        |

### Single total figure of remuneration for Executive Directors (audited)

The table below sets out a single figure for the total remuneration received for 2022 and 2023 by each Executive Director who served in the year ended 31 December 2023:

| £ |          | Salary      | Taxable benefits | Pension       | Annual bonus  | LTIP           | Other          | Total single figure | Total fixed      | Total variable |                  |
|---|----------|-------------|------------------|---------------|---------------|----------------|----------------|---------------------|------------------|----------------|------------------|
|   |          | Note 1      | Note 2           | Note 3        | Note 4        | Note 5         | Note 6         |                     |                  |                |                  |
|   | R Smith  | <b>2023</b> | <b>558,088</b>   | <b>16,241</b> | <b>53,238</b> | <b>429,727</b> | <b>682,670</b> | <b>0</b>            | <b>1,739,964</b> | <b>627,567</b> | <b>1,112,397</b> |
|   |          | 2022        | 522,500          | 16,123        | 59,550        | 263,340        | 216,584        | 4,498               | 1,082,595        | 598,173        | 484,422          |
|   | J Lister | <b>2023</b> | <b>431,794</b>   | <b>17,068</b> | <b>38,734</b> | <b>332,482</b> | <b>555,499</b> | <b>2,318</b>        | <b>1,377,895</b> | <b>487,596</b> | <b>890,299</b>   |
|   |          | 2022        | 411,250          | 16,854        | 46,918        | 207,270        | 176,263        | 0                   | 858,555          | 475,022        | 383,533          |

- Salaries for 2023 reflect the additional mid-year increase approved by the Committee with effect from 1 July 2023, as detailed on page 128.
- Taxable benefits for 2023 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.
- Pension figures include contributions to the UNITE Group Personal Pension Scheme and cash allowances, where applicable. Pension contributions were reduced to a maximum of 11% of salary with effect from 1 January 2023.
- Annual bonus figures reflect the full amount earned in respect of the relevant financial year, including any amounts which are required to be deferred.
- 2022 figures: Vesting of 2020 awards was confirmed as 18.7% 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 (23 April 2023) of 940.0p. These amounts have been revised upwards from last year's report to reflect the positive final vesting outcome.  
2023 figures: For the 2021 awards, vesting of the relative TAR element will be finalised following the publication of comparator results over the coming months, with Unite Group currently estimated to rank above upper quartile. Overall anticipated vesting of the 2021 awards used in this single figure is therefore 76.0% of maximum. Similarly, the market price on the date of vesting for these awards is currently unknown and so the value shown is estimated using the average market value over the last quarter of 2023 of 952.3p. See following sections for further details. The value of the vested 2021 awards shown reflects the impact of a c.13% fall in the vesting share price compared to the share price at grant and therefore none of the value shown is attributable to share price appreciation.  
For both 2022 and 2023, LTIP figures include the value of dividends for vested awards which will be paid as additional shares (estimated, where relevant). 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.
- 'Other', includes the embedded value of SAYE/Sharesave options at grant.

**REMUNERATION COMMITTEE** continued**Single total figure of remuneration for Non-Executive Directors (audited)**

The table below sets out a single figure for the total remuneration received for 2022 and 2023 by each Non-Executive Director who served in the year ended 31 December 2023:

| £                         |             | Base fee       | Committee Chair/<br>SID fees | Taxable<br>benefits | Total<br>single figure |
|---------------------------|-------------|----------------|------------------------------|---------------------|------------------------|
| Note 1                    |             | Note 2         |                              |                     |                        |
| R Huntingford             | <b>2023</b> | <b>238,703</b> | -                            | <b>95</b>           | <b>238,798</b>         |
|                           | 2022        | 231,750        | -                            | -                   | 231,750                |
| E McMeikan <sup>(i)</sup> | <b>2023</b> | <b>8,742</b>   | <b>2,846</b>                 | -                   | <b>11,588</b>          |
|                           | 2022        | 50,925         | 16,595                       | 269                 | 67,789                 |
| R Paterson                | <b>2023</b> | <b>52,453</b>  | <b>10,900</b>                | -                   | <b>63,353</b>          |
|                           | 2022        | 50,925         | 10,600                       | 39                  | 61,564                 |
| I Beato                   | <b>2023</b> | <b>52,453</b>  | -                            | <b>40</b>           | <b>52,493</b>          |
|                           | 2022        | 50,925         | -                            | 45                  | 50,970                 |
| S Pearce                  | <b>2023</b> | <b>52,453</b>  | <b>10,900</b>                | -                   | <b>63,353</b>          |
|                           | 2022        | 50,925         | 10,600                       | 45                  | 61,570                 |
| T Jackson <sup>(ii)</sup> | <b>2023</b> | -              | -                            | -                   | -                      |
|                           | 2022        | -              | -                            | -                   | -                      |
| S Smith                   | <b>2023</b> | <b>52,453</b>  | <b>10,900</b>                | <b>19</b>           | <b>63,372</b>          |
|                           | 2022        | 50,925         | 10,600                       | 50                  | 61,575                 |
| N Dulieu <sup>(iii)</sup> | <b>2023</b> | <b>48,920</b>  | <b>14,229</b>                | -                   | <b>63,149</b>          |
|                           | 2022        | 20,508         | -                            | -                   | 20,508                 |
| A Jain <sup>(iv)</sup>    | <b>2023</b> | <b>21,855</b>  | -                            | -                   | <b>21,855</b>          |

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

- i. Elizabeth McMeikan retired from the Board on 28 February 2023.
- ii. Reflecting the Relationship Agreement with CPPIB Holdco, Thomas Jackson does not receive any fees in respect of his Non-Executive Director position with Unite Group.
- iii. Nicky Dulieu joined the Board on 1 September 2022 and took up the roles of Senior Independent Director and Chair of the Remuneration Committee with effect from 1 March 2023. An administrative error, which resulted in an overpayment of fees in 2022, has since been corrected and is reflected as a deduction to the single figure for 2023.
- iv. Angela Jain joined the Board as a Non-Executive Director on 1 August 2023.

2. Taxable benefits relate primarily to certain travel expenses.

**REMUNERATION COMMITTEE** continued**Incentive outcomes for the year ended 31 December 2023 (audited)****Annual bonus in respect of 2023 performance**

The maximum bonus opportunity for each Executive Director in 2023 was 140% of base salary, with Threshold and On-target performance paying 30% and 50% of maximum respectively, under each performance measure. The 2023 annual bonus was based on an additive combination of financial (weighted 70%) and non-financial (30%) metrics. 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<br>(% of max) |
|------------------------|-----------------------|---|--|------------|--------------------------------|--------|-----------------------|
|                        |                       |   | 30% of max                               | 50% of max | 100% of max                    |        |                       |
| Financial<br>(70%)     | Adjusted EPRA EPS     | 25.0%                                     | 42.0p                                    | 44.0p      | 46.0p                          | 44.3p  | 57.5%                 |
|                        | TAR per share         | 25.0%                                     | 64.5p                                    | 73.5p      | 83.5p                          | 26.5p  | 0.0%                  |
|                        | Loan to Value         | 20.0%                                     | 35.0%                                    | 34.0%      | 32.0%                          | 28.0%  | 100.0%                |
| Non-financial<br>(30%) | Customer satisfaction | 7.5%                                      | 38                                       | 40         | 42                             | 42     | 100.0%                |
|                        | University reputation | 7.5%                                      | 11                                       | 13         | 15                             | 32     | 100.0%                |
|                        | GRESB rating          | 7.5%                                      | 84                                       | 85         | 87                             | 86     | 75.0%                 |
|                        | Employee engagement   | 7.5%                                      | 73                                       | 75         | 77                             | 70     | 0.0%                  |
| <b>Executive</b>       |                       | <b>Overall outcome<br/>(% of maximum)</b> | <b>Overall outcome<br/>(% of salary)</b> |            | <b>Overall outcome<br/>(£)</b> |        |                       |
| Richard Smith          |                       | 55.0%                                     | 77.0%                                    |            | £429,727                       |        |                       |
| Joe Lister             |                       | 55.0%                                     | 77.0%                                    |            | £332,482                       |        |                       |

The Committee notes in particular the strong outcomes under both the customer satisfaction and university reputation metrics, with both delivering a full payout for 2023. In the case of the latter, acknowledging the significant outperformance of the range, the Committee revisited its process for setting the targets to ensure that the final outcome was justified. It was noted that external guidance at the time of setting the targets had suggested that a recovery to previous levels would be a multiple-year process, and a range of key actions had been agreed including professional development plans for teams leading on the relationships front. Feedback from our university partners in the 2023 survey was very positive citing proactive engagement and our strong student focus and support offerings. With this context in mind, the Committee supported the overall outcomes and considers that the outperformance of the target range – and record outcome for this measure – is a direct result of the teams' hard work and their dedication to Unite's stakeholders.

Prior to finalising the annual bonus outcome, the Committee received a detailed report from Professor Sir Steve Smith, Chair of the Health & Safety Committee, which reviewed the Group's operational incident and fire safety performance during 2023, provided an update on the cladding remediation programme and associated safety metrics, and noted the continued investment in Unite Group's Safety Centre of Excellence, with further improvements to overall reporting culture and the speed at which any issues arising are addressed. The Committee's conclusion aligned with that in the report, namely that the Executive team has continued to promote a culture of openness and transparency around health and safety matters, and has worked proactively to address challenges faced to ensure that health and safety remains Unite Group's number one priority.

Having taken the above into account, the Committee is satisfied that the overall bonus outcome of 77.0% of salary (cf. a maximum of 140% of salary) in respect of 2023 is appropriate. In line with the policy, 50% of the annual bonuses earned by Executive Directors will be satisfied in Unite shares, deferred for two years.

**REMUNERATION COMMITTEE** continued**Confirmation of 2020 LTIP vesting (vested on performance to 31 December 2022)**

In last year's report, the Committee provided an estimate for the vesting of the 2020 LTIP awards based on relative TAR after two years of the performance period. Following the publication of TAR results by comparators with March 2023 year-ends, the Committee was able to assess this element of the LTIP, with Unite' Group's TAR of 14.9% coming in between median (+4.2%) and upper quartile (+29.8%) over the full three-year performance period. The resulting vesting outcome was 56.2% of maximum for the relative TAR element which, when combined with the outcomes for the relative TSR (0% of maximum) and EPS (0% of maximum) elements, resulted in an overall vesting outcome for the 2020 LTIP of 18.7% of maximum. The Committee was satisfied that this modest positive vesting result was supported by broader underlying Group performance, and accordingly applied no discretion in respect of the outcome.

2022 values included in the 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 23 April 2023 of 940.0p.

| Executive     | Interests held | Confirmed vesting % | Interests vesting | Date vesting  |
|---------------|----------------|---------------------|-------------------|---------------|
| Richard Smith | 118,129        | 18.7%               | 22,089            | 23 April 2023 |
| Joe Lister    | 96,256         |                     | 17,999            |               |

**2021 LTIP vesting (vested on performance to 31 December 2023)**

Awards in 2021 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 Group's performance for both the TSR and TAR elements compared to the constituents of the FTSE 350 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.

Vesting of the relative TAR element will be finalised following the publication of comparator results over the coming months, with Unite Group currently estimated to rank above upper quartile, equating to full vesting under this element, and 76.0% vesting overall. No discretion has been exercised in respect of the 2021 LTIP to-date; the Committee will confirm this position once final vesting of the relative TAR element has been approved later in 2024.

| Measure  | Weight | Targets  | Outcome                            | Vest %               |
|--|--------|--|------------------------------------|----------------------|
| 2023 Adjusted EPRA EPS   | 1/3    | 0% vesting below 44.0p<br>25% vesting for 44.0p<br>100% vesting for 51.5p or more;<br>Straight-line vesting between these points   | 44.3p                              | 28.0%                |
| TSR ranking vs. constituents of the FTSE 350 Real Estate Supersector Index | 1/3    | 0% vesting below median<br>25% vesting for performance in line with median<br>100% vesting for performance in line with upper quartile or above;<br>Straight-line vesting between these points | 5.9%:<br>above upper quartile      | 100.0%               |
| TAR ranking vs. constituents of the FTSE 350 Real Estate Supersector Index | 1/3    | 0% vesting below median<br>25% vesting for performance in line with median<br>100% vesting for performance in line with upper quartile or above;<br>Straight-line vesting between these points | Estimated:<br>above upper quartile | Estimated:<br>100.0% |
| <b>Total estimated LTIP vesting (sum product of weighting and vest %)</b>  |        |  |                                    | <b>76.0%</b>         |



## REMUNERATION COMMITTEE continued

| 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 | 87,549         | 76.0%               | 66,537                      | After TAR assessment (June/July) | 952.3p               | £682,670           | N/A   |
| Joe Lister    | 71,329         |                     | 54,210                      |                                  |                      |                    | £555,499                                      |

1. In each case, interests held includes 479 HMRC-approved options under the ESOS.

2. Estimated value of HMRC-approved options is based on embedded gain (i.e. after subtracting 1,083.5p exercise price). Value includes the accumulated dividends on vested shares.

In line with reporting regulations, the value disclosed above and in the single total figure of remuneration table on page 147 captures the estimated full number of interests vesting (i.e. excluding the two-year holding period). As the market price on the date of vesting is unknown at the time of reporting, the value is estimated using the average market value over the last quarter of 2023 of 952.3p. Values will be true-up in the 2024 Annual Report on Remuneration to reflect actual relative TAR vesting and the actual share price at the date of vesting for these awards.

The estimated values include the impact of a c.13% fall in the assumed market price compared to the share price at grant (1,083.5p). Executives also became entitled to additional shares representing the dividends payable on vested LTIP shares over the three-year performance period. The estimated value of these additional shares is included in the row entitled 'LTIP' in the single total figure of remuneration table on page 147, and equates to £52,508 and £42,727 for Messrs. Smith and Lister respectively. Actual dividends payable will be determined on finalising vesting of the TAR element of awards.

## Percentage change in remuneration of Directors and employees

This table is 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. Data is shown on a full-time equivalent basis and growth rates are based on a consistent set of employees, i.e. the same individuals appear in the 2023 and 2022 populations for the 2023 analysis and so on.

| Director<br>Note 1 | Basic salary/total fee |       |        |        | Taxable benefits |          |         |          | Annual bonus |         |        |          |
|--------------------|------------------------|-------|--------|--------|------------------|----------|---------|----------|--------------|---------|--------|----------|
|                    | 2023                   |       | 2022   |        | 2023             |          | 2022    |          | 2023         |         | 2022   |          |
|                    | 2023                   | 2022  | 2021   | 2020   | 2023             | 2022     | 2021    | 2020     | 2023         | 2022    | 2021   | 2020     |
| R Smith            | <b>6.8%</b>            | 10.6% | 11.1%  | (6.9)% | <b>0.7%</b>      | (6.5)%   | 6.4%    | 0.0%     | <b>63.2%</b> | (45.7)% | n/m    | (100.0)% |
| J Lister           | <b>5.0%</b>            | 7.0%  | 11.1%  | (6.9)% | <b>1.3%</b>      | (2.4)%   | (1.3)%  | 3.4%     | <b>60.4%</b> | (47.5)% | n/m    | (100.0)% |
| R Huntingford      | <b>3.0%</b>            | 28.0% | 266.3% | N/A    | <b>N/A</b>       | (100.0)% | n/m     | N/A      | <b>N/A</b>   | N/A     | N/A    | N/A      |
| E McMeikan         | <b>3.0%</b>            | 3.0%  | 11.1%  | (7.3)% | <b>(100.0)%</b>  | 589.6%   | (70.5)% | (60.2)%  | <b>N/A</b>   | N/A     | N/A    | N/A      |
| R Paterson         | <b>3.0%</b>            | 3.0%  | 11.1%  | (7.3)% | <b>(100.0)%</b>  | 1,190.0% | (71.1)% | 100.0%   | <b>N/A</b>   | N/A     | N/A    | N/A      |
| I Beato            | <b>3.0%</b>            | 3.0%  | 11.1%  | (7.3)% | <b>(11.1)%</b>   | 1,400.0% | n/m     | (100.0)% | <b>N/A</b>   | N/A     | N/A    | N/A      |
| S Pearce           | <b>3.0%</b>            | 6.6%  | 29.7%  | (7.3)% | <b>(100.0)%</b>  | 1,400.0% | (71.1)% | 100.0%   | <b>N/A</b>   | N/A     | N/A    | N/A      |
| T Jackson          | <b>N/A</b>             | N/A   | N/A    | N/A    | <b>n/m</b>       | (100.0)% | n/m     | N/A      | <b>N/A</b>   | N/A     | N/A    | N/A      |
| S Smith            | <b>3.0%</b>            | 3.0%  | 17.0%  | N/A    | <b>(62.6)%</b>   | 2.0%     | n/m     | N/A      | <b>N/A</b>   | N/A     | N/A    | N/A      |
| N Dulieu           | <b>24.0%</b>           | N/A   | N/A    | N/A    | <b>n/m</b>       | N/A      | N/A     | N/A      | <b>N/A</b>   | N/A     | N/A    | N/A      |
| A Jain             | <b>N/A</b>             | N/A   | N/A    | N/A    | <b>N/A</b>       | N/A      | N/A     | N/A      | <b>N/A</b>   | N/A     | N/A    | N/A      |
| All employees      | <b>11.6%</b>           | 3.6%  | 2.9%   | 4.4%   | <b>6.1%</b>      | 3.2%     | 2.3%    | 2.3%     | <b>87.7%</b> | (52.8)% | 285.0% | (67.8)%  |

1. Changes in Directors and responsibilities during the 2022 and 2023 financial years which are relevant to the calculations above are as follows:

- Elizabeth McMeikan retired from the Board with effect from 28 February 2023.
- Nicky Dulieu joined the Board with effect from 1 September 2022 and took on the roles of Senior Independent Director and Chair of the Remuneration Committee with effect from 1 March 2023.
- Angela Jain joined the Board with effect from 1 August 2023.

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 percentage 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.



**REMUNERATION COMMITTEE** continued**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 2022 and 31 December 2023, along with the percentage change in both.

|                                | 2023<br>£m | 2022<br>£m | % change<br>2022-23 |
|--------------------------------|------------|------------|---------------------|
| Total employee pay expenditure | 75.7       | 65.8       | 15.0%               |
| Distributions to shareholders  | 117.3      | 96.4       | 21.7%               |

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 153 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 2023 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 2023 financial year.
- Total FTE remuneration for each of these individuals was then calculated to 31 December 2023 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 2023 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 increased in 2023 as compared to 2022, with, for example, the ratio of CEO total remuneration to the median employee increasing from 42:1 to 54:1. This year-on-year change is principally driven by the strong estimated vesting under the 2021 LTIP which, at 76.0%, is markedly higher than for the 2020 LTIP (18.7%).

Reflecting that a significant proportion of the CEO's remuneration is linked to Group performance and share price movements over the longer-term, and that, as a result, 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.60 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. The Committee notes, for example, that the ratio of median employee salary to the CEO fell from 23:1 to 19:1 reflecting the tiered approach to salary increases last year and the substantial Real Living Wage increase awarded to relevant individuals. Similarly, the ratio of median employee salary plus annual bonus to the CEO was broadly flat between 2022 and 2023, recognising the similarity in outcomes under the schemes operated at all levels.

**REMUNERATION COMMITTEE** continued

Having reviewed the data points and associated context, 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.

| CEO pay ratio   | 2023  | 2022 <sup>1</sup> | 2021  | 2020  | 2019  |
|---|-------|-------------------|-------|-------|-------|
| Methodology used  | B     | B                 | B     | B     | B     |
| Average number of employees                               | 1,859 | 1,889             | 1,900 | 1,756 | 1,450 |
| <b>Ratio of CEO single figure total remuneration:</b>     |       |                   |       |       |       |
| - To employee at the 25th percentile                      | 71:1  | 48:1              | 58:1  | 44:1  | 113:1 |
| - To employee at the 50th percentile                      | 54:1  | 42:1              | 56:1  | 38:1  | 96:1  |
| - To employee at the 75th percentile                      | 48:1  | 29:1              | 43:1  | 29:1  | 70:1  |
| <b>Ratio of CEO base salary plus annual bonus figure:</b> |       |                   |       |       |       |
| - To employee at the 25th percentile                      | 42:1  | 37:1              | 42:1  | 21:1  | 49:1  |
| - To employee at the 50th percentile                      | 32:1  | 32:1              | 40:1  | 18:1  | 41:1  |
| - To employee at the 75th percentile                      | 28:1  | 24:1              | 31:1  | 14:1  | 30:1  |
| <b>Ratio of CEO base salary figure:</b>                   |       |                   |       |       |       |
| - To employee at the 25th percentile                      | 25:1  | 26:1              | 22:1  | 22:1  | 25:1  |
| - To employee at the 50th percentile                      | 19:1  | 23:1              | 22:1  | 19:1  | 21:1  |
| - To employee at the 75th percentile                      | 17:1  | 17:1              | 17:1  | 14:1  | 15:1  |
| <b>Additional details</b>                                 |       |                   |       |       |       |
| CEO total single figure (£'000)                           | 1,740 | 1,083             | 1,428 | 934   | 2,336 |
| CEO base salary (£'000)                                   | 558   | 523               | 472   | 425   | 457   |
| Employees' total pay and benefits (£'000)                 |       |                   |       |       |       |
| - at the 25th percentile                                  | 24.7  | 22.4              | 24.4  | 21.2  | 20.6  |
| - at the 50th percentile                                  | 32.5  | 25.9              | 25.3  | 24.6  | 24.4  |
| - at the 75th percentile                                  | 36.6  | 37.7              | 32.8  | 32.0  | 33.5  |
| Employees' base salary (£'000)                            |       |                   |       |       |       |
| - at the 25th percentile                                  | 21.9  | 20.0              | 21.1  | 19.6  | 18.1  |
| - at the 50th percentile                                  | 28.8  | 23.2              | 21.8  | 22.6  | 21.7  |
| - at the 75th percentile                                  | 32.2  | 30.4              | 28.5  | 29.4  | 29.6  |

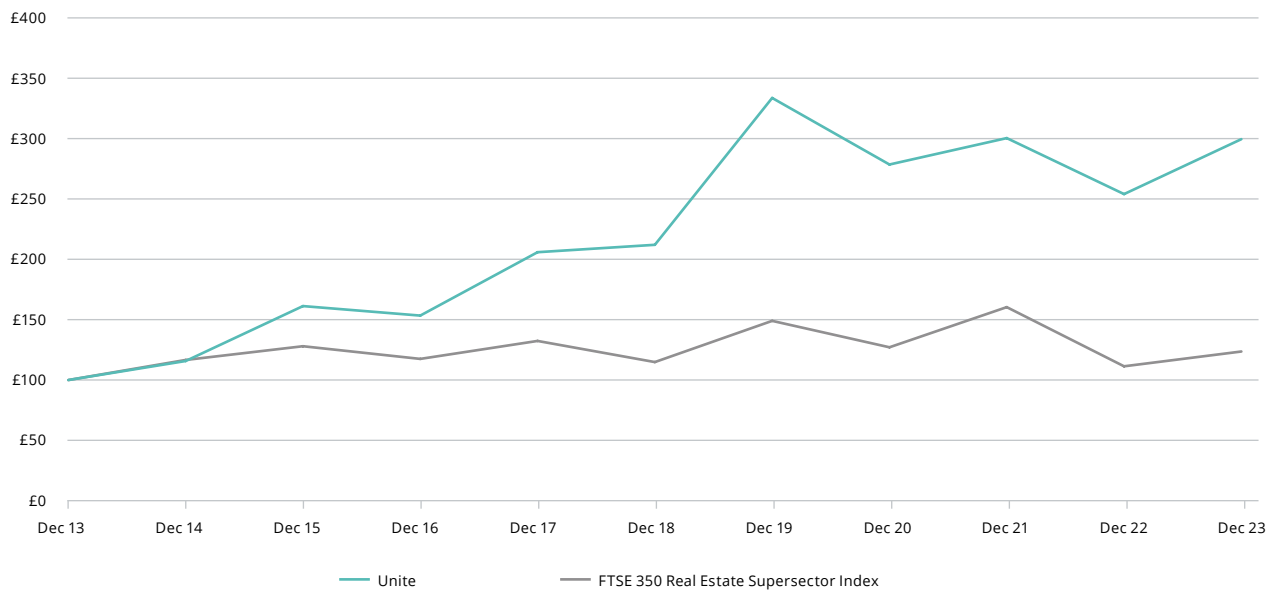
1. 2022 CEO single figure of remuneration has been trued-up from last year's report to reflect the final vesting outcome and actual market price on the date of vesting for 2020 LTIP awards, with ratios updated accordingly.



## REMUNERATION COMMITTEE continued

### Review of past performance

The following graph charts the TSR of the Company and the FTSE 350 Real Estate Supersector Index over the ten-year period from 1 January 2014 to 31 December 2023. Whilst there is no comparator index or group of companies that truly reflects the activities of the Group, the FTSE 350 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 remuneration over the same period.



|   | 2014    | 2015    | 2016               | 2017    | 2018    | 2019    | 2020    | 2021    | 2022    | 2023          |
|---|---------|---------|--------------------|---------|---------|---------|---------|---------|---------|---------------|
|   | M Allan | M Allan | M Allan<br>R Smith | 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) | £2,987  | £2,382  | £1,239             | £1,456  | £2,131  | £2,336  | £934    | £1,428  | £1,083  | <b>£1,740</b> |
| Annual bonus outcome (% of maximum)       | 89.4%   | 88.2%   | 43.4%              | 63.6%   | 74.3%   | 80.9%   | N/A     | 73.3%   | 36.0%   | <b>55.0%</b>  |
| LTIP outcome (% of maximum)               | 95.2%   | 100.0%  | 100.0%             | 96.1%   | 81.9%   | 97.1%   | 33.33%  | 36.8%   | 18.7%   | <b>76.0%</b>  |

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

2. 2022 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 2020 LTIP awards.

3. 2023 CEO single figure and LTIP outcome are based on an estimate of the vesting of the TAR element, see page 150 for further details.

**REMUNERATION COMMITTEE** continued**Scheme interests awarded in 2023 (audited)****LTIP**

In April 2023, 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 | Market price at date of award | Face value |
|---------------|---------------|----------------------------------|-------------------------------|------------|
|               |               | <b>Note 1</b>                    |                               |            |
| Richard Smith | 6 April 2023  | 114,581                          | 943.5p                        | £1,081,072 |
| Joe Lister    |               | 90,291                           |                               | £851,896   |

1. Combination of HMRC-approved options under the ESOS (635) and nil-cost options under the PSP calculated using a share price of 943.5p, 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.

| Measure  | Weight | Threshold (25% vesting)   | Stretch (100% vesting)      |
|--|--------|---------------------------|-----------------------------|
| 2025 adjusted EPRA EPS   | 28.0%  | 46.7 pence                | 48.5 pence                  |
| TSR ranking vs. constituents of the FTSE 350 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 FTSE 350 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 <sup>2</sup> ) | 8.0%   | 9.4% cumulative reduction | 15.7% cumulative reduction  |
| EPC ratings: % of floorspace A–C rated in 2025   | 8.0%   | 91% of floorspace         | 97% of floorspace           |

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

As noted in the 6 April 2023 market announcement, the adjusted EPRA EPS targets were set by the Committee having reviewed a range of relevant internal and external reference points, including an updated five-year plan, market consensus estimates for the Unite Group and the outlook for the broader UK real estate sector. In finalising the performance range – which is lower than that used for the 2022 cycle – the Committee considered the Company's development outlook, projections around the shape of a market recovery, the rising cost of funding and the net impact of price inflation on rental growth and the Company's cost base.

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**

During the year, 50% of the annual bonuses earned by Executive Directors in respect of the 2022 financial year were satisfied in Unite shares, deferred for two years:

| Executive     | Date of grant | Shares over which awards granted | Market price at date of award | Date of vesting |
|---------------|---------------|----------------------------------|-------------------------------|-----------------|
| Richard Smith | 1 March 2023  | 13,838                           | 951.5p                        | 1 March 2025    |
| Joe Lister    |               | 10,891                           |                               |                 |

**SAYE**

During 2023, Joe Lister 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 162.

## REMUNERATION COMMITTEE continued

### Leaver arrangements for Richard Smith

Richard Smith stepped down from the Board with effect from 31 December 2023. He will remain as an adviser to the business until 3 October 2024 to ensure a smooth handover of responsibilities and to provide advisory support on Unite Group's relationships with Higher Education partners and government stakeholders. As noted in the Chair's Statement on pages 127-130, the Committee determined the remuneration arrangements for the outgoing CEO in line with the approved policy, as follows:

- Richard will continue to receive base pay, pension and other contractual benefits until 3 October 2024, but he will not be eligible to participate in the 2024 bonus, nor will he receive a 2024 long-term incentive award.
- 50% of the annual bonus earned by Richard in respect of the 2023 financial year will be satisfied in Unite shares, granted in Q1 2024 and deferred for two years.
- Richard's outstanding Deferred Bonus Plan shares granted in February 2022 and March 2023 will continue to vest at the end of the original deferral period and will be added to his nominee account to satisfy his post-exit shareholding requirement.
- Richard will be treated as a 'Good Leaver' for the purposes of his outstanding 2021 PSP award. In accordance with the plan rules, and reflecting that the end of his notice period in October 2024 falls after the third anniversary of grant, these 87,070 nil-cost options will not be pro-rated for time. However, the number of awards ultimately vesting will be calculated in accordance with the original performance conditions and will remain subject to the mandatory two-year holding period. Similarly, Richard will be treated as a 'Good Leaver' for the purposes of his outstanding 2022 and 2023 PSP awards which will be pro-rated to reflect the proportion of the period served between the respective dates of grant and the end of his notice period in October 2024 (equating to 77,075 and 56,765 nil-cost options, respectively). As above, the proportion of these awards which ultimately vests will be calculated in accordance with the original performance conditions and the mandatory two-year holding period will continue to apply. In all cases, the Committee will retain full discretion and will, in advance of each vesting date, consider whether Richard remains a 'Good Leaver' or whether an alternative treatment should apply. All outstanding ESOS options lapsed in full on 31 December 2023 to avoid complexities around the tax-advantaged status of the scheme.
- Richard will be subject to a post-exit shareholding guideline in accordance with the policy.

### Exit payments made in the year (audited)

There have been no exit payments during the year ended 31 December 2023.

### Payments to past Directors (audited)

Details of the leaver arrangements for Richard Smith are detailed in the section above. There have been no payments (2022: £Nil) in excess of the de minimis threshold to former Directors during the year ended 31 December 2023 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 2024

#### Base salary

Details of the starting salaries of Joe Lister and Mike Burt in their new roles are set out in the table below:

| Executive  | Base salary from<br>1 January 2024 |
|------------|------------------------------------|
| Joe Lister | £606,900                           |
| Mike Burt  | £393,750                           |

The average salary increase across the Group will be 8.8%. As in 2023, the Group will operate a tiered approach to salary increases, with the majority of the budget targeted towards lower-paid colleagues. Unite Group maintains its commitment to being an accredited Real Living Wage employer and, for relevant individuals, has implemented the rates set by the Living Wage Foundation (10.0% in London and 10.1% across the rest of the UK).

## REMUNERATION COMMITTEE continued

### 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. Total employer pension contributions are in line with the offering available to the wider employee population at up to 11% of salary.

### Annual bonus

For 2024, the maximum bonus opportunity for Joe Lister and Mike Burt 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<br>70%     | Adjusted EPRA EPS            | 25.0%     |
|                      | TAR per share                | 25.0%     |
|                      | Net debt:EBITDA              | 20.0%     |
| Non-financial<br>30% | Customer satisfaction NPS    | 7.5%      |
|                      | Higher Education Trust score | 7.5%      |
|                      | Employee engagement          | 7.5%      |
|                      | GRESB rating                 | 7.5%      |

The Committee remains satisfied that the overall blend of financial and non-financial measures supports the Group's strategy and reinforces Unite Group values. Minor changes have been made to some of the performance measures, as follows:

- LTV has been replaced by net debt:EBITDA for 20% of the annual bonus; a measure which was previously used in the annual bonus between 2015 and 2020. Although outcomes against the LTV measure have been strong in recent years, the new metric is considered more motivational, with both elements of the ratio within management's control. The change also reflects a broader move to align Unite Group's financial reporting with other operating businesses, with net debt:EBITDA intended to be a primary KPI going forward.
- As noted earlier in the report on page 129, the customer satisfaction measure will be changed to take into account year-round performance as opposed to just at check-in. This change reinforces our commitment to student experience throughout their stay with Unite Group and the importance of continual investment in the training, development and support of our frontline teams.
- The Higher Education reputation metric will be changed from net promoter score to a trust score; the latter being based on a broader range of questions which measure our external perception with Higher Education partners.

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 Group'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.

**REMUNERATION COMMITTEE** continued**LTIP**

During 2024, Joe Lister and Mike Burt 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. The Committee is not proposing any changes to the performance metrics used for the 2024 LTIP, details of which are shown in the table below.

As in 2023, targets for the EPS measure will be disclosed in a market announcement no later than the date of grant (expected to be in April 2024). This delay allows the Committee to review the proposed targets following Board-approval of the five-year plan and to ensure that the range is appropriately stretching.

| Measure  | Weight | Threshold                                       |  | Stretch                     |  |
|--|--------|---|--|-----------------------------|--|
|  |        | 25% vesting                                     |  | 100% vesting                |  |
| 2026 adjusted EPRA EPS   | 28.0%  | To be disclosed no later than the date of grant |  |                             |  |
| TSR ranking vs. constituents of the FTSE 350 Real Estate Supersector Index (2024–2026)           | 28.0%  | In line with median                             |  | In line with upper quartile |  |
| TAR per share ranking vs. constituents of the FTSE 350 Real Estate Supersector Index (2024–2026) | 28.0%  | In line with median                             |  | In line with upper quartile |  |
| Operational energy intensity: cumulative reduction; 2026 vs. 2023 baseline (kWh/m <sup>2</sup> ) | 8.0%   | 7.9% cumulative reduction                       |  | 15.8% cumulative reduction  |  |
| EPC ratings: % of floorspace A–C rated in 2026   | 8.0%   | 98.6%   |  | 100.0%                      |  |

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 2024****Chair and Non-Executive Director fees**

In early 2024, the Remuneration Committee reviewed the fee payable to the Chair of the Board against a number of market reference points, including companies in the FTSE 350 Real Estate sector and those of similar overall size, complexity and geographical operations to Unite Group. This analysis suggested that the current fee level was in the bottom quartile, and misaligned with Unite Group's philosophy on fee levels that, as a Group committed to being a responsible business and demonstrating leadership in the living sector, fees should fairly reflect the market for the role as well as acknowledge the broad range of stakeholders to which Directors are responsible. It was therefore agreed that Richard Huntingford's fee as Chair of the Board would be increased by 7.5% for 2024 (i.e. just below the average increase across the Group), and that a second stage increase would be considered for 2025. The most recent previous review took place in September 2020.

A similar review of the fees payable to other Non-Executive Directors was undertaken by the Chair of the Board and Executive Directors, with a consistent philosophy agreed around where Unite Group would seek to position fee levels going forward. It was noted in particular that the Non-Executive Director base fee had not kept pace with the size and complexity of the Group and the time commitment and responsibilities of the role. Following discussion, it was agreed to address this misalignment through a one-off rebasing of the fee, amounting to a c.£9,500 increase for 2024. Fees payable for additional responsibilities will remain unchanged, save that the fee payable to the Senior Independent Director will be brought more in line with the other supplementary fees to better reflect the additional responsibilities and time commitment of this role.

**REMUNERATION COMMITTEE** continued

A summary of the fee increases, which are effective 1 January 2024, is set out in the table below.

| Position                             | 2023 fees | 2024 fees       |
|--------------------------------------|-----------|-----------------|
| <b>Base fees</b>                     |           |                 |
| Chair                                | £238,703  | <b>£256,606</b> |
| Non-Executive Director               | £52,453   | <b>£62,000</b>  |
| <b>Additional fees</b>               |           |                 |
| Senior Independent Director          | £6,175    | <b>£10,000</b>  |
| Audit & Risk Committee Chair         | £10,900   | <b>£10,900</b>  |
| Remuneration Committee Chair         | £10,900   | <b>£10,900</b>  |
| Nomination Committee Chair<br>Note 1 | N/A       | <b>N/A</b>      |
| Health & Safety Committee Chair      | £10,900   | <b>£10,900</b>  |
| Sustainability Committee             | £10,900   | <b>£10,900</b>  |

1. Role is undertaken by the Chair of the Board, with no any 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 2023 is set out below. None of the Directors has a beneficial interest in the shares of any other Group company. Between 31 December 2023 and the sign-off date of this report, there have been no changes in the Directors' interests in shares.

|                      | Ordinary shares of<br>25p each at<br>31 December 2023 | Ordinary shares of<br>25p each at<br>31 December 2022 |
|----------------------|---|---|
| R Smith              | <b>398,803</b>  | 372,959   |
| J Lister             | <b>600,730</b>  | 581,006   |
| R Huntingford        | <b>12,334</b>   | 10,350  |
| E McMeikan<br>Note 1 | <b>7,980</b>  | 7,980   |
| R Paterson           | <b>9,416</b>  | 8,312   |
| I Beato              | <b>2,276</b>  | 1,724   |
| S Pearce             | <b>2,893</b>  | 1,186   |
| T Jackson            | <b>0</b>  | 0   |
| S Smith              | <b>1,104</b>  | 0   |
| N Dulieu             | <b>3,314</b>  | 0   |
| A Jain               | <b>0</b>  | N/A   |

1. As at the date of retiring from the Board on 28 February 2023.



**REMUNERATION COMMITTEE** continued

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

**Share price information**

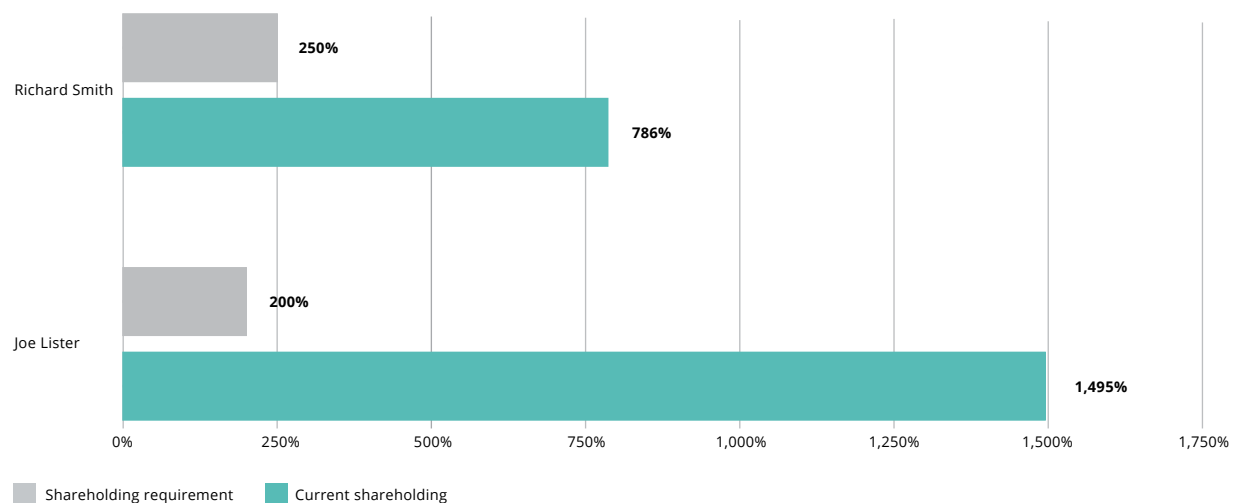
As at 31 December 2023, the middle market price for ordinary shares in the Company was 1,044.0p per share. During the course of the year, the market price of the Company's shares ranged from 847.0p to 1,057.0p per share.

**Executive Directors' shareholding requirements (audited)**

The table below shows the shareholding of each Executive Director against their respective shareholding requirement as at 31 December 2023:

|                      | Interests      |  |                             |  |                             | Shareholding requirement<br>% of salary/<br>base fee | Current<br>shareholding<br>% of salary/<br>base fee | Req.<br>met? |
|----------------------|----------------|--|-----------------------------|--|-----------------------------|--|---|--------------|
|                      | Owned outright | Subject to deferral/<br>holding period |                             | Unvested and/or subject to<br>perf. conditions |                             |  |   |              |
|                      |                | Shares/<br>nil-cost<br>options         | Options/<br>HMRC<br>options | Shares/<br>nil-cost<br>options                 | Options/<br>HMRC<br>options |  |   |              |
|                      |                | Note 1                                 |                             |  |                             |  | Note 2  |              |
| R Smith              | 398,803        | 68,372                                 | 343                         | 294,153  | 0                           | 250%   | 786%  | Yes          |
| J Lister             | 600,730        | 55,320                                 | 343                         | 233,794  | 1,649                       | 200%   | 1,495%  | Yes          |
| R Huntingford        | 12,334         |  |                             |  |                             |  | 54%   |              |
| E McMeikan<br>Note 3 | 7,980          |  |                             |  |                             |  | 159%  |              |
| R Paterson           | 9,416          |  |                             |  |                             |  | 187%  |              |
| I Beato              | 2,276          |  |                             |  |                             |  | 45%   |              |
| S Pearce             | 2,893          |  |                             |  |                             |  | 58%   |              |
| T Jackson            | 0              |  |                             |  |                             |  | N/A   |              |
| S Smith              | 1,104          |  |                             |  |                             |  | 22%   |              |
| N Dulieu             | 3,314          |  |                             |  |                             |  | 66%   |              |
| A Jain               | 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 2023 of 1,044.0p. Shares subject to deferral/holding periods are taken on a 'net of tax' basis for the purposes of the current shareholding calculation.
3. As at the date of retiring from the Board on 28 February 2023.





## REMUNERATION COMMITTEE continued

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

#### Deferred bonus

| Executive     | Interests held at 01.01.23 | Granted during the year | Lapsed during the year | Vested during the year | Interests held at 31.12.23 | End of deferral period |
|---------------|----------------------------|-------------------------|------------------------|------------------------|----------------------------|------------------------|
| Richard Smith | 1,235                      | -                       | -                      | -                      | 1,235                      | 24.02.24               |
|               | -                          | 13,838                  | -                      | -                      | 13,838                     | 01.03.25               |
| Joe Lister    | 1,055                      | -                       | -                      | -                      | 1,055                      | 24.02.24               |
|               | -                          | 10,891                  | -                      | -                      | 10,891                     | 01.03.25               |

#### LTIP awards

| Executive     | Plan | Interests held at 01.01.23 | Interests awarded during the year | ESOS exercise price | Interests vested during the year | Interests lapsed during the year | Interests outstanding at 31.12.23 | Period of qualifying conditions |
|---------------|------|----------------------------|-----------------------------------|---------------------|----------------------------------|----------------------------------|-----------------------------------|---------------------------------|
| Note 1        |      |                            |                                   |                     |                                  |                                  |                                   |                                 |
| Richard Smith | PSP  | 117,383                    | -                                 | -                   | 21,950                           | 95,433                           | -                                 | 23.04.20-                       |
|               | ESOS | 746                        | -                                 | 803.5p              | 139                              | 607                              | -                                 | 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                        |
|               | PSP  | -                          | 113,946                           | -                   | -                                | -                                | 113,946                           | 06.04.23-                       |
|               | ESOS | -                          | 635                               | 943.5p              | -                                | 635                              | -                                 | 06.04.26                        |
| Joe Lister    | PSP  | 95,510                     | -                                 | -                   | 17,860                           | 77,650                           | -                                 | 23.04.20-                       |
|               | ESOS | 746                        | -                                 | 803.5p              | 139                              | 607                              | -                                 | 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                        |
|               | PSP  | -                          | 89,656                            | -                   | -                                | -                                | 89,656                            | 06.04.23-                       |
|               | ESOS | -                          | 635                               | 943.5p              | -                                | -                                | 635                               | 06.04.26                        |

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

**REMUNERATION COMMITTEE** continued

## SAYE

| Executive     | Options held at 01.01.23 | Granted during the year | Exercised during the year | Option price per share | Options held at 31.12.23 | Maturity date |
|---------------|--------------------------|-------------------------|---------------------------|------------------------|--------------------------|---------------|
|               |                          |                         |                           |                        | <b>Note 1</b>            |               |
| Richard Smith | 2,122                    | -                       | 2,122                     | 848.0p                 | -                        | 01.12.22      |
|               | -                        | 2,098                   | -                         | 857.6p                 | 2,098                    | 01.12.25      |
| Joe Lister    | 1,182                    | -                       | -                         | 760.8p                 | 1,182                    | 01.12.23      |
|               | 913                      | -                       | -                         | 985.2p                 | 913                      | 01.12.24      |
|               | -                        | 1,251                   | -                         | 741.2p                 | 1,251                    | 01.12.26      |

1. As at year-end, Joe Lister held 1,182 options under the 2020 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:

**Nicky Dulieu**

Chair of the Remuneration Committee

27 February 2024



## DIRECTORS' REPORT

As at 31 December 2023, 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 27 February 2024.

### SHARE CAPITAL

| Shareholder                          | Percentage of share capital |
|--------------------------------------|-----------------------------|
| Canada Pension Plan Investment Board | 16.65%                      |
| BlackRock Inc                        | 9.55%                       |
| Norges Bank Investment Management    | 8.06%                       |
| APG Asset Management NV              | 5.60%                       |
| The Vanguard Group Inc               | 4.01%                       |
| Royal London Asset Management Ltd    | 3.14%                       |

### Share capital

At the date of this report, there are 435,860,011 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:

- 33,149,172 – pursuant to the July 2023 capital raise and representing 32,693,930 placing shares, 441,989 retail offer shares and Director subscribed shares of 13,253 at a price of 905 pence per share.
- Unite Group share scrip dividend scheme 2,232,001.
- Pursuant to the exercise of options under Unite Group PLC Savings Related Share Option Scheme 119,338.
- Pursuant to the exercise of options under Unite Group PLC Performance Share Plan 71,880.
- Pursuant to the exercise of options under Unite Group PLC Approved Scheme 7,684.

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 18 May 2023, shareholders granted an authority to the Directors to allot ordinary shares up to an aggregate nominal amount of £33,358,506 (which represented one-third of the nominal value of the issued share capital of the Company as at 28 March 2023). 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 £33,358,506 (representing one-third of the nominal value of the issued share capital of the Company as at 28 March 2023). This additional authority was only permitted for fully pre-emptive rights issues. As at 31 December 2023, the shares that had been allotted were to satisfy awards under the Company's share schemes, the scrip dividend scheme and pursuant to the capital raise in July 2023. As this authority is due to expire on 17 August 2024, 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.



## DIRECTORS' REPORT continued

### 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 Unite 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 page 183 and page 71 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 Unite 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 Unite 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 2023.

### 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 197     |
| (2) Publication of unaudited financial information           | N/A                    |
| (3) Details of long-term incentive schemes                   | Pages 150, 155 and 158 |
| (4) Waiver of emoluments by a Director                       | N/A                    |
| (5) Waiver of future emoluments by a Director                | N/A                    |
| (6) Non-pre-emptive issues of equity for cash                | Pages 96, 99 and 163   |
| (7) Item (7) in relation to major subsidiary undertakings    | N/A                    |
| (8) Parent participation in a placing by a listed subsidiary | N/A                    |
| (9) Contracts of significance                                | N/A                    |
| (10) Provision of services by a controlling shareholder      | N/A                    |
| (11) Shareholder waiver of dividends                         | N/A                    |
| (12) Shareholder waiver of future dividends                  | N/A                    |
| (13) 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 declaration on pages 46 and 219.
- Greenhouse gas emissions and energy consumption disclosures on pages 56 and TCFD/CFD disclosure on page 58.
- Financial instruments and financial risk management on page 72 and Section 4 of the notes to the financial statements on page 209.
- Future developments on pages 37–39.
- Employment of disabled persons/employee involvement is covered in our DEIB&W Policy on pages 95 and 111.
- Workforce engagement on page 94.
- Engagement with customers, partners, suppliers and others on pages 16 and 17.

The Corporate Governance Report (which includes details of Directors who served throughout the year) on pages 80–109, the Statement of Directors' responsibilities on page 166 and details of post balance sheet events on page 226 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 16 May 2024. We request that shareholders who do wish to attend in person pre-register their intention to attend to help us manage numbers. Shareholders are encouraged to monitor our website at <https://www.unitegroup.com/investors/agm> 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 27 February 2024 and signed on its behalf by

### Christopher Szpojnarowicz

Company Secretary

27 February 2024



## STATEMENT OF DIRECTORS' RESPONSIBILITIES

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

Company law requires the Directors to prepare the Unite Group and Parent Company financial statements for each financial year. Under that law they are required to prepare the Unite 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 Unite Group and Parent Company and of their profit or loss for that period.

In preparing each of the Unite 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).
- Prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Unite 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 Unite 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.
- 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.

**Joe Lister**

Director

**Mike Burt**

Director

27 February 2024