

CHAIRMAN'S STATEMENT

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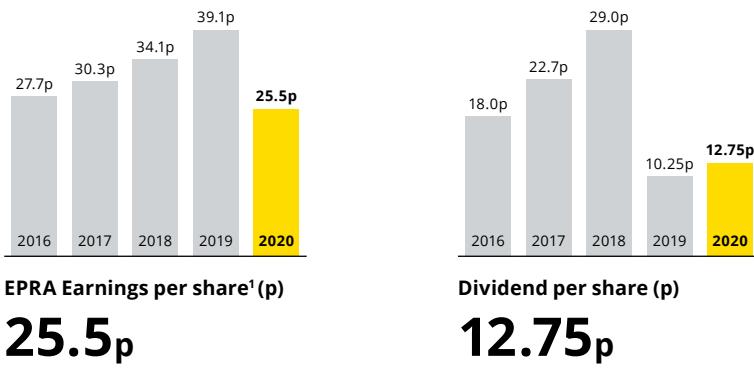
"2020 was a uniquely challenging year for the business due to the significant disruption created by the Covid-19 pandemic."

Phil White Chairman

The pandemic has brought out the best in our business, showing the resilience of our operating platform. I am proud of the hard work and dedication shown by our teams in supporting students throughout this period. On behalf of the Board, I would like to thank our colleagues for their steadfast commitment.

Throughout the pandemic, the Board has been focused on protecting the interests of its key stakeholders with a particular focus on doing what's right for students whose lives and studies have been significantly impacted. Unite was the first Purpose-Built Student Accommodation (PBSA) provider to forgo 2020 summer term rents for students returning home due to Covid-19 during the initial lockdown. We have since offered further flexibility and rental concessions for the 2020/21 academic year to recognise the ongoing disruption experienced by students. These decisions were taken with consideration for the long-term success of the business, our reputation and our desire to show leadership within the student accommodation sector.





Our financial performance has understandably been impacted by Covid-19, with EPRA EPS down 35% to 25.5p and total accounting return reduced to (3.4)%. This performance reflects the impact of rent forgone for the summer term of 2019/20, reduced occupancy for the first term of 2020/21 and an associated valuation loss. This resulted in an IFRS loss before tax of £120.1 million (2019: loss of £101.2 million).

Over the years, the business has worked hard to reduce its environmental impact, support the wellbeing of our customers, and promote access to Higher Education through the Unite Foundation. However, recognising the need to do more around environmental and social issues, the Board approved a new Sustainability Strategy in late 2020. It includes targets for net zero carbon operations and development by 2030, a commitment to providing opportunities for all our employees irrespective of their background, gender or ethnicity and a pledge to raise standards across the student housing sector. A Sustainability Committee of the Board has been established to oversee the implementation and development of this strategy.

As previously announced, I will retire as Chairman and step down from the Board with effect from 31 March 2021. I will be succeeded as Chairman by Richard Huntingford. My tenure as Chairman was extended to oversee the integration of the Liberty Living acquisition, which completed on schedule in September 2020, having exceeded the cost synergies targeted from the transaction.

See our **Sustainability Report** on page 46

1. The financial statements are prepared in accordance with International Financial Reporting Standards (IFRS). The Group uses alternative performance measures (APMs), which are not defined or specified under IFRS. These APMs, which are not considered to be a substitute for IFRS measures, provide additional helpful information and are based on the European Public Real Estate Association (EPRA) best practice recommendations. A full glossary of definitions is available on pages 225 and 226.

Unite is a great business with fantastic people and it has been a privilege to have played just a small role in its success over the past decade.

While Covid-19 creates some uncertainty, the Higher Education sector's strong fundamentals, our high-quality portfolio and pipeline, the strength of our University relationships and our market-leading operating platform provide the foundations for a rapid recovery and significant future growth. Reflecting this confidence, the Board is recommending the reinstatement of dividends with a final dividend of 12.75p payable in May.

Phil White
Chairman
16 March 2021

