

CHAIRMAN'S INTRODUCTION TO GOVERNANCE

The Board's governance is focused on delivering a long term sustainable and resilient strategy for the Group.

"Ensuring we have the right governance and resources in place has been more critical than ever due to the dynamic nature of Covid-19."

Phil White Chairman

2020 brought unprecedented challenges to the business with the significant disruption caused by Covid-19. The Board responded by quickly assessing the key impact of the pandemic to the business and ensuring the right governance and resources were in place to oversee the rapidly evolving situation.

The Board took immediate steps to ensure the Group was both resilient and agile so the business could perform as well as possible through the pandemic whilst also being in as good a place as possible once we emerge from it.

Safety, one of our key risks, was especially challenged by the pandemic. To ensure the safety and wellbeing of our 76,000 customers and our employees, the Board sought third party assurance, obtaining British Safety Council Covid Secure accreditation. The business took a number of other key steps to ensure the safety and wellbeing of our customers, employees and visitors to our sites. These are detailed in the Health and Safety Committee report on page 115.

The Board focused on ensuring the business's financial safety by taking decisive action to conserve cash and reduce costs. These actions included deferring development and non-essential operational capex, a reduction in Board and senior management salaries, cancelling our 2019 final dividend and suspending our 2020 interim dividend and realising further cost savings.



The challenges of Covid-19 have weighed heavily on our key stakeholders. In particular, to protect the interests of students and with a focus on doing what's right for students whose lives and studies have been significantly impacted by Covid-19, the Board took the decision to waive 2020 summer term rents for students returning home due to Covid-19 during the initial lockdown and then offered further rental discounts for the 2020/21 academic year in early 2021. In parallel to our Covid-19 response, the Board also ensured there were dedicated resources to focus on integrating the Liberty Living business, as well other key priorities such as fire safety and cladding. Continuing to keep our properties open through Covid-19 alongside integrating Liberty Living is only possible due to the talent and hard work of our teams across the business. On behalf of the Board, I would like to thank them for their dedication and hard work in uniquely challenging times.

During 2020, the Board approved a new Sustainability Strategy recognising the need for the business to do more. This Sustainability Strategy includes targets for net zero carbon operations and development by 2030, equality of opportunity for our employees and a commitment to raise standards across the student housing sector. Governance of our Sustainability Strategy is provided by our newly established Board Sustainability Committee.

During 2020, I was delighted to welcome Professor Sir Steve Smith to the Board who brings a wealth of experience in the Higher Education sector. Steve was also appointed Chair of our Health & Safety Committee. His extensive experience in Universities and campus life has proved especially helpful as this Committee navigates the volatile and unprecedented challenges of Covid-19.

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 2020. It has been a privilege to Chair the Board of Unite and play a small role in its success over the past decade.

Engagement with our wider stakeholders continues as key to our growth, along with robust and effective governance especially as the HE sector and the wider market faces the uncertainties ahead from Covid-19 and the wider economic impacts. Our governance framework has been designed to ensure our resilience through these uncertainties whilst ensuring our agility to seize opportunities ahead of us.

The following pages explain how our governance and stakeholder engagement have supported us through 2020 and how it will continue to support our growth and longer-term sustainability.

Phil White

Chairman

16 March 2021

 See our **Sustainability Report on page 46** for more information about our Environmental, Sustainability and Governance strategy for the coming year