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MESSAGE FROM THE VICE CHANCELLOR

This was a year in which we cemented our leadership role in the economic and social development of Northern Ireland, aided by the continuing progress of our Strategy 2030 ambitions.

In the recent Research Excellence Framework (REF) results, detailed in this report, not only was our research rated 1st in the UK for Agriculture, Veterinary and Food Sciences, 4th for Health and Biomedical Sciences and 8th for Law, but the proportion of staff in the top five performing units increased from 16.9% in REF 2014 to over 47% in REF 2021.

Overall, our REF evaluation demonstrates a clear alignment between our institutional strengths, in terms of quality and volume, and emerging regional priority areas, particularly in relation to the opportunities presented by the Belfast Region City Deal, in which we play a key part.

We make a major economic contribution to the wider UK. A recent London Economics Report has estimated the total impact of our activities at £3bn per annum – with research and knowledge exchange accounting for £1,186m (39%); teaching and learning £1,068m (35%); and educational exports £305m (10%); in addition, the impact generated by our operating and capital expenditure stands at £482m (16%).

This is a picture of a University which is reaching out, informing and engaging, improving lives, regionally, nationally and globally.

This was a year in which we gradually emerged from under the dark cloud of Covid-19, but faced other challenges – the effect of the war in Ukraine, the cost of living and financial crises, as well as the impasse within the NI Assembly with the continuing absence of a devolved Government impacting long and medium term planning, something which is impacting directly and specifically

on our University's future success. Lack of investment and the migration of students away from our shores create a perfect storm which must be tackled urgently, especially with the increase in the population of young people that we can see in the 10 years ahead. We can calm that storm through collaboration and partnership – our universities working in harmony with Government, industry and society. Queen's stands ready to play its part.

Under our Social Charter we are committed to providing leadership locally and globally, to promoting a positive impact through research and education and to promoting equality and social justice. This Annual Report shows how we are embracing that role, enabling change for the better through the work of our people in every part of our University.

Professor Ian Greer
President and Vice-Chancellor

MESSAGE FROM

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SEPTEMBER 2021

CHANCELLOR INSTALLATION

The Installation of Secretary Hillary Rodham Clinton as the University's 11th and first female Chancellor.

DECEMBER 2021

BELFAST REGION CITY DEAL

Signing of the Belfast Region City Deal – a momentous occasion for our region and for innovation in Northern Ireland. Queen's is leading on three innovation projects.

DECEMBER 2021

JUNE 2022

THE PLATINUM JUBILEE OF HER MAJESTY QUEEN ELIZABETH II

The University planted a magnolia tree as part of the Queen's Green Canopy project and launched four new Platinum Jubilee Scholarships.

NOVEMBER 2021

SUSTAINABILITY ACTION PLAN

Queen's pledges a multi-million pound investment in a Sustainability Action Plan to help play its part in tackling the global climate emergency.

DECEMBER 2021

WINTER GRADUATION

The return to in-person Graduation and Celebration events for our students who graduated virtually during COVID.

JUNE 2022

PROFESSOR LORD DAVID TRIMBLE

The Inaugural Annual Professor Lord David Trimble lecture and portrait unveiling to mark the outstanding contribution that Lord Trimble made to society for over fifty years.

OVERVIEW OF HERITAGE

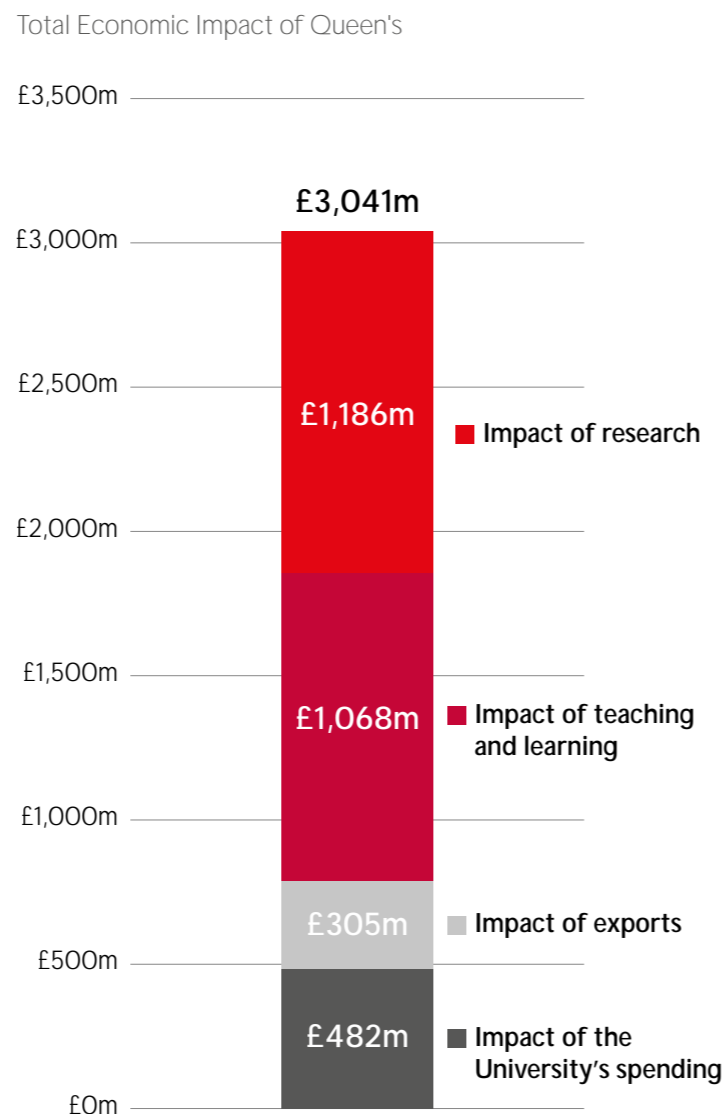
Queen’s University Belfast is one of the leading universities in the UK and Ireland with a distinguished heritage and history.

The ninth oldest University in the UK, we are a member of the Russell Group, combining excellence in research and education with a student-centred ethos. We are ranked joint 13th in the UK for research intensity (Complete University Guide 2022), with 88% of research submitted by Queen’s assessed as world-leading or internationally excellent (REF 2021).

Our global reputation is building. The Times Higher Education World University Rankings (2022) placed Queen’s in the top 200 universities in the world. They also ranked Queen’s 17th in the world for international outlook while U-Multirank 2020 positioned us in the top 25 universities for international joint publications. In addition, 13 subject areas are ranked in the top 200 in the world (QS World Rankings by Subject 2022).

Our global partnerships continue to grow and build on and forge alliances with leading Institutions in America, China, India, the Middle East and Asia.

Queen’s is pivotal to Northern Ireland’s social and economic development. We are playing a central role in the Belfast Region City Deal and are accelerating economic growth, ensuring a talent pipeline of fully equipped, future-ready graduates to meet demand. The University is renowned for its strengths in enterprise and innovation, and was ranked 1st in the UK as the most entrepreneurial University in 2019 and 2020 (Octopus Ventures Impact Rankings).



OUR STAKEHOLDER

STUDENTS

With over 25,000 students from more than 96 countries, our diverse student body makes a rich and exciting contribution to campus life. Working in partnership with the Students’ Union, the University is committed to student participation and engagement. The Student Partnership Framework and the shared programme of representation, ensure meaningful involvement in decision-making. There are many opportunities to contribute — through the Students’ Union, Student Representation at Course, Subject, School and Faculty level and through membership of University Committees, including Senate and Academic Council.

COLLEAGUES

We have over 4,300 members of staff from over 98 countries. They are represented in our governance through membership of Senate and engagement with the Trade Unions. They are also members of many committees and groups, including the Staff Forum.

ALUMNI

We maintain life-long relationships with more than 218,000 alumni across the world, engaging regularly to build connections and community amongst alumni and with the University. Alumni are kept up to date through a number of communication channels, including the alumni magazine as well as through a wide range of associations and alumni chapters. In-person annual dinners, meet-ups and outings, including the Annual Alumni Awards, sponsored this year by Allstate NI, form an important part of our engagement. Alumni are also members of Convocation which, through volunteer alumni leadership, creates opportunities for connectivity and engagement between alumni and the Queen’s community. Convocation also facilitates representation to and dialogue with the University on behalf of Alumni.

THE LOCAL COMMUNITY

Queen’s is committed to the community and we are proud of the contribution our students make, with 11,000 students involved in volunteering, clubs and societies. We have developed partnerships with Belfast City Council, the Health and Social Care Board, and a range of local community and voluntary groups. We convene the Neighbourhood Forum, a platform for local residents, politicians and representatives of the University and Students’ Union to address important issues. We are also community planning partners with Belfast City Council and we hold membership of a number of business representative bodies.

FUNDERS AND REGULATORS

Unlike other parts of the UK, Northern Ireland has no Higher Education Funding Council. Instead, the Department for the Economy (DfE) undertakes that role. There are formal and informal channels of engagement between the University and the DfE. Queen’s is registered with the Charities Commission for Northern Ireland. In setting and reviewing all our activity Senate, the University’s governing body, seeks to comply with the Commission’s guidance on the reporting of public benefit and the supplementary public benefit guidance on the advancement of education.

PARTNER ORGANISATIONS

Our partners are a diverse range of organisations locally, nationally and internationally. We work with business, Government, community and the Higher and Further Education sectors in Northern Ireland, collaborating in a number of initiatives, including the Belfast Region City Deal. Queen’s is a member of Universities UK, the Russell Group and the all-island Universities Ireland. We work with universities in the UK and Europe and have more than 120 partnerships across the globe, including the Mohammed Bin Rashid University of Medicine and Health Sciences (MBRU) and the China Medical University – Queen’s University Belfast Joint College (CQC).

STRATEGY 2030

Strategy 2030 sets out our 10-year ambition to shape a better world through life-changing education and research. Our vision is to be a global research-intensive University, generating internationally leading research coupled with outstanding teaching and learning, focused on the needs of our society, locally and globally. Our ambition for 2030:

A GLOBAL UNIVERSITY

From our hub in Belfast we will build partnerships and collaborations across the globe, attracting the brightest and the best, being known for our exceptional record in diversity, inclusion and sustainability.

SCALE NEW HEIGHTS

Climbing the Global league tables and ranked in the top 175 in the world.

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A TRANSFORMATIVE EDUCATION AND STUDENT EXPERIENCE

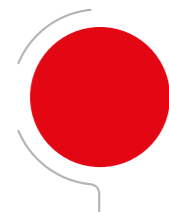
That inspires and delivers the engaged global citizens of tomorrow with flexible and broad-based learning opportunities that are lifelong, coupled with outstanding support.

RESEARCH OF THE HIGHEST QUALITY AND IMPACT

A University known for research of the highest quality, with impact and exceptional translation driving strong partnerships with industry and business.

A GREAT PLACE TO WORK

A leading employer for equality, diversity and inclusion with an organisational culture that supports and empowers staff to produce their best.



AN ANCHOR INSTITUTION

An anchor Institution in Northern Ireland that takes pride in social and civic responsibility, supporting progressive social change and economic growth in an environmentally sustainable way.

FINANCIAL SUSTAINABILITY FOR GROWTH AND DEVELOPMENT

A University that is financially sustainable, with the capacity to invest to deliver the best opportunities for students, staff and society in a changing world.

STRATEGIC PRIORITY EDUCATION AND SKILLS

During the year, the University endorsed a new plan for Education and Skills which includes the following key commitments.

#QUBeWell Healthy Campus Framework.
Activity included awareness campaigns such as the Charge Up, Get Connected

THEME	COMMITMENT
A transformative student experience	Create future-ready graduates by embedding opportunities for every student to engage with innovation and enterprise within the curriculum and through extracurricular opportunities.
	Offer learning beyond the boundaries of nation and culture by embedding a culture of diversity and inclusivity within the curriculum and student experience by enhancing our range of high-quality mobility programmes.
An education for societal impact	Introduce a portfolio of broadly-based degree programmes and inter-disciplinary opportunities and offer minor pathways to enable structured engagement in inter-disciplinary learning.
	Embed in all programmes a focus on United Nations Sustainable Development Goals (UN SDGs) supported by meaningful engagement between students and research leaders and innovators. Work with business to identify and deliver key skills for our growing economy.
Enhancing the learning experience	Rebalance assessment at Queen's: reduce replication and redundancy in summative assessment and increase the quality and timeliness and self-evaluation.
	Create an optimal environment for learning, teaching and assessment by embracing digital transformation .

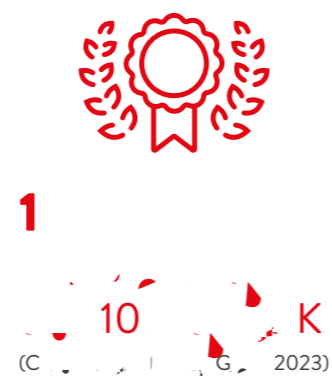
PROGRESS UPDATE

The opening of the new £42m Student Centre and Students' Union, One Elmwood, in August 2022 marks a major milestone in the development of our student services and the broad student experience. The new building, which will enable the introduction of a "student first" customer service, will cater for the changing needs of students and create a new focus for life on campus.

Phase 1 of the new Education and Skills plan, endorsed during the year, focuses on transforming assessment, digital development and programme

development and will enhance our reputation for education with the introduction of a Scholarly and Reputation Enhancement Programme. The plan will build a solid infrastructure for innovation and collaborative learning practices to support our Strategy 2030 ambitions.

The provision of student wellbeing services remains an important priority. While the 2021-22 academic year was focused on responding to the challenges created by the Covid-19 pandemic, we made good progress on the development of the



STRATEGIC PRIORITY RESEARCH AND INNOVATION

Research performance improved significantly over the past year with over £100m in new awards, including an increase from United Kingdom Research and Innovation (UKRI). Allied to this is an increase in the proportion of larger-scale grants (over £1m).

of staff conducting world-leading or internationally-excellent research increased from 76.5% in 2014 to 88.2% in 2021.

The Research Excellence Framework (REF) 2021 highlighted the depth of quality across the University. We were ranked joint 1st in the UK for Agriculture, Veterinary and Food Science, 4th for Health and Biomedical Sciences and 8th for Law, with 96% of our Engineering research rated as world-leading or internationally excellent. The transformative potential of our research was also rewarded as we increased our overall percentage of outstanding research impact, with 11 different disciplines showcasing 100% outstanding and very considerable impact. The proportion

STRATEGIC PRIORITY GLOBAL REPUTATION AND PARTNERSHIP

In September 2021, our Global Reputation Action Plan was approved with key year one actions focused on optimising international rankings, international student recruitment, and the articulation of strategic research themes.

Our performance in global league tables has improved and we are now ranked in the top 200 in the Times Higher Global Rankings, our highest position in recent years. This rise of 24 places has been driven by improvements in teaching and research reputation as well as research quality.

Work to enhance our reputation continues with research Champions appointed for all Schools and the launch of a research reputation campaign, as well as new online web content to showcase our strengths.

During the year, our international student population increased by 18%, further contributing to the diversity of our University and city, and making a significant economic impact, estimated

at £305m (London Economics). We also welcomed our largest ever study abroad cohort from a single Institution with

STRATEGIC PRIORITY

SOCIAL AND CIVIC RESPONSIBILITY AND ECONOMIC PROSPERITY

THEME	COMMITMENT
Economic Growth and Prosperity	Deliver on the Regional Growth Deals, the Northern Ireland Executive's strategic priorities, and the UK Government's industrial and innovation priorities in the context of Northern Ireland, enhancing UK/Ireland partnerships.
	Partner with other anchor institutions and business to deliver collective impact and maximise benefits.
Drive Social Change	Address key social challenges in Northern Ireland through our research and teaching, and through our role as a major civic Institution in the region.
	Tackle social inequality by address key social challenges in Northern Ireland.
Partnership and Place	Embed the UN Sustainable Development Goals across all our activities.
	Transition to a Zero-Carbon society.

We continue to play a critical role in the socio-economic development of Northern Ireland, making a major economic contribution. Our economic impact on the UK has been estimated at over £3bn (London Economics), representing a 45% increase over the previous five-year period and a benefit to cost ratio of approximately 8.2 : 1.

During the year, considerable progress was made on the Belfast Region City Deal. This represents a major opportunity for the University, Belfast and Northern Ireland by driving collaborative University-industry R&D to harness additional investment, build workforce skills, create new jobs and accelerate inclusive growth. The Deal Document was signed in December 2021 and work is advancing across all the

Queen's-led innovation projects – the Advanced Manufacturing Innovation Centre (AMIC), Global Innovation Institute (GII), and the Institute for Research Excellence in Advanced Clinical Healthcare (iREACH) whose collective funding from UK government, the Northern Ireland Executive, the University and its partners for the three centres is circa £200m.

Addressing global challenges remains a priority and during the year we reinforced our commitment to sustainability. In advance of COP26, we pledged a multi-million pound investment in an action plan to help play our part in tackling the climate emergency. A Sustainability Team has been created and a Sustainability Board established to report on a quarterly basis. Investment has al (y)25 mail

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ENABLING OUR VISION

People

Our people are at the heart of Strategy 2030. During the year a new People Strategy was developed focussed on enhancing the employee experience, building capability within the workforce, and improving the organisational culture.

Activity undertaken during 2021-22 included our Pulse Survey which gathered feedback from staff on workload and work-life balance. In response, agile flexible working arrangements have been rolled-out to all roles. Work is underway to address academic workload and a Staff Charter based on the behaviours aligned to our Core Values has been developed. A Steering Group has also been established to support cultural change within the organisation.

Health and wellbeing support remains a priority. During the year new policies for Menopause and Fertility Leave were approved and there was the official launch of the Queen's Carers' Network which offers a peer resource for those

working carers balancing the demands of supporting others with their roles at Queen's. Our commitment to advancing diversity and inclusion was recognised with the award of the Silver Diversity Mark.

While progress has been made on many issues, there is still more to do. We remain committed to working in partnership with the Trade Unions to make the University a better place to work. During the year, we agreed with our branch, University and College Union (UCU), to work with them on a wide range of issues, including our positions, plans and commitments on casualisation, values and behaviours, equality, diversity and inclusion, and career development.

Technology

In October 2021, proposals to invest in digital transformation to maximise the benefits of technology were approved.

The Digital Transformation roadmap brings together all the technology-enabled change that Queen's needs to deliver in the next 3-5 years, aligned to Strategy 2030 and in support of teaching and research outcomes. The investment will improve efficiency and effectiveness through automation and streamlining of business processes, generating benefits for students and staff and having positive effects on wellbeing by removing burdensome manual processes.

A Digital Transformation Steering Group has been established to prioritise projects and, in Spring 2022, it approved the business cases for the redesign and digital transformation of the applicant management system and of the student support process. These projects are now underway and a further business case for the redesign of the staff recruitment process was approved in May 2022.

Infrastructure

Key institutional projects during the year included the completion of our new £42m Student Centre, One Elmwood, which houses both the Students' Union and University Services in one purpose-built facility and will transform the student experience at Queen's.

The £26m Riddel Hall expansion to provide postgraduate teaching accommodation

Financial Sustainability

Financial sustainability is a key tenet of our Strategy 2030. A detailed analysis of the University's financial performance for 2021-22 is set out in the Consolidated Income Review on pages 36 to 54

SUSTAINABLE DEVELOPMENT GOAL

Sustainability is at the cornerstone of Strategy 2030. Building on an established track record of innovation, education and impact in areas such as climate, health and technology, Strategy 2030 sets out how we will embed and make visible the UN Sustainable Development Goals (SDGs) across all our activities.

As a signatory to the UN Accord, Queen's is already delivering a wide range of programmes across and beyond the Institution which embed sustainability issues and address the climate crisis. Notable developments include the establishment of an All-Island Sustainable Development

Strategic Network in collaboration with University College Cork – this will provide an island-wide framework focused on mobilising local action for the Sustainable Development Goals. This section highlights some of the work taking place across the University in all seventeen SDGs.



Pedalling to Progress: Big Loop Bike Hub: Richard Good, Director of the Turnaround Project, Belfast Lord Mayor, Councillor Kate Nicholl and Vice-Chancellor Professor Ian Greer.

Green Meetings Accreditation: - Pictured

Research completed by staff in the School of Law for the Northern Ireland Judicial Appointments Commission (NIJAC) has underpinned changes to the judicial appointments process. This has

Outreach and engagement

BT9 student allotment

In partnership with The Conservation Volunteers, staff and students have been busy creating, maintaining, and growing BT9 Student Allotment. The allotment was created in 2019 by a group of student volunteers, funded via the Queen's Green Fund. Since 2019, the allotment has evolved in size, with the addition

of an apple orchard in 2020 and the formation of a Gardening Club in 2021. The allotment provides students with a valuable green space, an opportunity to learn about where their food comes from whilst enhancing the biodiversity of their campus. This project contributes to the 'One Million Trees for Belfast' programme.



Community-led partnership to tackle derelict land

Academics have been engaging with BUILD Shankill in a community-led partnership that is working to address issues around vacant and derelict land across the Greater Shankill. Using housing market data and GIS spatial analysis, academics within Queen's Communities and Place (QCAP) have assisted the BUILD working group to better understand local housing market dynamics through a bespoke

and interactive site register. Queen's Communities and Place is a new initiative based on partnership between communities, policymakers and academics. Key findings were presented at a community event in June 2022, which was attended by MLAs, Councillors, the NI Housing Executive, and local developers. This project aims to provide knowledge that will allow the delivery of viable housing schemes.



Knowledge economy Hub@theMarket

A collaboration between academic staff from QCAP, the Gardening Team within Queen's and the Market Development Association, launched a community partnership project with St Malachy's Primary School. The focal point of the project involves the refurbishment of the school's pond area, with the wider programme providing opportunities

for the community to participate in knowledge-intensive activities. This includes encouraging curiosity, engagement, and skills development across a range of ages, to consider scientific and environmental issues that directly impact the community.



Green Flag Award: Pictured at the Awards are (L-R): Environment Minister Edwin Poots; Queen's Environmental Officer Naomi Martin; Head Gardener at Queen's Paul Wallace; and Dr Ian Humphreys, Chief Executive of Keep Northern Ireland Beautiful.



Laboratory efficiency assessment framework: Pictured (L-R): BACKROW: Alan Stitt, Academic Sponsor of the LEAF Program and Dean of Innovation and Impact, Faculty of MHLS; Jim Sloan, WWIEM; Sarah Gilchrist, Centre for Public Health; Phillip Orr, Maths and Physics; Collette O'Hagan, Pharmacy. FRONT ROW: Sara Lynch, Head of Sustainability; Alison Meredith, Biological Sciences; Jill Kilner, Centre for Public Health; Pamela Maxwell, PGJCCR; Maria Rea, PGJCCR; Naomi Martin, Environmental Assistant.

PUBLIC BENEFIT A EMEN

The University is registered with the Charities Commission and has a responsibility to act for the public benefit across all its activities. Under our Social Charter we are committed to the core principles of:

The QUB-KN Cheung SK Chin InterSim Centre at the Faculty of Medicine, Life and Health Sciences demonstrates leadership in nursing, midwifery, medicine and pharmacy through the provision of state of the art interdisciplinary clinical simulation for healthcare students. Another significant development in healthcare training is the

Queen's is a leading participant in the Skill Up Programme, supported by up to £23m from the Department for the Economy and the Northern Ireland Office. Skill Up funds local Higher and Further Education in the provision of more than 20,000

PHILANTHROPY A QUEEN'

The Queen's Foundation is an independent charity which generates philanthropic support for the University and works with donors to create both vision and legacy using their gifts.

CONSOLIDATED INCOME REVE

The outturn position for 2021–22 was positive for the University, with an operational surplus of £15.3m. We focus on this measure to indicate financial sustainability, as it is less susceptible to movements in the actuarial valuations of pension schemes and market conditions prevailing at the financial year end, than the total income/ (expense) reported in the Statement of Comprehensive Income (SOCl).

The SOCl position also includes a number of accounting adjustments as set out below.

The 2020 actuarial valuation of the Universities Superannuation Scheme (USS) and associated Recovery Plan was approved during 2021-22. As a consequence, the balance sheet provision in respect of the University's future commitments to the

Queen's is a vibrant campus University at the heart of Belfast city. Substantial investment in our facilities has developed our historic campus into an innovative learning environment for our students and staff that stimulates, enables and supports world-class education and research.

Capital expenditure has continued

REPORT ON INVESTMENT PERFORMANCE AND COMMITMENT TO RESPONSIBLE INVESTMENT

Investment performance

The notes to the accounts set out full details of the two Investment Funds – the University Investment Fund and General Investment Fund, both of which are managed, on behalf of the University Investment Committee, by BlackRock Investment Management (BlackRock).

The University Investment Fund is administered, under the terms set out in the Queen's University (Trust Scheme) Order (Northern Ireland) 1982, and includes endowment funds donated and bequeathed to the University for specific purposes. The fund is actively managed by BlackRock and at 31 July 2022 was valued at £62m. Investment by endowment fund holders in the fund is by share purchase, and with 6,874,971 shares issued, the value of a share was £9. This represented a decrease of 2.9% on the valuation of the previous year. The income distributed by the Investment Fund to the endowments was increased from 30p to 32p per share and, in total, amounted to £2.2m.

The General Investment Fund is for the longer-term investment of University funds. At 31 July 2022, the fund was valued at £130m. This valuation reflects an additional investment of £30m made during the year, and represents an adjusted decrease of £0.8m, or 0.01% on the previous year's valuation of £100.8m.

The early part of 2021-22 was characterised by the opening up of societies and economies, as concerns around the impacts of the coronavirus pandemic receded, on the back of rising vaccination levels most notably in the developed markets. This in turn, unleashed pent up demand and drove economic growth, resulting in strong returns from the equity markets. However, this increase in demand, coupled with inelastic supply chains in some sectors, created a material acceleration in global inflation from historically very low levels.

As we moved into 2022, the increase in global inflation was further exacerbated by continued challenges in global supply chains and the shock to global energy supply caused by the Russian invasion of Ukraine. This created a challenging and volatile market backdrop for investors and risk assets like equities have delivered negative returns in the face of a challenging combination of higher inflation, tighter central bank policy and slower growth.

The University maintains a significant weighting to investment in equities in the view that, long-term growth ahead of normalised inflation is likely to be generated. Although the University's investment portfolios have reduced in value during 2022, the portfolios have performed relatively better than global equity markets (to use the MSCI World Index as a comparison).

Responsible investment

Decisions in respect of investments are made on the recommendation of the Investment Committee guided by the University's Responsible Investment Policy. The University's Investment Committee meet with BlackRock on a regular basis to review the investments and their performance.

BlackRock has a clear understanding of the University's Responsible Investment Policy, including the commitment to transfer its indirect investment into funds which exclude companies involved in the extraction and production of fossil fuels, by 2025, provided that the effect is not materially detrimental to expected investment returns.

We have engaged with BlackRock during 2021-22 to precisely define the way the fossil fuel exposure across our Funds is measured and the portfolio managers have continued to take steps to reduce this exposure in our portfolios. The Investment Committee understands that the sustainable investing landscape is constantly evolving and expects that the sustainability and carbon intensity of the University's investment portfolio will improve over time, importantly without unduly damaging the returns generated.

BlackRock include environmental, social and governance (ESG) metrics in the regular reporting and presentations that they provide to the University and specific data on the evolution of our fossil fuel exposure. The Investment Committee has worked with the portfolio managers to evolve the asset allocation, aligned to BlackRock's market views, with a focus on reducing the exposure to fossil fuels and improving the sustainability of the portfolio.

In the last year, as measured by the BlackRock exposure index of companies, which derive more than 5% of their income from the extraction and production of fossil fuels, the University's exposure from its investments has reduced from 3.8% to 1.2% at 31 July 2022.

As an investment manager, BlackRock makes sustainability integral to the way that it manages risk, constructs portfolios, designs products and engages with companies. In January 2021, BlackRock outlined its clear commitment to achieving 'Net Zero' carbon emissions by 2050, [outlining the series of actions](#) that it believes will help clients prepare their portfolios for a net zero world. BlackRock has been a signatory to the United Nations Principles for Responsible Investment (UN PRI) since 2008, was an original member of the 32-member industry-led 'Task Force on Climate Related Financial Disclosure' (TCFD) and joined the Climate Action 100+ in 2020. As a signatory of the Net Zero Asset Managers Initiative, BlackRock are one of 100+ asset managers committed to aligning the financial sector and supporting the goals of the Paris Agreement, and attended the UN Climate Change Conference (COP26) in November 2021 to help accelerate action towards the goals of the Agreement.

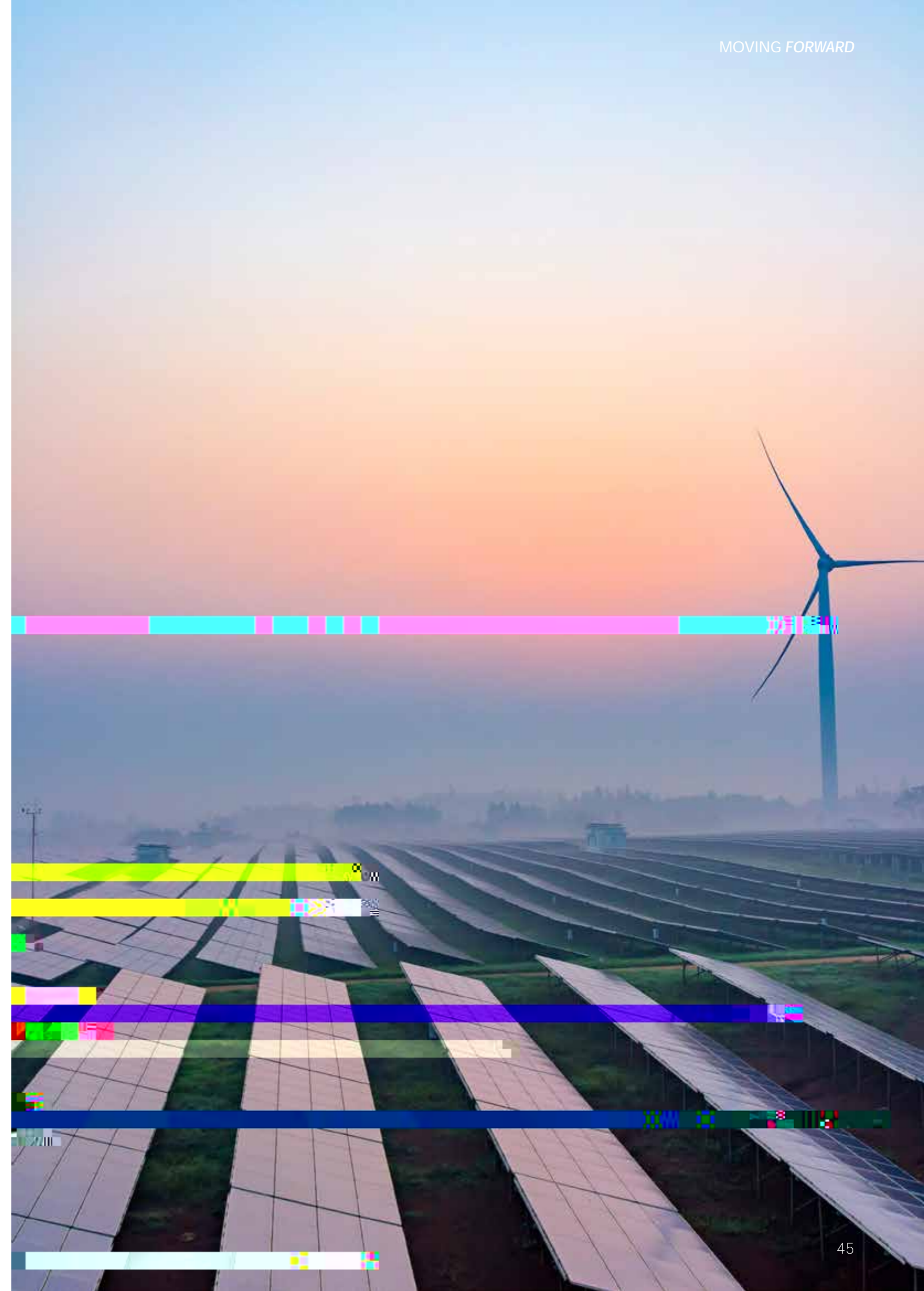
BlackRock has both a Sustainable Investing team, bringing together its investment and product teams to build innovative sustainable fund solutions, and a dedicated 60+ person strong [Investment Stewardship Team](#) which constantly monitors and engages with companies to encourage business practices consistent with sustainable long-term value creation.

The Investment Committee recognises that, alongside a divestment policy, engagement via its investment manager with the companies in which it invests is an important tool in encouraging more sustainable behaviours, and ultimately influencing the way in which companies are managed.

In the period from July 2021 to June 2022, BlackRock voted on more than 14,100 companies, and 173,000 management and shareholder proposals across 70 voting markets. In line with its conviction that climate risk is investment risk, climate and natural capital remains one of the five key priorities that BlackRock believes are essential to the long-term financial performance of its clients' investments. A full summary of the voting year 2021-22, can be viewed [here](#). BlackRock continues to publish regular detailed 'voting bulletins' to offer rationale behind important company votes, which are also available [here](#).

As the University continues to evolve its Responsible Investing Policy, the Investment Committee feels confident that BlackRock is well positioned to offer solutions to meet the University's responsible investment needs. As a market-leader in developing innovative ESG-aligned investment solutions and with a broad global investment platform, BlackRock will be able to support the transition to a greener, more sustainable portfolio. The focus of the Investment Committee's work with BlackRock over the coming year will be on accelerating the reduction of the already low exposure to fossil fuels in the University's investment portfolio as we look forward to 2025.

These activities demonstrate the Investment Committee's commitment to Responsible Investment and its incorporation into the long-term management and investment arrangements for the University's Investment Funds.



PENSION SCHEME

The University is a participating employer in two separate defined benefit pension schemes, the Retirement Benefits Plan (RBP), which is available to staff in posts graded 1–5, and the Universities Superannuation Scheme (USS), which is available to staff at grade 6 and above.

Retirement Benefits Plan (RBP)

The RBP funding position is calculated annually for accounting purposes, in accordance with FRS 102.

As set out in note 23 of the Financial Statements, the RBP funding position under FRS 102 shows a deficit of £40.1m at 31 July 2022 (£74.0m at 31 July 2021). The reduction in the deficit position reflects several factors including, a change in the financial assumptions which

underpin the calculation, specifically significantly higher corporate bond yields and resulting discount rates.

The latest Actuarial Valuation of the RBP as at 31 March 2020 identified a funding shortfall of £4.7m and a funding level of 98.1%. A Recovery Plan has been agreed to address this funding deficit by 31 March 2030.

Universities Superannuation Scheme (USS)

USS is the principal pension scheme provided in the Higher Education (HE) Sector and, with 212,306 active members, 360 participating employers, and assets of some £90.8bn (31 March 2022), is one of the largest pension schemes in the UK. FRS 102 requires each Institution to recognise a liability for its share of the USS funding deficit, based on its commitment to the recovery plan agreed as part of the outworking of the most recent Actuarial Valuation.

The 31 March 2020 valuation (and the associated Recovery Plan and Schedule of Contributions) is the basis for calculating the USS liability in these Financial Statements. The movement in Queen's liability in respect of future commitments to the deficit recovery plan has increased by £95.3m to £156.2m (£60.9m at 31 July 2021). Further details are set out in note 24 of the Financial Statements.

The 31 March 2020 Valuation was signed and filed with the Pensions Regulator with an effective date of 1 October 2021 and indicated a deficit of £14.8bn (£3.6bn at 31 March 2018). The 2020 valuation was signed on the basis that the proposed package of benefit and contribution rate changes,

as recommended by the Joint Negotiating Committee (JNC), would be implemented.

A modification to the JNC recommended changes were made in relation to the 2.5% cap on indexation. Employers agreed to pay an additional 0.2% contribution from 1 April 2022 to 31 March 2024, to delay the introduction of the cap until April 2024. The total employer contribution from 1 April 2022 is 21.6%, with a member contribution of 9.8%.

On 18 August 2022, the USS Trustee issued their latest Financial Management Plan Monitoring Report (as at 30 June 2022). The end of June position indicated a surplus of £1.8bn and a future service cost of 21.2% at that date.

Universities UK (UUK) commenced a consultation on the current USS governance arrangements in July 2022 and other long-term plans for the Scheme continue to be explored, including conditional indexation and lower cost options.

Pensions continue to be one of the most significant longer term risks currently facing the HE sector.

RISK AND NCERAIN

The University acknowledges the risks inherent in its activities and adopts an open, proactive and receptive approach to identifying and managing them. A comprehensive Risk Management Framework defined in the University Risk Management Policy assists the identification of the key risks that pose a significant threat to the achievement of the University's strategic priorities.

Risks are inherent in all activities and constantly evolve with changes in the external and internal environment. The risk management process within the University is structured to continually identify, evaluate and monitor such risks proactively and respond quickly to issues as they arise. It is embedded across the organisation as part of normal management arrangements and includes the regular review of emerging risks by the University's Executive and Operating Boards. The Risk Management Committee provides the strategic leadership and considers updates to the Corporate Risk Register with input from the University's Internal Auditors.

The Risk Management Committee reports to the Audit Committee which provides the necessary assurances on the adequacy and effectiveness of the Risk Management Framework to Senate.

The University's Risk Management Policy sets out a process to assess the impact and likelihood of identified risks occurring. Risk criteria, based on a materiality threshold, have been established. In considering whether a risk remains or is removed from the Risk Register, the Risk Management Committee assesses its risk appetite for that activity. The University takes appropriate levels of risk to achieve a step change across its core areas of activity: education, skills and the student experience, research and innovation, and business engagement, but adopts a more cautious attitude in matters of legislative and regulatory compliance to reduce risk to the University's reputation, our people and other resources and assets.

In the current and constantly changing and complex operating environment, the cumulative risk being experienced by the HE Sector and the University, is at a significant level. The proactive and embedded approach to risk management and its visibility at all levels within the organisation, including the Senate, is vital at this challenging time.

In addition to the longer-term risk associated with Pensions, the key risks facing Queen's are as set out overleaf.

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Risk Area	Risk Management
<p>Financial sustainability</p> <p>Absence of a sustainable financial position in support and delivery of Strategy 2030.</p>	<p>The University faces significant financial challenges which have been further compounded by current inflationary pressures. The lack of a functioning Executive, as well as the ongoing political and Government funding uncertainty in Northern Ireland (NI) continues to be of concern and the University continues to engage with our partners in Government in developing a sustainable level of funding for Higher Education (HE) in NI.</p> <p>Strategy 2030 will be underpinned by a sustainable financial position enabling Queen's to be responsive to the opportunities and challenges presented, and will include a transformational change programme.</p>
<p>International student recruitment</p> <p>Failure to recruit high-quality international undergraduate and post graduate students.</p>	<p>Our Global Student Recruitment Strategy is underpinned by an Integrated Action Plan. Measures include:</p> <ul style="list-style-type: none"> • Strengthening of specialised in-market teams, • Digital transformation to support the applicant journey, • Launch of a potential Growth Market Strategy, • Development of a focused demand-led innovative course portfolio, • Development of an institutional approach to English language support.
<p>Research quality/strategy</p> <p>Failure to secure competitive, high-quality research funding streams from prestigious national and international sources in order to deliver on strategic priorities and failure to meet research contribution targets.</p>	<p>Our Research and Innovation Strategy includes KPIs and targets which seek to maximise our impact and performance built around three interconnected pillars, People, Research Quality and Partnerships and Place.</p> <p>Given the increasingly complex and competitive research funding environment, measures implemented aimed at achieving nationally and internationally recognised research excellence and sustainability include:</p> <ul style="list-style-type: none"> • Targeted support for high-quality research funding, • School level research grant funding pipelines, • Development of Funder Liaison Groups to strengthen connectivity, • Pump-priming of new research endeavours, • An increased focus on collaborative working with colleagues in the Republic of Ireland (RoI) and United Kingdom (UK).

Cyber security

Failure to prevent, communicate and deal with the risks arising from cyber security attacks including 'hacking' and attacks aimed at theft of IP.

We adopt a holistic approach to be protected from Cyber Security attacks and have a cyber security plan in place.

This approach includes:

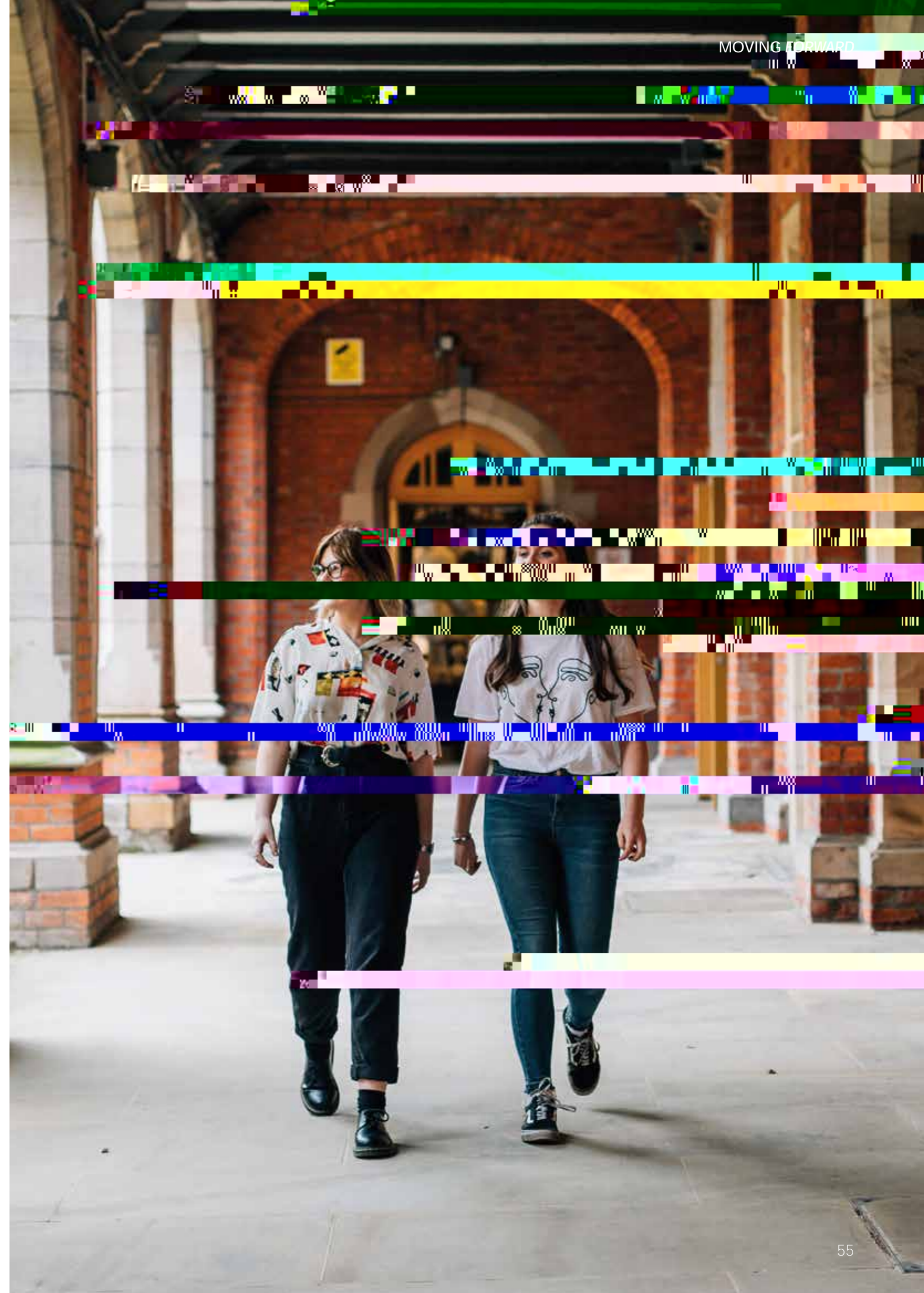
- Robust policies and procedures,
- Mandatory training for staff,
- Ongoing monitoring and vulnerability testing,
- Multifactor authentication,
- Maintaining awareness of current and potential

CONCLUSION

The University achieved a positive financial performance in 2021-22. Whilst elements of the operational surplus position were as a consequence of non-recurrent funding and income, student recruitment, in particular was strong, and furthermore, there was an improvement in the number and value of new research awards.

In the current, and constantly changing complex operating environment, including economic and political uncertainty, inflationary cost and utility pressures, the cumulative risk being experienced by the sector and the University is at a significant level. The proactive and embedded approach to risk management and its visibility at all levels within Queen's, including Senate, is vital at this challenging time.

Financial sustainability will underpin the delivery of our Strategy 2030, Delivering for our Future. Effective governance and strong financial performance is critical to the success of Queen's and we are well positioned to meet the challenges facing the sector which includes social and economic recovery post-pandemic, the need for investment in HE in NI to ensure we deliver/optimize impact and our contribution to the Skills for a 10x Economy.



CORPORATE GOVERNANCE

The University is committed to promoting best practice in all aspects of corporate governance. The following statement aims to provide readers of the Financial Statements with an understanding of the governance arrangements applied by Senate, the governing body of the University.

Incorporation and Governance Framework

The University is an autonomous body established by Royal Charter in 1908. Its activities, and those of Senate, are underpinned by its Charter and Statutes and its Regulations, together with the strong framework of legislation and regulation within which it operates.

Senate sets and reviews all University activity, both strategic and operational, and also complies with the Charity Commission's guidance on the reporting of public benefit and the supplementary public benefit guidance on the advancement of education. The University is formally registered with the Charity Commission for Northern Ireland and all Senate members are thus required to register as Trustees of the charity and observe the relevant legislation with a shared duty of care for the charity.

Senate meets formally at least four times each year but can have additional informal sessions, where necessary and appropriate, to inform its decision-making and effective governance. It is responsible for the ongoing strategic direction of the University, the stewardship of its revenue and property and the general conduct of its affairs. Senate works with the Executive Officers to set the institutional mission and strategy, and the Executive Officers ensure that steps are taken to deliver the institutional goals, supported by effective systems of control and risk management.

The Committee of University Chairs (CUC) published the latest version of their Higher Education Code of Governance in September 2020. The revision updates and extends the previous version of the Code (June 2018) placing inclusivity at the heart of governance. The Code has been developed to support Governing Bodies to deliver the highest standards of governance across their Institutions. In addition to meeting all mandatory requirements the University seeks to embrace best practice and thus Senate is responsible for ensuring the application of the Code.

When executing its duties, Senate maintains a comprehensive system of risk management, control and corporate governance, including the prevention and detection of corruption, fraud, bribery and irregularities. Senate receives effective and regular information to monitor corporate risks. Senate receives information from the Executive Officers to monitor the University's performance against its strategic objectives and to ensure that the University is effectively managed.

In the exercise of their duties, it is vital that Senate members have the opportunity to steer the strategic direction of the University. To support this members of Senate attend an annual Senate Away Day, to allow members and management to focus on the strategic priorities of the University in a more relaxed and informal setting.

In the prior year Senate considered

All these Committees are formally constituted with Terms of Reference and are comprised mainly of lay members of Senate. These committees and their respective attendance by each Senate member is listed below:

The Planning and Finance Committee advises and, where appropriate, makes recommendations to Academic Council and Senate, on the University's academic, financial, physical and human resource

Senate delegates operational management control of the University to the University Executive Board (UEB), chaired by the Vice-Chancellor, and to the University Operating Board (UOB), chaired by the Registrar and Chief Operating Officer.

The University's Charter and Statutes place responsibility for the University's operations with the Vice-Chancellor who, as the Accountable Officer, supported by the Executive Officers, implements

RESPONSIBILITIES OF SENATE IN RESPECT OF THE CONSOLIDATED FINANCIAL STATEMENTS

In preparing each of the Group and University Financial Statements, Senate is required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable UK accounting standards have been followed, subject to any material departures disclosed and explained in the Financial Statements;
- assess the Group's and University's ability to continue as a going concern, disclosing, as applicable, matters related to going concern; and
- use the going concern basis of accounting unless it intends to liquidate the Group, or the University, or to cease operations, or has no realistic alternative but to do so.

Senate is responsible for keeping adequate accounting records that are sufficient to show and explain the Group's and University's transactions and disclose with reasonable accuracy at any time the financial position of the Group and University. Senate is responsible for such internal control as it determines is necessary to enable the preparation of Financial Statements that are free from material misstatement, whether due to fraud or error, and it has general responsibility for taking such steps as are reasonably open to it, to safeguard the assets of the Group and University, and to prevent and detect fraud and other irregularities.

Senate is also responsible for ensuring that:

- funds from DfE have been applied in accordance with the Financial Memorandum and any other terms and conditions attached to them;
- there are appropriate financial and management controls in place to safeguard public funds and funds from other sources;
- funds from whatever source administered by the Group or the University for specific purposes have been properly applied to those purposes and managed in accordance with relevant legislation; and
- the economical, efficient and effective management of the Group's and University's resources and expenditure is secured.

Senate is responsible for the maintenance

OTHER INFORMATION

Senate is responsible for the other information presented in the Annual Report together with the Financial Statements.

The other information comprises the information included in the Message from the Vice-Chancellor, Message from the Chair of Senate, Moments of the Year, Overview of the University, Our Stakeholders, Strategic Overview, Sustainable Development Goals, Public Benefit Statement, Philanthropy at Queen's, Financial Review and Corporate Governance. The Financial Statements and our auditor's report thereon do not comprise part of the other information.

Our opinion on the Financial Statements does not cover the other information and, accordingly, we do not express an audit opinion or, except as explicitly stated below, any form of assurance conclusion thereon.

Our responsibility is to read the other information and, in doing so, consider whether, based on our Financial Statements audit work, the information therein is materially misstated or inconsistent with the Financial Statements or our audit knowledge. Based solely on that work we have not identified material misstatements in the other information.

STATEMENT OF PRINCIPAL ACCOUNTING POLICIES

ACCOUNTING CONVENTION

These Financial Statements have been prepared in accordance with the Statement of Recommended Practice (SORP):

Accounting for Further and Higher Education 2019, UK Accounting Standards including Financial Reporting Standard 102, the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Accounts Direction issued by the Department for the Economy.

The University is a public benefit entity and therefore has applied the relevant public benefit requirements of FRS 102. The Financial Statements are prepared in accordance with the historical cost convention (as modified by the revaluation of fixed assets on the transition to FRS 102 as at 1 August 2014 and the revaluation of investments and investment property carried at fair value).

The Institution has taken the exemption under section 3.3 of the SORP (1.12(b) of FRS 102) to not produce a cash flow statement for the University in its separate Financial Statements.

The Financial Statements are prepared in sterling which is the functional currency of the University and Group and rounded to the nearest £'000.

BASIS OF PREPARATION

There are four main types of donations and

the aid of specific grants or donations they are capitalised and depreciated as outlined above. Expenditure (>£25,000) relating to subsequent replacement of components is capitalised as incurred.

Depreciation methods, useful lives and residual values are reviewed at the date of preparation of each Balance Sheet.

IMPAIRMENT

A review for potential indicators of impairment is carried out at each reporting date. If events or changes in circumstances indicate that the carrying amount of property, plant and equipment may not be recoverable, a calculation of the impact is completed and arising impairment values charged against the asset and to the SOCI.

HERITAGE ASSETS

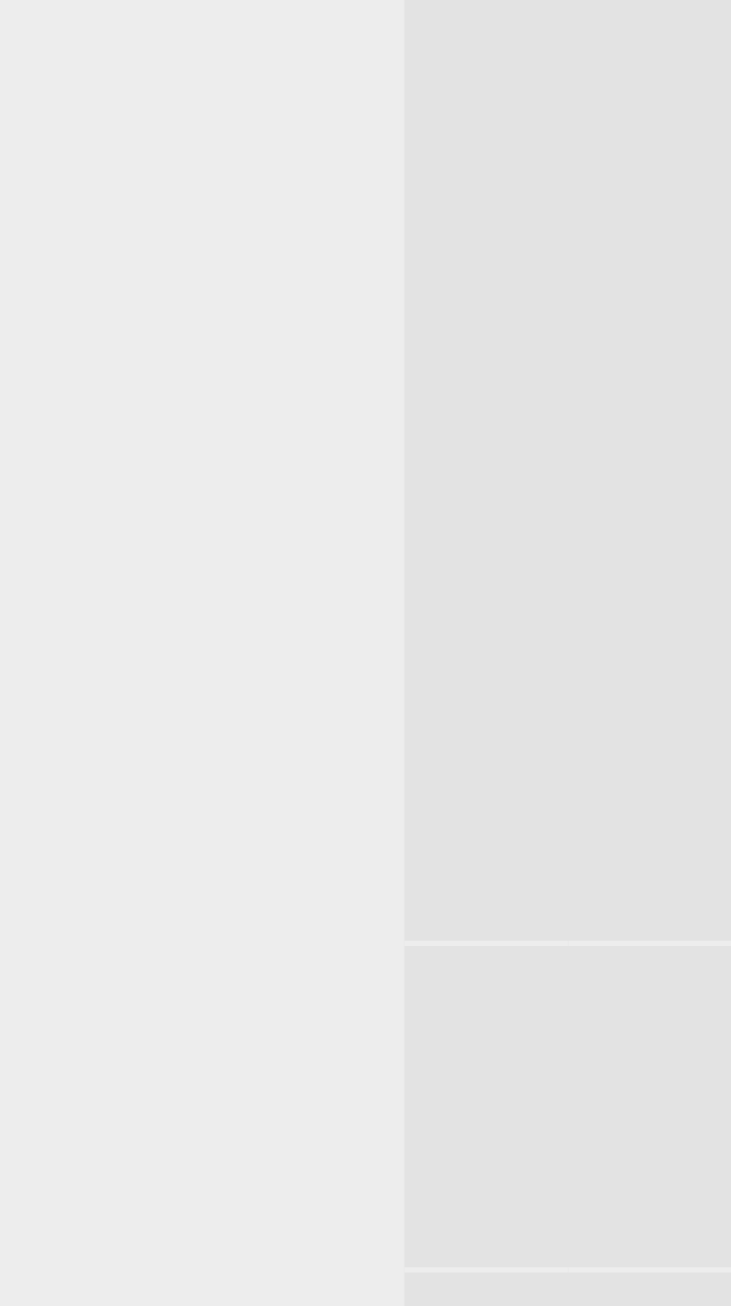
Heritage assets are individual objects, collections, specimens or structures of historic, scientific or artistic value that are held and maintained principally for their contribution to knowledge and culture.

Heritage assets acquired before 1 August 2007 have not been capitalised, since reliable estimates of cost or value are not available. Heritage assets, including works of art, acquired since 1 August 2007, and valued at over £25,000, have been capitalised and recognised at the cost or value of the acquisition, where such a cost or valuation is reasonably obtainable.

Heritage assets are not depreciated as their long economic life and high residual value, mean that any depreciation would not be material.

INVESTMENT PROPERTIES

Investment property comprises land and buildings, or part of a building, held for rental income, or capital appreciation, rather than for use in delivering services. Investment properties are measured initially



CONSOLIDATED CASH FLOW STATEMENT
YEAR ENDED 2016



NOTES TO THE ACCOUNTS YEAR ENDED 31 JULY 2022

Consolidated and University	2022	2021
	Number	Number
7. Staff costs (continued)		
Research		
100,000 - 104,999	13	7
105,000 - 109,999	8	6
110,000 - 114,999	7	3
115,000 - 119,999	10	6
120,000 - 124,999	4	5
125,000 - 129,999	3	3
130,000 - 134,999	2	2
135,000 - 139,999	1	4
140,000 - 144,999	5	-
145,000 - 149,999	1	1
150,000 - 154,999	-	-
155,000 - 159,999	-	-
160,000 - 164,999	-	-
165,000 - 169,999	-	-
170,000 - 174,999	-	1
175,000 - 179,999	1	-
305,000 - 309,999	-	1
310,000 - 314,999	1	-

Consolidated and University	2022	2021
	£'000	£'000
Staff numbers		
Academic	1,270	1,250
Research	678	696
Administrative	915	907
Other	978	997
Operational	503	509
	4,344	4,359

NOTES TO THE ACCOUNTS YEAR ENDED 31 JULY 2022

NOTES TO THE ACCOUNTS
EAR ENDED 31 J L 2022

20. Current investments			
C		K	F
A			

NOTES TO THE ACCOUNTS
EAR ENDED 31 J L 2022

NOTES TO THE ACCOUNTS
EAR ENDED 31 J_uL 2022

NOTES TO THE ACCOUNTS
EAR ENDED 31 J_uL 2022

NOTES TO THE ACCOUNTS
YEAR ENDED 31 JULY 2022

Consolidated	2022
	£'000
28. Reconciliation of net debt	
Net cash 1 August 2021	93,788
Minority interest	(45,521)
Other adjustments	1,275
Net cash 31 July 2022	49,542
Change in net debt	(44,246)

Consolidated 2022	2021		
6,840,000	8,100,000		
75,030	120,551		
(1,275)	(1,275)		
(24,213)	(25,488)		
49,542	93,788		

NOTES TO THE ACCOUNTS
YEAR ENDED 31 JULY 2022



NOTES TO THE ACCOUNTS
EAR ENDED 31 J_u L 2022

NOTES TO THE ACCOUNTS
EAR ENDED 31 J_u L 2022

NOTES TO THE ACCOUNTS ENDED 31 JULY 2022

Pension schemes (cont'd)

2020 valuation

Forward rates

2.75%

1.00%

0.1%

2040

1.1%

2030

0.05%

2020

	2020 valuation	
Table	101% 2PMA	95% 3PFA
Assumptions to mortality	CMI 2019	7.5% 0.5%
	1.8%	1.6%

	2022	2021
65		
65 ()	23.9	24.7
F 65 ()	25.5	26.1
M 45 ()	25.9	26.7
F 45 ()	27.3	27.9

NOTES TO THE ACCOUNTS YEAR ENDED 31 JULY 2022

36. Pension schemes (cont'd)

ii) Retirement Benefits Plan (RBP)

RBP, 31 JULY 2022, 31 MARCH 2020

NOTES TO THE ACCOUNTS
YEAR ENDED 31 JULY 2022

36. Pension schemes (cont'd)

RBP

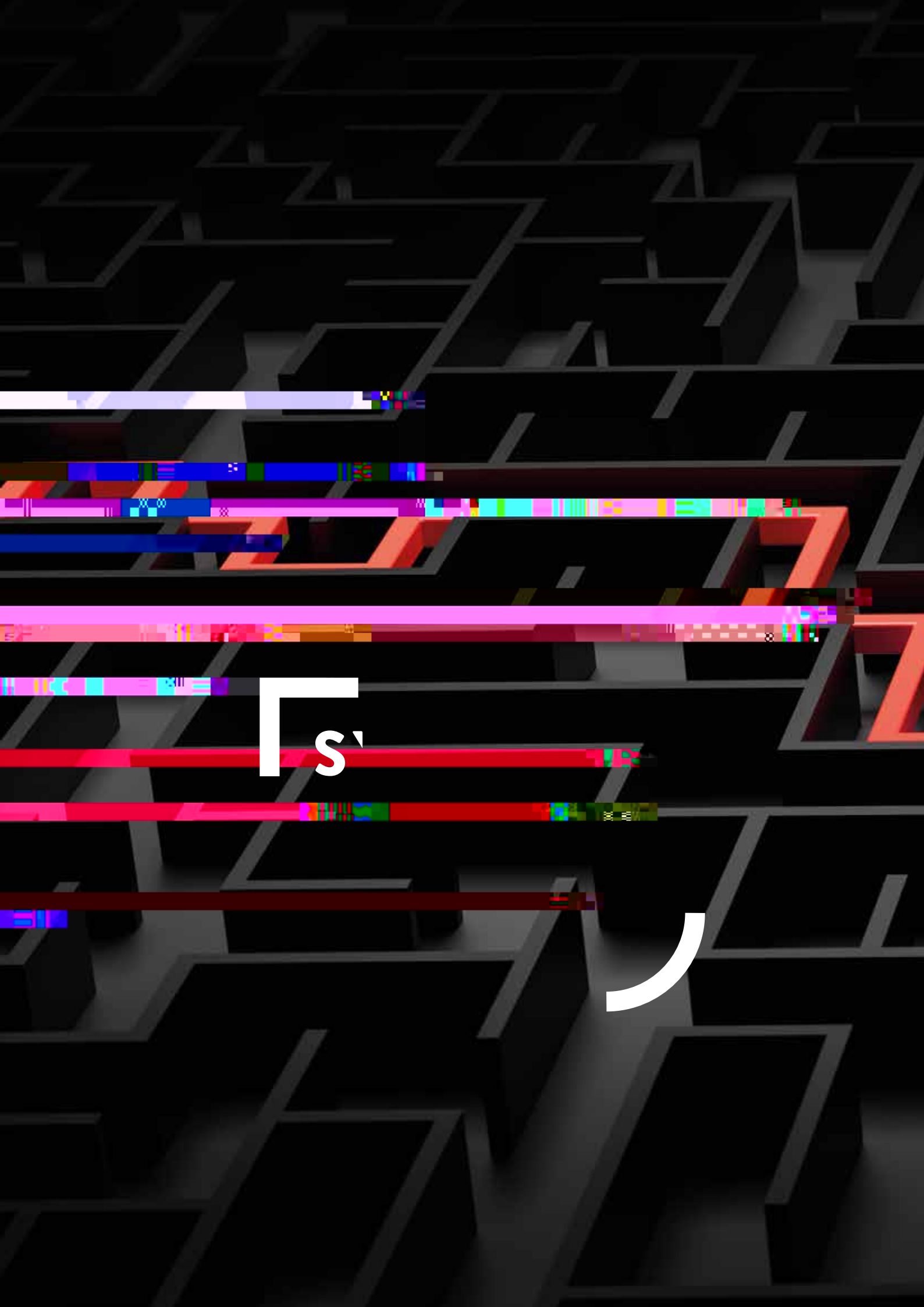
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NOTES TO THE ACCOUNTS
YEAR ENDED 31 JULY 2022

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NOTES TO THE ACCOUNTS
YEAR ENDED 31 J_UL 2022

39. Jointly controlled operations

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