**Sustainable Finance Disclosures**

**Classification of Jersey fund Unite UK Student Accommodation Fund (“USAF”) under Sustainable Finance Disclosure regulation (SFDR).**

The Jersey fund for which Sanne Trustee Services Limited acts as trustee and USAF Jersey Manager Limited is trust manager, has been classified as an “Article 6” product under the Sustainable Finance Disclosure Regulation (SFDR).

The SFDR forms a key part of the EU’s overall sustainable finance framework and is one of the offshoots of the EU Action Plan for financing sustainable growth and a greener Europe. The mandatory disclosure requirements incorporate sustainability into risk management, and foster transparency and long-term vision in financial and economic activity. These disclosures are meant to provide greater transparency on the degree to which sustainability considerations drive how the investment process is managed, requiring firms to provide information in a standardised way, aiding comparability.

Despite the relevant disclosure obligations in the SFDR becoming effective, the Level 2 Regulatory Technical Standards specifying the detail of the content and presentation of the information to be disclosed pursuant to SFDR (Level 2 RTS) have been delayed. The Level 2 RTS were eventually adopted by the European Commission on 6 April 2022 and (subject to no objection from the European Parliament or Council) are expected to be published in the Official Journal in Q3 2022 and to apply from 1 January 2023. In line with the European Commission recommendations, USAF seeks to comply with the specific disclosure obligations in the SFDR that are reliant on the Level 2 RTS on a high level and principles-based approach.

Whilst neither the fund nor the trust manager are based or regulated in the EEA, the European Commission has stated that it expects AIFs that are marketed by a non-EU AIFM into the EEA to comply with SFDR and its disclosure obligations. The fund therefore seeks to comply with the relevant disclosure obligations and makes this disclosure as a means of meeting this requirement.

As one of the core requirements, SFDR requires firms to classify a financial product such as USAF into one of the following:

1. a fund that promotes among other characteristics, environmental or social characteristics, or a combination of those characteristics (an Article 8 Fund); or
2. a fund that has a sustainable investment objective (an Article 9 Fund); or
3. a fund that does not meet the criteria to qualify either as an Article 8 Fund or an Article 9 Fund (an Article 6 Fund).

USAF has been classified as an Article 6 Fund as the fund’s strategy does not have a primary ESG focus.

**No consideration of adverse sustainability impacts**

The following disclosures are made in accordance with Article 4(1)(b) of SFDR.

The investment strategy of the fund does not formally require it to consider sustainability risk in investment decisions as specifically contemplated by the SFDR. This is mainly due to the nature of the assets in which USAF invests and the fact that the fund’s objectives were set prior to the SFDR being implemented.

However, USAF is committed to responsible investment and therefore intends to manage the fund in accordance with the principles set out in the Sustainability Strategy and Net Zero Carbon Pathway to the extent possible. For example, when assessing the merits of potential investments, environmental performance is assessed against the four-Cs: consumption of energy, carbon emissions, cost of capital investments required to future-proof assets and reduce utilities costs, and compliance with regulations including Minimum Energy Efficiency Standards. The trust manager will continue to closely monitor regulatory developments with respect to the SFDR and other applicable ESG-focused laws and regulations, including the implementation of related and secondary legislation and regulatory guidance and will, where required or otherwise appropriate, make changes to its existing policies and procedures. Further information on the approach of the trust manager can be found in the Sustainability and Net Zero Carbon Pathway or requested by contacting the property manager.