

Matter Real Estate LLP

Environmental, Social and Governance Policy

matter
Real Estate

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Glossary

ESG – Environmental, Social and Governance

GHG – Greenhouse Gas

GRESB – Global Real Estate Sustainability Benchmark

GRI – Global Reporting Initiative

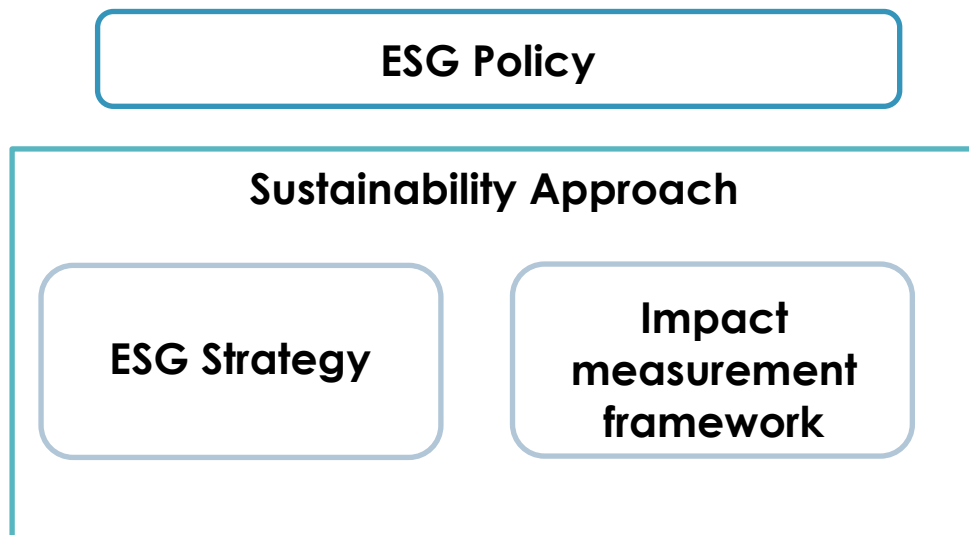
SFDR – EU Sustainable Finance Disclosures Regulation (2019/2088/EU)

UN PRI – United Nations Principles of Responsible Investment

Introduction

- 1.1 At Matter Real Estate LLP (“Matter”, “the Firm”), impact and sustainability are at the core of our approach. We believe that investing in real estate which meets multiple social and/ or societal needs, reducing our environmental impact wherever possible and operating with good governance, leads to better outcomes for all our stakeholders. We take the view that:
- Considering ESG factors drives better due diligence and therefore better financial performance, for both our investors and investees.
 - As investment advisors, we have the ability, and therefore the responsibility, to allocate capital in a way that protects people and the planet for the long term.
 - By demonstrating our own ESG performance, we will both encourage others to do the same and increase opportunities in raising further capital to invest in business where social and/or societal capital drives demand.
 - As an organisation driven to address social and/or societal needs, we believe we should not only manage our risk across all ESG risk factors, but also contribute to solutions through the delivery of impact objectives, targeting areas where we will be taking measures to increase our impact.
- 1.2 This document outlines our approach to the consideration of ESG risks and opportunities across all our portfolios, as well as how we look to actively measure and manage our impact. We describe how we work with our key stakeholders and how we monitor and manage relevant impact factors. Our ‘ESG Policy’ forms our approach to sustainability and covers our ESG Strategy and Impact measurement framework.

Figure 1: The Matter ESG Policy hierarchy.



As a UN PRI Signatory, we believe that consideration of ESG risks and opportunities is in line with our objectives of optimising our clients’ investment outcomes and aligning portfolios to positively impact society. We view sustainability as a powerful and enduring driver of positive transformation across markets, nations, and

companies. By integrating ESG factors into our decision-making process, we believe that we can make more informed investment choices that not only benefit our clients but also promote long-term sustainable growth.

1.3 In developing our approach, we have worked with external ESG and social impact specialists to identify key ESG and impact metrics. Going forward, we have committed to monitoring, managing, and reporting on the impact created through our investments. This document is part of a suite of ESG policies. It applies to all funds and their general partners where Matter is appointed as Investment Advisor, including but not limited to the following funds:

- Matter UK Residential Income Fund SCSp
- Matter Gold GP S.à r.l.
- Placefirst SCSp
- Placefirst GP S.à r.l.
- Ruby Senior Living GP S.à r.l.

We integrate consideration of ESG risks and opportunities throughout our investment process, with oversight from our ESG Committee to ensure consistent implementation.

For funds aiming to be classified as Article 8 SFDR products, additional provisions are made to explicitly promote environmental and social characteristics. This currently applies to the following fund:

- Matter UK Residential Income Fund SCSp

Policy Statement

- 2.1 Matter is committed to enhancing consideration of ESG risks and opportunities across all our investment activities. We believe that ESG factors are critical to risk management, value creation, and achieving positive environmental and social outcomes. This policy provides a clear framework for how ESG considerations are incorporated across all stages of the investment lifecycle for our entire portfolio.
- 2.2 This policy will be reviewed on an ongoing basis to drive continuous improvement and performance, and to position Matter as a leader in delivering ESG-aligned value and impact.

Applicability and scope

- 3.1 This policy applies to Matter and all its staff. The policy applies to all funds and their general partners where Matter is appointed as Investment Advisor.

Roles and responsibilities

- 4.1 Governance of Sustainability

The sustainability approach is determined by the Matter Management Committee.

- 4.2 Implementation of the ESG Strategy and Impact Measurement

The ESG Committee was established to implement the ESG strategy, Impact Measurement and oversee ESG risks. It consists of members from various departments at Matter including the Matter ESG Lead. The committee is chaired by David Christie, CEO of Matter and reports directly to the Matter Management Committee. The ESG Lead delivers on implementation, is a member of the ESG Committee and reports to the CEO.

4.3 ESG Risk Management

In alignment with Matter's sustainability objectives, the Investment Committee, in conjunction with the Sustainability Team, oversee the implementation of the Firm's ESG policy and ensure compliance with relevant sustainability regulations. The Investment Management team is responsible for managing and monitoring ESG-related investment risks, while the Investment Committee is responsible for monitoring and developing the adequacy and effectiveness of internal controls, with a focus on enhancing risk management and governance across the organisation.

ESG Investment Risk and Opportunities

5.1 Investment analysis of ESG risks and opportunities encompasses those aspects of an advisor's operations which may materially influence its ability to meet its financial obligations in the long-term. These ESG-related risks and opportunities will vary by country, industry, as well as by characteristics specific to an advisor, such as size and geographical footprint. However, examples of each type of ESG risk include the following:

- Environmental: Physical and transition risks, energy efficiency, new regulation and potential changes to existing regulation.
- Social: Workplace health and safety, community relations, corporate behaviour, transparency and accountability; and
- Governance: Use of capital, board structure, board independence, shareholder rights, management protocols, accounting and disclosure practices, transparency and accountability.

5.2 While these apply to all funds under management, for funds aiming to be classified as SFDR Article 8 products, we provide additional commitments to explicitly promote environmental and/or social characteristics and align with sustainability indicators.

Objectives

6.1 Our objectives in developing this policy are to:

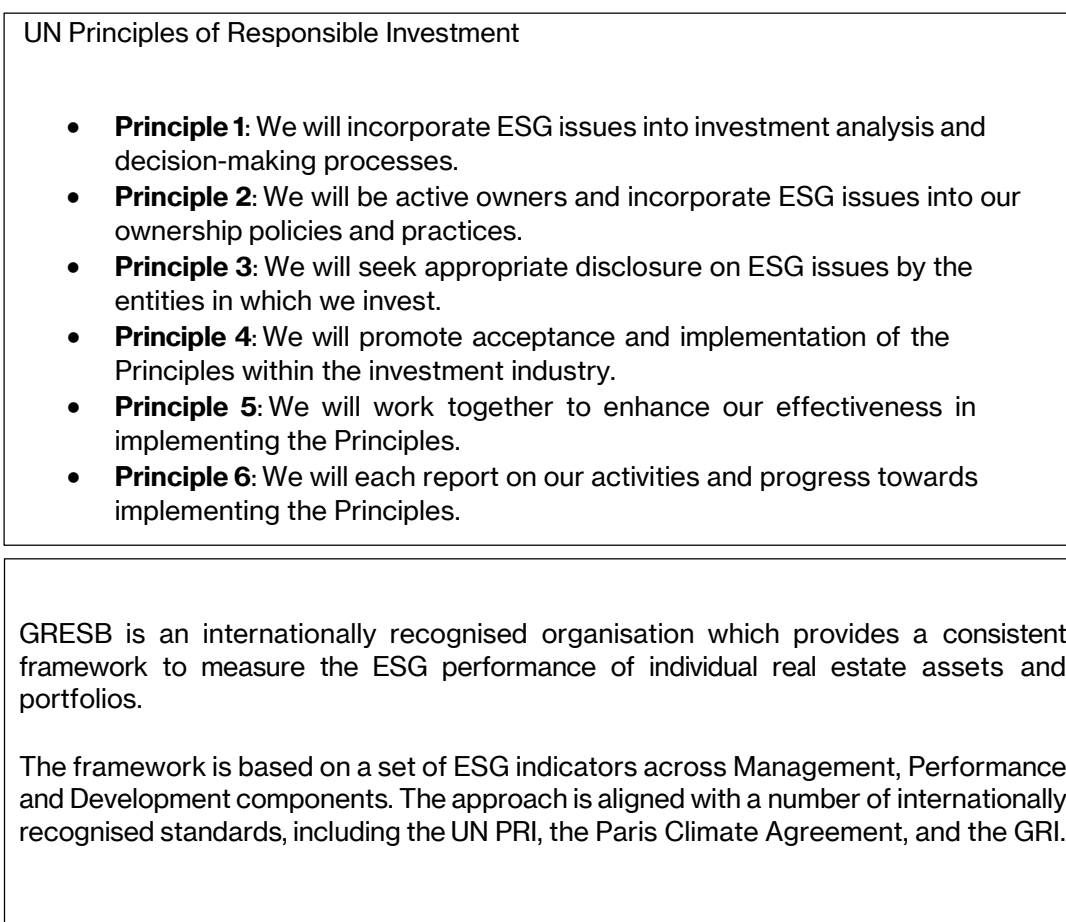
- Outline how we will integrate consideration of ESG risks and opportunities across the investment lifecycle.
- Identify areas where we aim to increase our impact by defining and measuring impact objectives and outcomes that contribute to solutions.
- Detail how the Firm will deliver on our ESG and impact objectives.
- Explain how we will build improving ESG performance into all aspects of our investment cycle.

- 6.2 We will work with our investors and investees to develop and baseline a key set of metrics. These will be reported on a regular basis to our investors and more widely where appropriate

Our approach

- 7.1 Our approach to ESG performance is informed by the following:
- Our commitment to align with the UN PRI ,1 which we became a signatory of in 2022. We provide more detail on the UN PRI in Figure 2 below.
 - The GRESB framework , elements of which we have incorporated to measure our performance against relevant indicators. We provide more detail on the GRESB framework in Figure 2 below.
 - The defining of impact objectives, outcomes and measurement metrics that will drive increased impact across selected impact considerations.

Figure 2: UN PRI and GRESB



Impact Framework

To further increase our understanding of, and control over, our ESG performance, we have created an Impact Measurement and Management System. This outlines our impact objectives and intended outcomes, which are areas where we intend to contribute to solutions to an identified social and/or societal need.

¹ See: <https://www.unpri.org/pri/about-the-pri>;

² See: <https://gresb.com/nl-en/>

7.2 To manage our impact, we use bespoke metrics assessing performance against the impact objectives and outcomes. Areas of assessment are outlined below in Figure 3.

Figure 3: Impact measurement areas and impact objectives and outcome



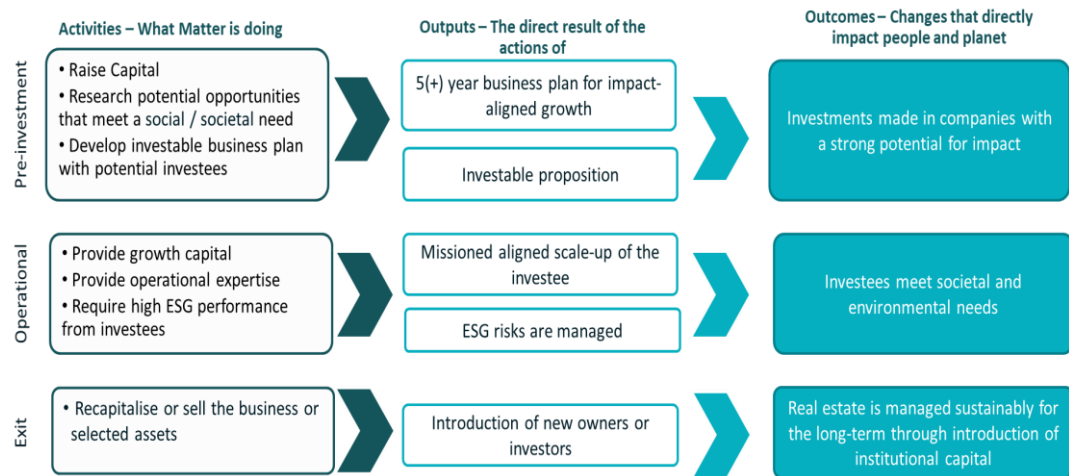
7.3 We recognise that our approach to sustainability can only be successful if we work in partnership with our investee management and, where applicable, third party asset and property management teams (“Third Party Advisers”). It is important that our approach is fit for purpose and not unduly burdensome. We also ensure we do not limit the scope of potential investments based on ESG maturity. Instead, ESG considerations are embedded in our approach to supporting real estate businesses through the provision of capital and expertise to enable them to grow their portfolios.

7.4 Although less applicable for real estate investment firms, our approach to ESG also ensures an absolute avoidance of investing in alcohol, tobacco, gambling, adult entertainment, military weapons, fossil fuels and nuclear energy alongside UN PRI negative screening principles.

Embedding ESG across the investment cycle

8.1 To assess ESG risks and opportunities, it is important to embed ESG across all the stages of our investment cycle – pre-investment, operational, and exit. Below is our Theory of Change outlining how ESG risks and opportunities are considered at each stage.

Figure 4: Matter RE Theory of Change



- 8.2 We work in partnership with our investees and/or Third Party Advisers to ensure that we assess ESG risks and opportunities throughout the investment cycle. This is underpinned by the development of specific ESG targets and metrics with an agreed plan of action for each. At the pre-investment phase, we review business plans with potential investees and/or Third Party Advisers and consider how core ESG considerations align with the opportunity for investment and support. Each business plan must contain a statement on ESG objectives and outcomes. Where we do pursue investments, investees are asked to report on a quarterly basis on agreed and relevant ESG metrics.
- 8.3 Where we do pursue investments, investees and/or Third Party Advisers are asked to report on a quarterly basis on agreed and relevant ESG metrics.
- 8.4 Similarly, during the exit phase of the investment cycle, potential investors and buyers will have their ESG performance assessed as part of the selection process.

ESG Strategy – 2025-2040

Our ESG Strategy highlights our key goals, activities and desired outcomes. This strategy drives our approach to ESG and sets out our key focus of work and impact.

Figure 5 - MATTER Real Estate LLP - ESG Strategy

At Matter we believe that we will create better outcomes for our investors and society as a whole when we focus on meeting specific societal needs



ESG Governance: Matter ESG Lead > Policy Suite> ESG Committee > Investee ESG Leads > Investee Boards

Signed

A handwritten signature in black ink, appearing to read 'D. Christie', with a stylized flourish at the end.

David Christie

Chief Executive Officer, Matter Real Estate LLP