



Matter UK Residential Income Fund SCSp

For financial products that promote environmental and/or social characteristics, financial market participants shall publish the information referred to in Article 10(1) of Regulation (EU) 2019/2088 and Articles 24 to 36 of Commission Delegated Regulation (EU) 2022/1288 of 6 April 2022 (the “website disclosure”). This website disclosure should be read in conjunction with the legal documents of the Matter UK Residential Income Fund SCSp (“MUKRIF” or the “Fund”).

Summary

The Fund promotes environmental and/or social characteristics but does not have as its objective sustainable investment.

The Fund is a perpetual life private alternative investment fund established to invest in core eligible residential rental assets in the UK with a primary focus on acquiring stabilised, income producing single family rental homes.

The Fund is promoting the following environmental and/or social characteristics:

1. Targeting net zero carbon emissions from its own operations by 2040;
2. The provision of energy efficient homes;
3. Adhering to the Fund's Eligible Investment Criteria and Investment Restrictions; and
4. Investing in residential real estate assets with a minimum EPC rating of B, or for any assets that fail to meet this criteria, their eligibility requires an Advisory Board-approved business plan to achieve an EPC rating of B.

The Fund aims to minimise ESG risks both at the pre-investment due diligence stage, and post-investment through ongoing asset monitoring.

As part of the pre-investment process, the Fund utilises Matter Real Estate LLP's ESG due diligence process to assess potential sustainability risks and opportunities. This includes the completion of the Fund's ESG Due Diligence checklist, which covers environmental, social and governance risks. If material ESG risks emerge that cannot be mitigated or addressed to the Fund's Advisory Board's satisfaction, then the acquisition process is terminated.

This due diligence process is integrated into the broader risk assessment framework adopted by the Fund, ensuring that material ESG risks are identified prior to investment. During the investment

lifecycle, ongoing sustainability risk assessment and reporting is performed to monitor such risks and ensure they are adequately managed.

The Fund's assets are intended to be aligned with the environmental and/or social characteristics. Any cash or derivatives held for risk and/or liquidity management will not be aligned with the characteristics.

No index has been designated as a reference benchmark in respect of meeting the environmental and/or social characteristics promoted by the Fund.

The Fund will assess and monitor a number of sustainability indicators as part of its investment process and measurement of performance against key ESG-related metrics, including those identified for the measurement, monitoring and ongoing assessment of the Partnership's environmental characteristics.

The Fund will acquire ESG data directly from the Fund's assets and/or from third party data aggregators. Where reported ESG data is not available, the Fund may provide estimated ESG data, which may be sourced from third-party data suppliers. In limited circumstances, the Fund's reporting/analysis may be impacted by the availability of data. However, it is unlikely that such circumstances would materially limit the monitoring or attainment of the promoted characteristics. There may be data that the Fund or its service providers are unable to source due to the lack of availability of data sources. Where ESG data is sourced from external providers, their liability for such data may be limited and will always be subject to legal terms.

Capitalised terms used but not defined herein shall have the meaning given to them in the Investor Disclosure Memorandum.

No Sustainable Investment Objective

This financial product promotes environmental or social characteristics, but does not have as its objective a sustainable investment.

Environmental or social characteristics of the financial product

The Fund's investments consist of residential family homes based in the UK.

A large part of the UK population do not have homes that are suitable for their needs. Issues such as population growth, urbanisation and climate change are likely to deepen these issues, as demand for homes increases and the risks posed by environmental-related challenges, such as flooding, increase.

Despite the need for new homes, significant environmental resources, including energy, are required to develop and maintain these assets.

The Fund is therefore promoting the following environmental characteristics:

- The Fund is targeting net zero carbon emissions from its operations by 2040.
- The provision of energy efficient homes.
- Investing in residential real estate assets that are aligned with the Fund's Eligible Investment Criteria and do not contravene the Fund's Investment Restrictions, as set out in "Section 3 - Key Fund Terms" of the Investor Disclosure Memorandum.

- Investing in residential real estate assets with a minimum EPC rating of B, or for any assets that fail to meet this criteria, their eligibility requires an Advisory Board-approved business plan to achieve EPC B.

Investment Strategy

The Fund is a perpetual life private alternative investment fund established to invest in core eligible residential rental assets in the UK with a primary focus on acquiring stabilised, income producing single family rental homes.

In acquiring eligible residential rental assets, the Fund will be subject to the Eligible Investment Criteria and Investment Restrictions (as set out in the Investor Disclosure Memorandum), unless consent is granted by the Fund's Advisory Board. All investments by the Fund are to be consistent with the Fund's defined ESG Policy. As part of the pre-investment process, the Fund utilises Matter Real Estate LLP's ESG due diligence process to assess potential sustainability risks and opportunities (see the "Due Diligence" section below).

There is no committed minimum rate to reduce the scope of the investments considered prior to the application of the investment strategy.

The Fund does not invest in traditional investee companies but directly in real estate assets or through real estate special purpose vehicles ("SPVs"), over which it retains direct governance control. While neither the Fund nor the SPVs have employees, the governance practices of these SPVs are closely monitored. This includes ensuring appropriate management structures, tax compliance, and adherence to established procurement and asset management policies (such as compliance with health and safety practices) for the underlying real estate assets. These measures are implemented to ensure sound governance and operational integrity across all real estate holdings.

Proportion of investments

The Fund does not commit to investing in sustainable investments. The Fund is invested in real estate assets which are intended to be aligned with the relevant environmental and social characteristics. The Fund may also hold cash for liquidity purposes to fund capital investment from time to time, but cash is not an intended investment and would not be aligned to environmental or social characteristics.

Monitoring of environmental or social characteristics

The Fund will assess and monitor a number of sustainability indicators as part of its investment process and performance against key ESG-related metrics will be included in quarterly investor reporting and in the relevant periodic reporting required by the SFDR. The Fund will also monitor its attainment of the environmental and social characteristics promoted by the Partnership, as well as the relevant Principal Adverse Impact indicators.

The Fund measures its performance against its net zero target by using the following indicator:

1. Scope 1, 2 and 3 GHG emissions generated by real estate assets (tonnes of CO₂e).

To assess energy efficiency improvements, the Fund measures and reports the following indicators:

1. Energy consumption intensity (GWH of owned real estate assets per SqM);
2. Percentage of portfolio aligned with minimum EPC ratings; and
3. Percentage of tenants engaged with via communications regarding their energy usage.

The Fund also participates in the Global Real Estate Sustainability Benchmark assessment process to allow it to measure its overall ESG performance and targeted improvements.

Methodologies

The Fund uses the sustainability indicators mentioned above to measure how the environmental characteristics promoted by the Fund are met.

The Fund aims to minimise ESG risks both at the pre-investment due diligence stage, and post-investment through ongoing asset monitoring.

As part of the pre-investment process, the Fund utilises Matter Real Estate LLP's ESG due diligence process to assess potential sustainability risks and opportunities. This includes the completion of the Fund's ESG Due Diligence checklist, which covers environmental, social and governance risks. If material ESG risks emerge that cannot be mitigated or addressed to the Fund's Advisory Board's satisfaction, then the acquisition process is terminated.

This ESG due diligence process would also ensure that the investment complies with the environmental characteristics of the Fund. This ensures that the investment complies with the minimum EPC rating of B or has an approved business plan to obtain such a rating, and that the investment is aligned with the Fund's Eligible Investment Criteria and does not contravene the Fund's Investment Restrictions, as set out in "Section 3 - Key Fund Terms" of the Investor Disclosure Memorandum.

Data sources and processing

The Fund will acquire ESG data directly from the Fund's assets and/or via third party data aggregators. Where reported ESG data is not available, the Fund may provide estimated ESG data, which may be sourced from third-party data suppliers. The proportion of estimated ESG data varies based on a number of factors, including the supplier, data points and the product. In order to ensure the quality of ESG data and the robustness of data providers, the Fund

regularly reviews the ESG data landscape to ensure that we maximise our access to ESG data and future proof our data usage needs.

Limitations to methodologies and data

ESG data may be based on certain assumptions, forecasts, calculations, views and opinions of Matter Real Estate LLP or third-party providers which may be based on current market trends or anticipated future events. Given the developing and innovative nature of these models, methodologies and assumptions and the inherent uncertainty in predicting forward-looking events, it cannot be guaranteed that the ESG data is always accurate or correct or that the ESG data will satisfy the aims or requirements of any specific client or investor. Any opinions, calculations or forecasts are not a guarantee of future events and Matter Real Estate LLP may update its models, methodologies and/or assumptions at any time. External factors and limitations on the data may result in differences between actual and calculated figures. External factors and limitations may include unaudited third-party data.

Furthermore, there may be data that Matter Real Estate LLP or its service providers are unable to source due to the lack of availability of data sources. Where ESG data is sourced from external providers, their liability for such data may be limited and will always be subject to legal terms. Notwithstanding the above, Matter Real Estate LLP remains committed to transparency and believes that these limitations do not affect how the environmental or social characteristics of the Fund are met.

Due diligence

As part of the pre-investment process, the Fund utilises Matter Real Estate LLP's ESG due diligence process to assess potential sustainability risks and opportunities. This due diligence process is integrated into the broader risk assessment framework adopted by the Fund, ensuring that material ESG risks are identified prior to investment. During the investment lifecycle, ongoing sustainability risk assessment and reporting is performed to monitor such risks and ensure they are adequately managed.

Engagement Policies

The Fund invests directly in real estate assets or through real estate SPVs and hence engagement is not part of the environmental investment strategy.

Designated reference benchmark

No index has been designated as a reference benchmark in respect of meeting the environmental and/or social characteristics promoted by the Fund.