

Executive Summary



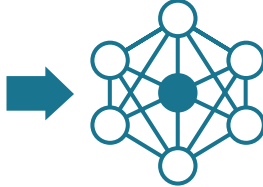
Illustration of Jahnstrasse, Berlin (15 Degree)

Matter Real Estate LLP ('Matter' or the 'Firm') is a London-based real estate investment manager focused on residential sector assets across Europe. Founded in 2021, Matter pursues an operational investment approach, targeting segments meeting fundamental housing and care needs where long-term demand is structurally supported.

Matter's strategy involves establishing and investing in dedicated vertically-integrated real estate platforms across the UK, Sweden, Germany and Denmark ('Investee Companies'). The firm primarily focuses on investing in the build to rent ('BTR'), single family housing and multifamily housing sectors. The homes developed and/or owned by the Investee Companies and Matter's core fund strategy (the 'REIT')¹ are referred to as the 'Portfolio' in this report.

This is Matter's fourth Impact Report. It has been produced by The Good Economy ('TGE'), an independent advisory firm specialising in impact measurement and management. It covers the period from 1 January to 31 December 2025.

Portfolio Overview as of 31 December 2025

Matter had advised on the investment of £817.8 million² 	 In 8 Investee Companies³ Including the UK real estate investment trust
 Across UK, Ireland, Sweden, Denmark and Germany 	4,822 homes across the Portfolio, of which: 🏠 3,698 build-to-rent homes 🏠 635 affordable housing and shared ownership homes 🏠 421 for-sale family homes 🏠 68 integrated retirement living homes
An estimated 6,746 residents were living in the Portfolio's homes 	Occupancy rate 90% 

1. The REIT is known as Matter UK Residential Income Fund SCSp or 'MUKRIF'.

2. £817.8m is the total gross investment into the Investee Companies and the REIT as at 31 December 2025.

3. Placefirst and MUKRIF, previously reported together, are now reported as separate Investee Companies. Auxesia and St Arthur Homes are no longer expected to be included in future reporting following their merger and exit from Matter's Portfolio.

Overview of Impact Performance

TGE assesses Matter's impact performance according to its stated impact objectives and the real-world outcomes to which it aims to contribute.

The assessment in this report is based on both quantitative and qualitative information including Investee Company data, relevant Matter and Investee Company documents, interviews with Investee Company management teams and site visits to selected schemes.

Impact Objectives

Assessing how Matter drives impact through its actions.



Pre-investment phase

● Make impact-aligned investments

Matter maintained the strategy of investing in companies that address societal needs, with the typical demographic being middle-income households whose needs are not suitably met by the market.



Exit phase

● Assets are managed sustainably in the long term; and

● ESG standards are implemented beyond the funds advised by Matter's ownership

Although no companies exited the Portfolio, there was an internal merger between two Portfolio companies in 2025.



Operational phase

● Enable growth in Investee Companies

Matter continued to enable growth in its Investee Companies through the provision of capital, including £208m of additional investment in existing Investee Companies during the reporting period, along with hands-on support in areas of expertise to facilitate growth. This has translated to 4,822 operational homes, 2,205 homes in the secured pipeline, and 2,299 homes under development.



● Require high ESG performance

Matter maintained a structured ESG framework requiring quarterly ESG reporting from all Investee Companies, alongside governance processes and guidance through its ESG Playbook. The proportion of residents covered by a resident feedback mechanism remained at 100%, consistent with 2024.

Outcomes

Assessing the contribution of Investee Companies to changes in outcomes for people, place and planet.



- **Projects are designed energy efficiently**

Energy efficiency performance across the Portfolio continues to improve, with 76% of operational homes rated EPC B or above (or equivalent NZEB) compared to 68% in 2024. New-build focused platforms such as Dwellings and Velkomn report 100% of homes meeting this standard, while refurbishment strategies at Placefirst gradually improve older housing stock.



- **Investees support identified user groups**

Several Investee Companies target specific groups such as key workers, first-time buyers and older residents with care needs. Across relevant platforms, 37% of residents belong to a priority user group, demonstrating targeted support for identified housing needs.



- **Jobs are created directly and indirectly**

Employment across Investee Companies increased modestly, with 22 additional roles created during the year, bringing total employment to 399 FTEs. Job creation is primarily driven by operational and development activity at larger platforms such as Placefirst.



- **Buildings are designed and managed responsibly and sustainably for the long-term**

Asset management processes aim to ensure buildings remain safe and resilient over time. During the year, the REITs's ESG upgrade capex programme upgraded 88 homes to EPC B or above. Across the Portfolio, 100% of homes have up-to-date safety checks, while design standards continue to improve, with many new developments meeting recognised space and sustainability benchmarks.



- **Developments meet key areas of social and societal need**

Matter's Portfolio addresses housing shortages by delivering 4,822 homes across multiple tenures, including build-to-rent housing, homes for first-time buyers and integrated retirement living. Strong occupancy levels (90%) indicate sustained demand for these homes.