



**Thriviving
Investments**

Powered by Places for People



**Responsible Value Driven
Investment Report**

2025



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Responsible Investments

Sustainable Communities

Thriving Investments is a leading fund manager with a social conscience.

Through responsible investment, we aim to create meaningful environmental and social impact while delivering strong risk-adjusted financial returns.

Impact in numbers

January 2024 to March 2025

£1.1bn

committed capital¹

80%

affordable homes in portfolio, including 100% of acquisitions

3 years⁷

average tenure

5,043²

homes managed or under construction

636⁵

homes handed over across 7 locations

651

affordable, energy efficient homes⁹ added to portfolio

£263m³

investment impact

82%⁶

resident satisfaction score

93%

Talent Trust Index score

£198m

investment⁴ development pipeline

4* star

UN PRI rating

4,565

tCO2e portfolio emissions (Scopes 1–3)⁹

EPC B median portfolio EPC rating, with 96% of homes EPC C or above.



¹ Comprises investor capital committed to Picture Living, New Avenue Living, Gresham House Residential Secured Income (ReSI LP) and PjP igloo as at 31 March 2025.
² Comprises Picture Living, New Avenue Living, ReSI LP and PjP igloo portfolios covering both homes under construction and operational schemes as at 31 March 2025.
³ Comprises investment by Picture Living, New Avenue Living, ReSI LP and PjP igloo into both homes under construction and operational schemes during the period 1 January 2024 to 31 March 2025.
⁴ Acquisitions by Picture Living, New Avenue Living, ReSI LP and PjP igloo during the period 1 January 2024 to 31 March 2025.
⁵ Total number of new homes released to market by Picture Living, New Avenue Living, ReSI LP and PjP igloo during the period 1 January 2024 to 31 March 2025.
⁶ Of Picture Living, New Avenue Living and ReSI LP Touchstone residents were either satisfied or fairly satisfied with their landlord's property management services.
⁷ Of Picture Living and New Avenue Living residents, as at 31 March 2025.
⁸ Number of EPC A-B rated homes added to the Picture Living, New Avenue Living, ReSI LP and PjP igloo portfolios.
⁹ This covers Picture Living, New Avenue Living and ReSI LP assets during the reporting period, as at 31 Mar 2025.

Across the world, Environmental, Social and Governance (ESG) principles have come under increasing scrutiny over the past year. This has sparked a global debate about the future role of ESG in investment, largely shaped by shifting political agendas and media narratives. In this evolving landscape, it is important to distinguish noise from substance. When we look beyond the headlines, the fundamentals of responsible investment remain strong and compelling.

A message from

Julie Hirigoyen

Recent market research confirms that ESG remains central to real estate investment strategies. According to Knight Frank’s 2025 global ESG Property Investor Survey, 63% of investors cited enhanced returns as a key driver behind ESG strategies. Similarly, JLL’s 2025 UK Investor Survey, found that 76% of investors had factored sustainability into their investment decisions over the past 12–24 months. PwC’s Emerging Trends in Real Estate 2025 also reinforces that ESG remains a global priority for institutional investors.

Thriving Investments is, and always has been, a fund manager with a social conscience. Responsible value-driven investment is at the heart of everything we do. Our aim is to deliver meaningful social outcomes, enhance asset value, and support thriving Communities. Our commitment to place-based impact investing underpins this approach and is more relevant than ever.

The challenges we seek to address, including helping to tackle the UK’s housing crisis, are not going away. At a time of economic uncertainty and rising pressures on household budgets, the demand for high-quality affordable homes is intensifying. At the same time, there is an urgent need to promote health and wellbeing, foster Community resilience, and protect the environment.



This report sets out how we have responded to these challenges in line with our four guiding principles, established in 2023. Our progress has seen us grow our funds, deliver hundreds of affordable homes in areas that need them the most, and put more emphasis on how we measure and monitor ESG outcomes across the real estate lifecycle.

All our sustainability and social impact activities are overseen by the Investment and Sustainability Committee (ISC), which was set up in 2023. One of the ISC’s key achievements was the introduction of a Sustainability Acquisition Checklist, which is now fully integrated into the investment process.

In the coming year, we will refine our approach to climate related financial risks and transition planning, maximising the learnings from our Colleagues in igloo Regeneration.

Looking to the future, we remain firmly committed to delivering positive, measurable outcomes in local Communities across the country by scaling affordable housing in line with like-minded driven investors.

Hirigoyen

Julie Hirigoyen
Chair of Investment and Sustainability Committee

This is our second Responsible Value-Driven Investment (RVDI) report, showcasing how we are creating meaningful social impact through property investment and development. Building on our commitments made in 2023, our four guiding principles are helping us to drive positive outcomes across the UK.

A message from

Cath Webster

Delivering more affordable homes, particularly mid-market rent (MMR) properties, is an integral part of our responsible investment strategy. MMR housing offers substantial economic and social benefits, as evidenced by a [2024 report from Turley](#). Commissioned by Thriving Investments and not-for-profit developers HHA and Lar Housing Trust, the report found that the delivery of 2,959 MMR homes across Scotland saw £530m invested into the construction industry. This activity supported more than 2,200 jobs and contributed £186.3m in Gross Value Added (GVA) to the Scottish economy.

Over the past year, we continued to scale our impact by growing our existing MMR-focused funds and broadening our investment strategies. Notably, we launched the New Avenue Living Greater Manchester Fund, which will provide homes at discounted market rents for essential workers in the region. Building on the success of a similar model in Scotland, this fund aims to reduce living costs while delivering wider social and economic outcomes locally, including job creation and improved infrastructure.

In November 2024, we established our first shared-ownership platform through a new partnership with Gresham House. Now managing ReSI LP, this platform is increasing access to affordable home ownership for those on low to moderate incomes with a focus on essential workers and local investment opportunities.

During the year, we adopted the FCA's Sustainability Impact label for ReSI LP and our New Avenue Living Fund in Scotland. We have also committed to adopting the label for our Greater Manchester Fund, with the formal FCA filing process underway. These steps reflect the positive outcomes generated by our funds as well as our long-term commitment to delivering measurable social impact.

In recognition of our work, we achieved several awards in the reporting period. A highlight was winning the Outstanding Fund Achievement Award at the AREF (Association of Real Estate Funds) Awards. Our New Avenue Living Scotland Fund was praised for embracing Just Transition principles and delivering green, high-quality homes while supporting local apprenticeships.

We were also proud to see igloo pick up a string of awards for its developments. Since acquiring igloo in 2023, the business has now been fully integrated into Thriving Investments. As the UK's first real estate B Corporation (certified in 2016), igloo continues to create a positive impact on Communities across the UK, driven by its industry-leading Footprint® methodology.

Looking ahead, we will be building on this strong foundation, working closely with our parent company Places for People, external impact specialists, and our Investment and Sustainability Committee (ISC). I would like to take this opportunity to thank Places for People's impact team and our ISC members for their continued support in embedding our guiding principles across the business.

We remain committed to finding new ways to strengthen our impact, with several initiatives already underway. The appointment of our Responsible Investment Manager, who joined the team in early 2025, marks an important step in advancing our goals.

Our ongoing priority is to scale our existing funds by attracting investors who value responsible, purpose-driven investment. At the same time, we are looking to broaden our strategies, exploring opportunities across a wider range of housing tenures. This will enable us to deliver more homes at the right price, in the right places — and create lasting value for People and Communities across the UK.

Cath Webster
Chief Executive Officer

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Highlights

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FEBRUARY

Thriving Investments publishes its first Responsible Value-Driven Investment policy.

Buro Happold is commissioned to deliver a Places for People (PfP) **Group-wide carbon emissions programme**, supporting its journey to net zero.

JUNE

Housing Growth Partnership's joint venture with Thriving Investments to deliver **1,200 sustainable homes** on regeneration sites is shortlisted for the **Regional Deal Award** at the EG Awards.

JULY

Price Hubble research, commissioned by Thriving Investments, identifies places with the greatest housing need, revealing where institutional investors could create the most impact.

Under new Sustainability Disclosure Requirements, Thriving Investments adopts the **Sustainability Impact label** for its New Avenue Living Scotland Fund.

Thriving Investments, in partnership with Lar Housing Trust and HHA, release a report highlighting the **economic and social impact of mid-market rental homes**.

SEPTEMBER

The New Avenue Living Scotland Fund wins the **Outstanding Fund Achievement Award** at the AREF (Association of Real Estate Funds) Awards.

NOVEMBER

Thriving Investments partners with **Gresham House** to deliver a new shared ownership platform — a first for the business.

Thriving Investments CEO, Cath Webster, is recognised by Bisnow as one of the UK's **most influential women** in real estate.

DECEMBER

Thriving Investments publishes its first Responsible Value-Driven Investment report, showcasing how **responsible investment is generating social value** and fostering sustainable Communities.

2025

JANUARY

The New Avenue Living Scotland Fund is named a **finalist in the 'Best ESG Investment Fund: Real Estate'** category at the ESG Investing Awards.

MARCH

The **New Avenue Living Greater Manchester Fund** launches with a loan from Greater Manchester Combined Authority and initial investment from the Greater Manchester Pension Fund, Better Society Capital and PfP.



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Introduction

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Introduction

Established in 2017, our mission is to channel institutional investment into delivering high-quality affordable homes that respond to local needs. By investing our clients' capital responsibly, we can help to protect and enhance asset value while improving long-term investment performance.

With over £1bn in managed investments, our strategies focus on delivering additional affordable homes as well as mixed-tenure regenerative developments. We are fast approaching a milestone of 5,000 homes and have set an ambitious target to quadruple our portfolio to 20,000 by 2034.

As the first FCA-regulated UK investment manager to be wholly owned by a social enterprise and Regulated Provider of social housing, Places for People (PfP) Group, all profits are reinvested back into PfP, providing more opportunities for investors to support social impact.

Our 2025 Responsible Value-Driven Investment report demonstrates our progress in tackling the housing crisis, building Communities, improving wellbeing, and protecting the environment. It covers our first full year of impact measurement, summarising the capital committed and our investment outcomes from 1 January 2024 to 31 March 2025.

Our responsible investment approach

Our guiding principles form the foundation of our funds' ESG objectives, reflecting our evolving platform and the housing sector's most pressing sustainability challenges:

1. Bringing institutional capital to help tackle the housing crisis
2. Developing and nurturing thriving Communities
3. Supporting the health and wellbeing of residents and Communities
4. Protecting the environment and restoring natural capital

Investment decisions are guided by insights into investments' sustainability impact, prioritising actions that create long-term stakeholder value. Understanding the nuanced relationship between impact and commercial performance is central to our integrated approach.

As a signatory of the UN-backed [Principles for Responsible Investment](#) (UN PRI) since 2019, we are committed to integrating its six principles into our investment practices, which encompass ESG integration, transparency, collaboration, and accountability.

We consistently refine our ESG approach by strengthening how we monitor, manage, and report performance across the investment lifecycle. This commitment to continuous improvement reinforces our ability to deliver social value alongside strong returns, while remaining adaptable in a changing world.

Impact investing

We are proud to be a founding member of the Place-Based Impact Investing (PBII) Network, and align our impact strategies with its definition of impact investing:

"Investments made with the intention to yield appropriate risk-adjusted financial returns as well as positive local impact, with a focus on addressing the needs of specific places to enhance local economic resilience, prosperity and sustainable development."

Through partnerships with developers, housebuilders, and local authorities, we deliver much-needed housing, regenerate brownfield sites and support small and medium-sized developers. Our investments also stabilise local housing markets and create wider Community benefits such as jobs and infrastructure improvements.

SDG alignment

Our responsible investment strategy supports impact aligned with select [UN Sustainable Development Goals](#)¹⁰ (SDGs).



¹⁰ UN Sustainable Development Goals (SDGs) <https://sdgs.un.org/goals>

What we invest in and where we invest

Living tenures

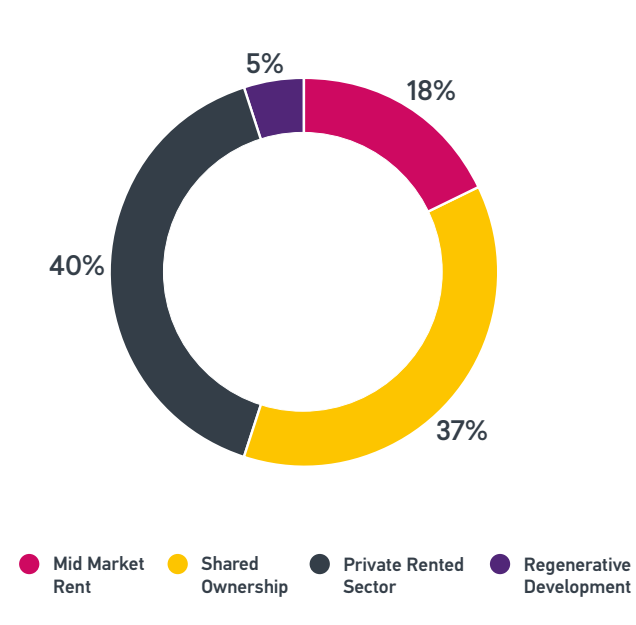


Fig 1: Portfolio property tenures as at 31 March 2025 (by number of homes).

Portfolio composition

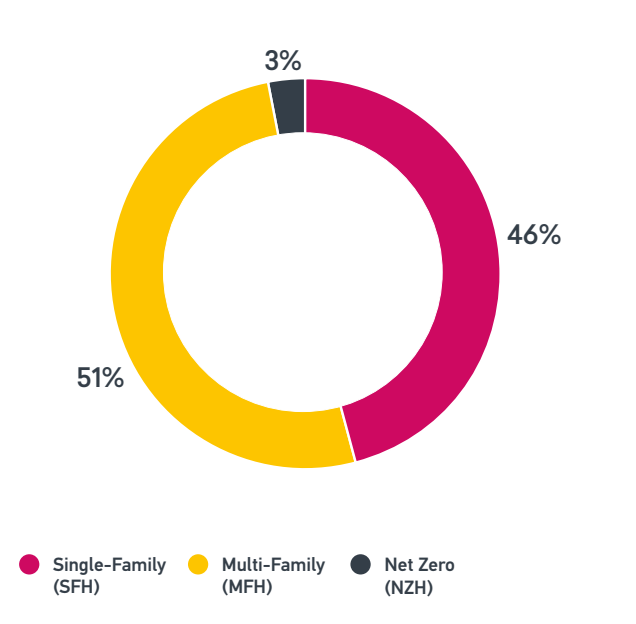


Fig 2: Portfolio property types as at 31 March 2025 (by number of homes).

Regional diversification

- Picture Living
- New Avenue Living
- igloo
- ReSi LP

Fig 3: Geographical spread of managed investments.

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Guiding principles

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Guiding principle 1

Bringing institutional capital to help tackle the housing crisis

Aligned SDGs: 3, 9, 10, 11

We help to address the UK's housing crisis by increasing the supply of affordable homes through a mix of tenures in the places that need it the most.

Our investment process identifies areas where the need for high-quality rental homes is most urgent. This approach directly supports our strategy of delivering more affordable homes for those on low to moderate incomes.



Expanding our portfolio sustainably

Since formation, Thriving Investments has grown its portfolio to 4,982 homes, of which 3,865 are operational and 1,117 are in development across England and Scotland.

Throughout the reporting period, we continued to proactively engage with key stakeholders to navigate planning complexities and progress our pipeline.

Despite market and macro-economic challenges, we:

- Invested in 11 new housing schemes
- Added 651 new homes to our portfolio
- Completed 636 homes for rent and sale
- Created a positive impact across 14 local authorities
- Acquired or completed 85% of homes on brownfield sites
- Created 2,281 jobs, including apprenticeships¹¹

- | | |
|-------------------|-------------------|
| 1 Scotland | 5 East Midlands |
| 2 North West | 6 South West |
| 3 East of England | 7 East of England |
| 4 West Midlands | 8 Greater London |

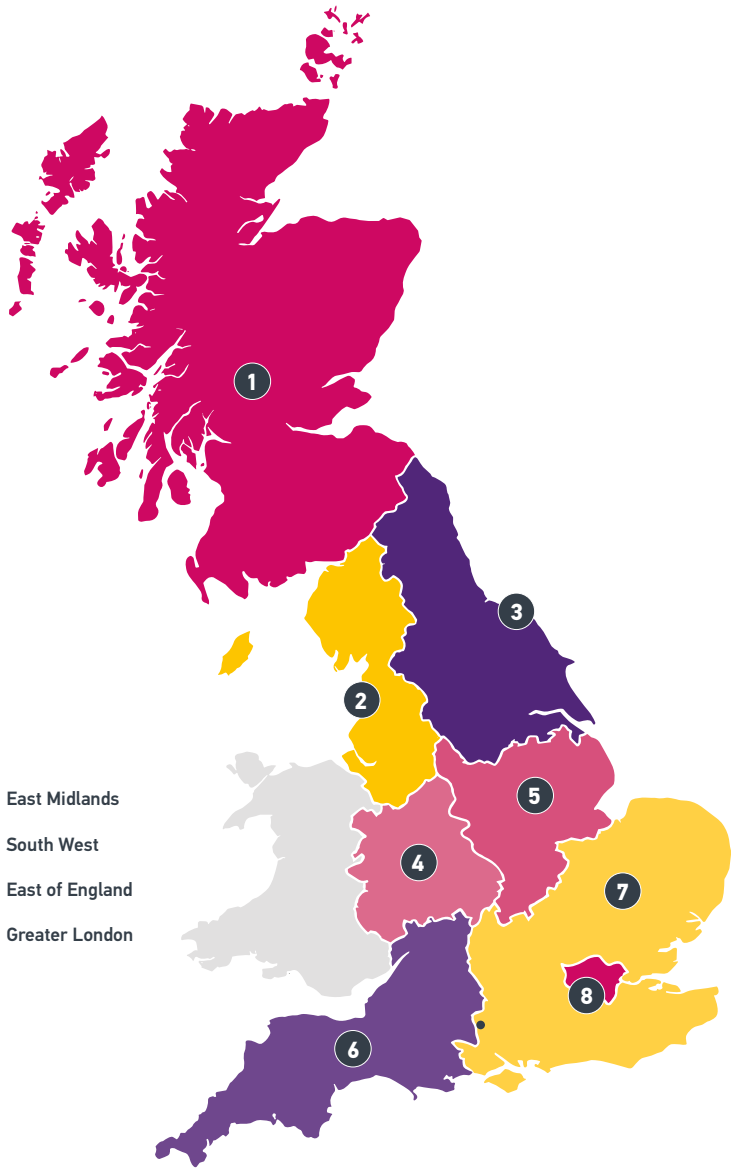


Fig 4: Geographic spread of acquisitions and homes hand over.



Assessing and achieving affordability

We use a median income ratio threshold to assess affordability, in line with industry best practice because it is less susceptible to distortion by extreme values than the mean (average). Based on this calculation, 80% of Thriving Investments' rental and shared-ownership homes remain affordable for low-to-moderate income households¹². This portfolio comprises 70% of Picture Living (PRS) homes, 100% of New Avenue Living (Mid-Market Rent¹³) Scotland homes, and 84% of the ReSi LP (shared ownership) portfolio¹⁴.

Significantly, 88% of homes acquired during the reporting period will be delivered in an area of constrained affordability. These areas are in England and Wales where the **affordability ratio**¹⁵ is greater than the national median of 7.9, indicating demand for affordable rental and shared ownership homes. In Scotland, areas of constrained affordability are designated by the Scottish Government's Housing to 2040 Vision.

71% of homes in our existing portfolio are in areas of constrained affordability. This accounts for 51% of the Picture Living portfolio, 100% of New Avenue Living homes, and 82% of ReSi LP shared-ownership homes.

Monthly savings compared to renting privately

Our social value assessment highlights the annual cost savings our residents achieve by moving into one of our homes offered at a discount to market rent. Based on this analysis, residents across our portfolios save the following on average per month:

- New Avenue Living: £458
- ReSi LP: £154

¹² Determined by Thriving Investment's housing affordability measurement calculation using the local authority median income as reported by the Office for National Statistics (ONS) Annual Survey of Hours and Earnings (ASHE) <https://www.ons.gov.uk/surveys/informationforbusiness/businesssurveys/annualsurveyofhoursandearningsashe>

¹³ Rent affordability in the affordable housing sector <https://www.gov.scot/publications/rent-affordability-affordable-housing-sector-literature-review/pages/6/>

¹⁴ As calculated by in the annual impact report commissioned by Residential Secure Income LP ("ReSi LP") and prepared by The Good Economy Partnership Limited ("The Good Economy"), a leading social advisory firm specialising in impact measurement and management.

¹⁵ Lower quartile house price to lower quartile earnings ratio | ONS.

¹¹ Calculated via the Housing Builders Federation (HBF) Housing Calculator <https://www.hbf.co.uk/policy/policy-and-wider-work-program/hbf-housing-calculator/> and igloo Regeneration data.



Case study

Making a difference through MMR

Mid-Market Rent (MMR) is a form of affordable housing in Scotland aimed at low to moderate income households that don't qualify for social housing but struggle with private rents. Starting rents are typically set using the 30th percentile of local private rents, often aligned with the Local Housing Allowance (LHA) and Broad Rental Market Area (BRMA) data — making them lower than 70% of comparable market rents without relying on traditional grant funding.

Our New Avenue Living Scotland Fund is expanding MMR homes in high-need areas, targeting essential workers priced out of local market-rate housing. Using a place-based, inflation-linked strategy, the fund forward funds developments originally intended for the open market, converting them into high quality, energy-efficient homes within easy reach of major Scottish city centres.



This chart shows the rental profile (10th to 90th percentile) across Scotland's 18 BRMAs, published annually by the Scottish Government from 1 April. Subsequent rent increases are linked to the Consumer Price Index (CPI) and capped at CPI+1% in any 12-month period.

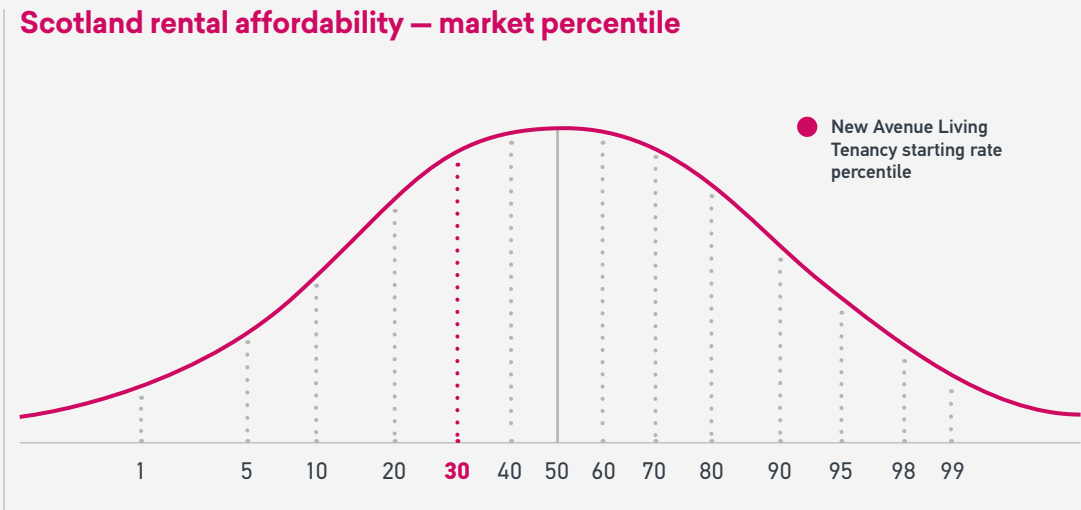


Fig 6: Housing percentiles across Scotland's 18 BRMAs.

Setting fair rents

Our MMR rents remain consistently below open market and median BRMA levels, at an average of 64% market rent, resulting in strong demand and high occupancy.

Location	Number of beds	Number of Homes Owned	Average Rent Charged	Maximum Rent Charged	Average Open Market Rent	Average Rent as a % of Open Market Rent
City of Edinburgh	1 Bed	£756.56	£795.60	£1,055.00	£1,055.00	72%
	2 Bed	355	£887.74	£925.60	£1,402.00	63%
	3 Bed	39	£1,176.00	£1,242.80	£1,935.00	61%
Midlothian	1 Bed	2	£738.76	£739.12	£1,055.00	70%
	2 Bed	24	£848.69	£866.13	£1,402.00	61%
	3 Bed	5	£1,076.75	£1,079.76	£1,935.00	56%
	4 Bed	12	£1,305.48	£1,375.00	£2,588.00	50%
Glasgow	1 Bed	19	£720.74	£871.25	£866.00	83%
	2 Bed	132	£871.28	£875.00	£1,170.00	74%
Renfrewshire	2 Bed	66	£518.47	£533.00	£824.00	63%
Eastlothian	4+ Bed	6	£1,375.00	£1,375.00	£2,588.00	53%
Overall average						64%

Fig 5: New Avenue Living rental charges and Open Market Rents Citylets report, March 2025.



Case study

Aligning investment with housing need

In 2024, we commissioned PriceHubble to conduct a pioneering analysis¹⁶ of 283 UK local authorities to identify acute housing need for essential workers. The study pinpointed areas with the highest rental stress — where a disproportionate number of essential workers spend over 30% of their income on rent — and the most unaffordable locations for home ownership.

The research used PriceHubble’s property market intelligence platform to generate data-driven insights that looked beyond standard affordability stress indicators. It aimed to identify where the shortage and unaffordability of rental homes for essential workers are most critical, focusing on areas where:

- Families are renting
- Essential workers have been displaced
- Housing stress is most acute.

Renter unaffordability was assessed across three dimensions:

- Theoretical affordability (income-to-rent ratios)
- Sales affordability (earnings vs. property prices)
- Real renter affordability (actual rent burden on households).

Key findings

- Essential workers are being priced out, increasingly forced to live further from their workplaces, particularly in Manchester, York, and parts of Suffolk.
- Only 22% of essential workers live within 2 miles of their workplace — down from 25% in 2018, indicating growing displacement.

- London boroughs dominate the affordability crisis with 10 of the UK’s top 15 least affordable areas for essential worker renters — but commuter belts and major cities, including Manchester, Birmingham, Bristol, and Bath are also under pressure.
- Nationally, 33% of essential workers would have to spend more than 30% of their income on rent, rising to 44% in the most unaffordable locations.
- York, Bath, Manchester and Nottingham have the lowest proportion of rental stock accessible to low earners, in addition to London and the South East.
- Bolton in Greater Manchester has seen rents grow by 40% over five years, driven by population growth and a lack of new development.

Real renter affordability rank

- 1–59
- 59–118
- 118–176
- 176–235
- 235–283

Fig 7: Affordability chart prepared by PriceHubble for Thriving Investments, 2024.

Sales affordability rank

- 1–59
- 59–118
- 118–176
- 176–230
- 230–283

Fig 8: Affordability chart prepared by PriceHubble for Thriving Investments, 2024.

Applying the findings

The research revealed that:

- 80% of our homes are in the top two quartiles, indicating strong alignment with areas of acute housing need.
- 53% of our homes are in the top quartile areas where demand significantly exceeds supply, based on factors including urban density, projected population growth and housing need.
- 77% of our homes are in areas experiencing the greatest rental pressure, driven by population growth outpacing housing delivery, with Bolton and Glasgow experiencing the most acute challenges.
- 69% of our homes are in areas with the most severe affordability constraints for essential workers.
- Edinburgh, Manchester, Swindon, Birmingham, Bristol, Buckinghamshire, and York score highly across all indicators, representing 48% of our current portfolio.
- Buckinghamshire ranks highest in the overall affordability ranking followed by Bristol, Bath, North East Somerset and Swindon.

This data is helping us to establish a benchmark for our Sustainability Appraisal Checklist, which is used to assess every investment proposal. This plays a key role in our site categorisation and scoring matrix, guiding investment decisions toward locations where our impact can be most meaningful and measurable.

¹⁶ Affordability Study - Identifying places with greatest housing need
<https://www.thrivinginvestments.co.uk/media/mcynf0eh/executive-sum-pricehubble-for-thriving-affordable-homes-final-21st-june-2024.pdf>

Case study

Advancing affordable and sustainable London housing

In 2024, ReSI LP committed £53 million through a forward-funding agreement to deliver 122 shared ownership homes at the Clapham Park regeneration estate in South London, scheduled for completion in 2026/27. Clapham Park is a long-term regeneration initiative led by Metropolitan Thames Valley Homes (MTVH), Countryside Partnerships.

The homes are designed to meet rigorous social and environmental standards and will be powered by an on-site energy centre using high-efficiency air source heat pumps. This will support decarbonisation of the district heating network and reduce residents' energy bills, with heating costs capped at least 10% below market rates.

The site benefits from strong transport links, making it accessible for working and schooling. Multi-use games areas, football pitches and Community centres will be developed for the wider Community to increase the scheme's impact.

Residents also benefit from Community initiatives like 'Be Enriched', offering weekly hot lunches, a food bus providing low-cost groceries, and a café — supporting social connection and helping to tackle the cost-of-living crisis.



Guiding principle 2

Developing and nurturing thriving Communities

Aligned SDGs: 3, 8, 10, 11, 13, 17



We recognise that housing is more than physical infrastructure. It shapes neighbourhoods and is the foundation of thriving Communities, improved wellbeing and climate change resilience.

With a proven track record in developing and managing residential properties and urban regeneration projects, we have a deep understanding of the needs of both residents and local stakeholders. This enables us to create and manage thriving Communities.

Our investments support the development of inclusive, safe, and well-connected neighbourhoods. We take a long-term approach, prioritising access to essential services, transport links, and green spaces while actively partnering with local organisations to strengthen our impact.



Case study

Delivering economic and social impact in Scotland

Our New Avenue Living Scotland Fund has £222.5m in committed equity, with £154m deployed across 10 sites in key Scottish urban centres including Edinburgh, Glasgow, and East Lothian to date¹⁶. Combines strong financial performance and tangible social impact by addressing Scotland's chronic shortage of high-quality, unregulated affordable homes. It was among the first to adopt the Sustainability Impact label under the FCA's Sustainability Disclosure Requirements (SDR) regime.

The fund's 100% allocation to affordable housing — designed to meet the diverse needs of low-to middle-income families essential to their Communities — is underpinned by a robust impact framework aligned with a clear Theory of Change focused on placemaking, sustainability, and social impact.

Our forward-funding model delivers cash flow certainty, enabling SME developers to scale operations, unlock larger sites, and accelerate delivery timelines.

Aligning with six UN SDGs, impact is delivered through four pillars:

- 1. Increasing affordable housing supply
- 2. Enhancing social cohesion
- 3. Fostering economic opportunity
- 4. Advancing a low-carbon economy

SDGs: 3, 8, 10, 11, 13, 17



Figure 9: UN Sustainable Development Goal (SDG) Alignment.

Impact in numbers

Independent research led by Turley Economics [evaluated the benefits of the Fund's homes](#) across five Scottish local authorities. Supported by further analysis from Thriving Investments, the findings demonstrate measurable social and economic real world outcomes in line with its impact objectives, supporting a just transition aligned to the Scottish Government's agenda:

- 742 high-quality homes delivered, providing long-term security of tenure and housing for over 1,100 residents since inception.
- Homes let at rents below 70% of market levels, achieving 98% occupancy within 30 days of completion.
- 100% of acquired homes are EPC B rated, with residents benefiting from estimated, modelled annual energy savings averaging £658.46.
- 870 full time equivalent (FTE) jobs created in the Scottish economy, with an additional 370 local FTE jobs during the construction phase.
- 1,610 net additional FTE jobs supported across Scotland during construction, including 470 local roles.
- £21.2 million in retail and leisure spend generated for local businesses, supporting over 250 jobs in surrounding Communities.
- £45.8 million in net additional Gross Value Added (GVA) alongside £2.3 million in Council Tax payments — equating to £23 million over 10 years.
- £3.32 million in annual economic savings for residents, with average monthly savings of £382 compared to open market rents.
- 100% of homes are within close proximity to transport links, schools, local amenities, and are equipped with superfast broadband connectivity, supporting digital inclusion.
- 90% of sites have been delivered by local developers, sustaining 27 construction apprenticeships.
- Engagement with More Homes Scotland and the Housing Investment Taskforce helped inform national policy and was followed by a £100m commitment to MMR housing.

Case study

Strengthening place-based impact

In early 2025, we launched the New Avenue Living Greater Manchester Fund, building on the success of our Scotland fund to deliver unregulated affordable homes for essential workers. Backed by £40m from Greater Manchester Pension Fund, Better Society Capital, and PfP Group, alongside debt financing from the Greater Manchester Combined Authority, the fund is positioned as a leading model for place-based, impact-driven housing investment.

Greater Manchester faces acute housing affordability pressures, driven by stagnant wages, rising rents, and house prices. With a growing population, demand continues to grow while the supply of affordable new builds remains limited. Essential workers earning £21,000–£29,000 are increasingly priced out, with rent-to-income ratios particularly high for lower quartile earners — underscoring the urgent need for MMR housing.

The fund addresses this need through a repayable loan structure, promoting an innovative financing approach that enables regeneration of brownfield sites and offers homes at 80% of open market rent with long-term security of tenure.

Its impact strategy is built around four core pillars:

- Increasing the supply of additional affordable homes for essential workers
- Providing energy-efficient homes to reduce overall housing costs
- Reducing commuting times and costs for essential workers
- Supporting SME developers

Demonstrating innovation, the fund has adopted an 'Impact Canvas' tool, developed with Better Society Capital (BSC), to define intended social outcomes across People, climate, and systems change dimensions, providing a structured framework to guide investment decisions.

Following an internal review aligned with FCA rules and AREF guidance, we have committed to adopting the Sustainability Impact label for our New Avenue Living Greater Manchester Fund, reflecting best practice in responsible investment.



¹⁷ As at 31 March 2025.

Case study

Shaping new places in partnership

In Winchester, igloo's Partnerships & Places joint venture has agreed a delivery plan with the City Council for the Central Winchester Regeneration project. The scheme will deliver 250 mixed-tenure homes and 60,000 sq ft of commercial space, forming a vibrant new creative quarter that blends flexible workspaces, food and drink venues, and public areas.

Proactive Community engagement has been central to the development process, cultivating trust and collaboration with residents, interest groups and other stakeholders.

Highlights include:

- 4 themed stakeholder workshops and 3 co-creation sessions
- 10 local meet and greet events engaging over 140 attendees
- 6 RIBA talks reaching 390 People, plus 25+ one-to-one meetings
- Presentations to Hampshire Chamber of Commerce and [Winchester BID](#)
- Workshops with schools and youth groups, and a presence at Community events
- Strong digital engagement via Commonplace: 2,319 unique visitors, 400+ responses, and 254 news subscribers

These insights are actively informing project and design briefs, ensuring alignment with local planning guidance. Ongoing design development will continue to be shared with the local Community to maintain transparency and engagement.



Case study

Supporting our Communities

In 2024, we donated £6,700 worth of high-quality show flat furniture from our Newhall Street development in Glasgow to PFP's Furniture Reuse project, based at the SPACE Centre in Edinburgh.

Delivered through the Transition Stirling Reuse Hub, the initiative repurposes quality pre-loved furniture for individuals and families across Edinburgh and the Lothians, helping to turn properties into comfortable homes. It also provides employment opportunities, including for those experiencing homelessness, and diverts items from landfill, reducing environmental waste and promoting a more circular economy.

In 2024/25 alone, the project repurposed 2,227 items of furniture, supporting 167 households. Many recipients said the support helped relieve financial stress, enabling them to focus on essentials like rent and bills. Our latest donation builds on previous contributions from other developments, and we remain committed to supporting this impact initiative.

Aligned SDGs: 1, 8, 10, 11, 17



Guiding principle 3

Supporting the health and wellbeing of residents and Communities

Aligned SDGs: 3, 10, 11, 17



We ensure our homes and services promote the health, comfort, and financial security of residents, while delivering meaningful social impact within their Communities.

Additionally, we support local liveability and contribute to Community health and wellbeing by ensuring residents have easy access to services, green space, education, employment, and leisure.

With health and wellbeing increasingly recognised as national priorities — as highlighted by initiatives such as the UK Research and Innovation’s (UKRI’s) [Health and Wellbeing Strategic Theme](#) and the UK Green Building Council’s seminal [“Healthy Homes” guidance](#) — our approach is aligned with best practice.

To support this commitment, we continuously monitor resident satisfaction through Customer Effortless Scores¹⁸, move-in and move-out surveys, and our annual resident opinion survey. These tools provide valuable insights into how residents experience their homes, estates, neighbourhoods, and the quality of property management services.

In 2024, we expanded our resident survey to include financial wellbeing, revealing key insights:

- 10% of Picture Living and 12% of New Avenue Living residents reported financial struggles, compared to 18% nationally
- 86% said location was a critical factor in choosing to rent with us
- 75% cited price as a key consideration
- 46% stressed proximity to transport links and local amenities
- 64% considered the property’s EPC rating an important part of their decision making

When asked about the service provided by their landlord:

- 82% of Picture Living and New Avenue Living residents were either very satisfied or fairly satisfied
- 71% of ReSI LP residents were satisfied with ReSI Homes’ management services.

We also received constructive feedback highlighting the need for a residents guide to improve awareness of local facilities. This is currently in development and will be launched to all new residents.

“We are really happy we were given the opportunity to rent a mid-market property with yourselves. We love the property and need to pinch ourselves from the social property we came from and area. Keep doing what you do as a company, making People’s dreams come true and giving them a better living and lifestyle.”

New Avenue Living resident

“My family have been very happy since moving here. My children never used to get out to play before moving here and have made new friends with all the neighbourhood kids.”

Picture Living resident

“We were previously homeowners but were forced to sell our last home because we were unable to repay or extend our interest-only mortgage when it ended. Now we feel like they’re “one of the lucky ones.” Our energy bills are cheaper than our previous home, and we don’t have to turn the heating on upstairs as the home is very efficient. Also we have great peace of mind when it comes to repairs, they’re done so quickly.”

ReSI LP resident

Overall satisfaction with their landlord

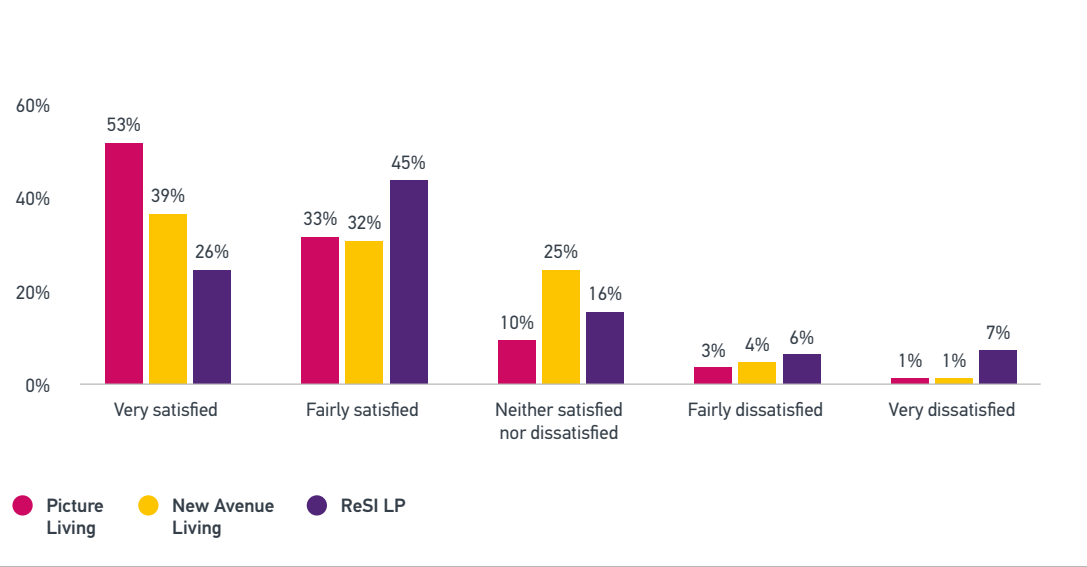


Fig 10: Resident satisfaction ratings with their landlord.

Satisfaction with the quality and maintenance of their home

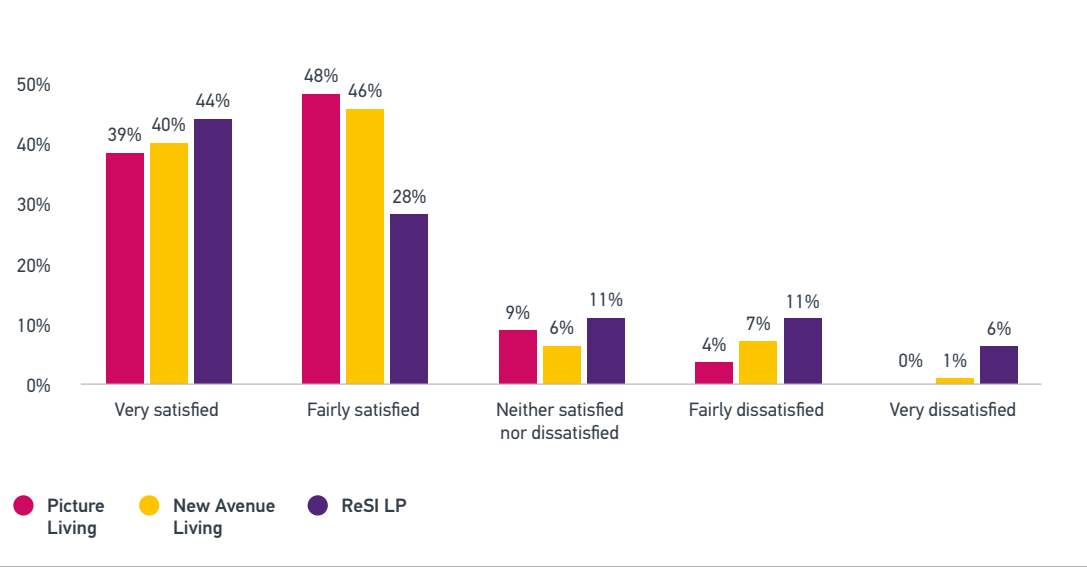


Fig 11: Resident satisfaction ratings with the quality of their home.

¹⁸ Customer Effortless Score is a resident experience survey metric that enables service organisations to account for the ease of resident interaction and resolution during a request.

The survey also revealed that:

- 87% of Picture Living and New Avenue Living residents were satisfied with the quality of their home
- 77% were satisfied that their rent provides value for money — a 7% increase from 2023.
- 59% of ReSI LP residents reported overall satisfaction that their rental cost provides value for money
- 68% of New Avenue Living and 78% of Picture Living residents felt they belonged very or fairly strongly to their neighbourhood, compared to **61% nationally**
- 52% of ReSI LP residents felt that ReSI Homes makes a positive contribution to their neighbourhood
- 73% of Picture Living and New Avenue Living residents expressed satisfaction with their surrounding estate, neighbourhood and Community services, highlighting the role of thoughtful placemaking in creating a sense of belonging and wellbeing for our residents.

Satisfaction with the quality and maintenance of communal areas and wider estate

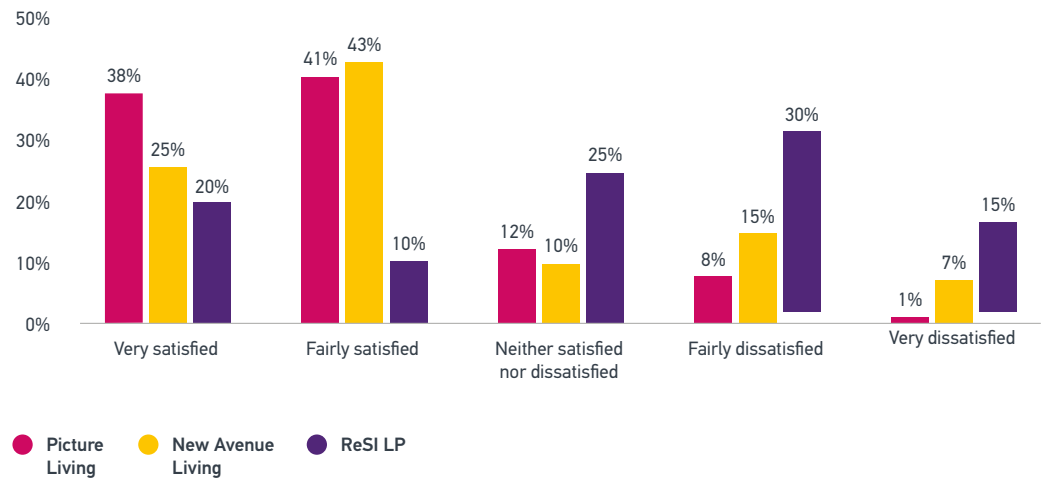


Fig 12: Resident satisfaction ratings with the quality of their home.

Satisfaction with their landlord’s contribution to the neighbourhood and sense of belonging

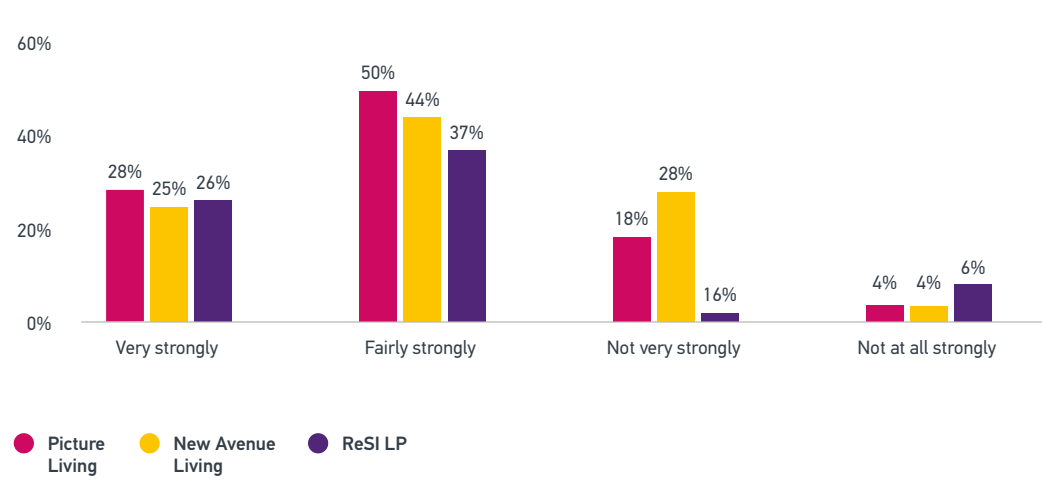


Fig 13: Resident satisfaction ratings regarding sense of neighbourhood belonging and landlord contribution.

Resident health and wellbeing satisfaction

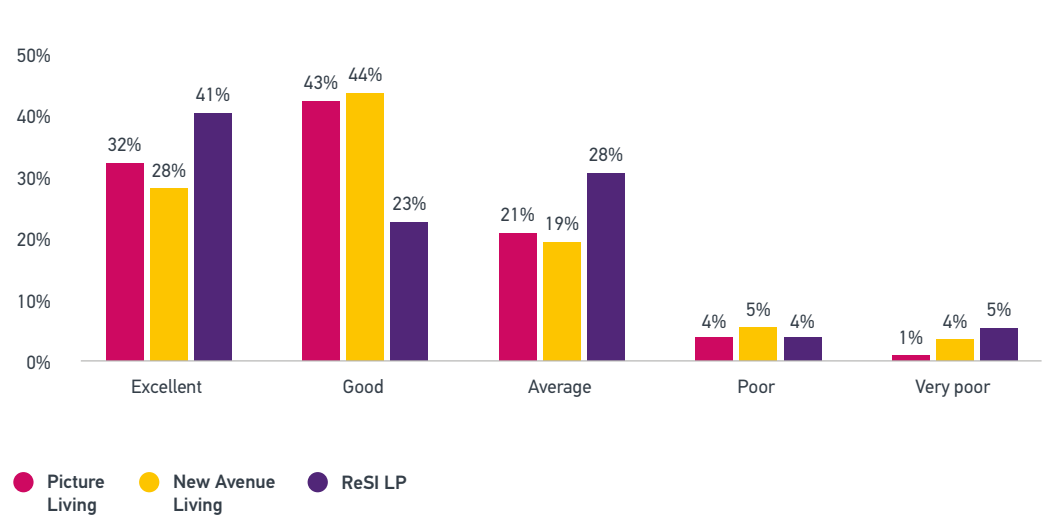


Fig 14: Resident satisfaction with the impact of their home and Community on health and wellbeing.

The survey highlighted that:

- 74% of Picture Living and New Avenue Living residents rated their local environment highly for its positive impact on health and wellbeing, considering access to open space, air quality, healthcare, leisure, and Community infrastructure.
- 63% of ReSI LP residents reported that moving into their new home made a positive difference to their physical and mental wellbeing.

Additional wellbeing initiatives

We also support residents through partnerships and services that help reduce household costs and enhance quality of life:

- Touchstone Property Management, which manages homes across our portfolio, has partnered with Pocket Power, a phone-based support service that helps residents lower their utility bills and access financial aid. During the reporting period, four residents benefited, saving a combined £1,858.
- All residents are eligible for discounted gym memberships through our parent company, PfP, providing access to a nationwide network of PfP Leisure centres and promoting healthier lifestyles.

Providing support and stability

All residents are eligible for PfP’s Hardship Fund, which provides direct financial support and practical assistance during times of need. In 2024, 18 residents received food and fuel vouchers through this fund, helping to alleviate immediate financial pressure.

We offer security of tenure to all residents in our rental properties, with tenancy lengths reflecting this commitment¹⁹.

- Picture Living residents stay in their homes for an average of 4 years (48 months)
- New Avenue Living residents stay for an average of 1.8 years (22 months) to date
- ReSI LP’s shared-ownership model provides residents with permanent tenure

Long-term tenancies backed by institutional capital provide greater stability for individuals and families. Housing stability and predictable rents empower families to plan their finances, settle children into schools, and contribute to creating resilient, sustainable Communities.

Measuring our impact

We applied values from the HACT UK Social Value Bank to 93 New Avenue Living homes let in the last financial year, using EPC data from the Energy Performance of Buildings Register to estimate energy efficiency improvements. Based on these calculations, these homes generated:

- £203,304 in personal wellbeing value
- £2,715 in public sector savings

¹⁹ This metrics is applicable to our Picture Living and New Avenue Living portfolios only.

Guiding principle 4

Protecting the environment and restoring natural capital

Relevant SDGs: 11, 12, 13, 15, 17



We recognise that our investment and management decisions have a significant impact on the environment both locally and globally. We intend to minimise adverse impacts and, wherever possible, deliver net positive outcomes for nature and the environment.

The built environment contributes 25% of the UK emissions, making it one of the most emissions-intensive sectors of the economy. Within this, home heating alone accounts for 18%. Decarbonising homes is therefore critical to achieving net zero by 2050, as recognised by the UK Climate Change Committee (CCC).

Physical climate-related risks pose real threats to both our managed properties and the wellbeing of our residents. As highlighted by the World Economic Forum's (WEF) latest Global Risks Report, extreme weather remains a key concern for the year ahead, with multiple extreme weather events in 2024 amplifying the impact of climate change, driving the need for homes that can withstand conditions such as floods, heatwaves and storms to remain habitable and safe in the decades ahead.

This underscores the urgency of the climate crisis and the critical role we play in navigating these risks and future-proofing our portfolio as we transition to a low-carbon economy.

Climate risks and opportunities are integrated into every investment decision and captured in our risk register. This register is overseen by our Investment and Sustainability Committee (ISC) ensuring climate considerations are consistently addressed and aligned with our Responsible Value-Driven Investment (RVDI) policy.

Responding to climate change

Thriving Investments is committed to acquiring and managing homes to high environmental standards, focusing on:

- Lower carbon emissions
- Renewable energy
- Enhancing biodiversity

We also monitor our carbon footprint to assess our real-world impact on the global carbon budget²⁰.

Flood risk

From flood risk assessments at postcode level, our analysis estimates that 97% of our homes are at low or no flood risk, aligning with the Environment Agency's national datasets. As climate-related risks such as flooding, overheating, and drought intensify, resilience will remain a core focus in asset acquisition, and management.

Managing operational carbon

Operational carbon emissions are generated through heating, cooling, lighting, and appliance use. That is why we are committed to ensuring all existing homes achieve an EPC rating of C or above, helping to cut carbon emissions and reduce resident energy costs through continued investment.

For new acquisitions, we intentionally forward fund homes with EPC ratings of A or B, significantly lowering the carbon footprint of our managed assets. We are also committed to measuring and disclosing our baseline footprint by the end of FY25/26²¹.

EPC performance

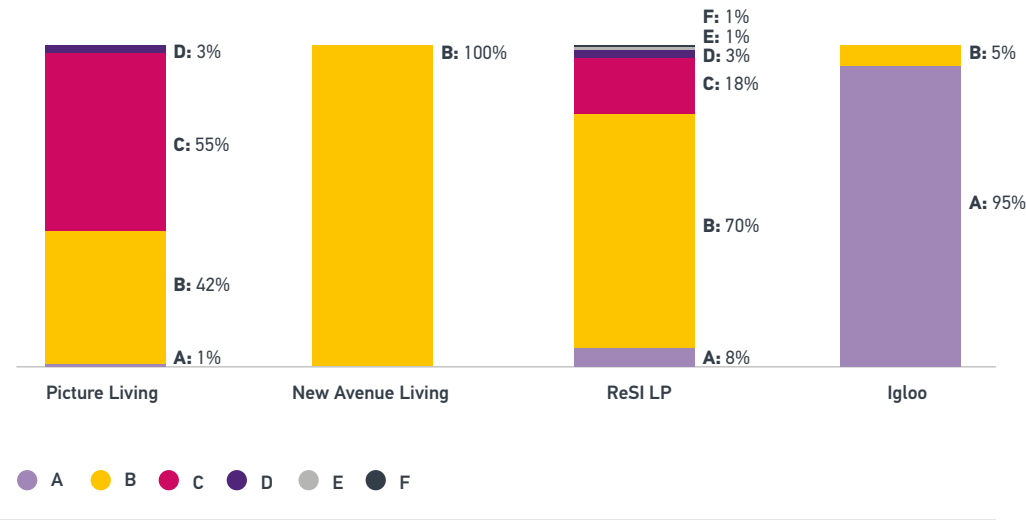


Fig 15: PjP Igloo homes include only those released for sale during the period.

Overall, by the end of the reporting period, 78% of homes had an EPC rating of B or above, exceeding the national benchmark (EPC D).

Many of our newly acquired homes include air source heat pumps or are ready to be fitted with low-carbon heating systems. Our ongoing retrofit programme for our Picture Living platform focuses on improving the performance of lower-rated homes (EPC D and below), advancing our decarbonisation ambitions while enhancing resident comfort.

Our homes also outperform national averages on energy efficiency, with a lower carbon impact than typical homes on the open market.

- Our average home emits just 1 tonne of CO₂ per year²²
- In England, the median EPC score is 68 (band D). In contrast, 95% of our managed homes are rated EPC C or above.
- Picture Living has increased the share of homes rated EPC B or above, driven by a focus on new builds and ongoing refurbishment. During the period, Picture Living improved the energy efficiency performance of 4 homes (EPC D-E).

In 2024/25, our leased office and managed assets were responsible for an estimated 4,565 tonnes of operational CO₂e emissions (Scopes 1, 2 and 3), reported in line with the GHG Protocol for asset managers²³.

The chart below shows the total tonnes of carbon dioxide equivalents (tCO₂e), broken down by scope.

Total portfolio emissions (tCO₂e)

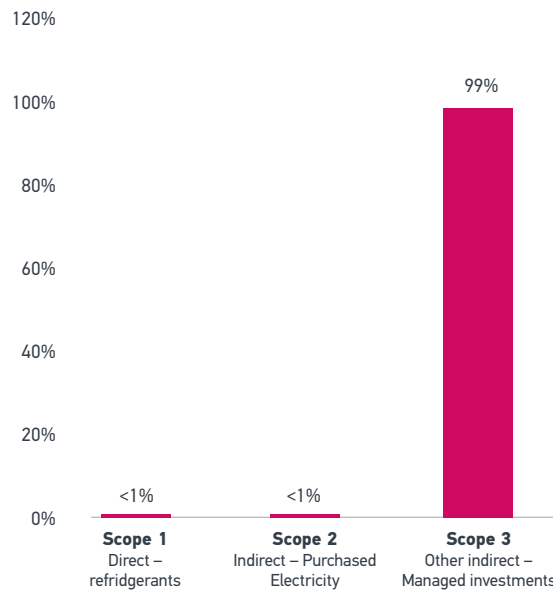


Fig 16: Estimated absolute GHG Scopes 1–3 operational emissions from, leased office and managed investments.

²² Picture Living and New Avenue Living portfolios.

²³ Picture Living, New Avenue Living and ReSI LP portfolios, based on EPC data including applied carbon factors. This analysis is based on a point-in-time snapshot of the portfolio as at 31st March 2025, which is not necessarily reflective of the portfolio construction at any point in the future.

²⁰ Figures include new investments added to the portfolio (increasing financed emissions of assets under management) and investments sold during the year.

²¹ Subject to data availability and quality.



The chart below shows the total tonnes of carbon dioxide equivalents (tCO2e) for managed assets, broken down by platform:

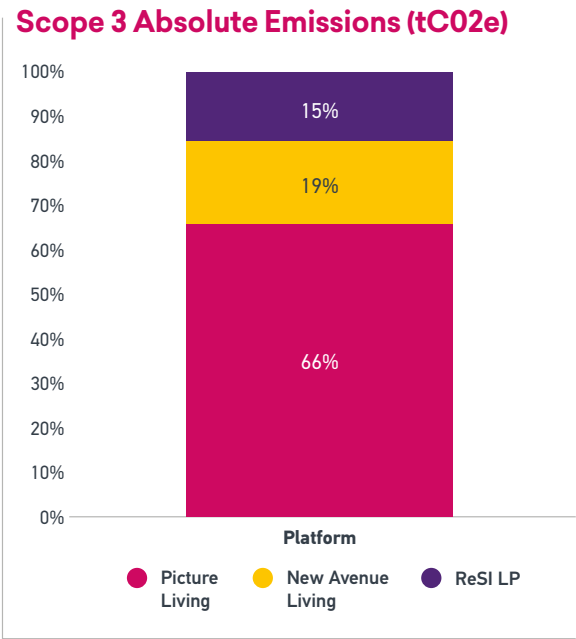


Fig 17: Estimated absolute GHG Scope 3 (Category 15) emissions of managed assets by investment platform.

Over the coming year, supported by Buro Happold, we will expand our methodology and assess additional Scope 3 categories where they are material to our business activities.

In 2024, renewables generated a record 50.8% of the UK's electricity — the first year in which renewables have exceeded the 50% mark. We believe that procuring renewable energy for our properties is a key part of our environmental responsibility, supporting the transition to a low carbon economy.

Currently, 51% of the energy supplied to our landlord-controlled properties comes from renewable sources. During 2025, we will increase portfolio coverage to 100%.

Homes are also switched to renewable tariffs at the point of voids to further support our sustainability goals. During the period, 82% of our Picture Living homes were transferred onto a renewable tariff. During 2025 we will increase portfolio coverage to 100%. Acquisitions are automatically transferred onto a renewable tariff.



Case study

Prioritising energy-efficient homes

Port Loop. Birmingham

In 2025, Picture Living committed to investing in the award-winning Port Loop development, a design-led urban regeneration scheme being delivered through a joint venture between Urban Splash and PfP.

The project's fourth phase builds on the vision to create a vibrant, liveable canal-side neighbourhood with a strong sense of Community, access to nature and excellent connectivity to Birmingham city centre.

Picture living's investment strategy prioritises areas facing the most acute rental demand, focusing on high-quality, single family rental homes.

It will forward fund 43 three and four-bedroom homes at Port Loop, which will be available for rent from Autumn 2025. These sustainable, energy-efficient homes will be created using sustainable, modern methods of construction, and include air source heat pumps, PV panels, EV charging, and wastewater heat recovery systems. These features will not only reduce environmental impacts but also running costs for residents.



Athletes Village, Glasgow

New Avenue Living Scotland has forward funded 58 two and three-bedroom affordable homes in Glasgow's Athletes Village in Dalmarnock. This development is part of the city's broader East End regeneration programme and the 38-hectare Commonwealth Games Village, one of the UK's largest urban regeneration projects ever undertaken.

In response to the city's declared housing emergency, the development will deliver much-needed rental homes in an area experiencing acute affordability constraints. Glasgow's recent rental inflation means MMR rents are at minimum of -12% vs local rents.

Homes will be created using sustainable methods of construction with renewable energy solutions, including PV panels and EV charging points. All homes will be EPC B rated, with the potential to achieve EPC A upon completion, achieving average annual energy savings of £720 per household.



Case study

Co-creating green spaces

The Glasshouse site is a vacant parcel of land in Newcastle's Lower Ouseburn Valley. It forms part of a Framework Development Agreement between Pfp igloo, Newcastle City Council, and Homes England, aimed at regenerating the valley through a sensitive and sustainable residential-led development that prioritises Community engagement.

Due to the site's steep topography and its location within the Ouseburn Wildlife Corridor, residential redevelopment is challenging. Instead, igloo is planning to transform the site into a thriving Community wildlife garden, supporting nature while delivering lasting Community benefit.

The Ouseburn Wildlife Garden aims to:

- Increase site biodiversity by 30%+
- Feature locally appropriate planting and natural habitats
- Offer a space for People to enjoy, including Community activities

Pfp igloo will fund initial works, after which ownership and stewardship will transfer to a Community Land Trust (CLT).

Community involvement will be key to the garden's success and is expected to include educational nature events and activities, volunteering for maintenance and care, and partnerships with local groups as part of a broader ecological network.

The proposals have received strong local support and a positive pre-application response from the planning authority. A full planning application is imminent.



24

Governance

25



Governance

Investment and Sustainability Committee (ISC)

Our ISC oversees investment decisions and the integration of ESG and impact principles at all stages of the investment lifecycle. Guided by our Responsible Value-Driven Investment Policy, we integrate sustainability from strategy and capital raising through portfolio management and exit, driving long-term value and maximising sustainable impact for our clients, residents, and Communities.

Investment and Sustainability Committee:



Julie Hirigoyen
Non-Executive Director
ISC Chair



Audrey Klein
Non-Executive Director



Claire Ainsworth
Non-Executive Director



Tim Saunders
Non-Executive Director

- In numbers:
- 9.9% mean gender pay gap, compared to industry benchmark of 12.6%²⁴
 - 40% women's representation at board level
 - 50% women's representation at ISC level
 - 20% of employees belong to underrepresented groups
 - 32% women's representation in the company
 - 20% women's representation at director level

We have established partnerships with forward-thinking organisations and industry bodies to ensure our approach remain progressive as the EDI landscape evolves.

Thriving Investments CEO, Cath Webster, was recognised as one of Bisnow's 24 Most Influential Women in UK Real Estate, an accolade that reflects her leadership and our firm's commitment to driving inclusive progress in the sector.

Executive compensation

Our senior leadership team have ESG-linked targets embedded in their Long-Term Incentive Plan (LTIP), governed by a balanced scorecard approved annually by the Remuneration Committee and aligned with our strategic objectives.

These KPIs account for 15% of the LTIP weighting, ensuring accountability for delivering sustainability goals. Aligned with our four guiding principles, these metrics ensure performance is assessed not only financially but also on environmental and social outcomes.

Equity, diversity and inclusion (EDI)

We are committed to advancing EDI across our organisation and investment activities. We recognise that diverse perspectives drive better decision making, nurture innovation and underpin the long-term value we create for stakeholders and the Communities we serve EDI principles are embedded into our governance, recruitment, and investment processes.



UN PRI summary scorecard

The Principles for Responsible Investment (PRI) is the world's leading advocate for responsible investment. Thriving Investments' summary scorecard for the reporting period to 31 August 2024 is shown below, highlighting performance across three core modules: Policy, Governance & Strategy, Direct — Real Estate, and Confidence Building Measures. We achieved strong ratings across all three modules, with scores exceeding the PRI median.

Our talent

Our team completes our Big Colleague Great Place to Work® Survey annually. Based on the Great Place to Work® Trust Index™, the report evaluates employee experience across trust, engagement, leadership, wellbeing and values.

In 2024, Thriving Investments achieved an overall satisfaction score of 93% and a 93% Trust Index, reflecting strong employee engagement and wellbeing. These results reinforce our commitment to fostering a positive, inclusive, and high-performing culture.

Summary scorecard

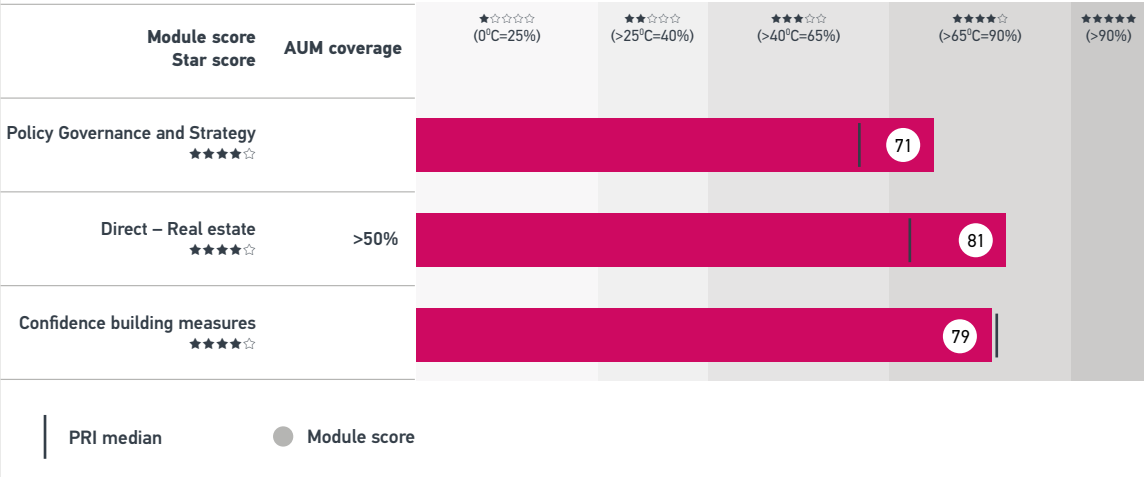


Fig 18: Thriving Investments' 2024 UN PRI Summary Scorecard.

Industry collaboration

Thriving Investments is an active advocate for social impact and social value within the real estate fund industry. By engaging in dialogue and collaboration, we seek to influence a regulatory framework that supports innovation, fosters growth and safeguards the interests of our residents as well as investors and their beneficiaries. Team members actively participate in a number of industry organisations and steering groups to ensure we are at the forefront of industry debates on good governance, transparency and improvements in building quality, fund structuring, and investment research.

Aligned SDGs: 3, 4, 5, 8, 10, 16, 17



²⁴ Estates Gazette Research based on UK government data from 168 real estate firms
<https://www.estatesgazette.co.uk/news/a-lot-more-to-doreal-estate-tackles-the-gender-pay-gap/>

Case study

Impactful volunteering

In May 2024, the Thriving Investments team took part in a volunteering day with Surplus to Supper, a local charity with a powerful mission — to reduce food waste and combat hunger by redistributing surplus food to those who need it most.

Its fleet of vans collects surplus food from supermarkets, wholesalers, and other food businesses. This is either redistributed directly to food banks or used in the charity's own kitchen to prepare fresh meals.

During the volunteering day, our team supported the charity by cooking meals in its Community kitchen, delivering food and helping with logistics and operations.

The experience provided valuable insight into the charity's operational challenges and the social value of its work, while fostering a strong sense of team connection and Community purpose.



Disclaimer

We have taken steps to avoid overstating positive outcomes or under-reporting negative impacts. However, we recognise the limitations in the availability and quality of certain data. Where relevant, we have identified and explained how these limitations may affect the presentation of our impact performance. We are looking at ways in which we can increase coverage, fill gaps and improve data quality for the year ahead.

