

Article 10 (SFDR)
Website disclosure for an article 8 fund

PSC Credit III (B) SCSp (the “Partnership”)¹

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¹ Legal Entity Identifier: 2221002WZ4R5MFUBNQ80

(a) Summary

No sustainable investment objective: The Partnership promotes environmental or social characteristics but does not have as its objective sustainable investment.

Environmental or social characteristics of the financial product: The Manager will apply a proprietary ESG data model, which is comprised of both core ESG metrics and relevant impact measures to establish a baseline on performance in respect of certain ESG issues (the “**ESG Score**”) which the Manager uses to guide future engagement with the borrower to work to improve the borrower’s ESG Score.

Investment strategy: The Partnership seeks to provide capital to businesses which themselves are lenders. These non-bank lenders are typically specialist in that they focus on a single sector with all of their people, infrastructure and systems dedicated to delivering a high quality lending proposition. These businesses have generally established themselves and grown in markets that are not well served by the incumbent banks and therefore typically face less price competition. The Partnership seeks to target businesses which operate in Europe, with deal sizes ranging from £10 - 75 million.

Proportion of investments: The Partnership will (a) undertake an assessment of each potential borrower to establish their baseline ESG Score, and review this periodically during the term of the loan for every borrower; and (b) include an ESG Ratchet in facility agreements for at least 75% of investments.

Monitoring of environmental or social characteristics: The following sustainability indicators will be used: (a) ongoing monitoring of sustainability credentials of borrowers through ESG data collected at least annually in accordance with the Pollen Street proprietary screening process and scoring mechanism; (b) ongoing monitoring of borrowers with products, services and/or solutions which have positive social or environmental impact, aligned to relevant SDGs; and (c) number of borrowers that have included in the loan documentation a term regarding the application of the ESG Ratchet tied to progress towards improving their ESG Score and/or performance targets in respect of ESG metrics, as applicable.

Methodologies: Methodologies used to measure how the environmental or social characteristics are met include Pollen Street’s proprietary screening process and scoring mechanism, using Pollen Street’s ESG framework to monitor borrowers with products, services and/or solutions which have positive social or environmental impact, aligned to relevant UN Sustainable Development Goals (SDGs), and measuring borrowers’ carbon emissions alignment with the GHG Protocol methodology.

Data sources and processing: Data used by Pollen Street in relation to the Characteristics is provided periodically by borrowers during pre-investment diligence and during subsequent engagement with borrowers. Pollen Street will provide guidance to borrowers on how to report under each specific metric of the ESG KPIs and on how to ensure data quality and consistency in reporting by the borrowers. Pollen Street takes data provided by borrowers and processes it via a proprietary scoring mechanism in order to track progress against targets, create league tables and set a base level for improvement plans. Actual data will be used to the extent possible. However, for

borrowers who have not yet developed adequate data collection processes to capture key data, Pollen Street may use estimated data.

Limitations to methodologies and data: Limitations to the methodologies and data primarily arise because of a lack of available data by borrowers and/or a lack of infrastructure in place for the collection and processes of relevant data by borrowers. In accordance with the Partnership's investment strategy, the Partnership is a credit fund formed to provide asset-secured lending to borrowers in specialist lending markets. In some cases borrowers may have not yet developed adequate data collection processes. Calculation methodologies and data collection practices are evolving over time and the selection of such different but acceptable measurement techniques can result in materially different measurements. The Partnership makes reasonable efforts to ensure that any limitations to methodologies and data do not affect the attainment of the environmental or social characteristics.

Due diligence: Pollen Street conducts upfront diligence on ESG issues relevant to the Partnership's investments based upon an ESG-focused questionnaire to understand what potential borrowers currently do. In particular, Pollen Street evaluates material ESG risks, mitigating factors and opportunities applicable for the asset type (and the industry as a whole). This due diligence aims to assess potential borrowers existing ESG programme and impact, enabling identification of areas where Pollen Street can support drive improvements and engagement.

Engagement policies: Given the nature of the Partnership's engagement strategy, the extent to which Pollen Street is able to engage actively with borrowers regarding ESG matters and initiatives may be limited. However, to the extent possible, Pollen Street will engage with management teams to set ambitions and achieve better ESG performance. Pollen Street holds collaborative workshops where it benchmarks best-practice and identify development opportunities. The Pollen Street Hub leads ESG best practice sharing, assisting with impact assessments and project activity within individual companies.

Designated reference benchmark: No index has been designated as a reference benchmark to meet the Characteristics.

(b) No sustainable investment objective

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

(c) Environmental or social characteristics of the financial product

The Manager will apply a proprietary ESG data model, which is comprised of both core ESG metrics and relevant impact measures to establish a baseline on performance in respect of certain ESG issues (the “**ESG Score**”) which the Manager uses to guide future engagement with the borrower to work to improve the borrower’s ESG Score.

A reference benchmark is not being designated for the purpose of attaining the environmental and social characteristics promoted by the Partnership.

(d) Investment strategy

Investment strategy used to meet the environmental or social characteristics

The Partnership seeks to provide capital to businesses which themselves are lenders. These non-bank lenders are typically specialist in that they focus on a single sector with all of their people, infrastructure and systems dedicated to delivering a high quality lending proposition. These businesses have generally established themselves and grown in markets that are not well served by the incumbent banks and therefore typically face less price competition.

The Partnership seeks to target businesses which operate in Europe, with deal sizes ranging from £10 - 75 million. The Partnership seeks to lend to non-banks secured on loan and receivable portfolios.

In order to meet the environmental or social characteristics, the Manager will review characteristics and data throughout the platform investment process, including the identification and monitoring of principal adverse impacts as set out above. This includes pre-investment sustainability assessment to identify any risks and opportunities and periodic review of ESG data provided by borrowers, including resulting ESG score, and identification of ways to improve such results. The Manager will work with borrowers and attempt to deliver improvements in their ESG Score in relation to relevant areas, including, for example: actions to achieve net zero; DEI initiatives, representation of women and minorities, initiatives to reduce gender pay gap; and ESG governance, include ESG matters on the Board agenda and enhance ESG policies.

For the avoidance of doubt, the Manager will work with borrowers to deliver improvements on the basis of their performance resulting from their individual ESG Score.

For certain borrowers, the Manager will include an ESG Ratchet into facility agreements that will provide an interest rate reduction in relation to performance in respect of certain ESG-related improvements and performance targets or an interest rate increase in the event of non-performance against ESG-related targets. Inclusion of an ESG Ratchet into certain facility

agreements will be the result of and determined by negotiation of the relevant facility agreement.²

Good governance

Pollen Street often invests in regulated businesses for whom strong governance is important to their operating models. Pollen Street has adopted an ESG policy which seeks to deliver improvements in borrowers such as meeting high standards of governance, which the Manager assesses pre-investment when screening prospective borrowers. The Manager will seek, wherever possible, to enhance these controls aiming to ensure that each borrower operates responsibly. Pollen Street integrates governance-related considerations (including, but not limited to, sound management structures, employee relations, remuneration of staff and tax compliance) in pre-investment diligence and on an ongoing basis as part of its annual data collection and ongoing review, including with respect to policy coverage, assignment of ESG responsibilities, and ESG reporting.

(e) Proportion of investments

The Partnership is a credit fund formed to provide asset-secured lending to borrowers in specialist lending markets, consistent with its investment strategy. This investment strategy seeks to combine the disciplines of the asset backed securities market with the corporate direct lending market to deliver attractive returns with highly controlled risk.

The investment strategy will predominately focus on senior loans to specialty finance lenders secured against the underlying portfolio of loans and receivables as well as a full corporate guarantee with covenants covering both the portfolio and corporate performance.

The Partnership will:

- undertake an assessment of each potential borrower to establish their baseline ESG Score, and review this periodically during the term of the loan for every borrower;
- include an ESG Ratchet in facility agreements for at least 75% of investments. For the avoidance of doubt, the 75% will be applied to investments made from 2022 and calculated at the end of the Term of Fund.

The remaining proportion of investments will include investments to which the ESG Ratchet is not applied, derivative instruments used for the purpose of managing currency and/or interest rate risk (as applicable), and other investments made by the Partnership (including whole loans or portfolios) where the Manager does not expect it to be possible to apply the Characteristics.

Derivatives are not used to attain the Characteristics promoted by the Partnership.

² Since 2022, as part of its commitment to ESG and sustainability, Pollen Street has been operating ESG margin ratchet mechanisms (the "**ESG Ratchet**") in credit transactions to incentivize counterparts to develop their ESG and sustainability practices. The ESG Ratchet provides margin reductions or increases on facilities, depending on whether the counterparty improves their ESG score and achieves performance targets, such as net zero status.

(f) Monitoring of environmental or social characteristics

The following sustainability indicators will be used:

- Ongoing monitoring of sustainability credentials of borrowers through ESG data collected at least annually in accordance with the Pollen Street proprietary screening process and scoring mechanism.
- Ongoing monitoring of borrowers with products, services and/or solutions which have positive social or environmental impact, aligned to relevant SDGs.
- Number of borrowers that have included in the loan documentation a term regarding the application of the ESG Ratchet tied to progress towards improving their ESG Score and/or performance targets in respect of ESG metrics, as applicable.

The sustainability indicators above will be monitored via the following means:

- Assessment of progress of the borrower's ESG score, based off ESG data points collected on a regular basis. Data and scoring is reviewed by the Pollen Street ESG and investment teams and validated as necessary with the borrower.
- Where relevant, third-party validation of the borrower's commitment to a net zero target.
- To the extent possible given the Partnership's investment strategy, engagement between the borrower and Pollen Street ESG and investment teams to review assumptions and underlying materials.

The sustainability indicators above may be subject to change as Pollen Street Capital's ESG programme is continuously improved. The Manager may also disclose information relating to the performance of wider ESG metrics related to the environmental and social characteristics promoted by the Partnership.

Methodologies

Methodologies used to measure how the environmental or social characteristics are met include:

- Pollen Street's proprietary screening process and scoring mechanism: Over 50 data points are collected on an annual basis using a scoring system developed by Pollen Street based on internal indices and benchmarks, and is informed by categories commonly used by ESG ratings agencies, investor, industry standards (including the ESG Data Convergence Initiative and SFDR) and what Pollen Street considers to be relevant to assess ESG sustainability and practice across our investments.
- Monitoring of borrowers with products, services and/or solutions which have positive social or environmental impact, aligned to relevant UN Sustainable Development Goals (SDGs): Pollen Street's ESG framework is intended to help support alignment with the SDGs, which helps to provide a lens through which investors can align themselves with certain

needs of the wider world. Pollen Street uses this ESG framework to analyse and map actions taken by borrowers in support of the SDGs.³

- Climate and carbon commitments: Net zero commitment must align with the Paris Agreement by leveraging Science Based Targets or equivalent methodology. Borrowers all undertake an annual exercise to measure carbon emissions aligned with the GHG Protocol methodology.

(g) Data sources and processing

Data sources used to attain the Characteristics

- Data used by Pollen Street in relation to the Characteristics is provided periodically by borrowers during pre-investment diligence and during subsequent engagement with borrowers. Pollen Street collects both core ESG metrics and relevant impact measures, and has over 50 data points for each borrower. Pollen Street may make use of data provided by third parties as well as desk-based research and review of public information.

Measures taken to ensure data quality

- Pollen Street will provide guidance to borrowers on how to report under each specific metric of the ESG KPIs and on how to ensure data quality and consistency in reporting by the borrowers. Data submissions are reviewed once received, and where necessary Pollen Street will work directly with borrowers to discuss and confirm data quality or require further information when deemed appropriate.

How data is processed

- Pollen Street takes data provided by borrowers and processes it via a proprietary scoring mechanism in order to track progress against targets, create league tables and set a base level for improvement plans.
- ESG Data and analytics are incorporated into our data warehouse, which Pollen Street uses as a track record and central repository of information.

The proportion of data that is estimated

- Actual data will be used to the extent available. However, for borrowers who have not yet developed adequate data collection processes to capture key data, Pollen Street may use estimated data.

(h) Limitations to methodologies and data

Limitations to the methodologies and data primarily arise because of a lack of available data by borrowers and/or a lack of infrastructure in place for the collection and processes of relevant data by borrowers. In accordance with the Partnership's investment strategy, the Partnership is a credit fund formed to provide asset-secured lending to borrowers in specialist

³ For further information on the SDGs please see <https://sdgs.un.org/goals>

lending markets. In some cases borrowers may have not yet developed adequate data collection processes.

Calculation methodologies and data collection practices and the reporting thereof as a whole are evolving, and other asset managers are implementing different frameworks, methodologies, and tracking tools. The selection of such different but acceptable measurement techniques can result in materially different measurements. Further, these techniques are subject to measurement uncertainties resulting from inherent limitations in the nature and methods used to determine such data. The precision of different measurement techniques may also vary.

Especially when it comes to data related to carbon reporting, it is common and best practice, to use a materiality approach for calculating scope 3 emissions. This means that the calculation should provide a generally accurate overview of scope 3 emissions, but may not include non-material emissions. In addition, data quality related to carbon emissions is often poor at companies who are in their initial stages, and estimates or a spend-based approach is often used. In such cases, Pollen Street will work with companies to improve the data quality of its carbon footprint assessments, and move from a spend-based to activity-based approach over time.

The Partnership makes reasonable efforts to ensure that any limitations to methodologies and data do not affect the attainment of the environmental or social characteristics.

(i) Due diligence

Pollen Street conducts upfront diligence on ESG issues relevant to the Partnership's investments based upon an ESG-focused questionnaire to understand what potential borrowers currently do. In particular, Pollen Street evaluates material ESG risks, mitigating factors and opportunities applicable for the asset type (and the industry as a whole). This due diligence aims to assess potential borrowers existing ESG programme and impact, enabling identification of areas where Pollen Street can support drive improvements and engagement. From an internal control standpoint, the results of the questionnaire are included in Investment Committee papers for investment decision-making processes when deciding whether to extend a loan to a borrower.

(j) Engagement policies

Given the nature of the Partnership's engagement strategy, the extent to which Pollen Street is able to engage actively with borrowers regarding ESG matters and initiatives may be limited. However, to the extent possible, Pollen Street will engage with management teams to set ambitions and achieve better ESG performance.

Pollen Street holds collaborative workshops where it benchmarks best-practice and identify development opportunities. The Pollen Street Hub leads ESG best practice sharing, assisting with impact assessments and project activity within individual companies.

Pollen Street conducts regular monitoring and reporting of ESG risks and opportunities across the Partnership's portfolio, with escalation of material incidents.

(k) Designated reference benchmark

No index has been designated as a reference benchmark to meet the Characteristics.

Update History

Version	Date	Description of amendment
1	June 2023	Implementation of Level 2, SFDR requirements

Article 25

Website section 'Summary' for financial products that promote environmental or social characteristics (French).

(a) Résumé

Pas d'objectif d'investissement durable : Le Partenariat promeut des caractéristiques environnementales ou sociales mais n'a pas pour objectif l'investissement durable.

Caractéristiques environnementales ou sociales du produit financier : Le gestionnaire appliquera un modèle de données ESG propriétaire, qui comprend à la fois des mesures ESG de base et des mesures d'impact pertinentes pour établir une base de référence sur la performance en ce qui concerne certaines questions ESG (le "score ESG") que le gestionnaire utilise pour guider l'engagement futur avec l'emprunteur pour travailler à l'amélioration du score ESG de l'emprunteur.

Stratégie d'investissement : Le Partenariat cherche à fournir des capitaux à des entreprises qui sont elles-mêmes des prêteurs. Ces prêteurs non bancaires sont généralement spécialisés dans la mesure où ils se concentrent sur un seul secteur et où l'ensemble de leur personnel, de leur infrastructure et de leurs systèmes sont dédiés à la fourniture d'une proposition de prêt de haute qualité. Ces entreprises se sont généralement établies et se sont développées sur des marchés qui ne sont pas bien desservis par les banques en place et sont donc moins confrontées à la concurrence sur les prix. Le Partenariat cherche à cibler les entreprises qui opèrent en Europe et dont la taille des transactions est comprise entre 10 et 75 millions de livres sterling.

Proportion des investissements : Le Partenariat (a) entreprendra une évaluation de chaque emprunteur potentiel afin d'établir son score ESG de référence, et le révisera périodiquement pendant la durée du prêt pour chaque emprunteur ; et (b) inclura un Ratchet ESG dans les accords de financement pour au moins 75 % des investissements.

Suivi des caractéristiques environnementales ou sociales : Les indicateurs de durabilité suivants seront utilisés : (a) suivi continu des références des emprunteurs en matière de développement durable grâce aux données ESG collectées au moins une fois par an conformément au processus de sélection et au mécanisme de notation propres à Pollen Street ; (b) suivi continu des emprunteurs dont les produits, services et/ou solutions ont un impact social ou environnemental positif, aligné sur les ODD pertinents ; et (c) nombre d'emprunteurs ayant inclus dans la documentation du prêt une clause concernant l'application du Ratchet ESG lié aux progrès réalisés dans l'amélioration de leur score ESG et/ou des objectifs de performance en ce qui concerne les paramètres ESG.

Méthodologies : Les méthodes utilisées pour mesurer le respect des caractéristiques environnementales ou sociales comprennent le processus de sélection et le mécanisme de notation propres à Pollen Street, l'utilisation du cadre ESG de Pollen Street pour suivre les emprunteurs dont les produits, services et/ou solutions ont un impact social ou environnemental positif, conformément aux objectifs de développement durable (ODD) pertinents des Nations unies, et la mesure de l'alignement des émissions de carbone des emprunteurs sur la méthodologie du GHG Protocol.

Sources et traitement des données : Les données utilisées par Pollen Street en relation avec les caractéristiques sont fournies périodiquement par les emprunteurs au cours du contrôle

préalable à l'investissement et au cours des engagements ultérieurs avec les emprunteurs. Pollen Street fournira des conseils aux emprunteurs sur la manière de rendre compte de chaque mesure spécifique des indicateurs clés de performance ESG et sur la manière d'assurer la qualité des données et la cohérence des rapports des emprunteurs. Pollen Street utilise les données fournies par les emprunteurs et les traite au moyen d'un mécanisme de notation exclusif afin de suivre les progrès réalisés par rapport aux objectifs, de créer des tableaux de classement et d'établir un niveau de base pour les plans d'amélioration. Les données réelles seront utilisées dans la mesure du possible. Toutefois, pour les emprunteurs qui n'ont pas encore développé de processus de collecte de données adéquats pour saisir les données clés, Pollen Street peut utiliser des données estimées.

Limites des méthodologies et des données : Les limites des méthodologies et des données résultent principalement du manque de données disponibles de la part des emprunteurs et/ou du manque d'infrastructure en place pour la collecte et le traitement des données pertinentes par les emprunteurs. Conformément à sa stratégie d'investissement, la société en commandite est un fonds de crédit constitué pour fournir des prêts garantis par des actifs à des emprunteurs sur des marchés de prêts spécialisés. Dans certains cas, les emprunteurs peuvent ne pas avoir encore développé des processus de collecte de données adéquats. Les méthodes de calcul et les pratiques de collecte de données évoluent avec le temps et la sélection de ces techniques de mesure différentes mais acceptables peut donner lieu à des mesures sensiblement différentes. Le Partenariat fournit des efforts raisonnables pour s'assurer que les limitations des méthodologies et des données n'affectent pas la réalisation des caractéristiques environnementales ou sociales.

Diligence raisonnable : Pollen Street effectue un contrôle préalable des questions ESG pertinentes pour les investissements de la société en commandite, sur la base d'un questionnaire axé sur les questions ESG, afin de comprendre ce que font actuellement les emprunteurs potentiels. En particulier, Pollen Street évalue les risques ESG importants, les facteurs d'atténuation et les opportunités applicables au type d'actif (et au secteur dans son ensemble). Cette due diligence vise à évaluer le programme et l'impact ESG des emprunteurs potentiels, ce qui permet d'identifier les domaines dans lesquels Pollen Street peut contribuer à l'amélioration et à l'engagement.

Politiques d'engagement : Compte tenu de la nature de la stratégie d'engagement du Partenariat, la mesure dans laquelle Pollen Street est en mesure de s'engager activement avec les emprunteurs sur les questions et initiatives ESG peut être limitée. Toutefois, dans la mesure du possible, Pollen Street s'engagera auprès des équipes de direction pour fixer des ambitions et obtenir de meilleures performances ESG. Pollen Street organise des ateliers de collaboration au cours desquels elle compare les meilleures pratiques et identifie les opportunités de développement. Le Pollen Street Hub dirige le partage des meilleures pratiques ESG, en aidant aux évaluations d'impact et à l'activité de projet au sein des entreprises individuelles.

Indice de référence désigné : Aucun indice n'a été désigné comme référence pour répondre aux caractéristiques.