Periodic disclosure for the financial products referred to in Article 8, paragraphs 1, 2 and 2a, of Regulation (EU) 2019/2088 and Article 6, first paragraph, of Regulation (EU) 2020/852

Sustainable investment means an investment in an economic activity that contributes to an environmental or social objective, provided that the investment does not significantly harm any environmental or social objective and that the investee companies follow good governance practices.

The **EU Taxonomy** is a classification system laid down in Regulation (EU) 2020/852, establishing a list of **environmentally sustainable economic activities**. That Regulation does not include a list of socially sustainable economic activities. Sustainable investments with an environmental objective might be aligned with the Taxonomy or not.

Product Name: M&G Structured Credit Funds SCSp SICAV-RAIF - M&G Specialty Finance Fund 3 (GBP)
Legal Entity Identifier: 2549003YU58OF6MC0541

Environmental and/or social characteristics

Did this financial product have a sustainable investment objective?

☐ Yes

☒ No

☐ It made **sustainable investments with an environmental objective**:

☐ in economic activities that qualify as environmentally sustainable under the EU Taxonomy

☐ in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy

☐ It made **sustainable investments with a social objective**:

☐ It **promoted Environmental/Social (E/S) characteristics** and while it did not have as its objective a sustainable investment, it had a proportion of 0.00% of sustainable investments

☐ with an environmental objective in economic activities that qualify as environmentally sustainable under the EU Taxonomy

☐ with an environmental objective in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy

☐ with a social objective

☒ It promoted E/S characteristics, but **did not make any sustainable investments**

To what extent were the environmental and/or social characteristics promoted by this financial product met?

The Fund invests in asset-backed transactions with positive ESG risk and opportunity characteristics that meet a minimum threshold based on proprietary ABS ESG score. The ABS ESG score considers a broad range of environmental, social and governance factors, such as environmental footprint and data, access and affordability, disclosure, legal, regulatory and structural features, as appropriate. Assessment is performed from three relevant perspectives, including transaction, assets and a key counterparty.

No reference benchmark has been designated for the purpose of attaining the environmental or social characteristics.

The Fund will not invest in activities that are considered to be harmful to the society or the environment. The Fund screens out key counterparties and underlying assets that are in breach of international standards and/or are operating in sectors deemed not complying with ESG principles. The AIFM or its delegate, acting on behalf of the Fund, may not make an investment which, at the time of purchasing an asset, is within scope of the following:
• Global Norms. Companies assessed to be in breach of the United Nations Global Compact principles on human rights, labour, environment protection and anti-corruption.
• Controversial Weapons. Companies assessed to be involved in anti-personnel mines, cluster munitions, chemical and biological weapons, nuclear weapons outside the non-proliferation treaty, depleted uranium and white phosphorous munitions, blinding laser, non-detectable fragment weapons.
• Fossil Fuels. Companies involved in exploration, mining, extraction, distribution (including transportation, storage, trade and retail) or refining of thermal coal, conventional and unconventional oil and gas and companies involved in

fossil fuel power generation.
• Adult Entertainment. Companies involved in the production and / or distribution of adult entertainment.
• Gambling. Companies involved in the provision of gambling-related services.
• Tobacco. Companies involved in the production and / or distribution of tobacco.
• Defence and Other Weapons. The Fund excludes companies that are involved in the production or sale of weapons systems, components, and support systems and services.

The Fund did not have as its objective a sustainable investment and has not reported any incidental sustainable investments. As at 31 December 2025, the Fund had a proportion of 69.47% in investments aligned with environmental or social characteristics that did not qualify.

Sustainability indicators measure how the environmental or social characteristics promoted by the financial product are attained.

- **How did the sustainability indicators perform?**
  Please see the tables below for an overview of the Fund's performance relative to its sustainability indicators. The Fund's sustainability indicators were met at all times during the reporting period as explained below and shown in the table.

  The average ABS ESG score over the period was 48.42 as at 31 December 2025. The ABS ESG score expresses risk management and value-creation characteristics of the asset-backed transaction in qualitative terms within the context of a structured and disciplined framework. Each asset is assigned a score from 1 to 100 (1 representing the highest ESG risk and 100 the lowest), which consolidates ESG assessment of transaction, asset and counterparty across core ESG factors relevant to all securitisations supplemented by key material bespoke issues.

  The percentage of NAV below the minimum ABS ESG score was 0% as at 31 December 2025, in line with fund's promotion. The Fund may not invest in assets which have an ESG Score on proprietary ABS ESG Scorecard lower than 45 out of 100.

  The Fund experienced an advertent non investment breach when the fund exceeded the max 30% NAV in non E/S aligned assets, reaching 39.82% driven by cash inflows and a control error. The breach was detected on 23 Dec 2025 after an internal query and was resolved on 28 Jan 2026 when a ~EUR 2.5m transaction settled, restoring compliance. No financial or regulatory impact occurred.

Sustainability indicator	Measured performance
As at - 31 December 2025	
Average ABS ESG score	48.42
% NAV below minimum ABS ESG Score	0.00%
% NAV held in investments excluded by the Fund's exclusions	0.00%

- **...and compared to previous periods?**
  The Fund is not yet able to provide comparison to a previous reporting period as this is the Fund's first periodic reporting under SFDR. The Fund will provide historic comparison in the next periodic report.

- **What were the objectives of the sustainable investments that the financial product partially made and how did the sustainable investment contribute to such objectives?**
  The Fund does not target investment in Sustainable Investments, as stated in the Fund's prospectus and held 0% of sustainable investments during the reference period.

Principal adverse impacts are the most significant negative impacts of investment decisions on sustainability factors relating to environmental, social and employee matters, respect for human rights, anti-corruption and anti-bribery matters.

- **How did the sustainable investments that the financial product partially made not cause significant harm to any environmental or social sustainable investment objective?**
  N/A.

- **How were the indicators for adverse impacts on sustainability factors taken into account?**
  N/A.

- **Were sustainable investments aligned with the OECD Guidelines for Multinational Enterprises and the UN Guiding Principles on Business and Human Rights? Details:**
  N/A.

The EU Taxonomy sets out a "do no significant harm" principle by which Taxonomy-aligned investments should not significantly harm EU Taxonomy objectives and is accompanied by specific Union criteria.

The "do no significant harm" principle applies only to those investments underlying the financial product that take into account the EU criteria for environmentally sustainable economic activities. The investments underlying the remaining portion of this financial product do not take into account the EU criteria for environmentally sustainable economic activities.

Any other sustainable investments must also not significantly harm any environmental or social objectives.

How did this financial product consider principal adverse impacts on sustainability factors?

The Fund took the mandatory principal adverse impact (PAI) indicators, as set out in table 1 of Annex 1 of the SFDR Regulatory Technical Standards, and any relevant opt-in indicators from tables 2 and 3, into account to ensure that the Fund's sustainable investments do not do significant harm to any sustainability factor. PAIs 1-6 relating to carbon emissions were taken into account by way of applying the exclusions set out in the Manager's Thermal Coal Policy as well as the Manager's DNSH test which also includes a revenue-based exclusion relating to fossil fuel activities. PAI 14 on controversial weapons was taken into account by applying the Manager's Controversial Weapons Policy. PAI 7 on biodiversity was taken into account by applying a controversy-based exclusion which forms part of the Manager's DNSH test. The Fund also excluded any company which did not pass the Managers' Global Norms Process. The Fund may have applied additional exclusions, as outlined in the Fund's Prospectus, some of which may be relevant to addressing PAIs.

PAIs that were not addressed by way of exclusions were assessed and taken into account as part of the Manager's investment research process.

The list includes the investments constituting **the greatest proportion of investments** of the financial product during the reference period which is: 01/01/2025 to 31/12/2025

What were the top investments of this financial product?

Largest investments	Sector	% Assets	Country
Investment 1	Mortgage backed	17.85%	United Kingdom
Investment 2	Asset backed	14.56%	United Kingdom
Investment 3	Asset backed	12.16%	United Kingdom
Investment 4	Mortgage backed	9.33%	United Kingdom
Investment 5	Mortgage backed	6.19%	United Kingdom
Investment 6	Mortgage backed	6.18%	United Kingdom
Investment 7	Mortgage backed	3.20%	United Kingdom

This table shows the Fund's top investments as at 31 December 2025. Please note that the Investment Manager identifies separate company issues when compiling this table of Top Investments rather than grouping issuers at a company (issuer) level.

If cash and/or derivatives are within the top investments during the reference period, they are not presented in the table above and have been replaced by a holding that promotes environmental and/or social characteristics.

What was the proportion of sustainability-related investments?

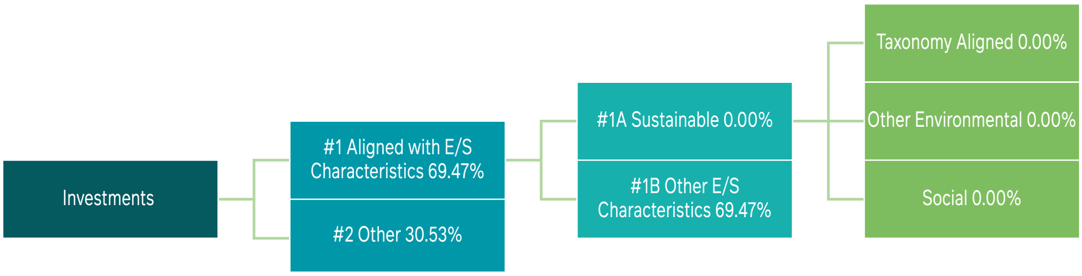
Asset allocations below are expressed as a percentage of Net Asset Value (NAV). The Fund does not have sustainable investments as an objective, however it has committed to a minimum proportion of 70% of its NAV held in investments aligned to the environmental or social characteristics promoted.

Asset allocation describes the share of investments in specific assets.

- ### What was the asset allocation?

The graphic below provides an overview of the asset allocation.

As at 31 December 2025, the percentage of investments that were aligned to the environmental or social characteristics promoted was 69.47% of NAV while 30.53% of assets were classified as ‘Other’.



#1 Aligned with E/S characteristics includes the investments of the financial product used to attain the environmental or social characteristics promoted by the financial product.

#2 Other includes the remaining investments of the financial product which are neither aligned with the environmental or social characteristics, nor are qualified as sustainable investments.

The category **#1 Aligned with E/S characteristics** covers:

- The sub-category **#1A Sustainable** covers sustainable investments with environmental or social objectives.
- The sub-category **#1B Other E/S characteristics** covers investments aligned with the environmental or social characteristics that do not qualify as sustainable investments.

- ### In which economic sectors were the investments made?

The investment breakdown is grouped into economic sectors categorised by the Fund, and is expressed as a percentage of assets held in each sector. The table shows a breakdown of the sectors and sub-sectors to which the Fund is exposed.

The investment breakdown shown represents the portfolio as at 31 December 2025.

Economic sector	% Assets
Mortgage backed	**42.76%**
Asset backed	**26.71%**
ABS Automobiles	14.56%
ABS Miscellaneous ABS	12.16%
Other	**30.54%**

To what extent were sustainable investments with an environmental objective aligned with the EU Taxonomy?

The Fund does not target investment in Sustainable Investments, as stated in the Fund's prospectus.

To comply with the EU Taxonomy, the criteria for **fossil gas** include limitations on emissions and switching to fully renewable power or low-carbon fuels by the end of 2035. For **nuclear energy**, the criteria include comprehensive safety and waste management rules.

Enabling activities directly enable other activities to make a substantial contribution to an environmental objective.

Transitional activities are activities for which low-carbon alternatives are not yet available and among others have greenhouse gas emission levels corresponding to the best performance.

- **Did the financial product invest in fossil gas and/or nuclear energy related activities complying with the EU Taxonomy[1]?**

☐ Yes:

☐ In fossil gas ☐ In nuclear energy

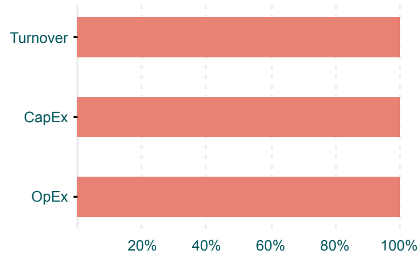
☒ No

[1] Fossil gas and/or nuclear related activities will only comply with the EU Taxonomy where they contribute to limiting climate change ("climate change mitigation") and do not significantly harm any EU Taxonomy objective - see explanatory note in the left hand margin. The full criteria for fossil gas and nuclear energy economic activities that comply with the EU Taxonomy are laid down in Commission Delegated Regulation (EU) 2022/1214.

Taxonomy-aligned activities are expressed as a share of:
- **turnover** reflecting the share of revenue from green activities of investee companies.
- **capital expenditure** (CapEx) showing the green investments made by investee companies, e.g. for a transition to a green economy.
- **operational expenditure** (OpEx) reflecting green operational activities of investee companies.

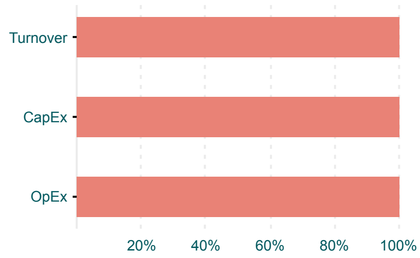
The graphs below show the percentage of investments that were aligned with the EU Taxonomy. As there is no appropriate methodology to determine the taxonomy-alignment of sovereign bonds*, the first graph shows the Taxonomy alignment in relation to all the investments of the financial product including sovereign bonds, while the second graph shows the Taxonomy alignment only in relation to the investments of the financial product other than sovereign bonds.

1. Taxonomy-alignment of investments **including sovereign bonds***



- Taxonomy-aligned: Fossil gas (Turnover: 0.00%, CapEx: 0.00%, OpEx: 0.00%)
- Taxonomy-aligned: Nuclear energy (Turnover: 0.00%, CapEx: 0.00%, OpEx: 0.00%)
- Taxonomy-aligned (No Fossil gas & Nuclear): (Turnover: 0.00%, CapEx: 0.00%, OpEx: 0.00%)
- Non-Taxonomy aligned: (Turnover: 100.00%, CapEx: 100.00%, OpEx: 100.00%)

2. Taxonomy-alignment of investments **excluding sovereign bonds***



- Taxonomy-aligned: Fossil gas (Turnover: 0.00%, CapEx: 0.00%, OpEx: 0.00%)
- Taxonomy-aligned: Nuclear energy (Turnover: 0.00%, CapEx: 0.00%, OpEx: 0.00%)
- Taxonomy-aligned (No Fossil gas & Nuclear): (Turnover: 0.00%, CapEx: 0.00%, OpEx: 0.00%)
- Non-Taxonomy aligned: (Turnover: 100.00%, CapEx: 100.00%, OpEx: 100.00%)

This graph represents 100.00% of the total investments.

**For the purpose of these graphs, 'sovereign bonds' consist of all sovereign exposures.*

Taxonomy Environmental Objective	Percentage of Contribution
Protection and Restoration or Biodiversity and Ecosystems	-%
Pollution Prevention and Control	-%
Transition to a Circular Economy	-%
Use and Protection of Water and Marine Resources	-%
Climate Change Adaption	-%
Climate Change Mitigation	-%

- **What was the share of investments made in transitional and enabling activities?**
  Data related to the Fund's investments made in transitional and enabling activities is not readily available. Relevant data collected will be displayed in future reports.

Activity	Percentage Investments
Share of Enabling Activities	-%
Share of Transitional Activities	-%

- **How did the percentage of investments that were aligned with the EU Taxonomy compare with previous reference periods?**
  The Fund is not yet able to provide comparison to a previous reporting period as this is the Fund's first time of reporting EU Taxonomy alignment. The Fund will provide historic comparison in the next Periodic Report.

Reference period	Including sovereign bonds			Excluding sovereign bonds		
	Turnover	CapEx	OpEx	Turnover	CapEx	OpEx
As at - 31 December 2025	-%	-%	-%	-%	-%	-%

are sustainable investments with an environmental objective that **do not take into account** the criteria for environmentally sustainable economic activities under Regulation (EU) 2020/852.

What was the share of sustainable investments with an environmental objective that were not aligned with the EU Taxonomy?
The Fund does not target investment in Sustainable Investments, as stated in the Fund's prospectus.

Corporate disclosure of EU Taxonomy alignment is still in a nascent phase. Furthermore, not all economic activities are currently covered by EU Taxonomy as it not possible to develop criteria for all sectors where activities could conceivably make a substantial contribution to the environment. We keep our approach under review as corporates gain further experience with the reporting of EU Taxonomy alignment, and as more corporates align their economic activities to the criteria of the EU Taxonomy.

What was the share of socially sustainable investments?
The Fund does not target investment in Sustainable Investments, as stated in the Fund's prospectus.

What investments were included under "other", what was their purpose and were there any minimum environmental or social safeguards?
During the reference period the Fund held varying levels of cash, investments held for hedging or liquidity purposes, investments for diversification purposes, or investments for which there is insufficient data as "Other" investments.

For investments for which there is insufficient data and investments for diversification purposes, minimum safeguards comprise of exclusion of the companies that are assessed to be in breach of the UN Guiding Principles on Business and Human Rights or OECD Guidelines for Multinational Enterprises. For other ancillary assets (i.e. cash, cash equivalents and hedging instruments) no minimum environmental or social safeguards have been put in place.

No minimum environmental or social safeguards were applied for the reference period. Data was sourced at each quarter end over the reference period, which ended on 31 December 2025.

What actions have been taken to meet the environmental and/or social characteristics during the reference period?
The fund did not hold investments in excluded activities or with an M&G ESG score of lower than 45 as stated in its prospectus. The Fund may invest up to 5% of its NAV in lower-rated assets that do not meet minimum ABS ESG score or non-rated assets where a demonstrable and monitored plan of action and engagement is to be pursued with a view to targeting a higher rating over time.

How did this financial product perform compared to the reference benchmark?

N/A. No reference benchmark was designated for the purpose of attaining the Fund's environmental and/or social characteristics.

Reference benchmarks are indexes to measure whether the financial product attains the environmental or social characteristics that they promote.

- **How does the reference benchmark differ from a broad market index?**
  N/A.

- **How did this financial product perform with regard to the sustainability indicators to determine the alignment of the reference benchmark with the environmental or social characteristics promoted?**
  N/A.

- **How did this financial product perform compared with the reference benchmark?**
  N/A.

- **How did this financial product perform compared with the broad market index?**
  N/A.