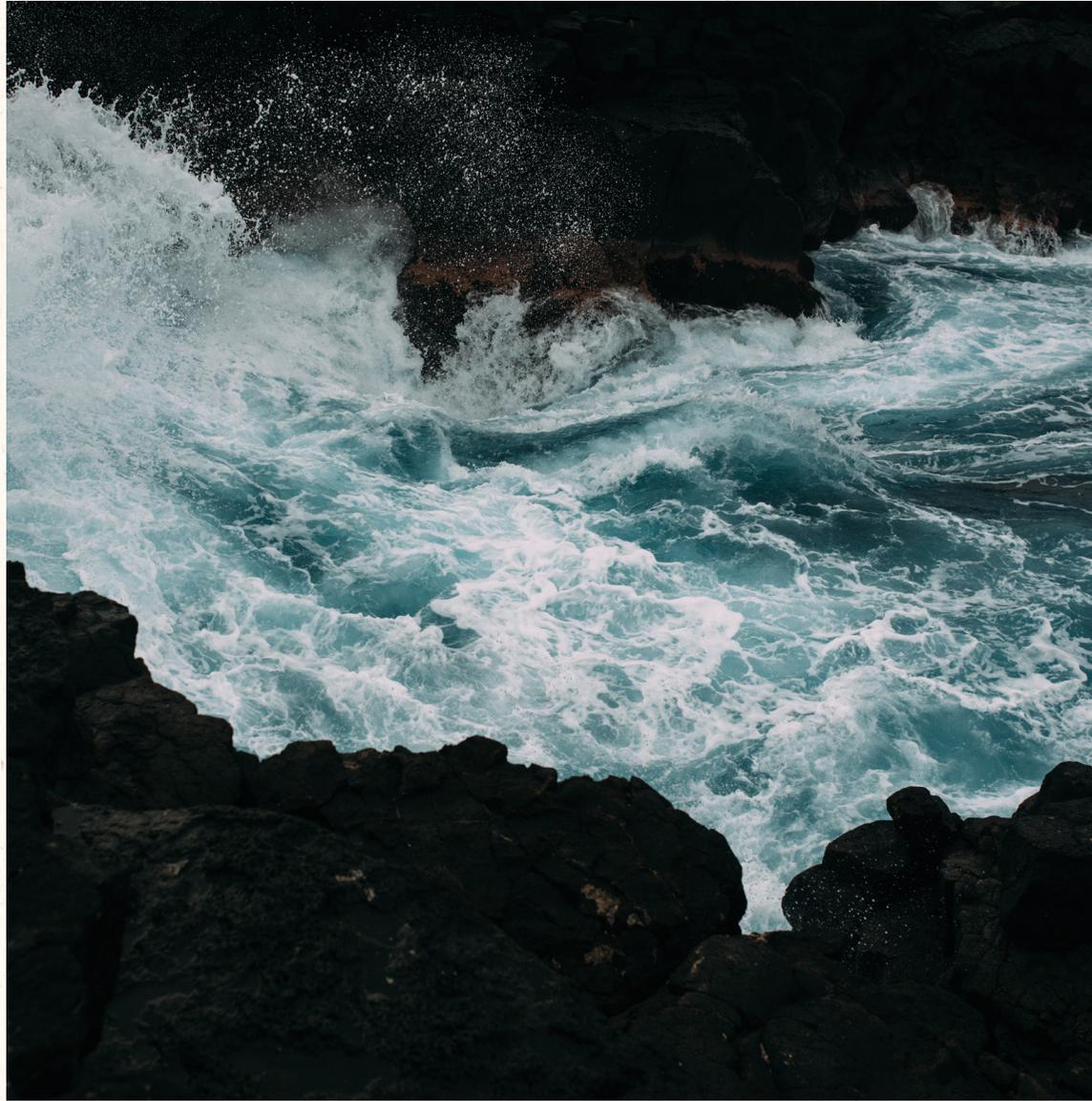


**This is not the
beginning**

Bridgepoint

ESG at Bridgepoint



ESG at Bridgepoint

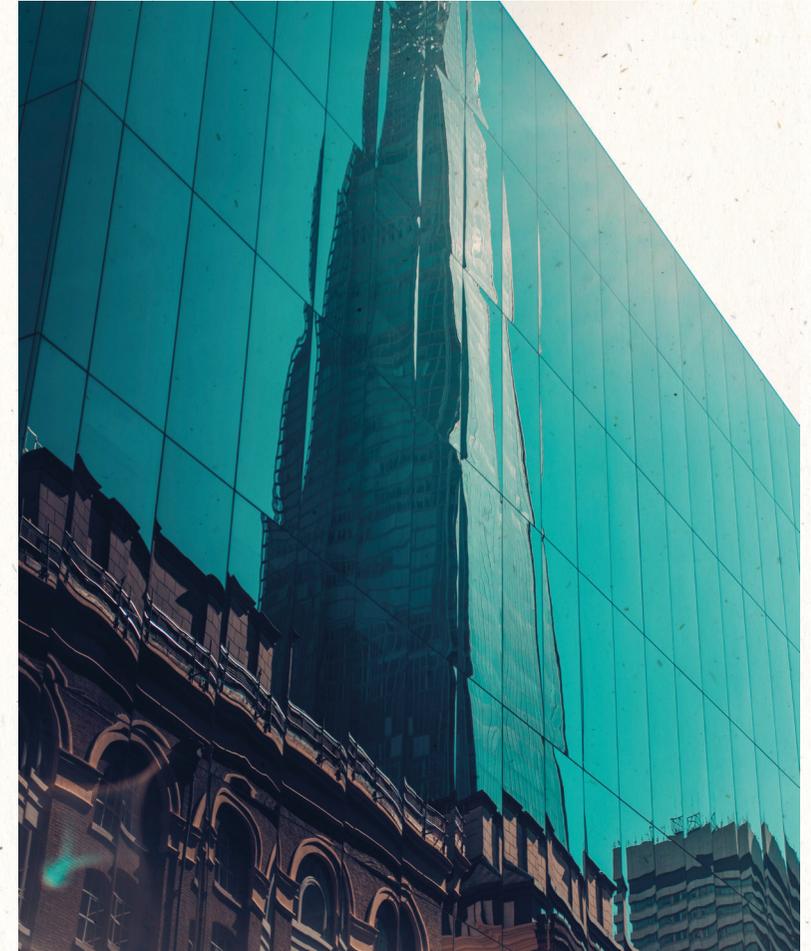
Why ESG matters at Bridgepoint

Keep moving forward

We are growth investors, and we back businesses at critical stages in their lifecycle. This gives us the chance to drive positive change in performance as well as the environments and societies in which we operate.

Sustainable, resilient businesses deliver superior returns and a better society. We want to help businesses do good and grow faster.

This is our platform for making a difference.



Why ESG matters at Bridgepoint

Bridgepoint is a long-term active investor: we back businesses that grow and constantly encourage them to have a positive impact. We often provide the support businesses need at critical moments in their lifecycle – moments of transition from local market champion to international leader, or successful entrepreneurial companies to established enterprises.

We embrace, enable, and encourage these transformations. And, through our interventions, have the chance to drive wider positive change, for the environment and for society.

The climate crisis and the Covid-19 pandemic underscore the need to act in order to protect our environment, increase our social impact, and ensure our partner businesses are governed to enable success. Bridgepoint has a part to play in shaping the world as we emerge from this global crisis: our capacity to support great businesses gives us both the means and responsibility to act.

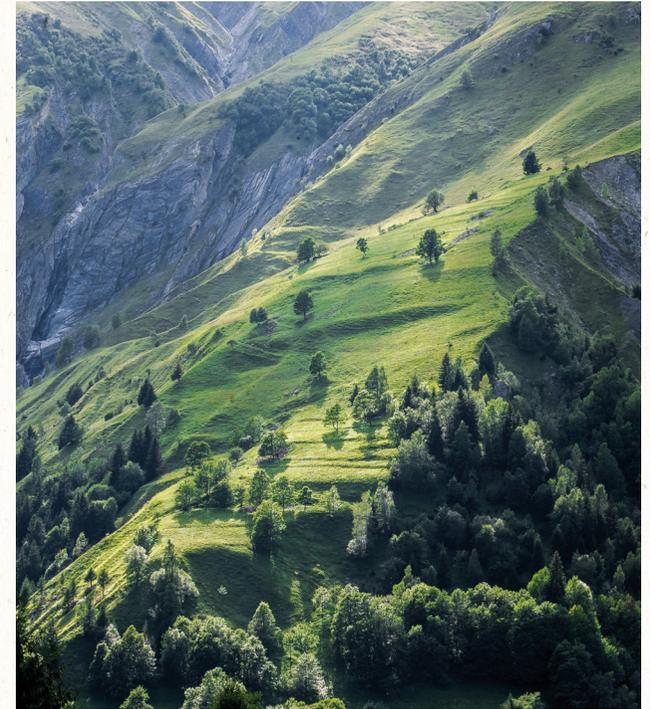
Taking a proactive approach to societal and environmental issues is not just a social responsibility; it's also a matter of good guardianship. Businesses that are more sustainable in their operations and have a more diverse workforce are proven to deliver stronger performance. Businesses that do good grow faster, and we want to help them do both.

Our ambition is to **create lasting, sustainable, positive impacts**, because that's what we believe in. Making our investors, shareholders and employees proud of how we deliver returns.

Environmental, social and governance (ESG) issues are evolving all the time; our industry is experiencing an ESG revolution, and we aim to be on the front line.

This document outlines where we stand as an organisation in the summer of 2021. But we're not standing still. It's time to move forward.

This is not the beginning – ESG at Bridgepoint



At Bridgepoint

- **We are active growth investors with a long-term perspective. We create jobs, we generate tax revenues, we pay fair wages, and we drive positive impact in our communities**
- **We are committed to a journey of constant improvement. We invest in businesses at all stages of their ESG maturity curve and make a real difference**
- **We believe building sustainable and stable growth businesses leads to a stronger society and superior returns**

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Bridgepoint believes

The right kind of returns

That's what we believe in and what our investors expect from us.

So, our investments are guided by four key beliefs, in the power of the individual, in the power of business to do good, in good governance, and in the need to invest in our world.



Bridgepoint believes

When Bridgepoint invests, we invest to grow. We look to support strong-performing, good quality, well-managed businesses that have the potential to flourish, through international expansion, operational improvement or additional acquisitions.

But that's not all we look for. The 30 million beneficiaries of Bridgepoint funds want us to generate healthy returns in a manner they can be proud of.

Since the business was founded in 1985, our ambition has remained consistent:

We create lasting, sustainable positive impact.

Beneath that ambition lie four key beliefs that guide our investment decision-making.

We believe we must invest in our world.

Environmental action is heralding a new era of innovation, productivity and sustainable growth. Climate change represents both an investment risk and opportunity.

We believe in the power of the individual.

By bringing diverse teams together we can deliver better performance by reflecting the world in which we operate.

We believe that business can and should be a force for good.

Growing businesses should benefit the communities in which they operate.

We believe well-governed businesses perform better and are more resilient.

Structure, accountability, effective decision-making and monitoring of performance, enable sustainable success for all stakeholders.

This is not the beginning – ESG at Bridgepoint

lasting, sustainable, positive impact

Environment

We believe we must invest in our world.

Society

Our Communities

We believe that business can and should be a force for good.

Diversity, Equity and Inclusion

We believe in the power of the individual.

Governance

We believe well-governed businesses perform better and are more resilient.

Measurement

Effective measurement is the foundation of improved performance.

Bridgepoint believes What we are doing

The environment

We believe we must invest in our world.

Our target: Bridgepoint is committed to supporting the transition to net zero by 2050 as part of the 2016 Paris Climate Agreement. We recognise, though, that there is a need to move faster, so we will ensure that all portfolio businesses are net zero by 2040.

This means that our portfolio businesses will all have a net-zero strategy in place by the end of 2023, or within 12 months of Bridgepoint investment.

Diversity, equity and inclusion

We believe in the power of the individual.

Our target: In the long term, our aim is for Bridgepoint and its portfolio companies to be even more reflective of the communities in which they operate, at all levels of the organisation.

An immediate priority is to ensure that all of our portfolio company boards include at least one female director by the end of 2022 and, where we make new investments, within 12 months of the investment completing.

Our communities

We believe that businesses can and should be a force for good.

Our target: Many Bridgepoint-supported companies operate internationally, and have ethical supply chains that reach around the world. Regardless of where in the world a company operates, we strive to ensure that as our portfolio companies grow, they:

- Create new jobs
- Generate greater tax revenues
- Continue to pay fair wages
- Contribute more to their communities

This is not the beginning – ESG at Bridgepoint



Governance

We believe well-governed businesses perform better and are more resilient.

Our target: We put a high value on improving governance through our investment activities. Every company we partner with must have the appropriate committees and policies on:

- Cyber-security
- GDPR
- Modern slavery
- Grievance procedures
- Bribery and corruption
- Whistleblowing

Every Bridgepoint investment has a board-level executive or member of the senior leadership team with responsibility for overseeing ESG matters. Within nine months of completion of an investment, a company-specific ESG policy must be established and communicated to all employees.



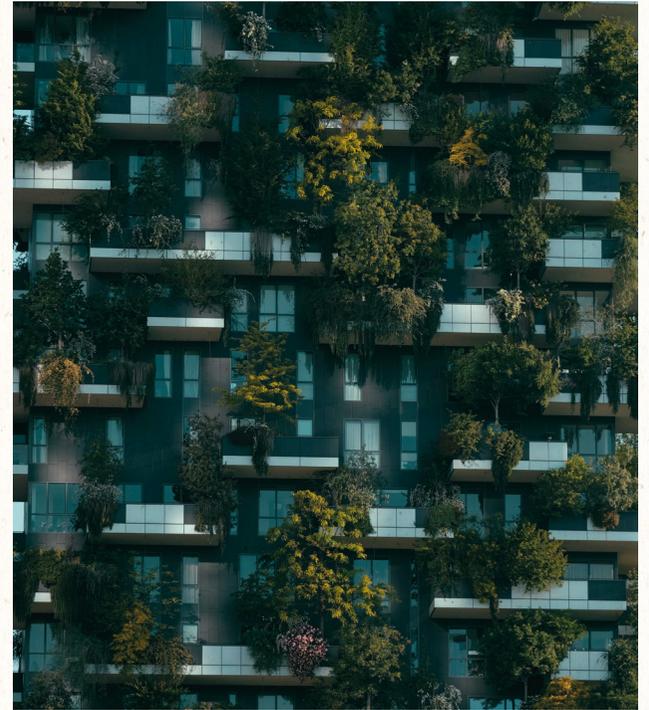
Our approach to ESG

ESG is in our DNA

In everything we do, from our investment decisions to the running of our own business, we remember the impact we have on the environment, diversity, communities and corporate governance.

Our approach to ESG

We are committed
to a journey of
constant improvement.



Environmental, social and governance principles are part of Bridgepoint's DNA. They are integrated into our own business and the full life-cycle of our funds' investments.

We consider each of the four ESG beliefs across four key areas of activity:

Investment decision-making relates to the processes and approach that Bridgepoint takes when assessing potential investments.

Portfolio operations concerns the products and services that companies provide and how they might support the UN Sustainable Development Goals.

Portfolio practices encompasses companies' internal ESG policies.

Bridgepoint management relates to ESG matters at the Bridgepoint company level (rather than within the businesses that Bridgepoint Funds support).

ESG and investment

Before, during, after

ESG cuts across every stage of our investment process.

We carry out thorough ESG due diligence before we invest and are proactive in helping our portfolio companies raise their ambition and deliver in line with our beliefs. By embedding ESG in portfolio company DNA we set them up for sustainable success following our investment period.



How do we incorporate ESG considerations into our decision-making, before we invest in a business, and during the investment period?

Pre-investment

We don't invest in companies whose products, services or practices cause environmental or social harm, and where there is no path to transform the business into a positive contributor to society.

When we first consider a potential investment, our team will identify any potential ESG red flags or opportunities as part of our early transaction screening. An opportunity can be rejected on ESG grounds at this or any later stage.

As the opportunity moves into full due diligence, the Investment team is responsible for ensuring that any ESG-related issues are addressed.

The findings from the ESG due diligence and any recommended remedial actions form a key part of the analysis presented to Bridgepoint's Investment Advisory Committee.

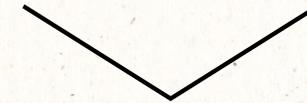
We align all investment decisions in support of achieving the United Nations Sustainable Development Goals (SDGs). We assess: the company's performance against the SDGs; any ESG considerations related to the company's business model; its existing ESG policies and programs; ESG at the corporate level; and opportunities for improvement.

The investment period

Active engagement is an essential component of Bridgepoint's approach to ESG. We take every opportunity to advise, support and collaborate with the management teams of our portfolio companies to help them embed best-practice ESG policies, processes, and systems.

The investment period

Governance and structures are strengthened, through which, ESG is managed throughout the ownership period



Areas for ESG improvement identified by the investment team in collaboration with ESG team and the portfolio company



All portfolio companies report on a detailed set of ESG KPIs which are tracked in our Portfolio Monitoring Software and reported to our Board on a regular basis



The team work with the portfolio company to deliver against these goals leveraging support from the Bridgepoint platform

ESG cuts across every stage of our investment process.



This is not the beginning – ESG at Bridgepoint

Directly post-investment

We aim to discuss ESG collaboratively with portfolio companies as early as possible, at the due diligence stage before we have made the investment between signing and closing the investment. Following completion, as part of a value creation 100-day plan, the deal team will work with management to appoint a senior executive to take responsibility for ESG on a day-to-day basis, if there isn't already one in place.

As part of this early engagement period, we will share our 'ESG guidelines for Bridgepoint-backed companies' and outline our expectations, as well as introduce the lead executive to our ESG monitoring programme.

The company will then be asked to complete our comprehensive ESG assessment, which builds on the due diligence findings to generate a comprehensive understanding of current ESG performance. Once this initial discovery phase is complete a roadmap will be agreed with management that includes company-specific ESG initiatives and corresponding KPIs, and is consistent with our own beliefs.

During the investment period

Throughout the fund investment period, we ensure management teams regularly review their ESG policies, ensuring they remain aligned with industry-specific good practice and deliver against the UN SDGs.

Bridgepoint provides guidance and support to management teams via the Bridgepoint board representative and/or the dedicated ESG team. External ESG advisers may also be engaged.

Bridgepoint also convenes ESG workshops with third-party specialists to refresh our thinking and import the latest best practice.

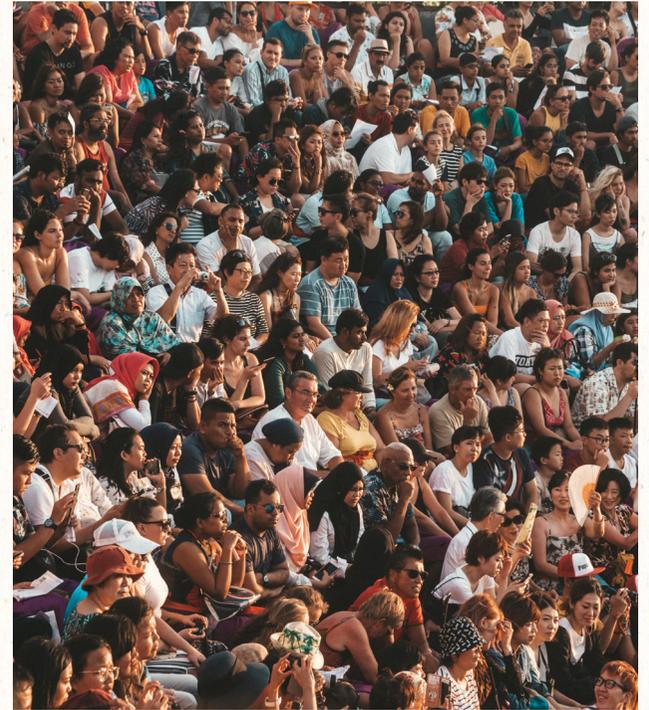
Tracking ESG performance is a vital and evolving element of improving ESG during fund investment. Management teams regularly report on key KPIs, and we are active in ongoing industry-wide work looking to drive greater consistency in this space.

At divestment

Our goal is to set up businesses for sustainable success following the Bridgepoint investment period. That is why we ensure that, like Bridgepoint, ESG is in the DNA of our portfolio companies.

We also ensure that governance structures put in place during investment are sustainable post-investment and include detailed information on ESG-related matters as a part of vendor due diligence.

The UN Sustainable Development Goals



The UN Sustainable Development Goals (SDGs) offer a comprehensive blueprint for tackling the challenges facing the world's environmental, social and economic development. The agenda, adopted in 2015 by the United Nations' member states, is made up of 17 overarching and interconnected goals that break down into 169 quantifiable targets.

As an active investor, Bridgepoint has a responsibility to provide benefit to society through the businesses in which it invests. To enable this Bridgepoint has adopted the UN SDGs as a benchmark with which to analyse all stages of the investment cycle.

The simple framework and ambitions that the UN SDGs provide allows Bridgepoint to:

- Clearly articulate the ESG credentials of potential investments
- Align with portfolio companies on a set of overarching goals
- Identify and mitigate areas of negative impact across businesses' value chains
- Drive a positive contribution through the investments we make

ESG and investment
The UN Sustainable Development Goals

No poverty



Zero hunger



Sustainable cities and communities



Responsible consumption and production



Good health and well-being



Quality education



Climate action



Life below water



Gender equality



Clean water and sanitation



Life on land



Peace, justice and strong institutions



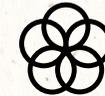
Affordable and clean energy



Decent work and economic growth



Partnerships for the goals



Industry, innovation and infrastructure



Reduced inequalities



Case studies:



Zenith

Zenith, a leading UK-based fleet management company, has a well-established apprenticeship programme and has forged strong links with the local community in Yorkshire where it is based, visiting school careers fairs to promote careers in the automotive industry. Apprentices at the company receive in-house training with support from an advisor and dedicated mentor.

Zenith was named as one of the UK's top 100 apprenticeship employers by the National Apprenticeship Scheme, and in 2020, it appointed a record number of apprentices (68, equivalent to 10% of its total workforce).

The business is also playing a key role in helping transition customer fleets from carbon to electric and hybrid through customer consultations, highlighting the benefits of moving to electric and hybrid vehicles (c.80% of new vehicle orders are now electric or hybrid).

This is not the beginning – ESG at Bridgepoint



Miya Water

Miya Water, a leading international environmental services company based in Portugal and Spain, provides water efficiency solutions to utilities worldwide in order to reduce water losses. It is also the largest private independent manager of water distribution and sanitation concessions in Portugal through its Indaqua subsidiary.

In delivering its water efficiency projects, Miya works closely with the local communities in which it operates to recruit and train local engineers. Some 85% of employees are recruited locally by Miya's international teams, who help to embed best practice and expertise and thereby reinvest in local economies.

Case studies:

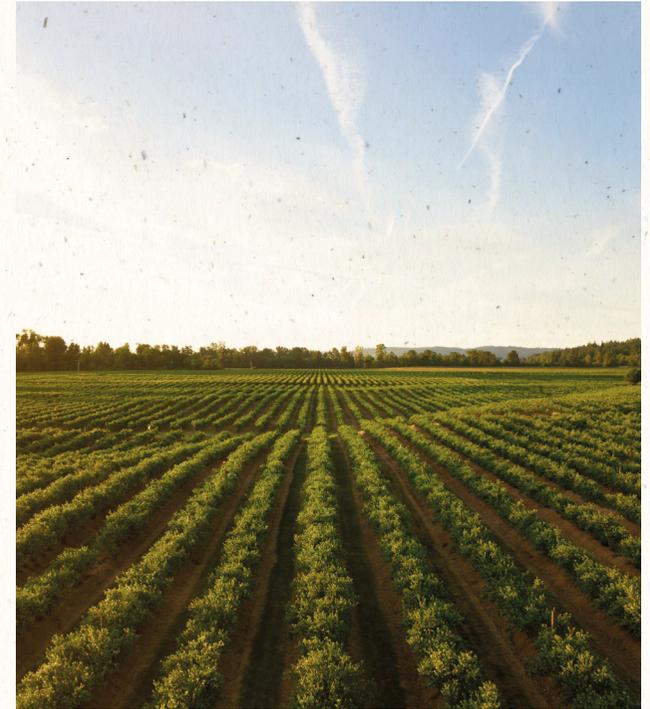


Evac

Evac, is a global cleantech business and a leader in the provision of fresh water and waste sanitation systems to the marine industry. Environmental sustainability is a cornerstone of Evac's operations. Its technologies address the increasing need for sustainable solutions that optimise handling of scarce fresh water and minimise customers' environmental footprint.

Evac is a signatory to the Finnish government's 'Commitment 2050' initiative and has committed to help reduce marine litter and increase dry waste recycling by cruise ships from 25% to 50% by 2025 (and 70% by 2050).

This is not the beginning – ESG at Bridgepoint



Rovensa

Rovensa is a global leader in the provision of crop lifecycle management solutions. Under Fund ownership, Rovensa has shifted its emphasis towards Bio Control products with the acquisition of Idai. Bio Control products use natural ingredients and biodegradable compounds and microorganisms instead of chemicals.

Rovensa significantly improved its ESG policies and procedures under Fund ownership and produced its first sustainability report in 2021. Alongside stringent environmental controls at its facilities, including state of the art fire and dust suppression systems and waste-water recycling, Rovensa has continued to reduce waste and eliminated cardboard box usage at its Tradecorp subsidiary.

As part of Rovensa, **Idai** was recognised by the European Commission as Europe's most sustainable company in the Annual European Business Awards for the Environment in 2020.

Going one better

We never sit back. We're always pushing for the next level, looking for better ways to measure performance and deliver higher ESG standards from our investments.

We want them to set the pace in reaching net-zero, become more diverse and be best in class on issues such as cyber-security, data protection and modern slavery.



Measurement and reporting

We believe in greater transparency and regularly report ESG performance to investors.



Setting targets is only half the story. Measuring ourselves against them, and benchmarking the ESG performance of our portfolio companies and our own business is fundamental to the cycle of continuous improvement.

Every Bridgepoint investment has a set of specific GOALS consistent with our beliefs and complementary to our broader targets, in the form of KPIs covering financial, non-financial and ESG performance.

We track performance against our ESG KPIs regularly throughout the year, and regularly carry out 'deep-dive' ESG assessments across portfolio companies to gain a granular understanding of performance on specific issues, such as climate change. Tracking our progress on ESG issues provides the insight and understanding vital to decision-making.

ESG within asset management is a fast-evolving space, metrics are being developed and refined continuously. As a result, the targets we set for Bridgepoint's portfolio investments, as well as for our own company, are in a constant state of development.

SFDR Article 8

We are proud that our most recently launched Funds (BE VII and BG II) will be Sustainable Financial Disclosure Regulation (SFDR) Article 8 aligned. The official journal of the European Union describes an Article 8 Fund as one that *'promotes, among other characteristics, environmental or social characteristics, or a combination of those characteristics, provided that the companies in which the investments are made follow good governance practices.'*

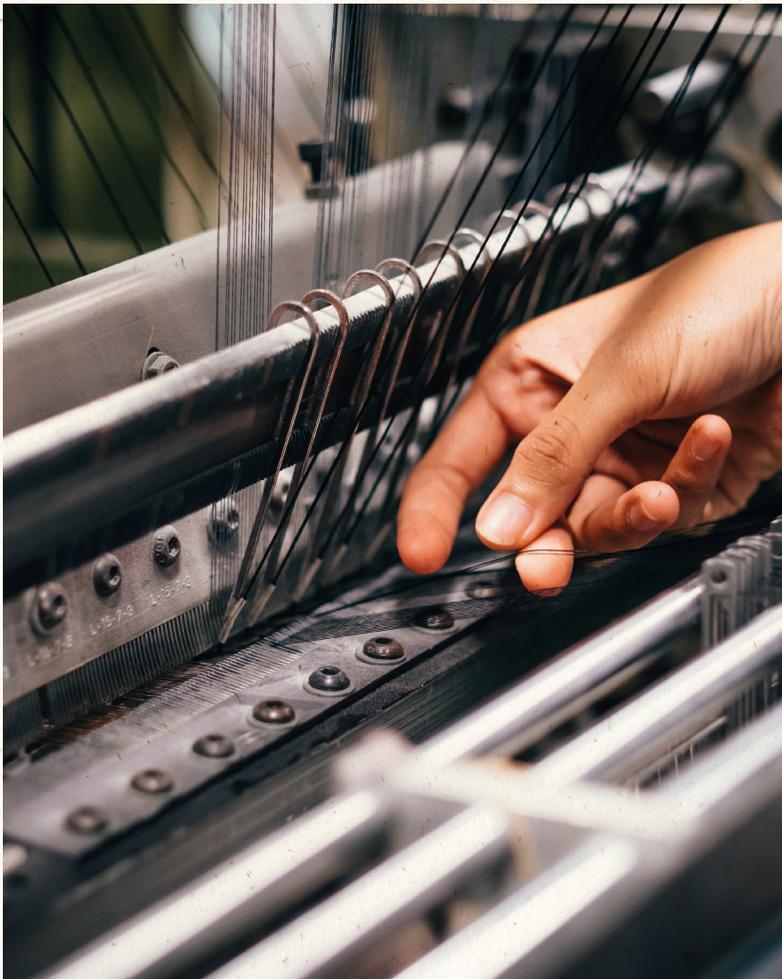
ESG at Bridgepoint Credit

Lending weight

Where we make credit investments, we apply an ESG-centred due diligence framework and incentivised loan pricing.

Regardless of the investment strategy, we always strive to improve environmental and social outcomes in line with our beliefs.

**ESG lies at
the core of our
credit strategy.**



ESG is at the core of our credit strategy, consistent with Bridgepoint's overall ambitions but reflective of the relationship between credit funds and their portfolio investments.

During the investment period, the credit opportunities strategy often follows a private equity-like approach to value creation, including in relation to ESG. Direct lending funds, on the other hand, typically have less direct influence over their portfolio companies' strategies. There are still opportunities to make sure ESG plays a key role in the portfolio, though, through two primary avenues:

Pre-investment screening

Our credit team looks to invest in businesses that support the UN Sustainable Development Goals. As a result, the credit team regularly rejects investment opportunities and have well-structured governance and social dynamics that either carry ESG risk or operate in harmful industries. In addition to assessing the company, we also assess its shareholders (typically, a private equity firm) to understand how ESG issues will be supported during the life of the investment.

Incentivisation

Bridgepoint Credit is at the forefront of new market by actively incentivising ESG performance in the pricing of loans practice. Margin ratchets linked to ESG outcomes are incorporated into loan documentation, enabling the interest rate on a loan to vary, based on our ESG performance against specific targets.

ESG within our company

Walking the walk

We aim to set the standard and make Bridgepoint a role model in corporate responsibility.

Moving towards net-zero, having a more representative workforce, supporting our communities and leading governance are headline ambitions. We have the structures, and policies in place to deliver against these ambitions and support our broader beliefs.



Sustainable, and resilient businesses deliver stronger performance.

It's our aim to make Bridgepoint a leader in corporate responsibility, and to continuously raise environmental, social and governance standards. As a firm, we have achieved the targets that we set for portfolio investments and are taking our targets further:

- Becoming carbon-neutral by the end of 2021, and then progressing towards net-zero
- Increasing the gender diversity of the investment team to 40% women and 20% in senior investment team roles by 2025

ESG governance

Our rigorous approach to the management of fund investments includes structures to ensure that Bridgepoint remains accountable and transparent, and that there is complete alignment of interest between the company and third party fund investors.

Those structures include a CSR Committee at plc Board level, supported by exec level ESG and Diversity & Inclusion groups. The company also participates in key industry associations and initiatives, becoming an active member of Invest Europe's Responsible Investment Roundtable, for example, and having a seat on Level 20's Advisory Council focused on the promotion of women in private equity.

We also have a close relationship with third party specialists who are leaders in ESG, including ERM, the world's largest global pure-play sustainability consultancy and previously a Bridgepoint portfolio company.

ESG Training

All our investment professionals are asked to complete compulsory ESG training, delivered by the British Private Equity & Venture Capital Association (BVCA). Bridgepoint and the BVCA worked closely to develop a pioneering ESG training course in 2016 which has since become the industry standard. Although delivered by the UK's industry body, the course is designed to suit professionals working in all the jurisdictions in which we operate.

Diversity, equity and inclusion (DE&I)

Bridgepoint is an international business: our employees come from more than 25 countries and speak over 20 languages. But nationalities and languages are just the start. We are working hard to enrich the diversity of our organisation on every other level.

In 2015, we recognised that Bridgepoint and the wider alternative asset management industry needed to do more to develop greater gender diversity. Our response was to launch a ten-year programme to increase the representation of women in our business.

An initial target of 25% female representation in the investment team was met in 2019, and then raised to 40% by 2025. This progress has been driven by a gender-balanced recruitment policy and our International Associate Programme, which has a 50:50 gender split.

In 2020, our DE&I Committee widened its focus to include ethnic and social diversity and Bridgepoint became a member of the 10,000 Black Interns programme, which aims to address the under-representation of black talent in the financial sector, and joined Out Investors, a global network for LGBT+ investment professionals.

Internal DE&I initiatives include:

- Creation of DE&I groups for each Bridgepoint geography
- Women's Leadership development programme
- Formal DE&I objectives for partners and directors
- Diversity risk and unconscious bias training
- 'Working at Bridgepoint': a new families policy and formal diversity policy
- Maternity coaching
- Gender-neutral parental leave

The Bridgepoint Hardship Fund

The Covid-19 pandemic threw many communities into a sudden and unprecedented crisis. As well as supporting our portfolio companies through this period, we sought to make a meaningful financial contribution to frontline Covid-19 causes, supporting individuals who experienced hardship as a result of the pandemic and those that supported them.

In April 2020, we established the Bridgepoint Hardship Fund, which:

- Raised **£4m** via donations from the firm's partners and colleagues
- Committed the fund to more than **180** charities in 10 countries
- Supported charities including:

Billion Oyster Project
Brent Centre for Young People
Bromley by Bow Centre
Caritas Luxembourg
Cavell nurses' trust
Coopertiva Lotta
Coup de Pouce Clé
Dandelion Time
Down Madrid
Earlsfield foodbank
FRYSHUSET
idh ingergrative drogenhilfe
Interfaith Medical Center

Karma Nirvana
Läxhjälp
Minds Matter
Northwell Health
Roald Dahl's Marvellous Children's Charity
St Peter's Brockley Foodbank
Stockholms Stadsmission
The UK Sepsis Trust
Together for short lives
Unidos@PS
United World Schools
52 Lives

180

charities supported by the fund to date

c.50

major grants in 10 countries

8

major grants awarded to medical staff

60

colleagues applied for matching requests

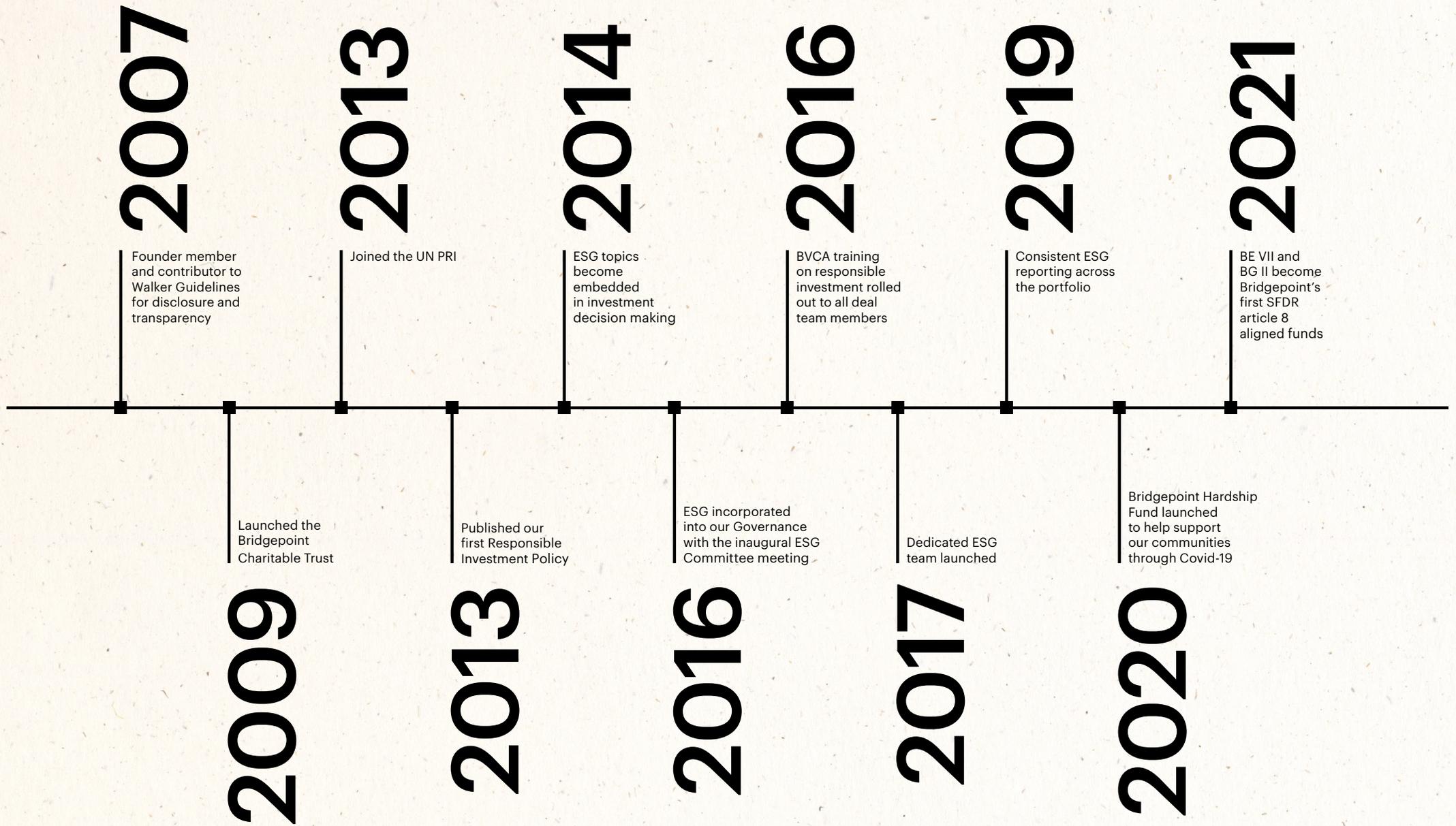
8

portfolio companies involved

>100

colleagues Participated, making it the most involved Bridgepoint initiative

The Bridgepoint ESG Timeline



External organisations and affiliations

Teams work

To deliver our ESG ambitions we seek to partner with industry-leading organisations and groups:

ESG best practice:

- Sustainable Markets Initiative
- Queen's Green Canopy
- UN PRI

Diversity, equity and inclusion:

- Level 20
- 10,000 Black Interns
- ILPA's Diversity in Action Initiative

Industry best practice:

- Novata
- Invest Europe Responsible Investment Roundtable
- BVCA
- Invest Europe
- Invest France
- European Leveraged Finance ESG Committee



End statement:

Keep pushing



This is not the beginning – ESG at Bridgepoint

We've come a long way on ESG at Bridgepoint. Standards and expectations are constantly evolving, and we've helped to beat a path for others to follow. There's a lot to be proud of in what we've achieved.

But we can go further.

We want to be the best corporate citizens, today and tomorrow, and to drive positive change. We have an opportunity to create better, stronger businesses, but we also bear a responsibility – to our colleagues, to our investors, to society and to our planet.

The influence we can exert is great. We can bring about change across businesses and institutions. We want to take that influence to the next level. We want Bridgepoint to be a force for good, and a source of pride for each and every one of us.

We can all play a part.

**This is not
the end**

Bridgepoint