

BGF GROUP PLC

Modern Slavery Statement

Financial year ended 31 December 2024

Introduction

The Modern Slavery Act 2015 requires commercial organisations operating in the UK with an annual turnover of £36 million or more to publish a slavery and human trafficking statement setting out the steps they have taken to ensure their business and supply chains are free from modern slavery.

This statement is made by BGF Group PLC in respect of itself and the following of its subsidiary undertakings (as defined in the Companies Act 2006): Business Growth Fund Limited, BGF Investment Management Limited, BGF Services Limited and BGF Investments LP (together “**BGF**”).

It is made in respect of the financial year ended 31 December 2024.

About BGF’s structure and business

BGF Group PLC is the United Kingdom-based holding company of a group of companies involved in the management of multiple investment funds.

BGF provides long-term, patient capital that management teams use to execute their strategic plans. With a £3bn evergreen balance sheet BGF provides funding for growth and equity release via secondary share sales, typically making initial investments of between £2m and £15m in return for a minority stake.

To date, BGF has invested more than £4bn across 600 companies since 2011, and has been recognised as the most active growth investor in the UK and Ireland.

As of January 2025, BGF had over 200 employees based in fourteen offices in the United Kingdom and Ireland.

Our commitment and policies

Being at the forefront of doing business the right way has always been a central part of the BGF model and it is for this reason that BGF became a signatory to the UN’s Principles for Responsible Investing in 2020.

BGF is committed to ensuring that there is no modern slavery or human trafficking in its supply chains or any part of its business and operates a zero-tolerance policy in this regard. BGF recognises the importance of the Modern Slavery Act as a tool in combating the widespread human rights abuses comprised in modern slavery.

We have a modern slavery policy to ensure employees are aware of the risks and steps to be taken in respect of modern slavery, alongside internal policies to ensure that we are conducting business in a transparent and ethical manner, including BGF’s code of conduct, a recruitment policy and an ethical standards policy. We have in place a whistle-blowing policy and grievance procedure to enable our employees to report any issues which they may encounter at work.

Expectations for behaviour are communicated to our employees as part of our induction process and through our on-going training, which is supported by a compliance and e-learning management system.

The Board of BGF Group plc has assigned responsibility to the Audit and Risk Committee (“A&R”) for ensuring an effective system of internal control and compliance, including but not limited to, identifying, measuring, and managing key risk management principles, risk appetite metrics, and thresholds related to sustainability risks and adverse impacts. A&R completes regular reviews and monitors enhanced risk.

As part of our commitment to support portfolio companies in improving their ESG maturity, BGF engages an independent ESG ratings agency to analyse the performance of companies. This agency is a global provider of ESG services. They use a standardised methodology to undertake annual ESG health checks for the majority of the portfolio and provide gap analysis as part of BGF’s due diligence for all new investments (excluding quoted investments). Modern slavery is one of the areas covered in the agency’s assessment. BGF undertook its own health check by this agency in 2022 and was rated “Excellent”.

BGF has also continued to expand its expertise on demand service by including E, S, and G topic experts. Portfolio companies have been engaging with these experts via BGF to improve their overall ESG maturity as well as manage critical areas such as best in class labour practices.

If any issues are identified in relation to modern slavery, these will be dealt with by the Legal and Compliance teams in conjunction with our Head of ESG. All BGF employees have access to dedicated channels through which they may voice concerns, either through local reporting mechanisms or through the whistleblowing procedure.

In November 2023, BGF was awarded B Corp Certification with a score of 97.5.

Our supply chain and due diligence

We recognise there are greater risks of slavery and human trafficking occurring within our supply chains. As part of our commitment to identify and eradicate slavery and human trafficking, we have in place a process to undertake due diligence on our supply chain network to ensure compliance with legislative obligations. We endeavour only to use reputable suppliers.

During the year, we completed a review of suppliers with whom BGF spent over £15,000 in the financial year, focussing on the:

- nature of the services provided by the supplier; and
- geography of the supplier’s services.

192 suppliers were considered in the review (out of an overall 591 suppliers with whom BGF transact) which involved the Compliance, Legal, HR, Finance, IT, Marketing and Facilities functions and comprised one-to-one briefings and consultations.

Our supply chain consists principally of regulated professional advisers, individual consultants, financial services firms and providers of office-related goods and services. Nearly all our suppliers are based in the United Kingdom (169 of those reviewed), with 23 based overseas. The location of those suppliers and the prevalence of modern slavery victims per 1,000 people¹, together with the government response to modern slavery are shown below¹.

Territory	Prevalence of modern slavery victims per 1,000 population	Government response to modern slavery as %	% overall spend
United Kingdom	1.8	68%	90.14%
Ireland	1.1	63%	4.40%
USA	3.3	67%	1.98%
Portugal	3.8	67%	1.77%
Sweden	0.6	63%	1.61%
Netherlands	0.6	67%	0.10%

We continually review and enhance the effectiveness of how we engage with our suppliers. During 2024, we further embedded the process for onboarding new suppliers to ensure a consistent approach across the business. The supplier onboarding process includes an assessment of the risks of modern slavery (including whether the supplier has published a modern slavery statement or, if this is not applicable, whether the supplier has an unpublished modern slavery policy and/or statement which they adhere to).

We endeavour to ensure that material suppliers are contractually obliged to comply with the provisions of the Modern Slavery Act. This is done by reviewing the suppliers’ obligations (if any) within material contracts and negotiating the incorporation of additional modern slavery provisions and reference to our Supplier Code of Conduct (where possible).

As part of our commitment to ensuring we engage with reputable suppliers, we have a Supplier Code of Conduct which includes standards relating to modern slavery and ESG (amongst other standards). We make it clear to our suppliers that we expect them to respect and adhere to our Supplier Code of Conduct, our contracting principles and our approach to supplier due diligence. Any supplier in our supply chain who is found to be non-compliant in terms of our standards will be reviewed and may be subject to a range of sanctions, which could include the termination of our relationship with such supplier.

Based on the review completed in 2024 and given the nature of our suppliers, we consider the risk of slavery or human trafficking within our supply chain to be low. We continue to assess this.

There are currently no known matters of concern in relation to BGF’s supply chain.

¹ Measures the scale of modern slavery across 160 countries. The smaller the number the less victims of modern slavery are estimated per 1,000 people.

¹ Measures national efforts to end modern slavery across 176 countries. Higher percentage reflects more action being taken.

Investments

BGF makes minority investments in UK and Ireland based businesses. While BGF seeks to prevent and mitigate adverse impacts in its investments, the majority of these impacts would be indirect and beyond the direct control of BGF. Nevertheless, in accordance with BGF's principles we seek to ensure our portfolio companies' compliance with laws, including the Modern Slavery Act, through warranties at the time of our initial investment and compliance undertakings thereafter. Under these unquoted portfolio companies are specifically required to comply with the Modern Slavery Act and report any concerns or suspicions regarding modern slavery.

A portfolio company's approach to managing labour practices in the supply chain is considered at the time of investment and annually thereafter at minimum. We ask that our portfolio companies engage with the independent ESG ratings agency (referred to above) who administer the relevant checks and verify the portfolio company's underlying policies and documents in line with industry best practice. The agency provides recommendations to the portfolio company and also provides us with feedback on ESG related factors (including modern slavery). No instances of modern slavery were reported in the 2023/2024 reporting cycle. BGF also actively shares information on managing supply chain risks via thematic webinars with experts.

Furthermore, ESG and modern slavery considerations have been incorporated into our investment process to ensure these are explicitly considered as part of the investment decision, which includes:

- ESG due diligence which is carried out on proposed investee companies (with the independent ESG ratings agency as detailed above); and
- a pre investment screening tool which is used by the investment team to consider the labour practices (including but not limited to any areas of concern) within the direct operations and supply chain of potential investee companies.

As we have BGF representatives sat on the board of many of our portfolio companies, any modern slavery issues raised at board level will be reported to the BGF Compliance Officer and we have processes in place to ensure they are given appropriate consideration by BGF to ensure the portfolio company manages the situation in a timely fashion. In 2024 no such instances were raised.

People

Our recruitment processes are transparent, and we have comprehensive vetting procedures in place, involving the use of external service providers, in relation to the hiring of new employees. We are therefore able to confirm their identities, their right to work in the UK and ensure that their compensation is paid directly into a personal bank account. All employees are paid above the UK's national living wage.

Training

We provide our employees with training on a range of compliance matters, which includes their obligations under the Modern Slavery Act. We test awareness of modern slavery and human trafficking through the annual compliance process. Should any of our employees need any additional information or support with regard to human trafficking, forced labour, servitude and slavery this will be provided. We also aim to increase awareness of these issues amongst those employees who sit on the boards of portfolio companies.

Effectiveness and Performance

2024 Commitment	Progress
Continue to evaluate the risk of modern slavery and human trafficking in any new suppliers via the supplier onboarding process, alongside wider considerations as to how we can evolve/develop this over the coming year	As noted above, during 2024 we embedded the new supplier onboarding process to ensure a consistent approach across the business, which includes an assessment of the risks of modern slavery (including whether the supplier has published a modern slavery statement, if applicable). At present, this process applies to the Infrastructure side of the business but will be rolled out to the Investment side of the business during 2025.
Continue to pro-actively engage with our investee companies to understand the steps they have taken to comply with the Modern Slavery Act	Through our ESG assessment we continued to examine modern slavery adoption across our portfolio. We demand transparency and strong governance from our portfolio companies to ensure ethical and responsible operations. No breaches were reported by portfolio companies. We will continue our approach in 2025 as well, examining and providing support to fill any gaps that are identified.
Review our existing policies and processes and refine as required by the upcoming Modern Slavery Bill	We continue to monitor the progress of the Modern Slavery Bill and will continue to do so during the course of 2025.
Continue to ensure awareness and understanding internally.	All employees' are required to read the Compliance Handbook at the point of induction and annually thereafter to ensure there is an understanding and awareness of modern slavery and human trafficking. All employees are required to complete an affirmation to attest to the having read and understood the Handbook, which includes Modern Slavery. The BGF Compliance team monitor the affirmation process and provide internal communications and targeted

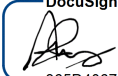
	reminders to employees to ensure BGF remains compliant with regulatory requirements.
--	--

Priorities for 2025

During the course of 2025, BGF intends to take the following steps as part of our commitment to continuous action and improvement:

- review and update this statement;
- continue to monitor the progress of the Modern Slavery Bill, to consider the impact of the Illegal Migration Act 2023 and to review and refine our policies and processes as required;
- continue to embed the new supplier onboarding process for the wider organisation and to monitor and refine the process as required;
- consider the merits of a communication channel which can be used by individuals to voice concerns to BGF in respect of modern slavery and human trafficking; and
- continue to train internally on modern slavery and human trafficking, including in relation to recent legislative changes.

This statement was approved by BGF Group PLC's board of directors on 12 February 2025 and was approved by the boards of each of Business Growth Fund Limited, BGF Investment Management Limited, BGF Services Limited and BGF GP Limited (the general partner of BGF Investments LP) on 12 February 2025.

DocuSigned by:

365D40672D454C4...

Andy Gregory
Chief Executive Officer, BGF Group PLC
12 February 2025