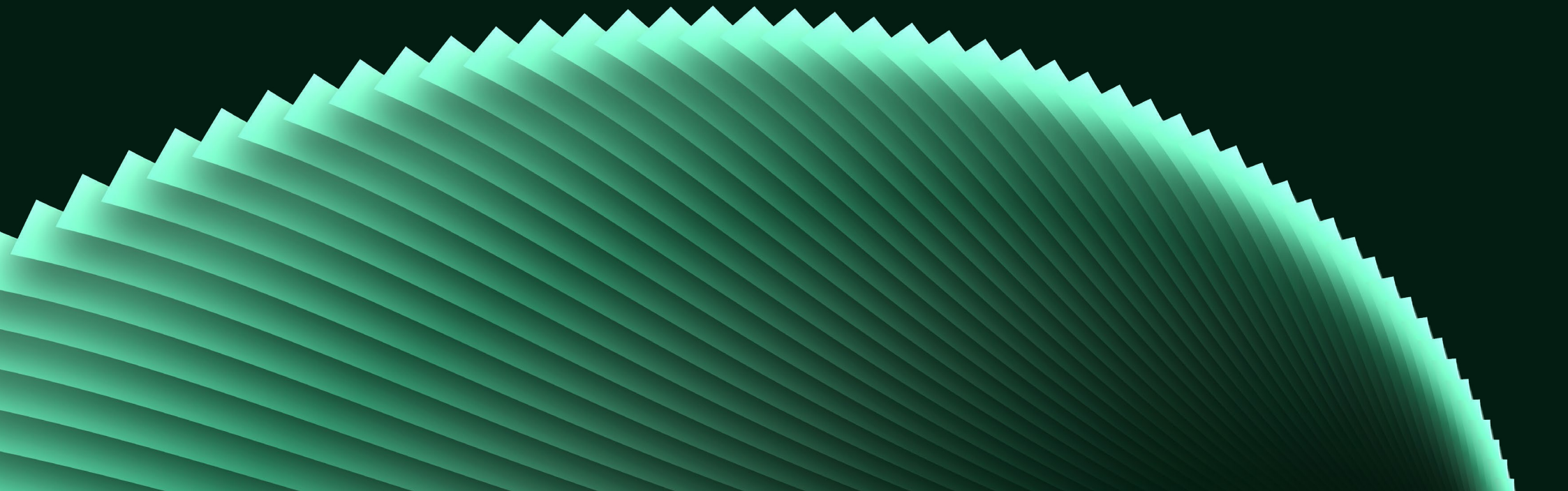
BGF

Certified B Corporation
Learn more at bcorp.com

BGF has been a UK B Corporation (B Corp) since December 2023

B Corp Impact Report 2025 & 2026



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This Impact Report covers BGF's activities and performance for the fiscal year 2025/26 across our own operations and our portfolio in the UK and Ireland. It is structured around the seven impact topics in B Lab's Version 2 B Corp standards and informed by BGF's formal double materiality assessment, which identifies the sustainability topics most relevant to our stakeholders and business model. It aims to provide a fair, balanced and understandable view of BGF's most significant environmental, social and governance impacts and our progress against related commitments.

ESG and *Good growth*



Chris Olds is the Chief Operating Officer (COO) of BGF and manages the ESG remit.

Our founding purpose was to bridge the funding gap for SMEs in the UK after the financial crisis. Since inception, we've strived to be a positive force for our economy, people, and planet.

> 74% of our investments have been outside of London and the Southeast: rebalancing the economic gap across the UK and Ireland.

With teams based in 15 cities, our regional model continues to broaden access to growth capital, helping businesses scale, create jobs, and drive long-term economic growth.

In 2025, we continued to invest at scale while remaining a flexible, long-term partner to the UK and Ireland's most ambitious companies:

- Over £600m returned, delivering a money multiple of more than 2x
- £417m deployed across new and follow-on investments
- One of the largest UK medtech exits on record with OrganOx
- A £3bn commitment to invest in UK businesses over the next five years, including at least £300m for female-powered businesses

As we mark our 15th year, we are proud to celebrate the progress we made in 2025 to combine profit with purpose, and remain committed to delivering good growth for all of our stakeholders.

BGF is proud to be a certified B Corp and to reaffirm our commitment to recertify under the new, more rigorous standards in 2026. This reflects our continued dedication to embedding the highest standards of performance and accountability across the seven new B Corp Impact focus areas.

Chris Olds
Chief Operating Officer

Head of ESG: *Reflecting on our progress*

BGF delivered numerous successes across our own operations and within our portfolio as we continued our journey towards recertification under the new, more rigorous B Corp standards.

Key highlights from the year include:

- **Significant improvement in our PRI assessment.** The Principles for Responsible Investment (PRI) is a globally recognised framework for assessing how investors integrate ESG considerations. Through a focused effort to strengthen our approach to climate-related risks and opportunities, publish our Responsible Investment Policy and enhance transparency across our processes, we achieved a 40% uplift in our Confidence Building Measures score and a 28% uplift in our Private Equity module score.
- **Joining the ESG Data Convergence Initiative (EDCI).** We became a member of this global partnership of private markets investors working to standardise and benchmark ESG data across portfolio companies, improving comparability, consistency and transparency.
- **Becoming part of Initiative Climat International (iCI).** We joined this practitioner-led community of private markets investors committed to managing climate risk and supporting the decarbonisation of private equity-backed companies in line with global climate goals.
- **Portfolio-wide ESG benchmarking.** We supported 205 portfolio companies to complete an externally verified ESG benchmarking exercise. This resulted in a 23% increase in the average portfolio score compared with the baseline year, including a 36% improvement in environmental performance.
- **Convening our annual ESG Forum.** We brought together leaders from BGF portfolio companies and charities supported by the BGF Foundation. This in-person forum enabled commercial and non-profit organisations to exchange practical insights on sustainability, impact and responsible growth.
- **Engaging in policy dialogue.** We participated in the Better Business Act roundtable hosted by B Lab at the Labour Party Conference, sharing our experience of backing growth businesses and contributing to discussions on the role of responsible investment in the UK economy.

We are also proud of the growing number of B Corps within the BGF portfolio, which now stands at 13 companies across a diverse range of sectors. During the year, we supported Revive Active, a leading Irish supplements business, in achieving B Corp certification, and assisted Emma Bridgewater in successfully recertifying.

Our Revolving Credit Facility

Our ESG-linked facility with Natwest, HSBC, Lloyds, and Standard Chartered, includes key performance indicators such as increasing the proportion of portfolio companies measuring their emissions, enhancing ESG training participation, and improving governance through board effectiveness reviews. We are pleased to have surpassed all four of our ESG linked targets with further refinement planned for next year.

Roshni Bandesha
Head of ESG

> “As we look ahead, we remain committed to meeting the new V2 B Corp standards and continuing to drive measurable, positive impact for the businesses we back and the communities we serve.



Our progress *in numbers*

IMPACT AT BGF

The Green Innovators Group

delivered BGF's **Net Zero plan** and completed climate risk scenario analysis for **227 portfolio companies**

£750k

committed in charitable funding by the BGF Foundation – its largest-ever funding commitment

EDCI & iCI

Became a member of the **ESG Data Convergence Initiative** (EDCI) and the **Initiative Climat International** (iCI)

19%

reduction in BGF's own Scope 1, 2 and selected scope 3 Greenhouse Gas (GHG) emissions

Significant Improvements

to our Principles for Responsible Investment score, including a 40% uplift in our Confidence Building Measures score and a 28% uplift in our Private Equity module score

23%

uptake of Social Impact Days and an **11% increase** in skills-based volunteering days reported for BGF employees

IMPACT IN OUR PORTFOLIO

23%

increase in the average portfolio company ESG score compared with the baseline year

£300m

commitment to invest in female-powered businesses over the next 5 years

60

companies attended a minimum of two ESG training and workshops

39

companies attended our Annual ESG Forum

100%

of new growth companies mandated to report **Scope 1 and 2 GHG emissions** from 2025 onwards



Our B Corp *certification progress*

BGF has been a UK B Corporation (B Corp) since December 2023. Becoming a certified B Corp in 2023 marked a pivotal moment in BGF's journey, giving us a clear, externally tested framework to align our role as a long-term investor with the interests of all our stakeholders. But we see certification as a starting line, not a finish line.

Under the V2 standards, all B Corps must meet minimum performance expectations across seven impact topics: Purpose & Stakeholder Governance, Fair Work, Inclusion, Climate Action, Environmental Stewardship & Circularity, Human Rights, and Impact Management. This report reflects that structure: the Stakeholder sections for People, Community, Planet and Customers describe our approach and performance under each relevant impact topic, alongside our future plans.

The real challenge is to deepen how these requirements are embedded in our decision-making, our culture and the way we support portfolio companies. Our ambition to recertify under V2 is therefore less about holding onto a label and more about holding ourselves to a higher bar, learning from where we fall short, and using each assessment cycle as a structured opportunity to drive meaningful, measurable improvement over time.

Where we are

In our 2024 B Corp Impact Report, we set an ambitious target to achieve a B Impact score of 100+ in our 2026 recertification.

Since then, B Lab has introduced updated performance standards, known as Version 2 (V2). B Lab's Version 2 standards represent a significant strengthening of the B Corp framework, moving from a points-based model to minimum requirements across seven mandatory impact topics so that companies must demonstrate performance across all material areas rather than offsetting weaknesses with strengths elsewhere.

The standards were developed through a multi-year process supported by B Lab's independent, multi-stakeholder Standards Advisory Council, whose members bring expertise from business, government, academia and civil society from around the world. They were also shaped by 26,000 pieces of feedback from businesses, experts and the public, alongside alignment with leading frameworks and evolving regulatory expectations. Together, this gives the new standards greater rigor, credibility and global relevance, and provides a clearer, more consistent benchmark for BGF's performance and continuous improvement.

Where we're heading

In 2025, we undertook a formal gap analysis programme against the V2 standards. As we prepare for B Corp recertification under the Version 2 standards in 2026, our priority is to turn commitments into measurable, verifiable performance across all seven impact topics. The materiality assessment, Net Zero plan, JEDI programme, human rights work and portfolio-wide ESG benchmarking described in this report form the backbone of that effort.

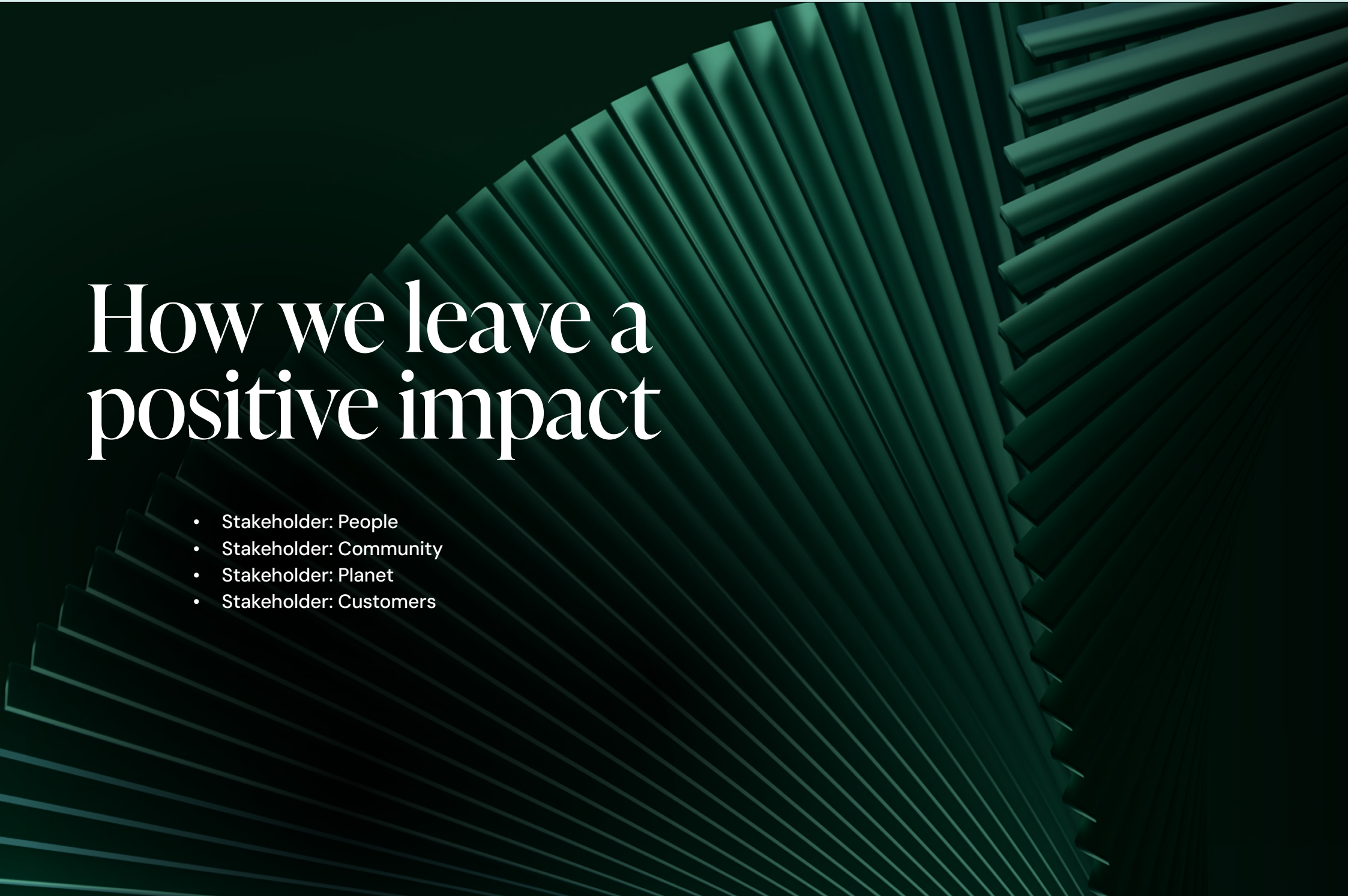
We expect to continue iterating our policies, data and engagement with portfolio companies in response to evolving expectations from B Lab, regulators and our stakeholders, and we will report transparently on both our progress and our challenges in future Impact Reports.

B CORPS IN THE PORTFOLIO

We recently completed our exit from BB7, the UK's leading specialist consultancy in fire and façade engineering, having supported them to become one of the first companies in their sector to become a B Corp. BGF supported BB7 to strengthen its approach to carbon emissions measurement, and to develop a robust ESG strategy and governance framework.

> The coaching conversations around impact, culture, and ESG have been highly beneficial. Culture is the one source of competitive advantage that, as a CEO, you can control.

Ben Bradford
BB7 CEO



How we leave a positive impact

- Stakeholder: People
- Stakeholder: Community
- Stakeholder: Planet
- Stakeholder: Customers

HOW WE LEAVE A POSITIVE IMPACT

Stakeholder: *People*

This section primarily covers the Fair Work impact topic. It covers financial security, health and safety, wellness, career development, and engagement and satisfaction.



What we said we'd do	What we did	What we're working on/plans for 2026
Improve representation across our regional offices and functions, to reflect the communities that we are in.	• Retained our Onvero Gold Standard Award, reflecting our commitment to inclusive performance and cross team collaboration. • Our internship and early talent partnerships delivered a diverse intake: 50% female, 50% BAME, and 13% from lower socioeconomic backgrounds. • In 2025, women represented 29% of the Investment team and 68% of Infrastructure, supported by 56% female hiring across the year. • Our current workforce is comprised of 46% women, 12% BAME, and 65% having attended a UK state run school or received a bursary to a fee-paying school.	• Continue to improve representation across our regional offices and functions, to reflect the communities that we are in. • Continue to improve our employee engagement survey and eNPS scores. • Continue to enhance our employee benefits across wellbeing, ESG impact, future and financial protection: this includes cycle to work schemes, financial education; gym memberships, etc.
Enhance our employee benefits across wellbeing, ESG impact, future and financial protection: this includes cycle to work schemes, financial education; gym memberships, etc.	• In 2025 we launched our heat scheme providing heat efficiency services to employees. • Our new MYNDUP wellbeing partner provided proactive support to employees. • We rolled out Grace Consulting – elder care and neurodiversity support. • We also enhanced our maternity support and employees now have access to a return to work coach.	
Improve our employee engagement survey scores.	• Achieved, with 86% participation. • Overall measurement of engagement at BGF was 79%.	
Improve our eNPS score from a baseline of 81% from May 2023.	• Achieved 91% for 2025, a 10 percentage point rise.	

HOW WE LEAVE A POSITIVE IMPACT

Stakeholder: *Community*

This section addresses Government Affairs & Collective Action, Human Rights, and Justice, Equity, Diversity & Inclusion impact topics.

BGF is committed to respecting internationally recognised human rights, as reflected in the UN Guiding Principles on Business and Human Rights and related international standards, across all of its activities, investments and key supplier relationships.

Responsibility for overseeing this commitment rests with the Executive Committee, with day-to-day implementation led by ESG and Compliance and integrated into our investment and procurement processes.

Salient human rights in our value chain

As part of our B Corp recertification, BGF is committed to reviewing human rights in our value chain. These include rights related to fair and safe work (such as health and safety, freedom from discrimination, fair pay and working hours), rights to freedom from forced labour and child labour, and rights to privacy and data protection for employees, customers and other stakeholders whose data we process.

In our role as an investor, we also recognise potential impacts on community rights where portfolio company operations affect local livelihoods, access to decent work or the environment on which communities depend. These salient human rights inform our Responsible Investment Policy, exclusions, ESG and human rights due diligence, and our approach to monitoring severe incidents and remedy in the portfolio under the B Corp V2 Human Rights impact topic.

We plan to build on this by clarifying our expectations of portfolio companies on topics such as modern slavery, fair work and grievance mechanisms, and by improving data collection on workforce and supply-chain practices across our portfolio.



Our EDI (Equity, Diversity and Inclusion) programme is guided by an evidence-based JEDI Action Plan, informed by a structured review of our policies, data and practices. In 2025, we focused on improving gender diversity in deal teams and leadership pipelines, growing our commitment to invest at least £300m in female-powered businesses over five years, and expanding skills-based volunteering opportunities, with an 11% increase in volunteering days reported by BGF employees.

HOW WE LEAVE A POSITIVE IMPACT

Stakeholder: *Community*



What we said we'd do	What we did	What we're working on/plans for 2026
Encourage employees to make use of the employee charitable matching offer.	• Promoted BGF's matched giving scheme, resulting in £9,500 of matched donations in 2025.	• Continuing to convene and support female entrepreneurs through targeted events and networks. • Further improving representation across regional offices and business functions. • Deepening relationships with existing charity partners to create impact beyond financial support. • Expanding meaningful volunteering opportunities and increasing employee participation and hours. • Continue to improve representation across our regional offices and functions, with the aim of being representative of the communities that we are in.
Bring female entrepreneurs together through events.	• Hosted a series of targeted events, including a female CFO event co-hosted with NOVA; a Female NXC/D breakfast with portfolio non-executives; and a female adviser event in Manchester. • Launched the 2nd 'BGF OnBoard' cohort to support the development of female executives through a board observer role, to encourage more females into board level, C-suite roles within the BGF portfolio and beyond.	
Continue to improve representation across our regional offices and functions, with the aim of being representative of the communities that we are in.	• Achieved close to a 50:50 gender split across BGF overall, including more than 40 women across our Investment, Portfolio and Value Creation teams.	
Create meaningful volunteering opportunities and increase the YOY hours spent by 10% from 2024.	• While total volunteering hours increased by 3.5%, participation grew significantly (+23%), alongside an 11% increase in skills-based volunteering support.	
Develop a 'grants committee' to ensure a wide range of perspectives are included in decision-making process for grant funding to charities.	• Successfully established a Grants Committee comprising BGF employees from four regions and 3 external senior leaders from the non-profit sector. Its recommendations led to seven new multi-year partnerships, one project-specific grant and support for a funded CFO role within a partner charity.	

HOW WE LEAVE A POSITIVE IMPACT

Stakeholder: *Community*

INVESTING IN FEMALE-LED BUSINESSES

BGF is proud to invest in female-led and female-powered businesses. We aim to bring female entrepreneurs together to share experiences and build their networks through our 'Scaling Up and Standing Out' event series, held at our BGF offices.

In 2025, BGF committed £300 million to the Invest in Women Taskforce funding pot, to support female-powered scaleup businesses over the next five years.

This builds on BGF's initial £25 million commitment to the Invest in Women Taskforce (IWT) initiative, which raised more than £250 million in 2025. It will form part of the Partner Programme's investments, which sits alongside the Women Backing Women Fund of Funds, and takes the IWT's total funding pool to over half a billion pounds.

> "BGF's £300 million commitment to female-powered businesses, which builds on the work of the Invest in Women Taskforce, is one of the largest ever made in the UK. It marks a turning point in how we back women-led enterprise and is exactly the kind of action that can start to reshape our business landscape for the better.
>
> **Debbie Wosskow OBE**
> Co-Chair of the Invest in Women Taskforce



HOW WE LEAVE A POSITIVE IMPACT

Stakeholder: *Community*

BGF Foundation

The BGF Foundation is an independent charitable foundation established with an initial £1.5 million of cornerstone funding from BGF. In line with BGF's approach to investing, the Foundation backs ambitious, small and mid-sized charities with the potential to scale their impact.

The Foundation is committed to transforming the lives of young people across the UK. It supports organisations looking to expand their reach across five core areas:

- Enterprise
- Education
- Employment
- Mental Health
- Physical Wellbeing

Our progress

In 2025, the Foundation supported more than 30 charities on their growth journeys.

In its largest funding round to date, the Foundation awarded £650,000 of unrestricted grants to seven high-impact charities working across education, employability, physical wellbeing and mental health:

- Access Sport
- Social Mobility Foundation
- Go Beyond
- ThinkForward
- Sister System
- Team Domenica
- Jon Egging Trust

The Foundation also committed £150,000 of follow-on funding to Leadership Through Sport & Business (LTSB), bringing the total multi-year funding commitment in 2025 to £750,000.

Beyond financial support, BGF colleagues also actively fundraised for Foundation charity partners, taking part in individual and team-led challenges and events across the year. These employee-led fundraising efforts generated additional financial support for partner charities while strengthening connections between colleagues and the causes they support.

To ensure impact remains grounded in local communities, the Staff Grants programme awarded 20 grants of £1,000, empowering employees to nominate grassroots charities with strong local ties and encouraging active involvement through volunteering and fundraising.

Progress against our targets

- In line with the focus areas outlined in the 2024 report, the Foundation added **seven new multi-year charity partners** in 2025.
- The portfolio also continued to diversify its geographical spread with **over 90% operating programmes outside of London**.
- While the ambition to increase volunteering hours by 10% was not fully met in terms of total hours (+3.5%), participation broadened significantly (+23% increase in participants), alongside an **11% increase in skills-based volunteering support**.
- The Foundation continued to build thought leadership and transparency, including through insight-sharing and engagement with sector peers, and is now a member of **IVAR** (with 360Giving not yet adopted).



HOW WE LEAVE A POSITIVE IMPACT

Stakeholder: *Planet*

This section covers the Climate Action and Environmental Stewardship & Circularity impact topics.

These impact topics evaluate a company's overall environmental management practices as well as its impact on the air, climate, water, land and biodiversity. This includes the direct impact of a company's operations and its supply chain. This section also recognises companies that sell services that have a positive environmental impact.

What we said we'd do	What we did	What we're working on/plans for 2026
Maintain our Climate Neutral Status by decreasing our emissions and improving the measurability of carbon reporting.	• Since 2025 and in line with industry best practice, we have pivoted from Climate Neutral status and instead have set a 25% GHG emissions reduction target from a 2024 baseline to 2030 for scopes 1, 2, and selected scope 3. We will continue to use gold-standard, third party-accredited offsets for hard-to-abate emissions.	• Introducing a complimentary climate risk assessment within our annual ESG portfolio assessment. • Continuing to embed and operationalise our Net Zero plan through our Green Innovators Group. • Using the Private Markets Decarbonisation Roadmap to increase the proportion of portfolio companies measuring emissions and setting science-aligned reduction targets. • Prioritising decarbonisation efforts in the highest-emitting sectors within our portfolio.
Collect employee commuting and homeworking data to improve our existing Scope 3 Greenhouse Gas (GHG) Emissions inventory, and use the Flotilla platform to measure our GHG footprint and identify further emissions reductions.	• Collected data from 82% of employees to establish a commuting and homeworking baseline. Measured our carbon footprint and identified reduction opportunities across Supply Chain, People, Travel and Buildings.	
Campaign in every office location to raise awareness of responsible travel and share learnings with the B Corp community.	• Delivered Green Innovators Group updates to all staff on travel policy and began developing a company-wide travel tracker to identify emissions hotspots. Tracked grey fleet fuel types for the first time, with 16% now electric.	
Develop our Net Zero Roadmap.	• Worked with our Green Innovators Group and a third-party specialist to develop a formal Net Zero plan. • Achieved 19% reduction in our carbon emissions vs 5% annual target.	
Publish our second voluntary TCFD report in 2025, aiming to conduct scenario analysis across our portfolio.	• Published our 2025 TCFD report in September, including portfolio-wide climate scenario analysis.	

HOW WE LEAVE A POSITIVE IMPACT

Stakeholder: *Planet*

OUR CLIMATE ACTION PLAN

Climate change is a material environmental, social and commercial issue for BGF, our portfolio companies and the wider economy. As an investor in small and medium-sized businesses across the UK and Ireland, we recognise both our responsibility and our opportunity to help companies understand climate-related risks, improve environmental performance, and build more resilient, lower-carbon business models.

Our Climate Action Plan brings together the work we undertake within BGF's own operations, our investment process and our portfolio engagement model. It is designed to support our broader B Corp commitments by demonstrating a clear, measurable and governed approach to climate action, with a focus on practical implementation across the companies we back.

In 2025, BGF became a member of **Initiative Climat International**, committing to take action on climate change by:

- Integrating climate change analysis into our investment processes.
- Engaging with portfolio companies on climate change to support the commitments and goals of iCI.
- Supporting and promoting iCI among private market peers.

Through this commitment, BGF **supports the objectives of the Paris Agreement to limit global warming to well below 2°C and to pursue efforts to limit warming to 1.5°C**. Delivery of this work is led by BGF's ESG team and overseen by BGF's Executive Committee.

Our climate approach is structured around five pillars.



Pillar 1: Governance and accountability

Pillar 2: Reducing BGF's own operational footprint

Pillar 3: Climate-aware investing and due diligence

Pillar 4: Portfolio measurement, engagement and decarbonisation

Pillar 5: Transparency, reporting and climate risk assessment

HOW WE LEAVE A POSITIVE IMPACT

Pillar 1: *Governance and accountability*

Climate-related risks and opportunities are embedded into BGF's wider responsible investment approach and are overseen through our ESG governance structure.

The ESG team is responsible for coordinating BGF's climate strategy, supporting investment teams, engaging with portfolio companies, monitoring progress against climate-related KPIs, and reporting to the Executive Committee. Climate-related matters are also reflected in our external reporting, including our voluntary TCFD-aligned disclosure.

BGF allocates dedicated human, technical and financial resources to deliver its Climate Action Plan. Delivery is led by the ESG team, with support from the Green Innovators Group as BGF's internal climate champions network, and Executive Committee oversight through BGF's wider ESG governance. Technical resources include the AXA Altitude licence for climate risk scenario analysis and TCFD-aligned reporting, and the Flotilla platform for greenhouse gas calculation across BGF's own operations and for support to portfolio companies on emissions measurement.

Financially, £2,000 of the ESG budget is ringfenced to support Green Innovators Group activity, and the wider ESG budget can also be deployed for additional external consulting and implementation support where further specialist input is required. This governance model is designed to ensure that climate is not treated as a standalone reporting issue, but as a core component of investment decision-making, portfolio value creation, risk management and stakeholder accountability.

Stakeholder engagement

BGF's Climate Action Plan is implemented in partnership with the stakeholders most affected by our climate approach. Portfolio companies are engaged through climate aware investing and due diligence, support to measure Scope 1 and 2 emissions, ESG and climate training, action planning and board level engagement, with climate risk scenario analysis for 227 portfolio companies carried out using the AXA Altitude tool and shared with management teams and investors at the December Investor Forum.

Within BGF, the Green Innovators Group acts as our climate champions network, co developing and agreeing the 25% emissions reduction target, reviewing carbon footprint data, and driving operational initiatives across supply chain, travel, people and buildings, informed by staff surveys and workshop sessions. Employees are involved through commuting and homeworking data collection, Tusker EV and heat scheme benefits, and interactive GIG workshops that invite suggestions and co creation of next steps.

Our lenders and investors are engaged through our ESG-linked Revolving Credit Facility, with climate-related KPIs jointly tracked and refined to support progress on measurement, governance and training, and through regular transparency on climate risks and opportunities via TCFD reporting and dedicated Investor Forum sessions.

In parallel, we work with key suppliers and operational partners to improve building performance, energy sourcing and travel-related emissions, and encourage portfolio companies to consider climate risks and opportunities in relation to the communities in which they operate.

Key accountability mechanisms include:

- Executive Committee oversight of BGF's climate strategy and ESG priorities.
- ESG team ownership of climate-related portfolio engagement, data collection and reporting.
- Integration of climate considerations into investment due diligence and portfolio onboarding.
- Monitoring of climate-related KPIs linked to BGF's Revolving Credit Facility.
- Voluntary TCFD-aligned disclosure of climate governance, strategy, risk management, metrics and targets.
- Annual review of portfolio decarbonisation maturity using the Private Markets Decarbonisation Roadmap.

HOW WE LEAVE A POSITIVE IMPACT

Pillar 2:

Reducing BGF's own operational footprint

Our materiality assessment confirmed climate action and environmental stewardship as priority topics, given the emissions profile of our portfolio and the systemic nature of climate risk.

We have committed to:

- Achieve a **25% reduction in Scope 1, Scope 2 and selected Scope 3 emissions by 2030**.
- Transition to **100% renewable electricity** in all offices where there is a feasible market solution.
- Continue monitoring and reducing BGF's operational emissions, including energy use across our office estate.
- Use internal reporting and governance to identify further opportunities for energy, travel and resource efficiency.

Pillar 3:

Climate-aware investing and due diligence

Climate considerations are embedded into BGF's investment process so that climate-related risks and opportunities are identified before investment and actively managed post-investment.

From 2025, BGF committed that all **new Growth portfolio companies must measure Scope 1 and Scope 2 greenhouse gas emissions within the first year of investment**. This is a key step in establishing a baseline for portfolio emissions, improving data quality and enabling more targeted decarbonisation engagement.

In addition, all new investment opportunities are reviewed for climate-related impacts as part of BGF's ESG and investment due diligence process. This review considers, where relevant:

- Exposure to physical climate risks, including flooding, heat stress, water stress, storms and other location-specific risks.
- Exposure to transition risks, including regulation, carbon pricing, changing customer requirements, technology shifts and market expectations.
- The company's current emissions profile and availability of energy or carbon data.
- Energy intensity, resource efficiency and waste management.
- Opportunities to reduce emissions, improve operational efficiency or strengthen resilience.
- Whether climate-related risks or opportunities should be reflected in the investment case, board agenda or post-investment action plan.

The findings from climate due diligence are used to inform investment decision-making and post-investment engagement. This may include agreed management actions, data collection requirements, board-level ESG priorities, or referral to BGF's ESG support programme.

HOW WE LEAVE A POSITIVE IMPACT

Pillar 4: *Portfolio measurement, engagement and decarbonisation*

BGF's greatest climate impact is through the businesses we back. Many of our portfolio companies are SMEs at an early stage of their climate journey, so our role is to help them build capability, understand their emissions and take practical, commercially relevant action.

Our portfolio climate engagement is focused on four areas:

1. **Measurement** — helping companies calculate Scope 1 and Scope 2 emissions and improve the quality of their environmental data.
2. **Capability building** — providing training, tools and guidance on climate, carbon, biodiversity and broader ESG topics.
3. **Action planning** — supporting companies to identify realistic decarbonisation and resource efficiency opportunities.
4. **Board engagement** — ensuring ESG and climate considerations are visible at board level and integrated into governance, risk and value creation discussions.

As part of our Revolving Credit Facility, BGF tracks KPIs that support portfolio ESG and climate progress. In 2025:

- **46%** of portfolio companies measured Scope 1 and Scope 2 emissions, against a target of **45%**.
- **30%** of portfolio companies attended two or more ESG training sessions, against a target of **24%**. This included dedicated training on climate and biodiversity.
- **60%** of relevant portfolio companies completed a formal board effectiveness review within 18 months of investment, meeting the target of **60%**.

These KPIs are important because they track the building blocks of climate action: data, engagement, capability and governance.



HOW WE LEAVE A POSITIVE IMPACT

Pillar 5: *Transparency, reporting and climate risk assessment*

BGF is committed to improving the transparency and quality of its climate reporting.

In 2025, BGF published its second voluntary **TCFD-aligned disclosure**, setting out how climate-related risks and opportunities are governed, integrated into strategy, managed and measured.

We also conducted portfolio-wide climate scenario analysis using the **AXA Altitude** tool. This covered a snapshot of **227 portfolio companies** and assessed short-, medium- and long-term climate-related risks across three IPCC-aligned scenarios.

The analysis considered:

- Physical risks, including water stress, storms, floods, landslides and temperature change.
- Transition risks linked to market, policy and technological shifts.

Consumption, emissions and intensity
BGF emitted a total of 1,906.9 tCO_2e in 2025. Scope 3 accounted for 93%, Scope 2 accounted for 4.7% and Scope 1 accounted for 2.3% of total emissions.

19% reduction in total emissions through decarbonisation efforts in 2025
This reduction reflects the impact of the firm's decarbonisation initiatives, alongside continued improvements in the quality and accuracy of emissions data. The most significant decrease was in Scope 3 emissions, which fell by 19%, primarily due to lower emissions from purchased goods and services and capital goods, as well as improved reporting methodologies.

During the year, BGF continued to strengthen its emissions reporting processes, including increasing employee response rates for commuting and homeworking data from 82% to 86%. In business travel, grey fleet mileage reduced by 18.74%, while enhanced data monitoring enabled fuel type to be recorded for the first time. The continued roll-out of the employee electric vehicle scheme also supported lower-emission travel, with 16% of car use for business travel in 2025 undertaken through the scheme. Scope 2 emissions decreased overall as a result of further decarbonisation of the UK electricity grid, despite a slight increase in electricity use. Scope 1 emissions also reduced overall, mainly due to fewer refrigerant leaks.

Intensity metrics	**FY25 UK and non-UK**	**FY24 UK and non-UK**
tCO_2e per full-time employee	**9.88**	11.59
tCO_2e per £100,000 of revenue	**1.55**	1.96
tCO_2e per 1,000 office sq ft	**35.40**	43.51

Energy use and emissions

Scope	**Type**	**Kilowatt hours (kWh) 2025**	**Kilowatt hours (kWh) 2024**	**Tonnes of carbon dioxide equivalent (tCO_2e) 2025**	**Tonnes of carbon dioxide equivalent (tCO_2e) 2024**
Scope 1	Stationary combustion [1]	**139,217**	173,532	**25.5**	31.7
Scope 1	Fugitive emissions [2]	**—**	—	**19.4**	36.2
Scope 2	Electricity, heat, steam, and cooling emissions [3]	**504,531**	503,124	**89.3**	104.2
Scope 3	Mobile combustion [4]	**137,602**	193,248	**33.2**	46.6
Scope 3	Other emissions [5]	**—**	—	**1,739.5**	2,133.5
Total Emissions		**781,350**	**869,904**	**1,906.9**	**2,352.2**
Offsets				**1,250**	509
Net Emissions				**656.9**	1,843.2

1. Combustion of fuels in stationary equipment, such as boilers, generators or incinerators.
2. Intentional or unintentional releases of GHGs into the atmosphere, usually in the form of refrigerant leaks from faulty equipment. Reporting is not mandatory under SECR.
3. Emissions from the generation of electricity, steam or purchased heat and cooling that is consumed by the reporting company.
4. Combustion of fuels in non-company-owned vehicles being used for business travel.
5. Remaining Scope 3 emissions. Reporting is not mandatory under SECR.

HOW WE LEAVE A POSITIVE IMPACT

Stakeholder: *Customers*

This section addresses the Purpose & Stakeholder Governance impact topic, including how we assess, manage and improve the impact of our investments and services on customers and end-users.

Our material topics

In 2025, BGF completed a structured double materiality assessment to identify the topics that matter most to our stakeholders and where we have the greatest actual and potential impacts. This process combined internal workshops with investment and functional teams, portfolio-company engagement, and input from external benchmarks and regulatory developments.

The assessment confirmed six material topics:

- Climate action
- Portfolio-level environmental performance
- Fair work
- Inclusion and diversity,
- Responsible investment, and
- Human rights in the value chain

It also highlighted data quality and impact measurement, community investment through the BGF Foundation, and governance and accountability as areas of growing importance. These priorities shape our B Corp V2 gap analysis, inform our Net Zero and JEDI plans, and guide the structure and content of this Impact Report.

As an evergreen fund, we demonstrate a commitment to our founding banks ('Customers', to use B Corp's terminology) by facilitating investment in SMEs and supporting them in their sustainability journey. Our patient capital structure also encourages entrepreneurs to re-invest earnings and grow the business in a sustainable way.



HOW WE LEAVE A POSITIVE IMPACT

Stakeholder: *Customers*

What we said we'd do	What we did (2025)	What we're working on/plans for 2026
Increase the uptake of portfolio companies undertaking our annual ESG assessment in 2025.	• Increased participation from 187 companies in 2023 to 205 companies in 2025.	• Continuing to embed ESG considerations across the full investment lifecycle. • Further increasing investment in businesses providing sustainability and life sciences solutions. • Introducing additional NED roles to further enhance female board representation. • Hosting events focused on diversity beyond gender and addressing structural barriers to board participation. • Improving the scores from the ESG assessment for participating portfolio companies in 2026. • Continuing to strengthen and extend our supplier assurance process.
Continue to consider ESG throughout our engagement with portfolio companies.	• In 2025, 100% of potential growth opportunities underwent ESG risk and opportunity screening using our bespoke ESG screening tool. All potential investments received pre-acquisition ESG due diligence support from external specialist Holtara. Post-investment, our ESG team provided ongoing strategic support to new portfolio businesses. We also expanded our exit support framework, providing strategic insight on ESG positioning for businesses such as BB7.	
Continue to invest in businesses that provide sustainability solutions such as life sciences, clean tech, and environmental management.	• BGF investments in 2025 included: • Origin Tech – AI and satellite-enabled leak detection technology for water companies. • Cellular Origins – advancing scalable cell therapy. • T-Therapeutics - developing next-generation T-cell receptor (TCR) therapies for cancer and autoimmune diseases. • Xampla – replacing single-use plastics with plant-based alternatives.	
Proactively target diverse non-executive candidates with historically lower gender diversity (such as industrial services, technology) to enhance diversity in both shortlists and placements.	• Achieved 8 female non-executive appointments out of 36 in 2025, exceeding the private equity industry average (typically 10–15%).	
Focus on increasing non-executive director (NED) and board advisory/observer roles within the BGF portfolio, helping expand the Talent Network candidate pool and improving board gender diversity.	• Appointed 6 Non-Executive Chairs (up from 4 in 2024) and 2 Non-Executive Directors, maintaining consistent representation year-on-year.	
Increase our overall B Corp score to 100+ upon recertification in 2026.	• While the B Corp scoring methodology has since changed, we have made measurable progress across all impact pillars, as detailed throughout this report.	

HOW WE LEAVE A POSITIVE IMPACT

Stakeholder: *Customers*

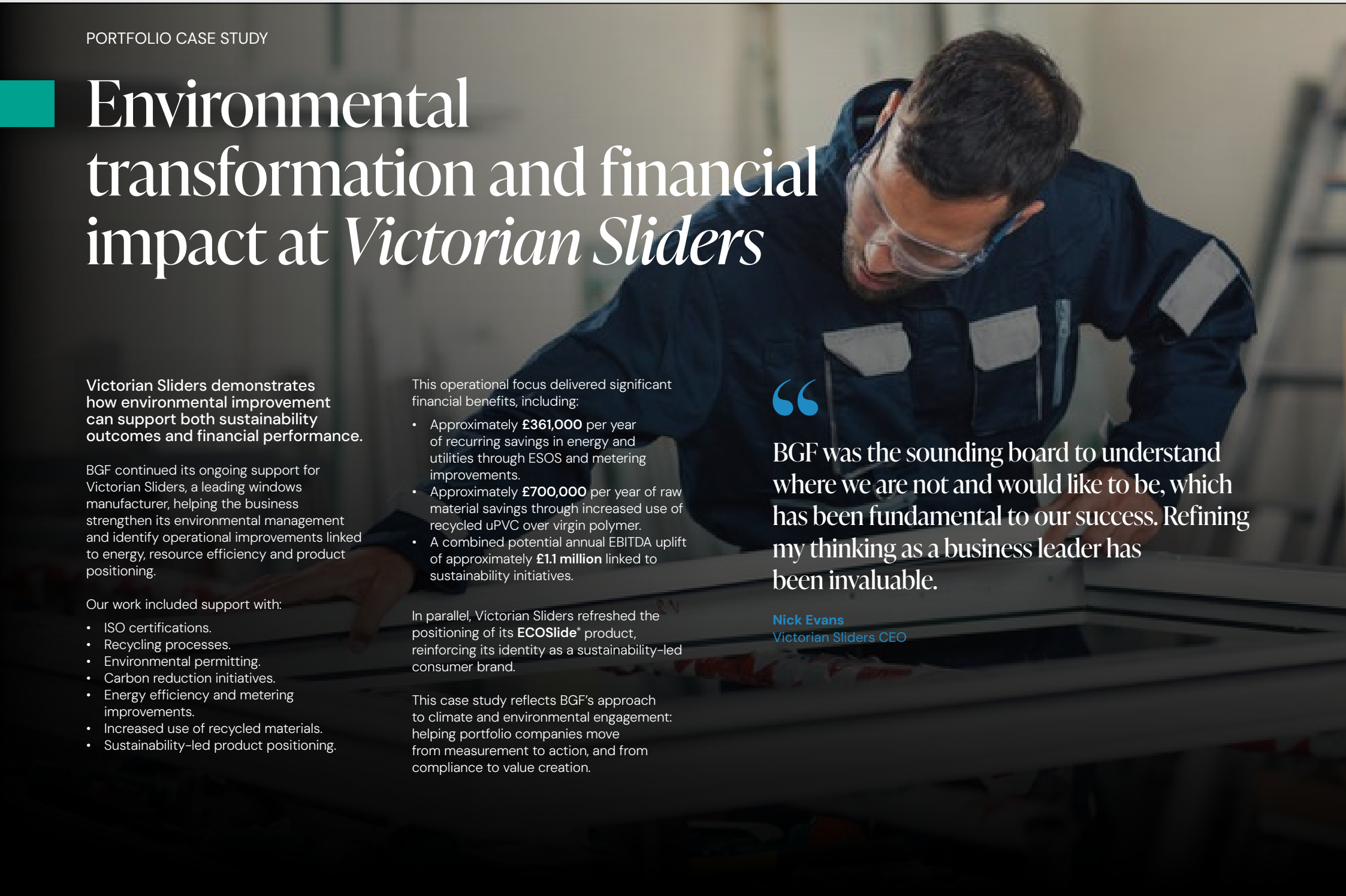
What we said we'd do	What we did (2025)	What we're working on/plans for 2026
Engage with our stakeholders to improve outcomes for investee businesses, employees and shareholders.	• Conducted a comprehensive double materiality assessment in 2025, including interviews with employees across business functions, portfolio companies, members of our Non-Executive talent pool, and representatives from our charity partners. These insights directly informed the evolution of our ESG strategy.	• Continuing to embed ESG considerations across the full investment lifecycle. • Further increasing investment in businesses providing sustainability and life sciences solutions. • Introducing additional NED roles to further enhance female board representation. • Hosting events focused on diversity beyond gender and addressing structural barriers to board participation. • Improving the scores from the ESG assessment for participating portfolio companies in 2026. • Continuing to strengthen and extend our supplier assurance process.
Undertake a formal gap analysis in Q1 2025 against the new B Corp standard and set goals toward recertification.	• Completed the gap analysis and finalised our preparation for recertification under the new B Corp standards in 2026.	
Run our annual ESG assessment of portfolio companies in Q1 2025 and disclose our results in our next Impact Report. Work towards the target for increasing the percentage of portfolio companies reporting Scope 1 and 2 emissions to 45% by 2025.	• Achieved our 45% target of percentage of portfolio companies reporting Scope 1 and 2 emissions in 2025. We also hosted sector-specific webinars to support companies beginning their emissions reporting journey and set a requirement for all new Growth investments to measure Scope 1 and 2 emissions within their first year of BGF investment.	
Extend our supplier assurance process to our existing suppliers.	• All existing contracts that were renewed automatically were part of the assurance, therefore increasing our coverage. This will continue to cover a greater proportion as the renewals take place.	

Portfolio case studies

- Victorian Sliders
- Monodraught
- OrganOx
- Dolphin Homes

PORTFOLIO CASE STUDY

Environmental transformation and financial impact at *Victorian Sliders*



Victorian Sliders demonstrates how environmental improvement can support both sustainability outcomes and financial performance.

BGF continued its ongoing support for Victorian Sliders, a leading windows manufacturer, helping the business strengthen its environmental management and identify operational improvements linked to energy, resource efficiency and product positioning.

Our work included support with:

- ISO certifications.
- Recycling processes.
- Environmental permitting.
- Carbon reduction initiatives.
- Energy efficiency and metering improvements.
- Increased use of recycled materials.
- Sustainability-led product positioning.

This operational focus delivered significant financial benefits, including:

- Approximately **£361,000** per year of recurring savings in energy and utilities through ESOS and metering improvements.
- Approximately **£700,000** per year of raw material savings through increased use of recycled uPVC over virgin polymer.
- A combined potential annual EBITDA uplift of approximately **£1.1 million** linked to sustainability initiatives.

In parallel, Victorian Sliders refreshed the positioning of its **ECOSlide®** product, reinforcing its identity as a sustainability-led consumer brand.

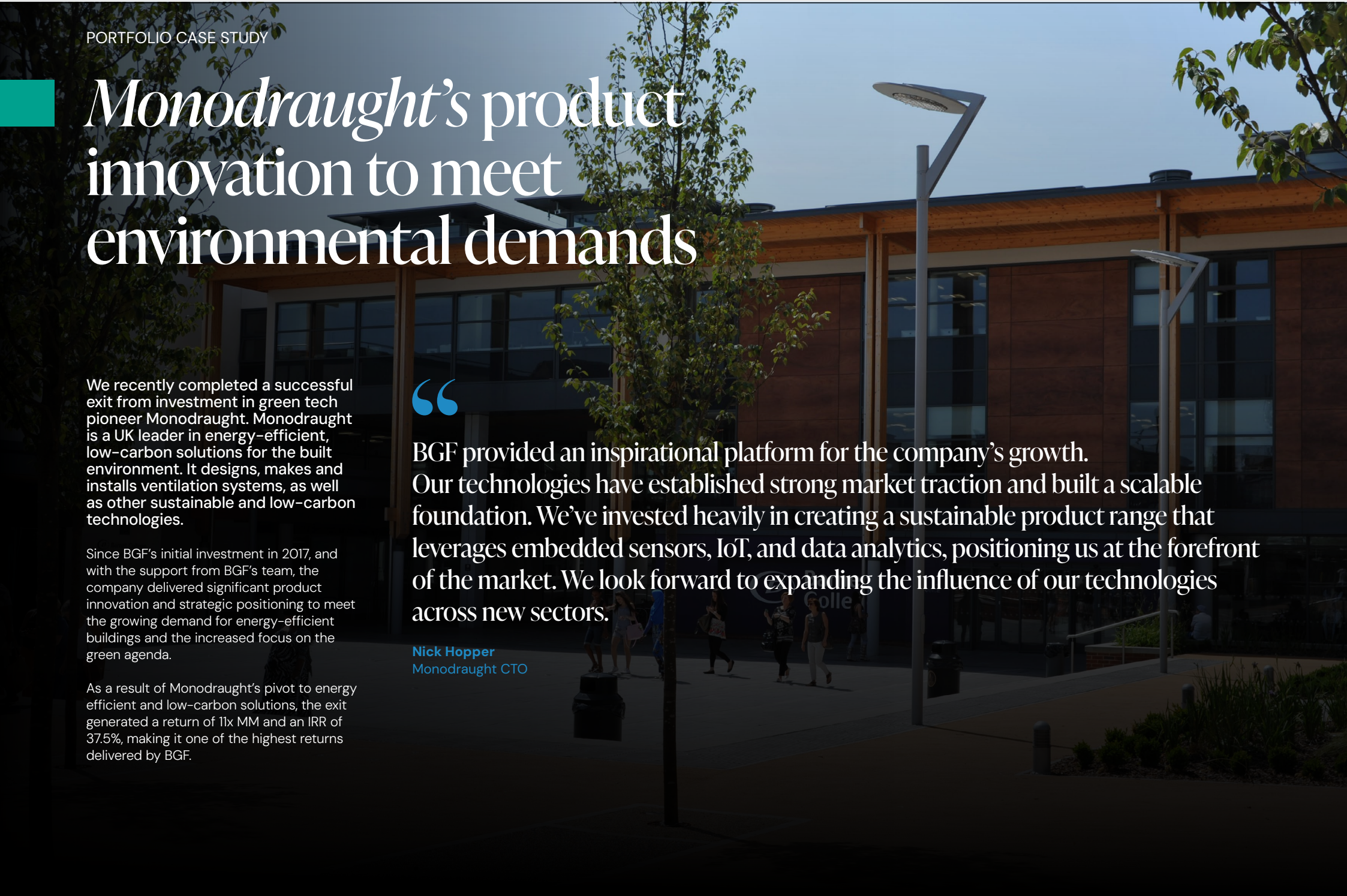
This case study reflects BGF's approach to climate and environmental engagement: helping portfolio companies move from measurement to action, and from compliance to value creation.

> "BGF was the sounding board to understand where we are not and would like to be, which has been fundamental to our success. Refining my thinking as a business leader has been invaluable.

Nick Evans
Victorian Sliders CEO

PORTFOLIO CASE STUDY

Monodraught's product innovation to meet environmental demands



We recently completed a successful exit from investment in green tech pioneer Monodraught. Monodraught is a UK leader in energy-efficient, low-carbon solutions for the built environment. It designs, makes and installs ventilation systems, as well as other sustainable and low-carbon technologies.

Since BGF's initial investment in 2017, and with the support from BGF's team, the company delivered significant product innovation and strategic positioning to meet the growing demand for energy-efficient buildings and the increased focus on the green agenda.

As a result of Monodraught's pivot to energy efficient and low-carbon solutions, the exit generated a return of 11x MM and an IRR of 37.5%, making it one of the highest returns delivered by BGF.

> BGF provided an inspirational platform for the company's growth. Our technologies have established strong market traction and built a scalable foundation. We've invested heavily in creating a sustainable product range that leverages embedded sensors, IoT, and data analytics, positioning us at the forefront of the market. We look forward to expanding the influence of our technologies across new sectors.

Nick Hopper
Monodraught CTO

PORTFOLIO CASE STUDY

OrganOx's transformation of liver transplants

BGF's Early Stage portfolio includes businesses operating in the Life Sciences sector, aiming to solve some of the world's biggest health challenges: from cancer diagnostics to drug development.

OrganOx is a University of Oxford spinout that developed the first fully-automated device for liver preservation. Its technology enables donor livers to be maintained in a functioning state, outside the human body, for up to 24 hours – significantly increasing the number of viable organs available for transplant and improving patient outcomes.

The business has enabled approximately 6,000 people to receive a new liver and is currently supporting >10 transplants per day.

In 2025, BGF's Early Stage business sold OrganOx to Terumo Corporation, a listed Japanese business. The successful exit of OrganOx, valued at $1.5bn, is among the UK's largest medtech exits and marks BGF's largest-ever return on a single deal, generating £175m of proceeds.

> "OrganOx's achievement in transforming liver transplantation - through groundbreaking innovation and impact on patient outcomes – stands as a landmark for UK medtech.

Tim Rea
BGF Investor

PORTFOLIO CASE STUDY

Energy savings at *Dolphin Homes*



We supported Dolphin Homes, a South Coast-based specialist care provider for young adults, to unlock cost savings through operational energy efficiencies.

By supporting Dolphin Homes through the delivery of their ESOS audit and carbon reduction plan, Dolphin Homes achieved a c.£34k p.a. identification of energy reduction opportunities and an 11% energy reduction against bespoke benchmarks. Dolphin also introduced an innovative reward scheme for top-performing homes to drive positive behaviour.

> Dolphin Homes have a credible carbon reduction plan which reduces fuel costs and supports a transition to heat pumps across the care homes. By introducing smart electricity meters and smart gas meters planned for 2026, their ESG strategy is delivering tangible environmental and commercial benefits.

Roshni Bandesha
Head of ESG at BGF



Our data and methods

Unless otherwise stated, data in this report covers the 2025/26 fiscal year and reflects the best available information at the time of publication. Operational emissions data is calculated using the Flotilla platform, with 86% of employees providing commuting and homeworking information for our Scope 3 estimates. Portfolio ESG data is collected through an externally verified ESG benchmarking exercise covering 205 companies and is being further standardised through our participation in the ESG Data Convergence Initiative. We conduct internal quality checks on key metrics and will continue to strengthen our data governance as we prepare for B Corp recertification under the V2 standards.

BGF

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