

How we approach sustainability

We are growth investors, and we back businesses at critical stages in their lifecycle. This gives us the opportunity to drive positive change, not just in terms of performance but also in the environment and society in which we operate.

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

When we invest, we invest to grow. Bridgepoint looks to support strong-performing, good-quality, well-managed businesses that have the potential to flourish, whether via international expansion, operational improvement or acquisitions.

But that's not all we look for. We want to generate attractive returns in a manner the millions of beneficiaries of our funds can be proud of. From the outset, this is what we have strived to achieve.

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

To create lasting and sustainable positive impact

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

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

We drive growth and build value by connecting people, capital, ideas and opportunities.

2 We believe we must invest in our world and its environment.

Environmental action is ushering in a new era of innovation, efficiency, and sustainable growth. Climate change represents an investment risk and an opportunity.

3 We believe in the power of the individual.

By bringing diverse teams together that reflect the world in which we live, we can deliver better performance.

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

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

We evaluate our four core sustainability beliefs across essential areas: our group operations as entity, our investment decision making, our portfolio operations, and portfolio practices.

Sustainability at Group level

It is our aim to make Bridgepoint a leader and a role model in corporate responsibility by continuously meeting and raising environmental, social and governance standards.



Governance

Laying our sustainability foundations

Our rigorous approach to the management of fund investments includes putting in place 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.

Our Board-level ESG Committee, comprising Non-Executive Directors, aims to ensure that ESG considerations, including climate concerns, are integrated into the Company’s strategic and financial planning. It met twice in 2023 and assists the Board in fulfilling its oversight responsibilities in relation to ESG matters.

→ Read more about our ESG Committee on page 99.

Harnessing the power of our people

Bridgepoint is an international business: our employees come from over 30 nations and 55% of investment professionals are multilingual. But nationalities and languages are just the start. We are working hard to enrich the diversity of our organisation on every level and to ensure we foster an inclusive culture where everyone has equal opportunity to succeed – we are currently at 25%+ female representation in investment teams and aim to be 30% by the end of 2025 (40% if you exclude partners).

→ Read more about DEIB on pages 32 to 35.

Upon joining Bridgepoint, all new employees are provided with sustainability training, providing new joiners with important information on sustainability activity and our progress. In addition, throughout 2023, the Sustainability team hosted training seminars for the investment teams including sessions covering climate change and responsible investment. These sessions form part of a regular ESG and DEIB training program.

Sustainability team

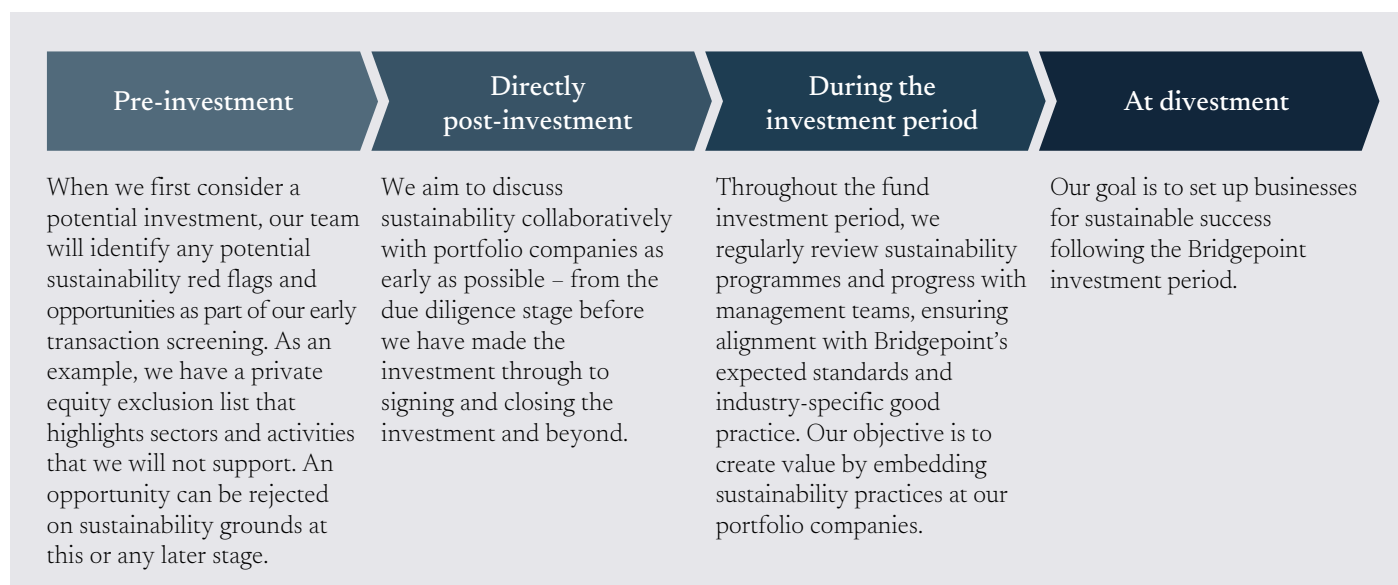
Across the group we have a dedicated sustainability team of seven who play a pivotal role in strengthening our programme and driving performance at a Group level and across fund portfolios.

Sustainability through the private equity investment cycle

Before, during, after

We carry out thorough ESG due diligence before we invest. We are proactive in working with our portfolio companies to raise their ESG ambitions and help them to achieve their targets.

By further embedding ESG in the strategies of our portfolio companies, we set them up for sustainable success both during and after the investment period.



As the opportunity moves into full diligence

The investment team is responsible for ensuring that any sustainability-related issues are identified and assessed. Third party ESG due diligence is a requirement for every potential investment and forms a key input to the decision making of the relevant investment committee.

Following completion

As part of a 100-day plan, the investment team will work with management to ensure the right governance structure for ESG is in place. For example, this could include ensuring there is a Board member responsible for ESG matters and a member of the team individual responsible for ESG on a day-to-day basis.

Typically during this early stage of the investment period the Bridgepoint’s team will support the management team to prioritise a number of ESG related initiatives based on a combination of pre investment due diligence and engagement with the management teams.

During investment

Bridgepoint provides guidance and support to management teams via Bridgepoint’s Board representatives and dedicated sustainability team. For the Sustainability team this often includes the coordination of external ESG advisers to support on specific projects as well as 1:1 sessions providing support on the development and implementation of sustainability strategy. In addition, portfolio companies have access to a ‘Sustainability Resource Centre’ which provides guidance, tools and resources covering key topics such as developing sustainability strategies, as well as information on Bridgepoint’s compliance and climate programmes.

A final key element of ESG engagement with portfolio companies is reporting. We understand the importance of collecting and reporting reliable sustainability data and do this via an annual portfolio company survey. Each portfolio company supplies a range of ESG related information, from which a selection of KPIs forms part of the regular reporting presented to the relevant Portfolio Monitoring Committee.

At divestment

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

Sustainability through the private credit investment cycle

Lending weight

Bridgepoint Credit invests across the capital structure and risk-reward spectrum, through our Direct Lending, Credit Opportunities and Syndicated Debt strategies.

Where we make credit investments, we apply an ESG due diligence framework and offer ESG related loan pricing incentives. Where Bridgepoint Credit holds a meaningful equity stake, the credit team supports the implementation of appropriate ESG policies and relevant KPIs to mitigate potential sustainability risks.



ESG-linked margin ratchets

In 2023, Bridgepoint Credit organised for a sustainability council to the Loan Market Association (LMA) to run training on the SLLPs and in particular, how they should be used to structure robust ESG margin ratchets. This training was provided to the Bridgepoint Credit investment team members and the Sustainability team to support them to implement robust and ambitious ESG-linked margin ratchets. Bridgepoint Credit’s Sustainability team has also developed an ‘ESG Margin Ratchet Introduction’ document for portfolio companies to give an overview of our approach and some guidance regarding KPI and target setting.

Embedding our climate impact assessments

Our long-term goal is to make the assessment of climate impact a core part of our credit analysis. The challenge is to obtain data from companies that do not often measure their own climate impact. In 2022, Bridgepoint Credit partnered with a leading global carbon accounting platform to assess the carbon footprints of BDL III and BCO IV portfolio companies. In 2023, we have extended the scope to include BDL II and a number of SMAs. Please see pages 78 to 80 for TCFD Metrics and targets for more information.

Sustainability at ECP

A key milestone in Bridgepoint’s sustainability journey last year was the announcement that ECP, a leading North American infrastructure investor specialising in energy transition and sustainability-focused investing, will be joining the platform.

This partnership underscores a unified commitment within Bridgepoint and ECP to embed sustainability principles across our group operations, investment strategies, and portfolio practices, reflecting our shared dedication to responsible investing.

→ Refer to pages 12 to 17 for more information on ECP

Sustainability industry associations

Bridgepoint drives positive change in the investment industry

Sustainability initiatives

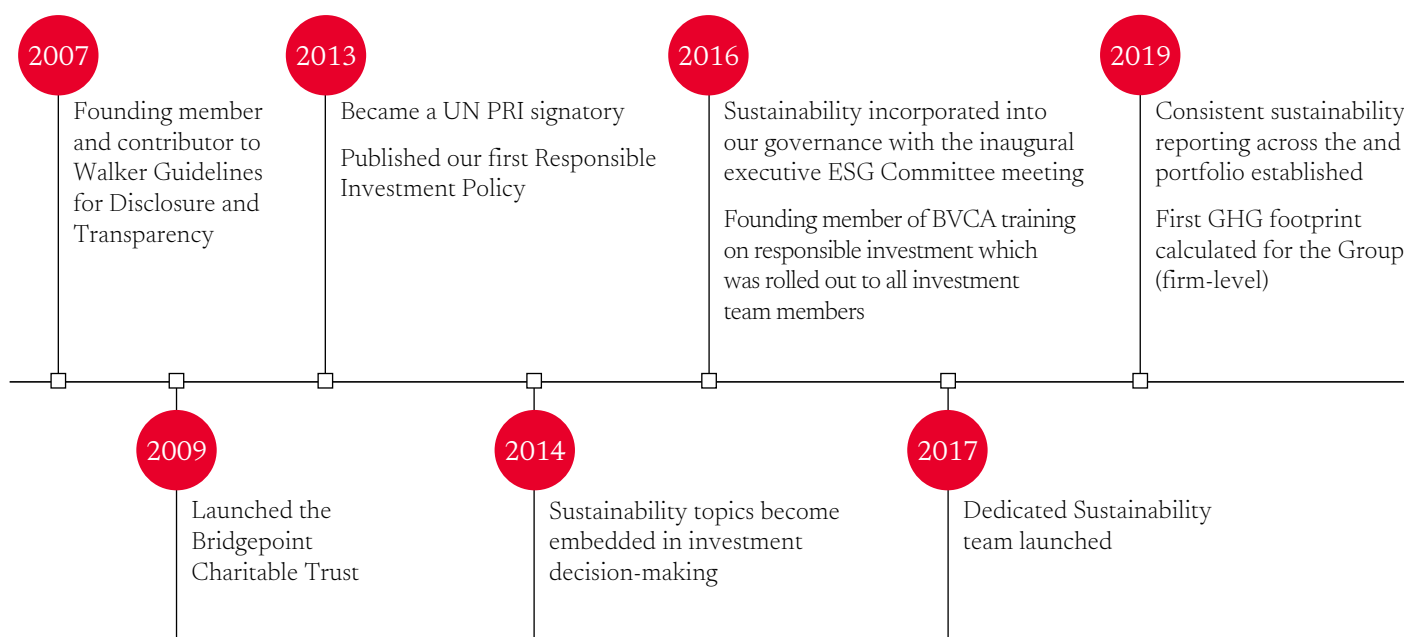
- **Sustainable Markets Initiative (“SMI”)** – We are members of the SMI’s private equity roundtable. The SMI, which was launched by HM The King at the World Economic Forum 2020, is a global coalition of leading companies that share a vision for the need to accelerate global progress towards a sustainable future and to tackle climate change and biodiversity loss.
- **Initiative Climate International (“iCI”)** – In 2021, Bridgepoint joined the iCI, an initiative for private equity action on climate change in support of a collective commitment to understand and reduce carbon emissions of private equity-backed companies and secure sustainable investment performance.
- **ESG Data Convergence Initiative (“EDCI”)** – We are a founding member of the EDCI which was set up by a group of GPs and LPs in 2021 led by CalPERS and Carlyle. The EDCI is the private equity industry’s first-ever collaboration to align on a standardised set of ESG metrics and a mechanism for comparative reporting. Throughout 2023, we served as a Steering Committee member which is a position we have held since 2021.

DEIB initiatives

- **Level 20** – A not-for-profit organisation which promotes gender equality and diversity in private equity. Bridgepoint’s co-head of UK investment activities, Emma Watford (Partner and Chair of the DEIB Committee), sits on Level 20’s Advisory Committee.
- **France Invest** – Bridgepoint’s Head of Capital Markets, Edouard Giuntini, co-heads the Talent & Diversity Commission of France Invest, which promotes industry-wide efforts to increase diversity within investment firms and the businesses they support. Other members of the Paris investment team are also active within the commission, including Anne-Sophie Moinade, who co-led the publication of France Invest’s rule-book to promote social diversity at industry level, issued in 2022.
- **ILPA’s Diversity in Action** – Bridgepoint is a signatory to the Institutional Limited Partners Association’s ‘Diversity in Action’ initiative which aims to advance diversity, equity and inclusion.
- **10,000 Black Interns** – We became a member of the ‘10,000 Black Interns’ programme in 2020 to help address the under representation of Black talent in the financial sector.
- **Out Investors** – We are a member of Out Investors, a global organisation that was founded with the mission to make the direct investing industry more welcoming for LGBTQ+ individuals.

→ Read more about DEIB on pages 34 and 35


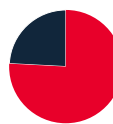



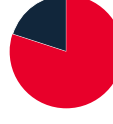
A track record of industry leadership



Sustainability performance

UN PRI 2023 score published in 2023

In our 10th year as a UN PRI signatory, we are pleased to have received the top rating (5 stars) in all three core modules of the assessment, including achieving full marks for the private debt and private equity modules. Additionally, we scored 4 stars in the new module – Confidence Building.

Module	Bridgepoint	Peer Median
Policy, Governance and Strategy	97 / 100 	76 / 100 
Direct – Private equity	100 / 100 	86 / 100 
Direct – Fixed income – Private debt	100 / 100 	80 / 100 

This achievement recognises Bridgepoint’s effort and commitments to being a leader in corporate responsibility, and to integrating environmental, social, and governance principles into the full lifecycle of our investments.

Sustainalytics

For the second time, we received a Sustainalytics score in 2023, which put us in the 16th percentile (from the top) in our sub-industry (Asset Management and Custody Services). Whilst this is a good result, we will continue to develop our processes and aim to improve our score on a year-on-year basis.

→ For more information on climate risk and risk management more generally please see pages 74 to 81

