Article 29 of the French Energy and Climate Law

2021 Annual report

Bridgepoint

Bridgepoint Group plc is one of the world's leading private asset growth investors, specialising in private equity and private debt. With over €32.9bn of assets under management and a strong local presence in Europe, the US and China, we combine global scale with local market and sector expertise, consistently delivering strong returns through cycles.

We specialise in Private Equity and Private Debt and invest internationally in five principal sectors – Advanced Industrials, Consumer, Services, Healthcare and Technology.

Moving towards net zero, having a more representative workforce, supporting our communities and strong governance are at the heart of our ambitions.

That's why we have the structures, policies, and people in place to deliver these ambitions and support our broader belief that sustainable and resilient businesses deliver stronger performance.

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

In France, Bridgepoint's business is regulated by the French Financial Market Authority ("Autorité des Marchés Financiers"). Our French subsidiaries, Bridgepoint SAS and Bridgepoint Credit France SAS, are subject to Article 29 of the French Energy and Climate Law ("Loi Energie Climat" – "LEC"). The present report aims to address how we comply with the requirements of Article 29 LEC.

Contents

Our general approach

Our investment strategy

Bridgepoint's investment strategy focuses on investing in Middle Market businesses via four distinct fund strategies:

- **Middle Market**, implemented via Bridgepoint's flagship buyout fund, which focuses on investing in market-leading businesses typically valued between €250 million and €1.5 billion;
- **Lower Mid-Cap**, implemented via Bridgepoint Development Capital which focuses on investing in lower middle market companies valued up to £200 million;
- **Early-Stage Growth**, implemented via Bridgepoint Growth which focuses on companies using digital technologies to achieve transformational growth in their end-markets, typically seeking equity investment of between £5 million and £20 million;
- **Investing in corporate credit** across the capital structure through three strategies:
  - Syndicated Debt: our strategy seeks investment opportunities in floating-rate loans and notes of strongly performing European companies and manages a portfolio of large, liquid, European credits;
  - Direct Lending: our strategy seeks to provide flexible, long-term financing solutions to support European businesses, across a wide range of sectors. These businesses include privately-owned companies seeking growth capital as well as those that are the subject of private equity-led acquisitions or refinancing;
  - Credit Opportunities: our strategy seeks medium-term investment opportunities in complex situations via the secondary market and by providing creative capital solutions to companies that are unable to access capital markets.

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

Our approach to ESG at Group level

Moving towards net zero, having a more representative workforce, supporting our communities and strong governance are at the heart of our ambitions..

We aim to make Bridgepoint a leader and a role model in corporate responsibility by continuously meeting and raising 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 (firm level), and then progressing towards net zero by 2040;
- Increasing the gender diversity of the investment team to 40% women and 20% in senior investment team roles by 2025.

Tackling climate change issues

In 2021, we partnered with ACT Commodities, a Bridgepoint portfolio company and a leading supplier of market-based environmental solutions, to purchase renewable electricity for eight offices, with the remaining four already operating on renewable electricity tariffs, meaning that Bridgepoint offices globally have been operating on 100% renewable electricity since 2020.

We became carbon neutral in 2021, offsetting the greenhouse gas emissions associated with our operations since 2020, and are now accelerating our plan to reduce emissions and support our portfolio companies to do the same.

Improving 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 at every level, including with respect to gender, ethnicity and social background.

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 10-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%. Progress has been driven by a gender-balanced recruitment policy through our International Associate Programme, targeting a 50:50 gender split. We work hard to support our female talent through programmes that give them access to senior role models and experienced mentors as well as peer support.

Although gender remains our primary focus, we believe that all forms of diversity improve our performance and have widened our efforts to include other forms of diversity.

Our DE&I initiatives are wide-ranging and include:

- our Women's Mutual Mentoring Programme;
- our Women's Role Model Dinner Series;
- networking events for female portfolio company professionals (Paris office initiative);
- parental coaching; and
- formal DE&I or ESG objectives for all colleagues.

Our approach to ESG as a responsible investor

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 or a combination of these.

But that's not all. The millions of beneficiaries of Bridgepoint funds want us to generate attractive returns in a manner they can be proud of. From the outset, this is what we have strived to achieve. That's why we apply responsible investing principles to all our activities and have an approach to environmental, social and governance issues (ESG) that is geared to the long-term interests of our portfolio businesses and their customers, as well as our investors and employees.

Since Bridgepoint was founded in 1985, our ambition has remained consistent: to create lasting and sustainable positive impact. Beneath that ambition lie four key ESG beliefs that guide our investment decision-making:

Our four key beliefs that guide our investment decision making

The Environment

Tackling climate change through our investments by both reducing risk and impact and developing solutions and opportunities

Society

Growing businesses benefits their communities

Diverse groups make better decisions

Governance

Well-governed businesses perform better and are more resilient

Measurement

Effective measurement is the foundation of improved performance

ESG industry associations

Bridgepoint strives to make positive change in the investment industry. We publicly support and champion responsible investment and share our experiences and practices with the wider investment community through our engagement in the following industry-wide associations and initiatives:

Our commitments with the industry

Engagement with the industry

Signatory of: PRI Principles for Responsible Investment

bvca Member Firm

Invest Europe – The voice of private capital

European Leveraged Finance Association

France Invest

Engagement on diversity, equity and inclusion issues

Level 20

10000 Black Interns

Talent & Diversity Commission of France Invest

ILPA's Diversity in Action

OUT Investors LGBT+ Network

Engagement on climate transition issue

Initiative Climat International – Private equity action on climate change

ESG Data Convergence Initiative

Sustainable Markets Council

World Economic Forum

Industry associations

PRI – Bridgepoint became a signatory to the UN-backed Principles for Responsible Investment (PRI) in 2013.

BVCA – Bridgepoint is a member of the British Private Equity and Venture Capital Association and was a founding member of the Committee – the Walker Guidelines – for Disclosure and Transparency in Private Equity.

Invest Europe – Bridgepoint is a member of Invest Europe, formerly known as EVCA, the European Private Equity & Venture Capital Association, which represents the private equity community across Europe.

European Leveraged Finance Association – ELFA is a trade body that seeks a more transparent, efficient and resilient leveraged finance market.

France Invest – Bridgepoint is a member of France Invest, a professional organisation bringing together nearly 400 French management companies and nearly 180 advisory firms. Bridgepoint's

Head of Southern Europe, Frédéric Pescatori (Partner and co-chair of the DE&I Committee), co-heads the Talent & Diversity Commission of France Invest, which promotes industry-wide efforts to increase diversity within investment firms. 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 rulebook to promote social diversity at industry level.

Diversity, Equity and Inclusion (DE&I) 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 co-chair of the **Diversity, Equity and Inclusion Committee**), sits on Level 20's Advisory Committee.

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 underrepresentation 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.

Sustainability initiatives

iCI – In 2021, Bridgepoint joined the Initiative Climat International (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 and Steering Committee member of the EDCI which was set up by a group of GPs and LPs, led by CalPERS and Carlyle, who have convened to form the private equity industry's first-ever collaboration to align on a standardised set of ESG metrics and a mechanism for comparative reporting.

Sustainable Markets Initiative (SMI) – We are members of SMI's private equity roundtable. The SMI, which was launched by HRH The Prince of Wales 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 tackle climate change and biodiversity loss.

UN PRI 2021 score published in 2022

We are pleased to have received the top rating in all three modules of our PRI assessment. This achievement recognises Bridgepoint's efforts and commitments to being a leader in corporate responsibility, and to integrating environmental, social, and governance principles into the full lifecycle of our investments.

Module	Bridgepoint	Median
Investment & Stewardship Policy	97 / 100 ■■■■■	60 / 100 ■■■
Direct – Fixed income – Private debt	97 / 100 ■■■■■	67 / 100 ■■■■
Direct – Private equity	95 / 100 ■■■■■	66 / 100 ■■■■

Communication with investors

Corporate website

Bridgepoint's website provides information on our values, our purpose, our investment strategies and our investment approach. Investors and shareholders can access financial data as well as press releases and governance information.

Communication with Limited Partners

ESG is regularly on the agenda of the Limited Partner Advisory Committee meetings (held twice a year) and the Annual Investor Meeting. These meetings are often personalised to provide relevant information according to Limited Partners' priorities, which can differ from one geography to another.

The Investor Relations team and the ESG team work together to provide Limited Partners with regular reports and updates. Bridgepoint's investors are updated about the Company's overall progress on ESG, its due diligence process, how we support portfolio companies during the holding period, but also progress on ESG at the level of the Company's management.

Investor questionnaires

We submit questionnaires and surveys to Limited Partners and provide case studies to explain our overall ESG approach. Since the end of 2021, and there are increasing numbers of questions on ESG matters.

Our internal resources

Our Governance

We have a rigorous approach to the management of fund investments including putting in place structures to ensure that Bridgepoint remains accountable and transparent and that there is complete alignment of interests between the Company and third-party fund investors.

In 2022, following its listing as a quoted company in the UK, Bridgepoint introduced an ESG Committee at the Company Board level, chaired by a non-executive director and supported by executive-level ESG and Diversity, Equity & Inclusion groups.

ESG team

In 2021, Bridgepoint's ESG team consisted of two people: a Head of Sustainability and a Senior ESG Manager dedicated to our Private Equity activities. The ESG team manages sustainability projects at management company level – carries out Bridgepoint's carbon assessment, manages and supports portfolio companies on ESG, carries out ESG due diligence and develops ESG programmes with those companies.

Training

All our private equity investment professionals 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 one of the leading industry courses. Although delivered by the UK's industry body, the course is designed to suit professionals working in all jurisdictions we operate in. But that's not all we look for. The millions of beneficiaries of Bridgepoint funds want us to generate attractive returns in a manner they can be proud of. From the outset, this is what we have strived to achieve.

ESG criteria in our governance

1. Integration of ESG criteria in the rules of procedure of the entity's board of directors or supervisory board

The Group Board promotes the long-term sustainable success of Bridgepoint, generating value for shareholders and contributing to the wider society.

2. Knowledge, skills, and experience of governance bodies

Bridgepoint's governance bodies have been constructed to assist in implementing and monitoring its ESG strategies. The expertise of Board members enables the Group to benefit from an external perspective on ESG matters.

3. ESG integration in our Remuneration Policy

Executive Director bonuses

The Remuneration Committee applies a carefully selected set of criteria to assess eligibility based on financial and non-financial metrics to ensure that bonuses align with Company-strategic objectives. Non-financial metrics include initiatives relating to people, ESG and strategy.

Our engagement strategy with stakeholders and management companies

ESG in the private equity investment process

Before, during and 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 in line with our beliefs and help them deliver against their targets.

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

Pre-investment

First and foremost, we don't invest in companies whose products, services or practices cause environmental or social harm, and those without a path to transform into a positive contributor to society.

When we first consider a potential investment, our team will identify any potential ESG red flags and opportunities as part of our early transaction screening. As an example, in Bridgepoint Europe, we are currently formalising an exclusion list that highlights sectors and activities that we will not support. An opportunity can be rejected on ESG grounds at this or any later stage. We are currently in the process of applying this to our other investment strategies across the Private Equity business.

As the opportunity moves into full due diligence, the investment team is responsible for ensuring that any ESG-related issues are identified and assessed.

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

We align all investment decisions in support of achieving long-term value creation. We assess:

- the company's alignment with the UN SDGs;
- any ESG considerations related to the company's business model;
- the company's existing ESG policies and programmes; and
- opportunities for improvement.

Directly post-investment

We aim to discuss ESG collaboratively with portfolio companies as early as possible – from the due diligence stage before we have made the investment through to signing and closing the investment and beyond. 100% of Bridgepoint's portfolio companies are covered by our engagement strategy. Throughout the year, Bridgepoint maintains an ongoing dialogue with portfolio companies to help them monitor and achieve their targets. The support is therefore highly tailored to the portfolio companies' needs.

Following completion, as part of a value creation 100-day plan, the investment team will work with management to appoint a Board member responsible for ESG matters and to nominate an individual to take responsibility for ESG on a day-to-day basis if such a person has not already been nominated.

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 at the portfolio company to our ESG monitoring programme.

During the investment period

Throughout the fund investment period, we ensure management teams regularly review their ESG policies, ensuring they remain aligned with Bridgepoint's expected standards and industry-specific best practices.

Bridgepoint provides guidance and support to management teams via Bridgepoint Board representatives and/or Bridgepoint's dedicated ESG team. External ESG advisers may also be engaged to provide specific areas of expertise.

Tracking performance is a vital and evolving element of improving ESG practices during fund investment. At the portfolio company level, management teams regularly report on key KPIs. At the industry level, we are actively engaged in driving greater consistency in performance monitoring.

At divestment

Our goal is to set up businesses for sustainable success following Bridgepoint's investment period.

We aim to ensure that, as for our own business, ESG becomes a key part of our portfolio companies' operations.

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

ESG in the credit investment process

Lending weight

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

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

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

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 influence over their portfolio companies' strategies.

However, whether in respect of credit opportunities or direct lending, steps can be taken to ensure ESG plays a key role in the portfolio, through:

Pre-investment screening

We look to invest in businesses that contribute to the UN SDGs. As a result, the credit team regularly rejects investment opportunities that either carry ESG risk or operate in harmful industries. When we first consider a potential investment the screening process includes the use of an exclusion list, highlighting harmful sectors and activities that we will not support. In addition to assessing a 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 a new market centred around actively incentivising ESG performance through the pricing of loans. Margin ratchets linked to ESG outcomes are incorporated into loan documentation, enabling the interest rate on a loan to vary, based on ESG performance against specific targets.

Bridgepoint's screening policy

We understand the importance of our role when investing. We aim to invest in businesses that create positive impacts and do not cause detrimental harm to society or the environment. The Bridgepoint Europe Investment Advisory Committee screens all potential investment opportunities against the guidelines set out below.

Pre-Investment Screening and Excluded Investments

In Bridgepoint Europe, we are currently formalising an exclusion list that highlights sectors and activities that we do not support. An opportunity may be rejected on ESG grounds at this or any later stage. We will also apply this method to our other investment strategies across the private equity business.

In Bridgepoint Credit, when we first consider a potential investment the screening process includes the use of an exclusion list, highlighting harmful sectors and activities that we will not support. In addition to assessing a 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.

Our journey to net zero in line with the Paris Agreement

We are committed to supporting the transition to a low-carbon economy and achieving net zero and report on our progress transparently. We are at the early stages of this journey and the following disclosure details our second response in line with the Task Force on Climate-Related Financial Disclosures (TCFD) recommendations.

Whilst the direct environmental impact from Bridgepoint's own operations is considered to be limited, we are working on reducing our carbon footprint through the implementation of office emission reduction initiatives, supplemented by verified carbon credits. We are also focused on reducing our 'financed emissions' by supporting our portfolio companies in developing carbon reduction roadmaps and accompanying actions.

We consider our biggest exposure to climate issues to be in our investment portfolio, and this is where we continue to focus our attention.

Metrics used to assess climate-related risks and opportunities

At a Group level, we have focused on measuring our carbon footprint and track the emissions from our scope 1, 2 and 3 (including indirect emissions associated with employee business travel) activities.

In our Private Equity investment activities, we regularly monitor a broad range of climate-related metrics along with a wider set of ESG measures. The metrics we track range from standardised KPIs, such as the adoption of climate-related policies and appropriate governance, to KPIs specific to individual portfolio companies. Greenhouse gas emissions were also reported for some of the portfolio companies and will be extended in 2022 to all private equity portfolio companies.

In our Private Credit business, we have an established portfolio company scoring system to assess performance against over 30 ESG KPIs, including several environmental metrics. Additionally, we are working with an ESG adviser to develop an appropriate climate-focused monitoring and reporting process to enable the investment teams to assess the GHG emissions footprint, identify key transition and physical risks and the maturity of TCFD reporting of their investments.

Overview of Bridgepoint Group's emissions and financed emissions

Our scope 1 and scope 2 emissions, and underlying total energy consumption, associated with Group operations are summarised in the table below. This information has been prepared in accordance with our reporting requirements under the UK's Streamlined Energy and Carbon Reporting (SECR) scheme for quoted companies, in accordance with The Companies (Directors' Report) and Limited Liability Partnerships (Energy and Carbon Report Regulations) 2018.

The scope 1 and 2 global emissions intensity per full-time equivalent (FTE) employee is 0.75 tCO2e for a location-based approach and 0.36 tCO2e for a market-based approach, based on an average of 364.7 FTE employees. This is compared to 0.94 tCO2e and 0.93 tCO2e respectively in 2020, based on an average of 297.8 FTE employees.

The main reasons for the significant decrease are the growth in employee headcount and the purchase of renewable electricity for our offices globally.

The method used for calculating GHG emissions is in line with the GHG Protocol Corporate Accounting and Reporting Standard. We have included all sites and activities which fall within our operational control boundary. Scope 2 emissions have been calculated using the location-based approach, as required, as well as the market-based approach to illustrate our efforts to procure renewable electricity. Scope 1 emissions include the consumption of natural gas. Refrigerant loss from cooling systems and fuel use in corporate and grey vehicle fleets are deemed to be immaterial at less than 2-5% of total emissions, so have been omitted from reporting. Scope 2 emissions include purchased electricity and district heating/cooling system use.

Where full energy consumption data was not available, estimates were made using direct comparison, pro-rata extrapolation or benchmarking approaches. Estimation accounts for a small amount of the overall data and we are working to reduce this further in future reporting years.

In 2020, our scope 3 emissions totalled 885.9 tCO2e, with the largest contributor being emissions related to business travel (all transport by air, public transport, rented/leased vehicles, and taxis as well as hotel accommodation). We recognise that business travel is a material source of emissions for us, and an exercise is underway to collect and refine this information for 2021 and future reporting years.

Scope 3 'financed emissions' (portfolio companies)

At the end of 2021, we launched an initiative to measure the carbon footprint of each of our private equity portfolio companies on an ongoing basis. Some of our larger investments are already well positioned in this regard, and during 2022 we will move to reporting carbon emissions for all portfolio companies where we have material control. As a result, our 2021 scope 3 emissions reporting omits portfolio company 'financed emissions'.

Actions taken to reduce emissions

Whilst we have a relatively low carbon footprint, we are committed to reducing our impact wherever possible. In 2021, we partnered with a leading supplier of market-based environmental solutions to purchase renewable electricity for eight offices, with the remaining four already operating on renewable electricity tariffs and offsetting the Group's overall GHG footprint. Although we recognise that they do not reduce our emissions, we also purchase carbon credits in the following certified nature-based investment schemes:

- The Uchindile Mapanda reforestation project to rebuild carbon sinks in Tanzania (verified carbon standard);
- The Francis Beidler forestry conservation project in the US (climate action reserve standard);
- The high-impact reforestation project to conserve forests and support communities in Nicaragua (gold standard for the global goals); and
- The Rotunda Forest project to improve forest management in Romania (verified carbon standard and climate, community and biodiversity standards).

In 2022 we anticipate further reducing our environmental footprint and scope 2 emissions when our largest office, based in the UK, is relocated to a new, energy-efficient building. The new building is aiming to achieve a BREEAM 'Outstanding' rating which includes studies to minimise the operational and embodied carbon emissions produced by the building throughout its lifecycle.

Targets, performance and key priorities

At the Group level, we set ourselves the target of becoming a carbon neutral company by offsetting carbon emissions associated with our own business activities. We also set a target to procure 100% of the Group's office electricity consumption from renewable sources. We are pleased to report that we achieved both of these goals in 2021.

With respect to our private equity investment activities, we have set an ambitious target for all portfolio companies to be net zero by 2040 and to have Paris-aligned net zero strategies in place by the end of 2023 or within 12 months of investment for new acquisitions.

As a first step in achieving this goal, we require all our portfolio companies to assess their carbon footprint and put in place measures to start to materially reduce these, if not already in place. As best practices evolve, we will continue to refine our approach to supporting companies to monitor and reduce their emissions.

Our long-term biodiversity objectives

The role of the Convention on Biological Diversity in our biodiversity strategy

We acknowledge the importance of biodiversity protection and the role that financial actors must play. We are currently assessing how best we reflect the objectives defined in the Convention on Biological Diversity of 1992 in our ESG policy by assessing its materiality in all our investments.

We understand the importance of the subject and are in the process of considering how we can address this topic effectively. Biodiversity is currently one of the ESG topics considered in all pre-investment due diligence assessments.

We are members of the Sustainable Markets Initiative's private equity roundtable. The SMI, which was launched by HRH The Prince of Wales 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 tackle climate change and biodiversity loss.

In its annual ESG questionnaire for portfolio companies, Bridgepoint Private Equity also incorporates questions on biodiversity to understand whether any portfolio companies have any sites in or adjacent to protected areas and/or key biodiversity areas and whether biodiversity is integrated into their strategy and operations. Where applicable, we request explanations and evidence to measure the extent to which they address relevant biodiversity issues.

Measuring our impact on biodiversity

Questions on the portfolio companies' potential impacts on biodiversity are integrated in Bridgepoint's annual ESG questionnaire. The purpose of this dedicated section is to assess the company's maturity level on biodiversity risks and impacts measurements, as well as on mitigations actions.

For example, the potential presence of portfolio companies' sites or activities in protected and key biodiversity areas is assessed. This enables Bridgepoint Private Equity to track the proportion of its activities that occur in protected areas.

Based on the monitoring of the Private Equity's investment portfolio, Bridgepoint does not consider biodiversity as a high-risk factor.

Our risk management process

Our process for identifying, assessing, prioritising and managing ESG risks

Across our investment strategies, we consider active engagement an essential component of Bridgepoint's approach to ESG risk management. Throughout the investment period, we support and collaborate with the portfolio companies' management teams to implement best-practice ESG processes, policies and risk management systems. Within our private equity portfolio, our investment teams work with portfolio company management teams to appoint a senior executive to champion ESG considerations at the Board level (if not already in place), within six months of investment, in addition to an ESG contact who is responsible for ESG on a daily basis. Furthermore, specific ESG KPIs are defined to monitor the company's progress and the investment teams offer their expertise to help the portfolio companies establish appropriate ESG and carbon reduction initiatives.

In addition, through its investment cycle Bridgepoint takes ESG risk management into account:

- During the screening phase, Bridgepoint's investment team identifies any potential ESG red flags.
- Subsequently, in the due diligence process, ESG risks are systematically analysed with a tailored approach, also aligned with our beliefs regarding climate change, diversity and inclusion, impact on communities, governance and performance measurement. We assess the company's performance against the SDGs; any ESG considerations related to the company's business model; its existing ESG policies and programmes; ESG at the corporate level; and opportunities for improvement. For further information, please refer

to pages 12-14, dedicated to ESG integration in the investment process for private equity and credit activities.

- During the holding period, the Portfolio Management Committee, comprising senior investment Partners from across Bridgepoint, considers and reviews material ESG risks and opportunities in their relationship with investee companies. Material ESG risks that could impact the Group are managed by the ESG team with support from other parts of the business as appropriate. Where specific technical or legal expertise is required, the Group is supported by its extensive network of ESG and legal advisers and ESG industry associations and working groups, such as iC International, Invest Europe, BVCA and France Invest.

Such an engagement approach helps us ensure that our portfolio companies develop industry-specific good management practices of ESG issues and remain aligned to Bridgepoint's standards, contributing towards the UN SDGs.

List of financial products referred to in Articles 8 and 9 under the SFDR

Reflecting our continuing drive to invest responsibly, in 2021 we actively committed to aligning all our new private equity funds to Article 8 of the SFDR.

As a result, our most recently launched Fund (Bridgepoint Europe VII) and all future PE funds will be SFDR Article 8 aligned.

Bridgepoint