

RESPONSIBLE INVESTING POLICY



INTRODUCTION

Bopa Moruo Private Equity Fund Managers (“Bopa Moruo” or “the Company”) is a mid-market private equity firm that is focused on generating long-term capital appreciation by building great businesses. We pursue a disciplined investment approach to finding and creating value by investing in established businesses. We invest growth capital, replacement capital and transformational capital in established industrial and services businesses.

This Policy sets out Bopa Moruo’s approach towards ensuring that responsible investment practices are integral to investment processes and decision making.

PHILOSOPHY

We believe that implementing a responsible investment approach that integrates environmental, social and governance (“ESG”) factors into our investment decisions will not only reduce investment risk, but protect and enhance financial returns for our funds and portfolio companies, while also creating a benefit for society at large.

SCOPE OF POLICY

This policy applies to all the current and future funds and portfolio companies managed by Bopa Moruo.

CODES AND GUIDANCE

Bopa Moruo is guided by the United Nations Principles for Responsible Investing (“PRI”). We are implementing processes to adhere to these principles where appropriate and applicable, and to embed them into our investment processes from pre-investment due diligence to post-investment monitoring.

We also align to the outcomes envisioned in the National Development Plan (“NDP”), where appropriate and applicable, and to the extent that they in turn align to the United Nations Sustainable Development Goals (“SDGs”). We are committed to adopting the SDG Impact Standards for Private Equity Funds to align our internal processes and decision making.

APPROACH TO RESPONSIBLE INVESTING

Our approach to responsible investing encompasses ESG integration into our investment lifecycle, portfolio company engagement and screening.

ESG Integration

We believe that, by integrating ESG factors into our investment decisions, we can achieve a more holistic understanding of a potential investment, than by only assessing financial information. Bopa Moruo's ESG integration process is used to support traditional financial analysis by considering ESG factors based on relevant research.

Portfolio Company Engagement

Bopa Moruo pursues an active investment style through portfolio company engagement and maintains an ongoing dialogue with the management of portfolio companies. This involves active involvement on the portfolio companies' Social and Ethics Committees holding regular meetings with companies, at Board and Senior Management level, to discuss specific results or events as well as a more informal dialogue incorporating site visits and other research initiatives.

Screening

Bopa Moruo does not currently exclude any potential investments based solely on ESG factors, however ESG and ethical factors are considered in making investment decisions.

GOVERNANCE

The Bopa Moruo Board of Directors, which has approved this Policy, has oversight of responsible investment practices, but implementation has been delegated to the Bopa Moruo Executive Committee. Any variations to this Policy must be approved by the Bopa Moruo Executive Committee.

Bopa Moruo's investment managers are responsible for the application of responsible investment practices in their investment decisions through research and analysis. This requires continuous monitoring of emerging trends and developments. Bopa Moruo provides its investment professionals with the necessary training on a regular basis to support this approach.

As with other policies, which include a Code of Ethics and a Conflict of Interest Policy, the Responsible Investment Policy is reviewed on an annual basis, while interim reviews and updates will be undertaken if required due to regulatory developments and other changes.

REPORTING AND DISCLOSURE

Bopa Moruo will publicly disclose its Responsible Investment Policy on its website and report to its clients on an annual basis on its implementation of responsible investment practices.