

Modern Slavery Act statement

April 2025

British International Investment plc (**BII**), funded by HM Government, is the UK's development finance institution (**DFI**).

For over 75 years, we have supported the sustainable growth of businesses in Africa, Asia, the Caribbean and elsewhere. We help solve the biggest global development challenges by investing patient capital to facilitate private sector growth and innovation. We are part of HM Government's offer to help developing countries meet their climate, infrastructure, and enterprise financing needs.

We are invested in 1671 businesses in developing countries with total net assets of £9.9 billion. In 2025, we shall focus on investments, which help fight climate change, empower women, and create new jobs and opportunities for many people.

We invest in businesses *directly*, using debt, equity, and other instruments, and *indirectly*, using investment fund managers and financial institutions, who invest on our behalf. We are committed to responsible investment. When we invest, we require the businesses we support (**Investees**) to adhere to our [Policy on Responsible Investing \(PRI\)](#), which stipulates environmental, social, labour and business integrity standards that frequently exceed local law requirements. The PRI references the UK's Modern Slavery Act 2015 (**MSA**) highlighting our support of HM Government's efforts to eradicate modern slavery.

We recognise that there may be linkage risks in our investments and operations. Modern slavery lies at one extreme of a continuum of exploitation and there is often no clear boundary between modern slavery and other serious labour abuses.¹ We encourage our Investees to develop their human resource management systems, increase their workforce engagement and enhance their oversight of third-party contractors and suppliers. Our team of environmental and social (**E&S**) specialists supports our Investees in this regard.

Our investments

Policies relating to Modern Slavery in our investments.

The PRI applies to all our new investments. It sets out the labour practices we require our Investees to follow. These include commitments to comply with the International Labour Organization's (**ILO**) Core Labour Conventions 29 (Forced Labour), 105 (Abolition of Forced

¹ See our [Good Practice Note for the Private Sector on Managing Risks Associated with Modern Slavery](#).

Labour) and 190 (Violence and Harassment) as well as applicable labour laws and regulations in the countries where they operate.

Assessing Modern Slavery risks in our investments.

We undertake environmental and social due diligence (**ESDD**) before we invest using the PRI as a reference framework.

When we invest *directly* in countries or sectors with elevated risks of forced labour or other forms of modern slavery, we focus on those risks during our ESDD. We typically visit prospective investees although we may request a co-investor or consultant to do so if it is difficult for us to travel. During these visits, interviews are conducted with management and employees to understand the working practices of their businesses.

When we invest *indirectly*, our programme of environmental, social and governance (**ESG**) workshops aimed at fund managers and their portfolio companies, and financial institutions, partly focuses on labour and employment practices (including modern slavery risks).

Our **ESG Toolkit for Fund Managers** and **ESG Toolkit for Financial Institutions** (together, **Toolkits**) provide guidance on the assessment and management of modern slavery risks. They include practical tools, guidance, and approaches to address modern slavery concerns.

BII's ESG Toolkit for Fund Managers and ESG Toolkit for Financial Institutions provides guidance on modern slavery, supply chains, and labour standards:

- Our [modern slavery page](#) outlines the concept of modern slavery and provides a practical approach to assessing and managing modern slavery risks and responding to incidents of modern slavery. It contains a [Good Practice Note for the Private Sector on Managing Risks Associated with Modern Slavery](#) and associated tools to support its implementation.
- Our [supply chains page](#) contains a [Toolkit for Companies on Managing Human Rights Risks in Supply Chains](#). This Toolkit provides practical guidance for companies to enhance their supply chain due diligence and manage identified human rights and modern slavery risks in supply chains.
- Our [labour standards page](#) identifies areas that fund managers, their portfolio companies and financial institutions should address in their policies, including child labour and forced labour and labour supply chain risks.

Managing Modern Slavery risks in our investments.

We may identify circumstances indicating a higher risk of modern slavery, such as employment practices in a country or sector (e.g., forced labour in specific industries and/or regions; the retention of travel and identification documents etc). The risk also increases where our Investees rely on complex or lengthy supply chains.

If we identify PRI deficiencies, including modern slavery indicators, before we invest, we require our Investees to agree legally binding environmental and social action plans (**ESAPs**) with specific commitments to address the deficiencies over an agreed period, or where this cannot be assured (e.g., supply chains with limited leverage), we work with them to improve visibility and leverage

or to identify alternative sources of products.

If we identify PRI deficiencies after we invest through routine E&S monitoring, we seek to address these through corrective action plans (**CAPs**) and active engagement with our Investees.

Broader engagement on Modern Slavery.

We engage with other stakeholders on modern slavery and human rights issues. We have been a member of the European Development Finance Institutions (**EDFI**) working group on human rights since inception. We collaborate with other DFIs and organisations to address risks when they arise in our portfolio. We have, for example, developed a common approach to enhanced due diligence in supply chains which present elevated risks of forced labour. We engage with academic researchers, human rights advisers, industry bodies, investors, and other organisations to improve our understanding of emerging and existing risks, identify potential mitigants and influence responsible procurement practices.

Own operations

Our modern slavery risk assessment process details our approach to the management of modern slavery risk in our own operations. If a supplier's activities give rise, in our opinion, to a material risk of modern slavery, as determined by our contract lifecycle tool or answers to annual attestation process questions, then we require the supplier to comply with the MSA, the ILO Core Labour Conventions 29 and 105 and applicable employment laws and regulations relating to forced labour. Our contracts require relevant suppliers to operate appropriate procedures to prevent modern slavery and report to us annually on their compliance with our requirements. We have received compliance declarations from all relevant suppliers in 2025. We monitor compliance by occasional site visits and work force interviews.

Reporting and complaints mechanism

If an individual, community group or non-governmental organisation wishes to report an alleged PRI breach by us or one of our Investees, they may do so via our reporting and complaints mechanism, which is available [here](#).

Review of 2024 commitments

In our 2024 MSA Statement we said that we would do the following:

Commitment	Progress
<p><u>Our operations:</u></p> <p>Integrate the risk assessment process throughout the operational lifecycle of contracts to identify and categorise areas with high risk, with a view to mitigating risk in the most effective manner.</p> <p>Revise our procurement policy to ensure that our procurement practices continue to align with our commitments. This will inform decision-making, supplier selection, and risk mitigation strategies, reinforcing our responsible approach to supply chain management.</p>	<p>We have revised our procurement practices and contract administration policy to ensure that modern slavery risks are identified early in our procurement and contracting processes and mitigated effectively.</p>
<p><u>Our investments:</u></p> <p>Increase internal capability by systematising human rights risk assessments into our standard operating procedures and provision of internal training.</p> <p>This includes the use of a harmonised approach to contextual risk assessment and human rights due diligence which will help us to better anticipate and manage human rights risks throughout the investment lifecycle</p>	<p>We have:</p> <ul style="list-style-type: none"> • developed a contextual risk assessment tool to identify human rights risk areas, including child and forced labour. The tool is used in conjunction with our E&S scorecard to guide the scoping of our due diligence, including whether enhanced human rights due diligence is required in a particular situation. • refined our approach to the assessment of supply chain modern slavery risks. • delivered internal training on labour and working conditions, including child and forced labour. • co-facilitated an online EDFI seminar on managing supply chain modern slavery risks.

Commitment	Progress
<p>Support investees to identify and mitigate human rights and labour risks within their operations and supply chain through training and the development of additional tools and sector-specific guidance to deepen and strengthen knowledge.</p>	<p>We have:</p> <ul style="list-style-type: none"> • worked with our Investees to implement BII’s Toolkit for Companies on Managing Human Rights Risk in Supply Chains through one-on-one engagement, inclusion in ESAPs as well as the delivery of training via workshops. • provided external consultant support to strengthen child safeguarding policies and develop our thinking on survivor support for affected individuals. • earmarked grant funding for advisory support to certain Investees on labour, human rights, and supply chain issues. The funding will increase the capacity of those Investees to manage E&S risks in their supply chains, including forced labour and modern slavery.
<p>Deepen engagement with relevant stakeholders, e.g. civil society, researchers, academics, trader organisations and regulatory bodies as we seek to ensure that our approach helps to identify and mitigate modern slavery risk.</p>	<p>We have:</p> <ul style="list-style-type: none"> • engaged with eleven bilateral and numerous multilateral DFIs to increase the visibility of forced labour and modern slavery risks and agree an aligned institutional approach to those risks and their mitigants. • delivered a workshop to Investees in Asia on managing supply chain modern slavery risks with the support of a labour rights consultant and a former board member of the Global Battery Alliance. • presented our approach to modern slavery risk assessment and management at the Asian Responsible Investment Forum in October 2024. • participated in a developing market modern slavery, regulation and investment conference attended by governments, non-governmental organisations, academics, corporates, producers, investors, and survivors, seeking consensus on tackling modern slavery whilst preserving and enhancing access to markets.

Our approach in 2025

We shall:

- continue to assess and monitor modern slavery risks in our operations and investment portfolio, using leverage to mitigate them where possible.
- work closely with our Investees and peer organisations, particularly when we invest in

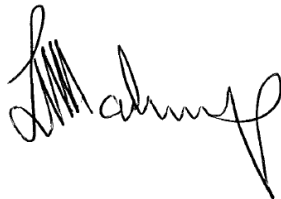
higher risk sectors and geographies where supply chain risks are present, seeking to ensure that appropriate controls are in place to detect and mitigate modern slavery risks.

- respond to incidents when they are identified and support our Investees with management systems guidance and training so they can identify, assess, and mitigate risk effectively.
- collaborate with peer organisations as our approach evolves.

Approval and disclosure

The Board of BII approved this statement on 10th April 2025.

It is publicly available on our website at <http://www.bii.co.uk>.

A handwritten signature in black ink, appearing to read 'L. Maasdorp', with a stylized flourish at the end.

Leslie Maasdorp

Chief Executive