



KENSINGTON CAPITAL PARTNERS LIMITED

REPORT ON MODERN SLAVERY

FOR THE FINANCIAL YEAR ENDED MARCH 8, 2024

MAY 23 2024

1. REPORTING REQUIREMENT

This Report on Modern Slavery (the “**Report**”) is being prepared and filed by Kensington Capital Partners Limited (“**Kensington**”) in compliance with its reporting requirements under the *Fighting Against Forced Labour and Child Labour in Supply Chains Act* (the “**Act**”).

Kensington does not directly undertake activities relevant to the Act, and its obligations to report under the Act are by virtue of its controlling interest in, and participation in the management of, certain Portfolio Companies (as defined below) that fall within the scope of the Act. This Report only addresses the operations of Kensington. The Portfolio Companies which fall within the scope of the Act will be meeting their reporting obligations independently.

2. CORPORATE STRUCTURE

Kensington is an alternative investment asset manager engaged in investing across the private markets in venture capital, growth equity and mid-market buyouts with \$2.6 billion assets under management. Kensington is a corporation governed by the laws of the Province of Ontario with its registered and head office located at 95 St. Clair Ave West, Suite 905, Toronto, Ontario, M4V 1N6.

Through its managed investment funds, Kensington employs a hybrid approach to investing by combining direct investments and co-investments with a fund-of-funds program that invests as a limited partner into other funds. The companies within Kensington’s portfolio (“**Portfolio Companies**”) operate independently in diverse industries across various regions.

3. POLICIES AND PROCESSES RELATING TO FORCED AND CHILD LABOUR

Kensington has established a code of ethics and professional conduct (the “**Code**”) outlining our core values of honesty, integrity and acting in good faith in the best interest of our investors. The purpose of the Code is to reinforce the importance of the fair treatment of Kensington’s investors and ensure our investments are conducted with the highest standards of integrity and ethical business conduct. Kensington conducts a review of its Code on an annual basis.

Kensington has implemented policies and procedures to support the investment opportunities we source and review to ensure we are creating risk adjusted and compelling returns for our investors in a manner that upholds our fiduciary duty and contractual obligations to investors. In reviewing an investment opportunity, our investment professionals undertake due diligence into relevant aspects of the target business to assess the operational risks which could arise through its supply chain with respect to human rights and labour practices. Additionally, we conduct a review of the applicable legal and governance factors, including among others, a history of a company’s compliance with applicable laws or regulations, business integrity, and ethical standards. While we attempt to investigate all relevant issues in our due diligence process, Kensington’s due diligence approach is not exhaustive. In determining the scope of due diligence undertaken for an investment, we balance the potential risks associated with such investment against other investment factors, such as the due diligence expense and the available time for completion of such investment. It is possible that we may not always identify all issues related to forced and child labour, or otherwise, that may exist or arise in each company that we invest in. Kensington does not invest in sectors or industries that present heightened risk of forced labour, child labour or ESG (as defined below) concerns and will not invest in a company that it knows is engaged in forced labour or child labour or is otherwise in contravention of applicable laws, the Code or its ESG Policy (as defined below).

Additionally, Kensington has established an Environmental, Social and Governance (“**ESG**”) Policy (the “**ESG Policy**”) to formally establish its commitment to considering material ESG issues in the course of its due diligence of investment opportunities and monitoring of its portfolio investments.

The ESG Policy outlines Kensington’s approach to integrating ESG considerations into value creation opportunities for its investments, as well as our commitment to assisting our Portfolio Companies on the use of governance structures that provide appropriate levels of oversight in the areas of audit, risk management, and potential conflicts of interest. As part of the ESG Policy, Kensington follows guidance from internationally recognized standards including the Sustainability Accounting Standards Board (“SASB”). Kensington seeks to integrate SASB guidance along with the consideration and thoughtful management of ESG throughout the investment cycle. Prior to making an investment, Kensington undertakes ESG due diligence including raising ESG issues in discussions with management of such companies. When material ESG issues are identified, Kensington works with management to support the development of a corrective action plan, where appropriate. To manage ESG risks after making an investment, Kensington monitors its Portfolio Companies and meets with management and the board to ensure adherence to the ESG Policy. Additionally, as part of Kensington’s ESG reporting obligations to certain investors, including Business Development Canada, Kensington periodically conducts a review of and reports on the supply chains of its portfolio companies and whether due diligence on such supply chains has been conducted against risks and human rights violations. Kensington will continue to monitor the risk of forced labour or child labour in its business activities and reassess the necessity to update its policies and procedures manual to provide further internal guidance regarding compliance with the Act and avoiding any form of child labour, forced labour, modern slavery or human trafficking within our operations or supply chains.

4. AREAS OF RISK

As an investment manager operating in the private markets, Kensington’s direct activities and supply chain do not pose a material risk of forced labour or child labour and Kensington does not directly undertake activities relevant to the Act. Kensington’s supply chain mainly consists of the procurement of business supplies and the engagement of professional service providers, such as lawyers, accountants and other consultants. As noted above, with respect to Kensington’s investment strategy and investment opportunity review process, we undertake a robust due diligence process to ensure that the entities we are investing in are compliant with applicable laws and our investment criteria. We therefore are of the belief that the overall risk of forced labour or child labour in connection with our business activities and supply chain as being low.

5. REMEDIATION

During Kensington’s most recently completed fiscal year, no forced labour or child labour circumstances arose that require the implementation of remediation measures. We appreciate that there may be unintended consequences contributing to a loss of income for vulnerable families resulting from efforts to prevent and reduce the risk of forced labour and child labour. As Kensington has not undertaken any such remedial measures, its activities have not impacted or otherwise resulted in loss of income for such families.

6. TRAINING

Given our assessment of the risks of forced labour or child labour being low due to the nature of Kensington’s business, we have not implemented formal training on this matter for our employees. Kensington’s expectation is that its Portfolio Companies that are subject to the Act will provide the necessary training to their employees with respect to forced labour and child labour. Kensington will continue to monitor the risk of forced labour or child labour in its business activities and reassess the necessity to provide, as appropriate, training for relevant employees.

7. EFFECTIVENESS OF OUR APPROACH

Kensington acknowledges that forced labour or child labour is a possible risk within its operations and supply chain, though we view this risk as low given the nature of our activities. We endeavor to periodically review our policies and business practices to ensure that they reflect our commitment to reducing the risk of forced labour or child labour in our business and supply chains.

8. ATTESTATION

In accordance with the requirements of the Act, and in particular section 11 thereof, I attest that I have reviewed the information contained in the report for the entity listed above. Based on my knowledge, and having exercised reasonable diligence, I attest that the information in the report is true, accurate and complete in all material respects for the purposes of the Act, for the reporting year listed above.

Signed: *“Thomas R. Kennedy”*

Thomas R. Kennedy

Senior Managing Director

This Report was approved by the board of directors of Kensington on May 23, 2024, pursuant to section 11(4)(a) of the Act.