

Modern Slavery and Human Trafficking Statement

This statement is made pursuant to Section 54 of the Modern Slavery Act 2015 (the MSA) and sets out the steps that the affiliated UK entities of Hipgnosis Songs Fund Limited (“Hipgnosis”), its group companies (the “Hipgnosis Group”) and its investment adviser, Hipgnosis Song Management Limited (“HSM”) have taken and will continue to take to ensure that modern slavery or human trafficking is not taking place within our business or our supply chain.

Principal activities

Hipgnosis is a Guernsey domiciled investment company established to offer investors a pure-play exposure to songs and associated musical intellectual property rights. Hipgnosis is publicly traded as an investment trust on the London Stock Exchange. The Hipgnosis Group and HSM operate around the world from their principal offices in London, Nashville and Los Angeles.

Hipgnosis invests in catalogues of songs and associated musical intellectual property rights and seeks to acquire 100 per cent. of a songwriter's copyright interest in each song, which would comprise their writer's share, their publisher's share and their performance rights. Hipgnosis, directly or indirectly via third-party portfolio administrators, enters into licensing agreements, under which Hipgnosis receives payments attributable to the copyright interests in the songs which it owns. Such payments may take the form of royalties, licence fees and/or advance payments. Hipgnosis focuses on delivering income growth and capital growth by pursuing efficiencies in the collection of payments and active management of the songs it owns within its portfolio.

HSM, the Investment Adviser to the Hipgnosis Group, is a signatory to the Principles for Responsible Investment (the “PRI”), which oblige HSM to:

- incorporate sustainability checks into its investment analysis and decision-making;
- be active owners and incorporate sustainability controls into ownership policies and practices;
- seek appropriate disclosures on sustainability issues by the entities in which the investments are made;
- promote acceptance and implementation of the Principles within the investment industry; and
- report on activities and progress towards implementing the Principles.

Policies, supply chains and due diligence procedures

Modern slavery is a crime and a violation of fundamental human rights. It takes various forms, such as slavery, servitude, forced and compulsory labour and human trafficking, all of which have in common the deprivation of a person's liberty by another in order to exploit them for personal or commercial gain.

Given that the businesses of the Hipgnosis Group and HSM relate to songs and associated musical intellectual property rights, their supply chain does not resemble a typical manufacturing supply chain. All new suppliers are nevertheless assessed internally before any initial payment for services is remitted and screened on an ongoing basis to ensure real time notification of any potential red flags.

Specifically, the Hipgnosis Group and HSM are committed to acting ethically and with integrity in all of their business dealings and commercial activities. They are committed to ensuring that both they and the third-party service providers operating under contract with them do not condone or participate in modern slavery or related forms of exploitative labour practices.

Moreover, as an influential force within the music supply chain, the Hipgnosis Group and HSM will ensure that their wider relationships within the industry are conducted with this zero tolerance commitment in mind. They will not knowingly support or do business with any suppliers who they believe to be involved in modern slavery.

Where the Hipgnosis Group and/or HSM have reason to believe that modern slavery practices exist, they will cease their business relationships and report their concerns to a relevant authority in the given jurisdiction.

For the avoidance of doubt, neither Hipgnosis Group nor HSM condone the long-term engagement of employees for remunerations that amounts to less than the applicable local minimum wage.

Performance Indicators

There is currently no evidence of, or serious risk of, modern slavery in the Hipgnosis Group or HSM's business or supply chains. However, they will continue to stay vigilant and monitor any changes to their businesses or supply chains that would warrant additional scrutiny.

Staff Awareness

On at least an annual basis, the Hipgnosis Group and HSM will send a communication reminder to all employees of their obligations to monitor and escalate any concerns related to slavery or human trafficking to senior management.

Declaration

This statement is made pursuant to Section 54 of the United Kingdom Modern Slavery Act 2015 and has been approved by the board of Hipgnosis Songs Fund as well as the governing bodies of the Hipgnosis Group and HSM. It will be reviewed annually and updated as required.

Andrew Sutch

Chairman, Hipgnosis Songs Fund Limited

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Chief Executive Officer, Hipgnosis Song Management Limited

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