OUR CLIMATE-RELATED FINANCIAL DISCLOSURES

The Group first reported against the recommendations of the Financial Stability Board's Task Force on Climate-related Financial Disclosures (TCFD) in 2020 and has continued to do so in each financial year thereafter.

The report below sets out the 11 TCFD recommended disclosures within each of the four pillars representing how our organisation operates and summarises the progress we have made over the past year. Please refer to the Group's 2022 Climate Change Policy for further details.

In this report we look at climate-related disclosure through two lenses: at the level of the Group's operations, and at the level of our third-party fund management activities. These funds are generally not consolidated; however, we consider the climate-related issues surrounding these funds and our fund management activities as an integral part of our business. We clearly outline in our disclosures whether we are discussing the Group's operations or our fund management activities.

@ **Our Climate Change Policy is available at www.icgam.com**

OUR COMMITMENT TO NET ZERO

In November 2021 the Group announced its commitment to support the goal of net zero greenhouse gas emissions across its operations and relevant investments by 2040

The Group's net zero commitment is underpinned by two ambitious emissions reduction targets by 2030, which have been approved and validated by the Science Based Targets initiative (SBTi)

The Group committed to systematically monitoring progress against its targets and reporting on an annual basis. Over the coming years, relevant investments in more recently launched strategies will also be included in the targets

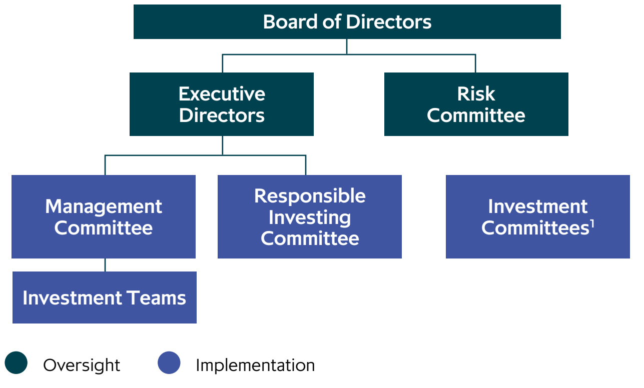
GOVERNANCE

(a) Describe the Board's oversight of climate-related risks and opportunities

Group operations

The diagram below gives a summary overview of our governance structure for the oversight of climate-related risks and opportunities.

Organisational oversight of climate-related matters



[1]Each third-party fund has its own Investment Committee (IC). The ICs are comprised of senior investment professionals and include members of the Management Committee.

The CEO has lead responsibility for climate-related issues. The Board sets the Group's strategic direction and, when setting strategic objectives, it considers all material influencing factors including those relating to climate change. The Executive Directors implement the strategy, including driving climate-related programmes across the organisation.

The Board receives formal updates on ESG-related matters, including climate-related issues, at least twice every financial year. For specific climate-related targets (see Metrics in this TCFD disclosure), the Board receives annual updates on progress. To facilitate the Board's engagement on these topics, the Board has nominated a non-executive director to oversee management's implementation of ESG matters (see page 68). In addition, the Board also considers climate risk, as relevant, when reviewing the annual strategy and business plans over the short, medium, and long term, for example, in annual budgets, performance objectives and determining the risk profile/appetite of the Group.

Moreover, the Board Risk Committee oversees the Group's risk management framework and controls associated with it, including ESG and climate-related risks, and formally discusses climate risk as it relates to the Group at least annually (see page 85).

The CFOO, reporting to the CEO, is responsible for ensuring climate-related risks which might impact the Group's own operations are understood and mitigated.

Fund management activities

The CEO, who also serves as the Group's Chief Investment Officer, has ultimate accountability and oversight of investment processes and is therefore responsible for climate-related issues across the investment process and in our portfolios.

The overarching charters governing climate-related risks within our fund management activities are the Responsible Investing Policy and the Climate Change Policy, which cover 100% of our AUM. The Climate Change Policy contains an exclusion list and, furthermore, requires us to consider the implications of climate-related risk and opportunities in our investment research, valuation, and decision-making processes.

The Board has delegated responsibility for the implementation of the Responsible Investing and Climate Change policies to the Executive Directors. As part of the normal course of business, the Board receives updates on how these policies are being implemented.

(b) Describe management's role in assessing and managing climate-related risks and opportunities

Group operations

The Group has a comprehensive risk governance framework and compliance processes and procedures to ensure that all risks, including ESG and climate-related risks, are identified, managed, and monitored and that the Group is compliant with all applicable legislation. Given the limited direct impact of climate-related issues at a Group level, climate change is not deemed by the Board Risk Committee to be a Principal Risk, albeit it is considered a cross-cutting risk as described below (see page 64).

The Responsible Investing (RI) team and Legal and Compliance teams are jointly responsible for monitoring current and potential environmental legislative changes that could impact the Group and provide formal updates to the Executive Directors on a quarterly basis.

Fund management activities

The Management Committee supports the CEO in overseeing our climate-related policies and procedures for our fund management activities, addressing issues if there are any, and approving new investment strategies, including those with specific climate-related objectives and targets.

An assessment of climate-related risks and opportunities is included in all investment proposals, presented to, and considered by, the Investment Committees (IC) of all our investment strategies. Each IC is responsible for ensuring that climate-related issues are appropriately considered when taking an investment decision. This includes ensuring that the RI team's view is factored into the investment decision, where climate-related issues are material.

Once an investment is made, the investment teams and the RI team monitor climate-related risks and (as appropriate) the implementation of climate-related initiatives and performance relative to established targets by the portfolio companies, as described in Metrics within this TCFD disclosure. Where a Fund has significant influence in the capital structure, progress of climate-related initiatives are monitored by the relevant Fund's IC on a quarterly basis as part of the broader regular portfolio monitoring process.

Day-to-day implementation of the Climate Change Policy is the responsibility of all investment professionals, guided by the Group's RI Committee. The RI Committee meets four times a year and is comprised of the Head of Investment Office and the Head of Responsible Investing, along with senior investment professionals from across the investment strategies. Its role is to oversee the promotion, support and integration of responsible investing practices, including in respect of climate-related matters, across all asset classes. The RI Committee provides regular updates to the Executive Directors and escalates matters to the CEO, as necessary.

As part of the day-to-day activities of the RI team and investment professionals, there is frequent dialogue on climate-related issues for both potential investment opportunities and current investments.

STRATEGY

(a) Describe the climate-related risks and opportunities the organization has identified over the short, medium, and long term

We look at three time horizons for climate-related risks and opportunities: short term (0 to 5 years), medium term (5 to 10 years) and long term (10 to 20 years). These are broadly related to the length of an individual investment (short term), the length of a fund's life (medium term) and a reasonable period of visibility for the Group as a whole (long term).

We consider climate change as a cross-cutting risk type that manifests through the Group's established principal risks (see page 64 of this Annual Report). The table below outlines the relevant climate-related risks and opportunities within the Group's operations and our fund management activities. The Board Risk Committee meets regularly to assess the Group's risk profile and factors climate-related risks and opportunities into its decision making when assessing which risks could have a material impact on the organisation.

Climate-related risks and opportunities

ICG	Risk/opportunity	Category	Description	Principal risks	Time horizon	Potential impact
Group operations	**Risks**	Acute physical	– Increased severity and frequency of extreme weather	6	– Short term	– Operational disruptions – Increased capital expenditure e.g., higher cost related to workforce impacts; higher insurance premiums factored into office leases
		Chronic physical	– Changes in precipitation patterns – Rising mean temperatures – Rising sea levels	6	– Long term	
		Policy and legal	– Enhanced emissions reporting and climate-related compliance obligations – Potential exposure to regulatory censure, fines and penalties for non-compliance	5	– Short term	– Increased cost of compliance – Reputational damage – Decreased profitability
	Opportunities	Resource efficiency	– Use of lower-emissions sources of energy in offices – Upgrade energy efficiency of, or move to, more efficient offices – Use of more efficient modes of transport for business travel or business conduct – Use of alternatives to travel such as online meetings	6	– Short term – Short term – Medium term	– Reduced operating cost and exposure to energy price volatility – Increased capital expenditure / operating expenditure associated with upgrade requirements – Increased profitability
Fund management activities	**Risks**	Policy and legal	– Enhanced climate-related disclosure obligations for funds – Increasing regulatory pressure (e.g. carbon price/tax) for current and potential investments	5	– Short term	– Increased cost of compliance including the requirement to ensure compliance during holding period of investments – Increased due diligence cost – Reduced fund performance – Loss of clients or reduced demand for our funds
		Technology	– Substitution of existing products and services with lower emissions options impacting portfolio companies	2 3	– Medium term	– Lower fund performance and impact on track record – Lower asset valuations impacting the Group's balance sheet and fund investments – Loss of clients or reduced demand for our products
		Market	– Changing client behaviour impacting demand for products and/or services of current or potential investments – Increasing production costs for portfolio companies due to changing input prices and/or output controls across current or potential investments	2 3	– Medium term	– Lower fund performance and impact on track record – Lower asset valuations impacting the Group's balance sheet and fund investments – Loss of clients or reduced demand for our funds

ICG	Risk/opportunity	Category	Description	Principal risks	Time horizon	Potential impact
Fund management activities	**Risks**	Reputation	– Changing client behaviour impacting demand for products and/or services of current or potential investments – Stigmatisation of specific industries, impacting existing investment exposure	2 3	– Short term	– Lower fund performance and impact on track record – Lower asset valuations impacting the Group's balance sheet and fund investments – Loss of clients or reduced demand for our products – Negative stakeholder perception
	Opportunities	Products and services	– Evolution of products that incorporate climate change mitigation and/or adaptation – Expansion of investment strategies that focus on climate solutions	2 3	– Short term	– Increased revenues in line with growing demand – Growth in AUM
		Technology	– Substitution of existing products and services with lower emissions options across current and potential investments	2 3	– Medium term	– Higher fund performance and enhanced track record – Higher asset valuations impacting the Group's balance sheet and fund investments – Increasing client demand
		Market	– Attracting new clients through strategies aligned with the Paris Agreement/Net Zero – Climate-linked financing reducing the cost of capital at portfolio company, fund, and corporate level	2 3	– Short term	– Growth in AUM – Retention of current and attraction of new clients – Enhanced brand and competitive reputation

Link to Principal Risks

Strategic & Business	Financial	Operational	
1 External Environment Risk	3 Financial Risk	4 Key Personnel Risk	7 Third Party Provider Risk
2 Fund Performance Risk		5 Legal, Regulatory & Tax Risk	8 Key Business Process Risk
		6 Operational Resilience Risk	

(b) Describe the impact of climate-related risks and opportunities on the organization's businesses, strategy, and financial planning

Group operations

As a cross-cutting risk type, climate-related risk manifests through many of the Group's established principal risks. We consider that the Group's direct operations are not materially exposed to climate risk from changing climatic conditions because, amongst other factors, the Group does not have a complex supply chain, does not make capital investments in research and development, and is able to operate flexibly from a variety of locations.

From a real estate perspective, the Group operates from leased offices and our employees have the ability to work remotely. The Group has assessed the physical climate risk exposure of its office locations using an established external physical climate risk assessment tool. The results indicated that none of our key offices (London, New York, Warsaw and Paris) are likely to be materially exposed to physical climate-related risks.

The RI, Legal and Compliance teams work closely to ensure the Group's compliance with climate-related regulation, including the UK Streamlined Energy and Carbon Reporting (SECR).

The Group is committed to supporting the goal of net zero GHG emissions by 2040 or sooner, in line with global efforts to limit warming to 1.5°C. As part of this commitment, the Group has committed to reducing our direct (Scope 1 and Scope 2) emissions by 80% from a 2020 base year.

We seek to link our climate ambition to our third-party financing, where possible. At the Group level we have raised a total of £1.0bn ESG and sustainability-linked financing, including issuing a €500 million sustainability-linked Bond with adjustments to the coupon rate linked to progress against the Group's portfolio-level science-based target.

Fund management activities

We recognise that the financial impact of climate-related risk and opportunities is most likely to materialise through our investment decisions. The impact of climate change on the operations of portfolio companies or specific asset classes may impact the valuation of those assets in the short term, and the performance of funds in the medium term. Fund underperformance or a failure to develop funds that address our clients' requirements in respect of climate change is a long-term risk to the Group.

We have developed policies and processes to support us in understanding where climate-related risk may be realised, managing these risks and actively engaging as appropriate with portfolio companies on these matters. Ensuring our investment and RI teams have the necessary skills and expertise to deliver on these ambitious commitments and successfully launch new strategies has required careful planning in terms of headcount and budget.

The Group's Net Zero commitment is supported by approved and validated science-based targets covering 100% of our relevant investments. Relevant investments as at 31 March 2022 comprise 25.7% of AUM and include all investment strategies within Structured and Private Equity and Real Assets where a Fund has sufficient influence (defined as at least 25% equity ownership and at least one Board seat).

More detail on our science-based targets can be found here.

Retaining existing clients and attracting new clients through our climate commitments and sustainability-themed funds is an important part of our growth strategy and to date the Group has launched three sustainability-themed funds which, at 31 March 2022, managed a total of $3.2bn of client capital.

At a fund level, we seek to link our climate ambition to our third-party financing, where possible. We have raised a total of $2.6bn ESG-linked fund-level financing since 2021.

(c) Describe the resilience of the organization's strategy, taking into consideration different climate-related scenarios, including a 2°C or lower scenario

Group operations

The Group has a highly resilient business model, which is driven by management fee income. This fee income is paid by our clients for managing our funds, and as such is long-term and visible in nature. The fees are predominantly charged on the basis of invested or committed capital, so an increase or decrease in the valuation of funds (including as a result of climate-related issues) would not immediately impact the Group's financial position. At a Group level, we do not believe we are directly impacted by climate-related risks.

Fund management activities

Climate risk assessment of existing portfolio

We conduct a formal assessment of exposure to climate-related risks across the portfolio every two years with support from a third-party climate consultancy. We assess the impact of climate-related drivers associated with both changing climatic conditions (physical risks) and the transition to a low carbon economy (transition risks) related to policy, regulatory, market and technology changes. We then conduct a scenario analysis exercise on selected investments which we identified as having potentially higher exposure to climate-related risks.

In 2022, our climate risk assessment assessed approximately 900 portfolio companies across our four asset classes covering almost 90% of our AUM at 31 December 2021.

Scenario analysis of existing portfolio

In 2022 we conducted our second scenario analysis exercise. We expanded the number of scenarios from two to three in line with market practice and used the framework provided by the Network for Greening the Financial System. We considered both transition and physical risk against three scenarios:

- Hot House World: no new international or national policy action takes place to reduce greenhouse gas emissions, leading to warming of over 3°C and severe physical risks
- Orderly: immediate and global action to reduce emissions in a measured way, at a rate that is fast enough to keep climate warming within 2°C with 67% probability, leading to net zero carbon emissions before 2070
- Disorderly: ambitious new climate policies are introduced, but only in 2030. Emissions are sufficiently limited to keep global warming below 2°C, but the transition is faster than in the Orderly scenario as a result of delayed action, leading to larger transition risks for households and businesses

Our transition risk scenario analysis uses scenario indicators drawn from globally recognised datasets. Our physical risk assessment is undertaken at the country level, utilising data trends of countries in which our portfolio companies' key operations are located.

The principal mechanism we employ for assessing climate risk is a proprietary Climate Risk Assessment Tool (CAT), that we have developed in-house with the support of a third-party adviser. The initial step is to use CAT to identify all companies with a potentially heightened exposure to climate risk. The findings from the process helped us define the scope for conducting further climate risk scenario analysis.

Within our Structured and Private Equity and Private Debt asset classes, CAT identified 13 companies as having potentially heightened exposure to climate risk and with unrealised value above our materiality threshold[1]. Further scenario analysis has been conducted on these portfolio companies.

Within our Credit asset class, we conducted a sector-based scenario analysis across 10 sectors. This covered all companies with a potentially heightened exposure based on the results of our analysis with CAT and where the unrealised value exceeded our materiality threshold[1].

Our scenario analysis enables us to improve our understanding of the heightened exposure of these companies to transition and/or physical risks. This analysis is shared with the portfolio company management teams, where relevant, to support their strategic decision making. As appropriate, we then work closely with the management teams to help them address these issues and improve their resilience to climate-related issues.

Developing new investment strategies

We future proof our organisation in part by continually evolving our existing strategies and developing new strategies. This enables us to better serve the changing needs of our clients and to capitalise on a wider range of investment opportunities. An important component of considering new potential strategies is incorporating climate-related risk and opportunities into the decision-making process.

We have considered climate-related opportunities in the development of new strategies, including when developing our new sustainability-themed Sale and Leaseback, Infrastructure Equity, and Real Estate Partnership Capital investment strategies. During the year the Group raised a total of $1.7bn of capital for these sustainability-themed funds.

More broadly, 99% of capital raised[2] since 31 March 2021 has been in funds classified as Article 8 under the EU's Sustainable Finance Disclosure Regulation, which are funds that promote environmental or social characteristics. Please refer to our Sustainability and People Report for further details.

To read our Sustainability and People Report.

RISK MANAGEMENT

(a) Describe the organization's processes for identifying and assessing climate-related risks

Group

We consider climate risk broadly and have incorporated it into our Group-wide risk framework as a cross-cutting risk. We assess the following principal risks as currently most likely to be impacted, to varying degrees, as follows:

- **Fund Performance Risk:** Considering the varying climate-related risks that have the potential to affect our investment decisions, driven by changes in regulation and consumer preferences and other physical and business risks and adapting our screening and due diligence and monitoring processes, where appropriate
- **Financial Risk:** Recognising that climate risk will increasingly be incorporated into risk assessments and asset valuations, which could have a material impact on the attractiveness of existing and potential transactions impacting the Group's balance sheet and fund investments
- **Legal, Regulatory and Tax Risk:** Assessing increasing legal and regulatory requirements in relation to climate risk and ensuring that (where relevant) such requirements are embedded in our processes and disclosures
- **Operational Resilience Risk:** Recognising and understanding the potential for business disruption caused by climate change, including within the Group's key third-party providers, to ensure that the Group can adapt and increase our resilience where appropriate

1. Materiality for this assessment was £25m
2. 99% of capital raised that is classified under SFDR, from 1 April 2021 to 31 March 2022

Reputational risk, whilst not a principal risk, is also an important consideration and the Group recognises the increased scrutiny of its actions following a change in stakeholder perceptions of climate-related action or inaction.

Further details of the Group's risk management framework, including the processes used to determine which risks could have a material financial impact on the Group, are set out on page 57.

Fund management activities

For relevant investments, setting climate-specific targets and KPIs is a core component of our ESG engagement process, which we monitor and track over the life of the investment.

Our approach to identifying and assessing climate risk is summarised by key strategy below:

	Structured and Private Equity			Private Debt	Real Assets		Credit
	European and Asia Pacific Corporate	Strategic Equity	Fund of funds/ Secondaries	Senior Debt Partners	Real Estate debt and equity	Infrastructure Equity	Structured Credit CLOs Multi-Asset Credit
Pre-investment							
– Bespoke Climate Risk Assessment Tool	Y	Y	Y	Y	Y[2]	Y	Y
– Enhanced internal climate due diligence (as needed)	Y	Y	Y	Y	Y	Y	Y
– External climate due diligence (as needed)	Y	Y		Y[1]	Y	Y	
Post-investment							
– Ongoing portfolio monitoring process (incl. RepRisk, a third-party ESG research tool)	Y	Y	Y	Y	Y	Y	Y
– Annual ESG survey (including climate change)	Y	Y		Y	Y[2]	Y	
– Investment-specific climate-related KPIs	Y				Y[2]	Y	
– Investment-specific targeted SBT engagement	Y					Y	
– Bi-annual climate risk assessment and scenario analysis (see page 36)	Y	Y	Y	Y		Y	Y

1. ESG due diligence supplied by the third-party equity investment partner
2. Real Estate strategy conducts environmental due diligence as standard and is in the process of standardising its Annual ESG Survey. ICG Real Estate Debt Fund VI has specific climate targets.

(b) Describe the organization's processes for managing climate-related risks.
Further details of the Group's risk management framework, including the processes used to determine which risks could have a material financial impact on the organisation, are set out on page 57.

Group

The Group's exposure to climate risk arising from its co-investment portfolio is managed in line with our standard fund management activities, as outlined above.

All employees benefit from full remote working capability which minimises business risk and reduces reliance on our office locations for business continuity in the unlikely event of a physical climate risk being realised. In addition, 100% of our IT infrastructure systems and data resides in the cloud and the Group leverages cloud services from multiple providers, further reducing concentration risk.

The Group's consistent approach to the management of climate change is further demonstrated by a Sustainable Fit Out policy which sets out our expected minimum standards for the sustainable fit-out, as necessary, of offices to ensure lower carbon development and enable the reduction of carbon emissions during operation. This policy is applied to all new material leases into which the Group enters.

Fund management activities

The Group incorporates climate-risk assessment into the investment process for all funds. Where the Group has the necessary level of and influence over management, we undertake specific carbon footprint analysis and agree with the portfolio companies' management their bespoke climate-related targets. For relevant investments, the investment team and RI team engage directly with the board and management teams to help them calculate their carbon emissions, and then set emissions reduction targets aligned with the latest climate science and develop strategies to help deliver these targets. We support portfolio companies to get these targets approved and validated by the SBTi.

Across our investment portfolio we have integrated the review, assessment and monitoring of climate change considerations into our investment processes. In line with our commitment to support a more climate-resilient economy, in 2021 we introduced new prohibitions on any direct investments in companies that generate the majority of their revenue from:

- Coal exploration, extraction, production, transportation, power generation, distribution and/or storage
- Oil (including oil from tar sands) exploration, extraction, production, transportation, power generation, distribution and/ or storage; and
- Gas exploration, extraction and/or production

Please refer to ICG's 2022 Climate Policy and Responsible Investing Policy for further details including our complete Exclusion List.

For each potential investment opportunity, we identify whether there are any material climate change-related issues associated with the investment. We use our CAT to guide this process. The tool assesses potential climate risk associated with an investment by evaluating industry sub-sector, low-carbon economy transition, and physical climate risks. The tool draws upon various data sources (including the TCFD, Sustainability Accounting Standards Board (SASB), ThinkHazard, Climate Change Performance Index and the World Bank Carbon Pricing Dashboard which are regularly reviewed and updated as necessary. The CAT is a core component of our investment process; it is embedded within our mandatory ESG Screening Checklist, and the result of the assessment is recorded in each investment proposal for consideration by the IC. This ensures that exposure to climate-related risks and opportunities has been explicitly assessed by the relevant IC and considered when making the investment decision. Where investment opportunities are identified as having a higher potential exposure to climate-related risks, additional analysis is completed during the pre-acquisition due diligence process.

In situations where we have significant influence over portfolio companies, external ESG due diligence, including a specific analysis of climate-related risks and opportunities, is conducted as standard and the results incorporated in the IC review process. Following the enhancement of our Responsible Investing Policy in February 2021, we began to systematically track deals declined for climate-related reasons. Between February 2021 and March 2022, we have declined 67 deals where climate-related risk was a contributing factor to the decision. These include investments with significant exposure or dependency on fossil fuel-related products or industries. Where material climate-related issues are identified, the IC may decide not to proceed; may request further action is taken to ensure these issues are properly investigated; or may require further actions to be taken following the closing of an investment.

Following investment, material climate change-related risks and opportunities are monitored and reviewed as a standard part of the portfolio monitoring process. Depending on the nature of the issue and the level of influence, we may ask portfolio companies to disclose to us how they manage these issues through our annual ESG survey. Climate change is an integral part of this survey which monitors portfolio companies' governance and management of climate change, as well as their performance and plans for improvement. We publish summary results of our annual ESG survey in our Sustainability and People Report.

To read our Sustainability and People Report.

(c) Describe how processes for identifying, assessing, and managing climate-related risks are integrated into the organization's overall risk management.

Group

Climate-related risks are considered within the Group's wider risk management framework (see page 57) and section (b) above.

METRICS AND TARGETS

(a) Disclose the metrics used by the organization to assess climate-related risks and opportunities in line with its strategy and risk management process.

Fund management activities

We undertake a carbon footprint analysis of key funds in our Structured and Private Equity and Real Assets asset classes, and the results of this analysis have been incorporated into our ESG reporting to clients.

During this financial year, we enhanced our monitoring and transparency of climate-related matters across our Private Debt and Credit asset classes with the development of a bespoke ESG and Climate Factsheet for our clients. This includes a Fund Climate risk assessment along with key climate metrics recommended by the TCFD for Asset Managers, such as portfolio carbon footprint and weighted average carbon intensity.

We are focused on decarbonising our relevant portfolio, integrating climate risk assessments into our investment decisions, and improving and monitoring energy efficiency and reducing emissions at both portfolio company and fund level.

1. Exposure by asset class to heightened climate-related risk

This metric supports the Group's management of climate-related risk by asset class

Fund Management activities

The table below discloses investments with heightened exposure to climate risk by asset class, based on investments identified as very high risk using the CAT. We take a conservative approach to climate risk assessment and the score is a combination of transition (sector and value chain) and physical risk, taking into account the geographical location of company headquarters and key operational assets. The CAT identifies the following sectors as having a heightened exposure to climate risk: energy, transportation, materials and building and agriculture, food and forestry sectors. The value of investments with heightened exposure to climate-related risks within our portfolios[3] is:

	Structured and Private Equity[1]	Private Debt	Real Assets[2]	Credit[3]
% of portfolio by unrealised value	3%	0%	0%	6%
% of portfolio companies assessed as material	3%	0%	0%	2%

1. Includes the top 30 largest investments of ICG Enterprise Trust Plc (as at 31 July 2021).
2. ICG Infrastructure Equity I only
3. Excluding Structured credit strategies

(b) Disclose Scope 1, Scope 2 and, if appropriate, Scope 3 greenhouse gas (GHG) emissions and the related risks.

Group

We disclose the Group's GHG emissions in alignment with SECR requirements. We quantify and report our Scope 1 and Scope 2 GHG emissions and voluntarily report our Scope 3 indirect GHG emissions from business travel (see page 42).

(c) Describe the targets used by the organization to manage climate-related risks and opportunities and performance against targets.

The following targets and underlying metrics are used by the Group to assess climate-related risk and opportunities, support the Group's Net Zero commitment and are directly linked to the Group's approved and validated science-based targets:

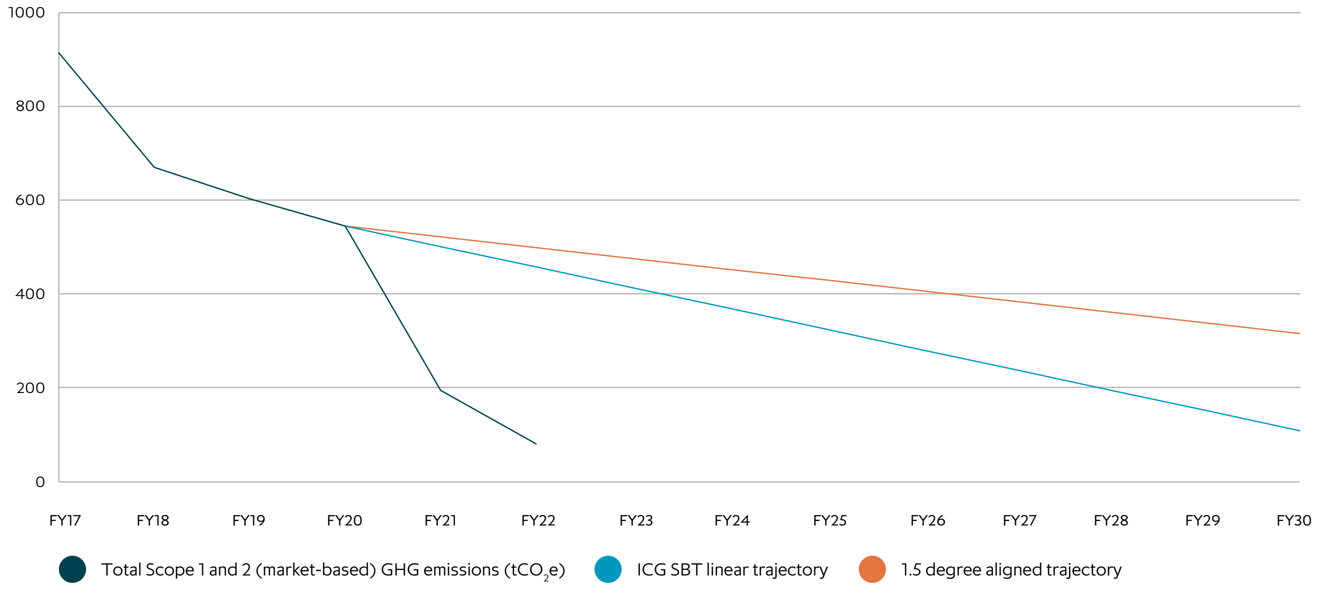
1. Total Scope 1 and Scope 2 GHG emissions

- This metric supports our operational GHG emissions reduction target, which has been approved by the SBTi, to reduce the Group's direct Scope 1 and Scope 2 GHG emissions by 80% by 2030 from a 2020 base year
- The chart below illustrates the Group's emission reduction versus our SBT trajectory and a 1.5 degree aligned trajectory (see page 42 for our annual disclosure table)

2. Relevant investments with SBTi-approved science-based targets (%)

- The Group's target for 100% of relevant investments to have SBTi-approved science-based targets by 2030, with an interim target of 50% by 2026, was approved by the SBTi in November 2021. This supports our ambition to reduce portfolio emissions
- Relevant investments were 25.7% of AUM as at 31 March 2022

Group Scope 1 & 2 (market-based) greenhouse gas (GHG) emissions (tCO_2e)



3. As at 31 December 2021 or the latest available at the time of assessment

FUTURE PRIORITIES

We are pleased with our progress to date but recognise the way we address certain TCFD recommendations could be further enhanced. As the Group looks to increase its investment and focus on climate-related risks and opportunities, our future priorities will include:

- Continuing to build on existing knowledge at the Board-level to support its work on overseeing climate-related risks and opportunities within the Group's overall business strategy
- Continuing to monitor progress against the Group's Net Zero commitment and particularly the Group's approved science-based targets
- Further embed climate-related risk and opportunities in due diligence, where information is available, to provide more detailed understanding of the impacts of physical climate change and the transition to a lower carbon economy. The Group recognises this is a rapidly evolving area, and improved access to standardised information will facilitate improved due diligence
- Enhancing reporting to clients in respect of climate-related matters through the deployment of our standardised ESG disclosure framework, including fund-level climate metrics, particularly across investing funds
- Expanding product-specific climate-related disclosures to include Scope 3 emissions reporting
- Continuing to assess how each investment strategy might be affected by the transition to a lower carbon economy
- Continuing to closely monitor developments in TCFD disclosures across our market to ensure we can provide information which suitably meets stakeholder requirements and market practice

Metrics: working with peers to improve industry-wide disclosure

One of the challenges facing private market investors is the lack of consistent, comparable climate-related data. As a member of private equity investor-led Initiative Climat International (iCI), we actively participate in three working groups focusing on Carbon Footprinting, Regulation and Net Zero

As part of the Net Zero working group, during 2021, we engaged directly with the SBTi, and were a member of the industry-wide Expert Advisory Group, to develop and road test sector-specific science-based target guidance for the private equity industry. In order to improve and standardise carbon disclosures we have worked with our peers to develop guidance for the private equity industry to measure and report on Scope 1, Scope 2 and Scope 3 greenhouse gas emissions

We are also an active member of the CDP Private Markets Technical Working Group. The aim is to improve the availability and consistency of climate-related metrics and facilitate the benchmarking of climate-related data across the private market