Chair's introduction

EFFECTIVE GOVERNANCE TO FACILITATE GROWTH

William Rucker
Chair

Dear shareholders

In my first full financial year as Chair of ICG, your Board has been focused on supporting ICG's continued growth and evolution. The financial performance for the year is impressive, and continues the firm's long-term trajectory of profitable growth (see page 5). Looking to the future, we have supported the executive team as it has continued to reinforce the depth of the firm's senior human capital, and the Board has had focused discussions around the allocation of capital to ensure the continued success of the firm in the years ahead (see page 68).

I have enjoyed meeting a number of current and potential shareholders during the year and look forward to more such meetings – transparency and communication are important attributes of a well-governed firm. It is clear to me that our business model and position within the global alternative asset management landscape is increasingly understood; that this sector is likely to continue to attract more interest from the public markets; and that we enjoy strong support from our shareholders to continue to scale up and out.

I was happy to commission an externally-led Board evaluation this year. Although the Board is performing well, we are aware that standards evolve and boards must rise to meet new challenges. The review process (summarised on page 83) concluded that your Board continues to operate cohesively and effectively; however we will not rest on our laurels and have agreed a number of actions to further enhance the quality of our debate and input.

Your Board believes that the Group should act as a responsible participant in society and that our strategy should reflect this. The impacts of our decisions on different stakeholder groups are uppermost in our minds and you can read more detail on how various stakeholders were considered as part of the Board's decision-making process on page 28.

During the year, we have discussed the sustainability related obligations on our Group, and have considered both how these can be best met for our business and how these should be overseen by the Board. We have also continued to consider other stakeholders; we have invested in our employees through enhanced training and development programmes; we have continued to utilise our charitable giving to support the community and progressed a range of DEI initiatives, including a significant "deep dive" review (that is explained in more detail on page 83). Consideration of our wider profile and societal impact will continue to be a key area of focus.

The Board has a diverse membership in terms of gender, experience and background; and that diversity of thought contributes to the Board's effectiveness. A culture of open discussion and diverse perspectives is an important component of ICG's success to date, and will continue to be a priority for your Board. Rusty Nelligan retired from the Board in March and Amy Schioldager will retire in July; we thank them both for their long and dedicated service as Non Executive Directors. We anticipate that we will shortly announce a new Non Executive Director appointment which will enhance our Board's diversity.

Throughout the year, the Board and its Committees carefully considered the revised Corporate Governance Code and, save for the slightly delayed Board evaluation due to the timing of the change of Chair at the end of the prior financial year, continued to comply with those requirements for the year ending 31 March 2024.

The Board remains grateful for your support throughout the year, and we look forward to continuing our constructive dialogue.

William Rucker
Chair
27 May 2024

Chief Executive Officer's Review

30 YEARS SINCE LISTING DECADES OF OPPORTUNITIES

Benoît Durteste
CEO and CIO

Marking 30 years since IPO

2024 is our 30th anniversary of being listed on the London Stock Exchange, and the entire ICG team is proud to mark this milestone with the results we are reporting today. Since our IPO, we have generated a total shareholder return of 85.8x - substantially more than both the FTSE 100 and the S&P 500. Our total shareholder return has also outperformed both those indices over the last five and ten years[1]. Today we are a truly global business managing almost $100bn of AUM on behalf of over 680 clients across a wide range of private markets strategies, and we have demonstrated a consistent ability to scale up and to scale out - both strategically and financially.

The challenging environment over the last twelve months - indeed, the last two years - has shown that we are a manager of choice for clients, who have continued to commit capital to our funds. The investment performance of our products has delivered significant value and as a firm we have scaled and broadened our capabilities and our platform - all of which positions us well to capture future growth opportunities.

Our focus on sustainability remains strong. During the past year, we have continued making progress towards our science-based decarbonisation targets and have further enhanced our approach to integrating sustainability factors in our investment decisions and engagement efforts. We were pleased that ICG retained its recognition as a leader in our field in a range of external sustainability ratings; for the third consecutive year we received the top AAA rating from MSCI and retained membership in the Dow Jones Sustainability Index (Europe)[2], to name a few. I encourage you to read our Sustainability and People Report, which will be published in the coming weeks, for a more in-depth review of our progress.

Navigating today's environment

The investment landscape across the industry during FY24 was nuanced. For more equity-focused strategies, transaction velocity reduced substantially across the market, with 2023 marking the second consecutive year that buyout volumes globally reduced[3]. By contrast, deployment in private debt strategies held up, taking advantage of the funding gap created by the leveraged loan and high yield bond markets being generally closed - over 80% of LBOs in Europe during 2023 were backed by direct lending strategies[3]. For many LPs, the level of realisations has been a significant challenge over the last 24 months and a differentiator as they select managers. DPI has been described as "the new IRR", this has become a competitive advantage for ICG. Consistently crystallising performance has long been an expressly avowed feature of our investment approach, and we are reaping the benefits today, with a number of our strategies having a proven track record of being top decile.

From a deployment perspective, strategies that invest in credit, structured transactions and liquidity solutions are attractive in today's environment. Our broad waterfront of products has enabled us to capitalise on these conditions for our clients, which is particularly notable in the business activity during the year within our flagship Direct Lending strategy, and in our families of secondary[4] and corporate[5] strategies.

Looking ahead, we do not see signs of a notable, imminent and sustained increase in traditional buyout volumes. However, we do believe that companies will continue to seek to raise capital to support their growth and ownership ambitions, and ICG's range of products enables us to provide flexible solutions across the capital structure that we expect to continue to be attractive in this environment. Further reflections on trends and our outlook relative to our principal areas of risk can be found on pages 42-45.

1. Source: Bloomberg as of 31 March 2024.
2. MSCI and S&P Global.
3. Source: Bain & Company, Global Private Equity Report 2024.
4. Strategic Equity and LP Secondaries.
5. European Corporate, Europe Mid Market and Asia Corporate.

Chief Executive Officer's Review continued

Building for growth

Our focus on building the ICG platform to have breadth at scale across our investment strategies and our client base; our reputation for investment excellence; and our human and financial capital, all combine to create a powerful and growing ecosystem that positions us for long-term success and enables us to proactively manage through market cycles. In a strong market, the vast majority of managers appear to flourish; in more challenging environments, the benefits of strong investment discipline and a sustainable, long-term business model become more apparent.

That we are in an attractive position in this respect is clear in our financial performance: in FY24 we raised $13.0bn, exceeding our accelerated fundraising guidance; our fee-earning AUM grew, closing the year at $69.7bn; management fees of £505m surpassed half a billion pounds for the first time ever; portfolio company performance and transaction visibility led to performance fees of £74m being recognised and NIR of 13%; and FMC PBT reached £375m, growing for the tenth consecutive year.

Supporting this growth, we have continued to invest in our platform – we now have 635 employees[6] globally and operate out of 19 locations. During the year we opened an office in Canada, grew our presence in Poland and India, and made a number of hires across the firm, in particular within our marketing and CBS teams. While we expect to continue to welcome more colleagues in FY25 at all levels, we have already made substantial investments to position the business and platform for further future growth.

Meeting client demand

Of the $13.0bn fundraising during the year, 31% came from the US and 11% came from the Wealth channel – both areas of focus that we have previously highlighted. We enjoyed strong demand for the two flagship strategies we had in the market, Strategic Equity (which raised $3.5bn) and European Direct Lending (Senior Debt Partners, which raised $3.7bn), as well as for a number of scaling strategies including Europe Mid-Market II and North America Credit Partners III. All four of these funds are already larger than their predecessor vintages and are continuing to raise.

The current fundraising backdrop is especially difficult for first time funds, and against that backdrop we are extremely pleased with three notable successes: ICG Life Sciences was selected as an Investment Partner for the UK Government-backed Long-term Investment for Technology and Science (LIFTS) initiative; we raised $0.5bn for our Real Estate Equity's "Metropolitan" fund family; and we had the final close for the first vintage of ICG LP Secondaries, with a materially oversubscribed fundraise for the strategy closing at $1.0bn. These successes build on our differentiated ability to broaden our waterfront of products organically; underline the trust our clients are willing to place in us; and have opened up new asset classes for ICG in which to grow our AUM in the coming years.

Since 1 April 2021 we have attracted more capital more quickly than we anticipated, raising $46bn over three years. During this time we have grown our client base by 43%, from 476 to 681, and these new clients contributed 35% of our fundraising in the period. This is a material step-up in our scale globally, and as more of our strategies get incrementally larger, we expect to see further benefits of our growing client franchise across our platform.

Looking ahead

Today our waterfront of products is broad and attractive. We have a number of globally relevant, large, flagship strategies that have considerable runway for further growth; and an exciting group of scaling strategies that provide multiple levers to expand and diversify our business globally in the coming years.

We are working on a number of promising first-time funds - including Real Estate Asia and Infrastructure Asia - and we are launching our first wealth-focused product, ICG Core Private Equity. This is an institutional-quality US evergreen fund giving clients differentiated access to private equity through the secondary market.

I remain very confident of the market's ongoing evolution and innovation. Since we listed 30 years ago ICG has been growing and investing successfully for the benefit of our clients and our shareholders, and today we have the market opportunity combined with the strategic and financial resources that position us for decades of growth to come.

Thank you for your continued support.

Benoît Durteste
CEO and CIO

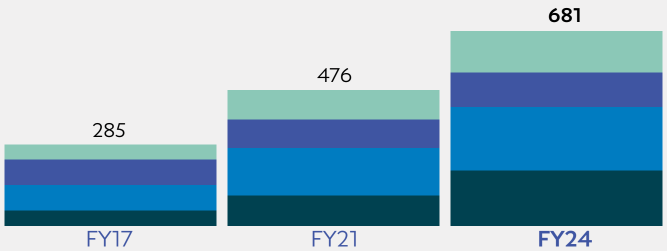
6. Full Time Equivalent basis.

Chief Executive Officer's Review continued

ICG's global footprint today, operating out of 19 locations[1]

1. This includes locations of outsourced service providers where there are no ICG employees. Circles are not to scale.

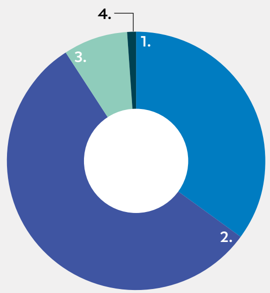
Global client base is scaling[2]



2. Client split by geography weighted by % of third-party AUM, excluding CLOs, listed vehicles, non-fee paying co-investments and non-fee paying leverage.

Global Fee income

1.	USD	35%
2.	EUR	56%
3.	GBP	8%
4.	Other	1%



Our business model

INVESTING IN GROWTH TO CREATE VALUE

ICG's entrepreneurial culture, breadth of investment strategies and our well-capitalised platform enables us to sustain business activity throughout economic cycles.

How we create value

Our purpose
is to create value by providing flexible and sustainable capital that helps businesses develop and grow

Our resources
We have four key resources that we require to operate, create value and achieve our objectives:

- Our reputation and track record
- Our people and platform
- Our client franchise
- Our financial resources

What we do
We manage our clients' capital across four asset classes and provide flexible, sustainable financing solutions to companies

Our clients
We develop long-term relationships and serve a global client base

Our market
We are well positioned to benefit from private market trends

Our strategy
We are scaling up, scaling out and investing in our platform to meet the needs of our investment strategies and our global client base.

How we manage risk
We identify and mitigate the potential impact of risks on our business and appropriately set our risk appetite

The value we create
We have a wide range of stakeholders who share our success

Our business model continued

Our purpose

We are a global alternative asset manager. Our purpose is to create value by providing flexible and sustainable capital that helps businesses develop and grow.

Our culture of balancing ambition, performance and inclusion remains a driver of our success. Environmental, social, and governance concerns are central to how we manage investment risks and opportunities.

We have the strategic and financial resources necessary to capitalise on future opportunities and to continue to generate long-term value for our shareholders and clients.

Our resources

Our reputation and track record

We have existed for 35 years and listed in 1994. Our reputation of having a strong investment focus and our track record of delivering value for our clients are key to our continued success.

Our people and platform

We are a world-class firm of outstanding professionals, and we form a purposeful community between our colleagues, the businesses with which we work, and our clients.

Our business is organised to reflect our emphasis on investment performance, client focus, and operational excellence. We succeed because of our people and culture demonstrating integrity, diversity and collaboration.

See Our People page 35

Our client franchise

Our global marketing and client relations team ensures that we continue to understand and meet the requirements of our clients.

Our strong client franchise enables us to grow existing strategies and to launch new strategies.

Our financial resources

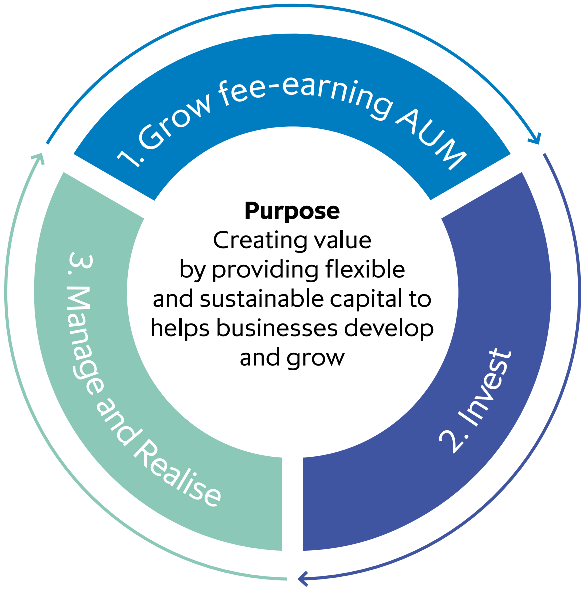
Our visible, recurring fee income enables us to plan with a long-term view, and our strategic and valuable balance sheet enables us to seed and accelerate new strategies, and to align our interest with our clients.

See Finance Review page 16

Our business model continued

What we do

We help grow our clients' capital and provide flexible, sustainable financing solutions to companies.



1. Grow fee-earning AUM

We raise capital from clients across a range of investment strategies. By broadening our product offering, we grow our client base and our business with existing clients.

2. Invest

We use our investment platform and expertise to secure attractive opportunities on behalf of our clients.

3. Manage and Realise

We work hard to help our portfolio companies develop and grow, and where appropriate we support them on sustainability matters such as decarbonisation and diversity, equity and inclusion.

Our asset classes

We manage our AUM across four asset classes, providing capital to our portfolio companies across the capital structure in the most appropriate form to meet their needs.

Our asset classes

Structured and Private Equity
Provides structured and equity solutions to private companies, including both control transactions and minority investments.

41% Fee-earning AUM
58% Fee income

Private Debt
Provides debt financing to high-quality corporate borrowers.

23% Fee-earning AUM
19% Fee income

Real Assets
Provides debt and equity financing in the real estate and infrastructure sectors.

11% Fee-earning AUM
10% Fee income

Credit
Invests in tradeable credit markets.

25% Fee-earning AUM
13% Fee income

Our market environment

ICG is well-positioned to benefit from private market trends. Our diversity of strategies is a strategic advantage as it allows us to help clients meet their investment objectives across a wide range of funds and across economic cycles.

See page 7.

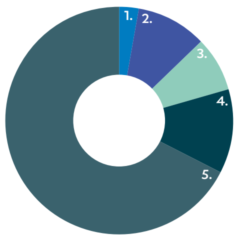
Our business model continued

Our clients

We develop long-term relationships and serve a global client base, helping them meet their investment objectives.

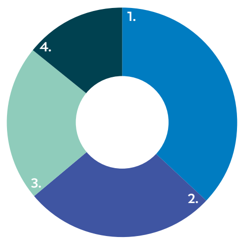
Client diversification[1]

1. Top 1 Client AUM	3%
2. Top 2-5 Client AUM	10%
3. Top 6-10 Client AUM	8%
4. Top 11-20 Client AUM	12%
5. Rest	67%



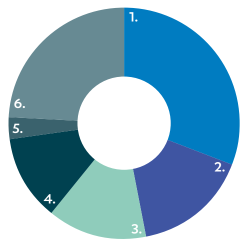
Client split by geography[1]

1. EMEA (excluding UK & Ireland)	37%
2. Americas	27%
3. APAC	22%
4. UK & Ireland	14%



Client split by type[1]

1. Pension	31%
2. Insurance Company	16%
3. Asset Manager	14%
4. Family Office	12%
5. Wealth	3%
6. Other	24%



1. Client geography and type shown by number of clients. Client diversification weighted by percentage of third-party AUM, excluding CLOs and listed vehicles.

The value we create

Employees
We invest in our people, provide a safe working environment, and support a diverse, skilled and committed workforce.

Clients
Clients entrust us with their capital to invest on their behalf. Creating value for our clients through investing and managing their capital is central to our purpose.

Shareholders and lenders
We generate an attractive risk-adjusted return through a combination of income and growth for our capital providers, with the return on our operations exceeding our cost of capital.

Suppliers
We ensure our suppliers are engaged with our business to better meet our needs and to enable us to understand their perspective.

Community
We are committed to serving and supporting our wider community through financial and non-financial means.

Environment
Effectively implementing our responsible business practices helps us to deliver long-term value.

Regulators
Understanding and adhering to the standards set is of paramount importance to our success as an asset manager.

See Stakeholder Engagement on page 28

See the Sustainability and People Report 2023/2024: www.icgam.com/spr

Managing our risks

Successfully identifying and mitigating the potential impact of risks on our business and appropriately setting our risk appetite is critical to ensure we continue to generate long-term value for our stakeholders.

See Managing Risks on page 40

Key performance indicators

HOW WE MEASURE OUR SUCCESS

Alternative performance measures

Our KPIs include alternative performance measures, providing additional insight into the performance of our business.

The UK-adopted IAS financial information on page 125 includes the impact of the consolidated funds which are determined by UK-adopted IAS to be controlled by the Group, although the Group's loss exposure to these funds is limited to the capital invested by the Group in each fund and the associated net investment returns.

The glossary on page 196 includes the definitions of these alternative performance measures and reconciliation to the relevant IFRS measures.

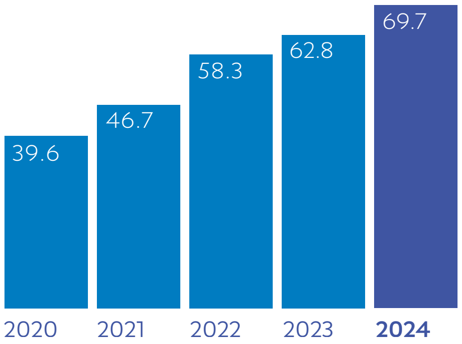
Our Key Performance Indicators (KPIs) help us monitor our progress:

Key Performance Indicator	
Fee-earning AUM	Ⓐ
Weighted-average fee rate	Ⓐ
Fund Management Company operating margin	Ⓐ
Deployment of direct investment funds	
Percentage of realised assets exceeding performance hurdle	
UK senior management diversity	

See more on our strategic objectives on page 12

Fee-earning AUM $bn Ⓐ

$69.7bn

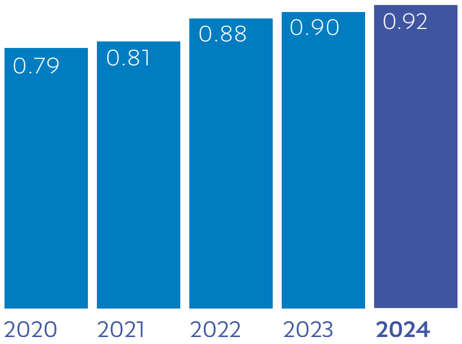


Rationale
Raising third-party funds is one of the leading indicators of the Group's profitability.

Outcome
Fee-earning AUM of $69.7bn up 11% compared to FY23 on a constant currency basis. See page 17 for further discussion.

Weighted-average fee rate % Ⓐ

0.92%



Rationale
The weighted-average management fee rate on fee-earning AUM is a measure of profitability. Fee rates vary across our strategies. The weighted-average fee rate will depend on, amongst other things, the composition of fee-earning AUM.

Outcome
The effective management fee rate on our fee-earning AUM at the period end was 0.92% (FY23: 0.90%).

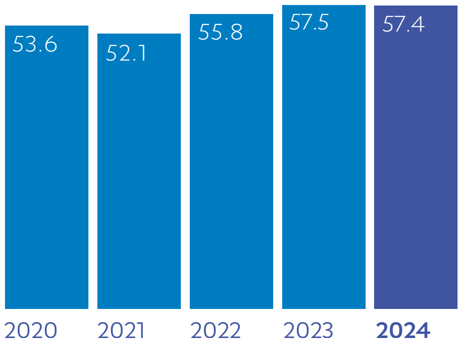
Key performance indicators continued

Key to deployment funds
1. Europe VIII
2. Asia Pacific IV
3. LP Secondaries I
4. Recovery Fund II
5. RE Partnership VI

Read more on our Executive Director KPIs on page 100

FMC operating margin %

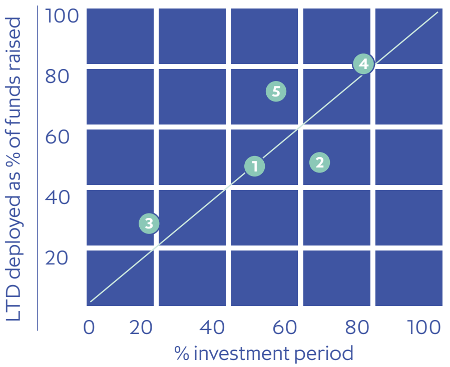
57.4%



Rationale
The FMC operating margin is a measure of the efficiency of our fund management activities.

Outcome
The FMC operating margin was 57.4% (FY23: 57.5%). See page 23 for further discussion.

Deployment of direct investment funds %

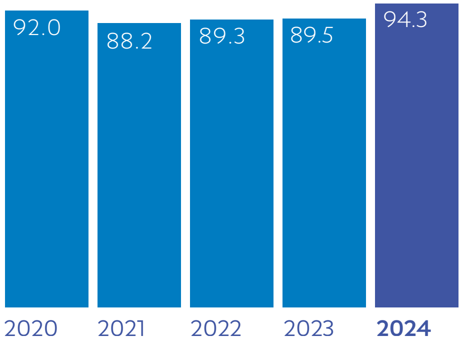


Rationale
Direct investment funds have a defined investment period. We monitor progress against a straight-line deployment basis as an indicator of timing for subsequent fund raising.

Outcome
During the period we deployed a total of $7.7bn of AUM on behalf of our direct investment funds (FY23: $10.5bn).

Percentage of realised assets exceeding performance hurdle %

94.3%

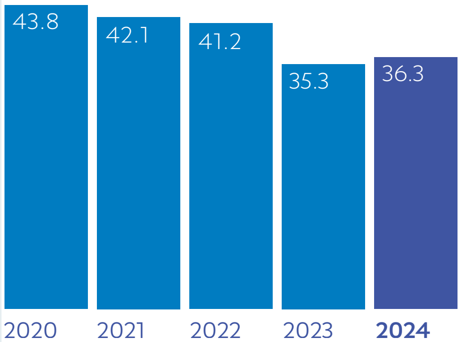


Rationale
An indicator of our ability to manage portfolios to maximise value is the level of realised assets for which the return is above the fund performance hurdle rate. This is the minimum return level clients expect and the point at which the Group earns performance fees.

Outcome
Our strategies continued to perform strongly. The outcome for the year on this KPI is in line with our long-term average.

UK senior management gender diversity %

36.3%



Rationale
We believe a more diverse and inclusive workforce enhances the delivery of our strategic objectives and shareholder value. We have pledged to uphold the number of women in senior management roles at 30% in an industry in which senior positions are predominantly held by men.

Outcome
Despite a change in management organisation during the year and the impact of individual moves within a small group, the Group has maintained its gender diversity above the Women in Finance target.

Finance review

LONG-TERM GROWTH CREATING VALUE

The Board and management monitor the financial performance of the Group on the basis of Alternative Performance Measures (APM), which are non-UK-adopted IAS measures. The APM form the basis of the financial results discussed in this review, which the Board believes assist shareholders in assessing their investment and the delivery of the Group's strategy through its financial performance.

The substantive difference between APM and UK-adopted IAS is the consolidation of funds, including seeded strategies, and related entities deemed to be controlled by the Group, which are included in the UK-adopted IAS consolidated financial statements at fair value but excluded for the APM in which the Group's economic exposure to the assets is reported.

Under IFRS 10, the Group is deemed to control (and therefore consolidate) entities where it can make significant decisions that can substantially affect the variable returns of investors. This has the impact of including the assets and liabilities of these entities in the consolidated statement of financial position and recognising the related income and expenses of these entities in the consolidated income statement.

The Group's profit before tax on a UK-adopted IAS basis was above prior period at £530.8m (FY23: £251.0m). On the APM basis it was above the prior period at £597.8m (FY23: £258.1m).

The Group's APM Net Investment Returns in FY24 include £60m of gains that had previously been recognised under UK-adopted IAS but not under APM. This is due to a change in classification of one asset that was originally expected to be transferred to a fund managed by ICG and that is now expected to be sold to third parties.

Detail of these adjustments can be found in note 4 to the consolidated financial statements on pages 135 to 139.

AUM and FY25 fundraising

AUM of $98bn

AUM ($m)	Structured and Private Equity	Private Debt	Real Assets	Credit	Seed investments	Total
At 1 April 2023	29,887	23,849	8,218	18,205	–	80,159
Fundraising and other additions	6,030	5,135	1,243	1,873	394	14,675
Realisations	(1,114)	(843)	(768)	(2,327)	(403)	(5,455)
Market movements	(305)	(508)	(60)	193	89	(591)
Impact of methodology change (see below)	6,374	669	2,182	–	419	9,644
At 31 March 2024	**40,872**	**28,302**	**10,815**	**17,944**	**499**	**98,432**

Note on methodology change regarding AUM: To bring our definition of AUM more closely into line with market practice and to more accurately reflect the value that we manage on behalf of our clients, effective 31 March 2024 we are including fee-exempt AUM that we manage. There is no impact on the definition of fee-earning AUM or on ICG plc's economics as a result of this change.

Finance review continued

AUM and FY25 fundraising continued

Fee-earning AUM of $70bn

Fee-earning AUM ($m)	Structured and Private Equity	Private Debt	Real Assets	Credit	Total
At 1 April 2023	**23,840**	**14,249**	**6,862**	**17,898**	**62,849**
Funds raised: fees on committed capital	5,298	–	581	–	5,879
Deployment of funds: fees on invested capital	706	3,820	1,257	1,958	7,741
Total additions	6,004	3,820	1,838	1,958	13,620
Realisations	(827)	(1,777)	(900)	(2,471)	(5,975)
Net additions / (realisations)	**5,177**	**2,043**	**938**	**(513)**	**7,645**
Stepdowns	(220)	–	(92)	–	(312)
Market movements	(463)	(382)	25	296	(524)
At 31 March 2024	**28,334**	**15,910**	**7,733**	**17,681**	**69,658**
Change $m	4,494	1,661	871	(217)	6,809
Change %	19%	12%	13%	(1)%	11%
Change % (constant exchange rate)	19%	12%	11%	(1)%	11%

The bridge between AUM and Fee-earning AUM is as follows:

$m	Structured and Private Equity	Private Debt	Real Assets	Credit	Seed investments	Total
Fee-earning AUM	**28,334**	**15,910**	**7,733**	**17,681**	**–**	**69,658**
AUM not yet earning fees	3,883	11,534	393	450	–	16,260
Fee-exempt AUM	6,374	669	2,182	–	–	9,225
Balance sheet investment portfolio and Other[1]	2,281	189	507	(187)	499	3,289
AUM	**40,872**	**28,302**	**10,815**	**17,944**	**499**	**98,432**

1. Includes elimination of $588m (£465m) due to how the balance sheet investment portfolio accounts for and invests into CLO's managed by ICG and its affiliates

At 31 March 2024 we had $26.3bn of AUM available to deploy in new investments ("dry powder"), of which $16.3bn was not yet earning fees.

FY25 fundraising

At 31 March 2024, closed-end funds and associated SMAs that were actively fundraising included SDP V; Strategic Equity V; North America Credit Partners III; Europe Mid-Market II; Infrastructure Europe II; Life Sciences I; and various Real Estate equity and debt strategies. During FY25 we expect to hold final closes for a number of those including SDP V, Strategic Equity V, North America Capital Partners III and Infrastructure II. We anticipate launching a number of funds including Core Private Equity and Europe IX. The timings of launches and closes for these funds depends on a number of factors, including the prevailing market conditions.

Group financial performance

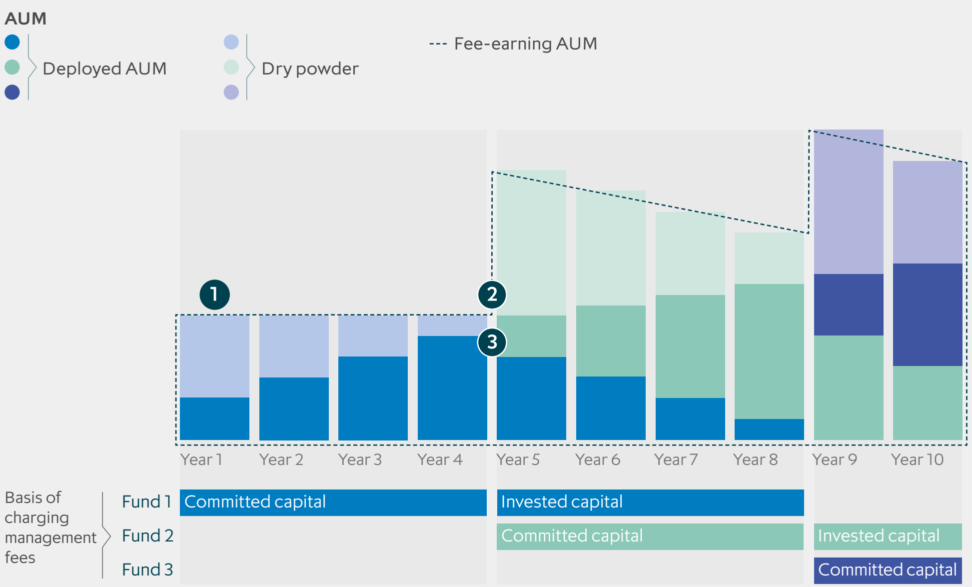
£m unless stated	Year ended 31 March 2023	Year ended 31 March 2024	Change %[1]
Management fees	481.4	**505.4**	5%
Performance fees	19.6	**73.7**	n/m
Fee income	**501.0**	**579.1**	**16%**
Movement in fair value of derivative	(26.8)	**–**	n/m
Other Fund Management Company income	65.7	**72.9**	11%
Fund Management Company revenue	**539.9**	**652.0**	**21%**
Fund Management Company operating expenses	(229.2)	**(277.5)**	21%
Fund Management Company profit before tax	**310.7**	**374.5**	**21%**
Fund Management Company operating margin	*57.5%*	***57.4%***	*(0.1)%*
Net investment return	102.3	**379.3**	n/m
Other Investment Company Income	(3.9)	**(31.3)**	n/m
Investment Company operating expenses	(103.1)	**(100.4)**	3%
Interest income	13.9	**21.5**	55%
Interest expense	(61.8)	**(45.8)**	26%
Investment Company (loss) / profit before tax	(52.6)	**223.3**	n/m
Group profit before tax	**258.1**	**597.8**	**n/m**
Tax	(28.8)	**(78.5)**	n/m
Group profit after tax	**229.3**	**519.3**	**n/m**
Earnings per share	80.3 p	**181.5 p**	n/m
Dividend per share	77.5p	**79p**	2%
Total available liquidity	£1.1bn	**£1.1bn**	7%
Balance sheet investment portfolio	£2.9bn	**£3.1bn**	6%
Net gearing	0.52x	**0.38x**	(0.14)x
Net asset value per share	694p	**801p**	15%

1. The % change, where the movements are in excess of +100%/ (100)% are shown as n/m.

Finance review continued

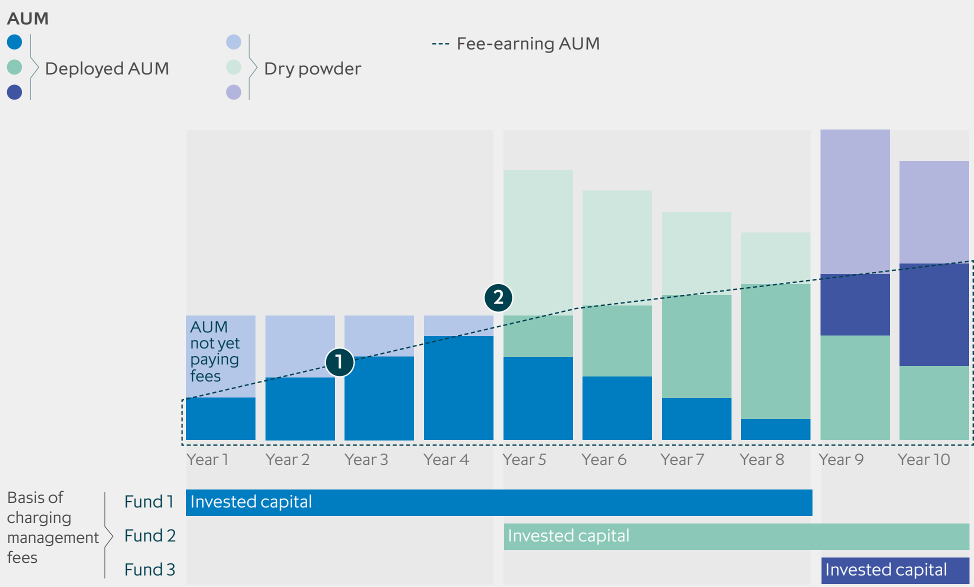
How our fee-earning AUM develops

A strategy charging fees on committed capital USD billions



1. Fees are charged on total committed capital during a fund's investment period. All commitments to the fund are charged fees from the date of the 'first close'.
2. Successor funds are launched typically once a fund is 85–90% invested.
3. At this point, the previous vintage of the fund 'steps down' to charge fees on invested capital, potentially with a reduction in fees of ~25bps. As the fund realises investments, the invested capital base is reduced.

A strategy charging fees on invested capital USD billions



1. Fees are charged on the original cost of total invested capital for the entirety of the fund's life. The fee-earning AUM therefore increases as capital is deployed, and reduces as the fund realises investments.
2. No 'step down' in fees when a successor fund is launched.

Finance review continued

Group financial performance continued

Structured and Private Equity

Overview

Flagship strategies	Scaling strategies	Seeding strategies
European Corporate	European Mid-Market	Life Sciences
Strategic Equity	Asia Pacific Corporate	Core Private Equity
	LP Secondaries	

	Year ended 31 March 2023	Year ended 31 March 2024	Year-on-year growth[2]	Last five years CAGR[2,3]
AUM	\$29.9bn	**\$40.9 bn[1]**	37%	26%
Fee-earning AUM	\$23.8bn	**\$28.3bn**	19%	21%
Fundraising	\$3.5bn	**\$5.4bn**	55%	
Deployment	\$4.3bn	**\$1.7bn**	(61)%	
Realisations	\$2.3bn	**\$0.8bn**	(64)%	
Effective management fee rate	1.26%	**1.24%**	(2)bps	
Management fees	£283m	**£284m**	–%	22%
Performance fees	£13m	**£53m**	298%	
Balance sheet investment portfolio	£1.8bn	**£1.8bn**		
Annualised net investment return[4]	6%	**13%**		16%[5]

1. See page 16 for a description of how our methodology for calculating AUM has changed for FY24.
2. AUM on constant currency basis;
3. AUM calculation based on 31 March 2019 to 31 March 2024;
4. Balance Investment Portfolio NIR;
5. Five-year average

Performance of key funds

	Vintage	Total fund size	Status	% deployed	Gross MOIC	Gross IRR	DPI
Europe VI	2015	€3.0bn	Realising		2.2x	23%	179%
Europe VII	2018	€4.5bn	Realising		1.9x	19%	42%
Europe VIII	2021	€8.1bn	Investing	47%	1.3x	16%	–%
Europe Mid-Market I	2019	€1.0bn	Investing	93%	1.6x	29%	34%
Europe Mid-Market II			Fundraising				
Asia Pacific III	2014	\$0.7bn	Realising		2.1x	18%	98%
Asia Pacific IV	2020	\$1.1bn	Investing	48%	1.4x	20%	–%
Strategic Secondaries II	2016	\$1.1bn	Realising		3.1x	48%	200%
Strategic Equity III	2018	\$1.8bn	Realising		2.6x	44%	30%
Strategic Equity IV	2021	\$4.3bn	Investing	97%	1.5x	35%	3%
Strategic Equity V			Fundraising				
LP Secondaries I	2024	\$0.8bn	Investing	28%	2.1x	79%	4%

Key drivers

Business activity	Fundraising: Strategic Equity (\$3.5bn), Mid Market II (\$1.2bn); LP Secondaries (\$0.7bn) Deployment: Mostly driven by European Corporate (\$0.8bn) and Strategic Equity (\$0.5bn) Realisations: Strategic Equity (\$0.6bn)
Fee income	Management fees: Prior period included £30.6m of catch up fees (FY24: £3.7m). Underlying growth driven largely by fundraising for Strategic Equity V as well as for LP Secondaries I Performance fees: Include inaugural recognition for Europe VII
Balance sheet investment portfolio	Investment returns: Strategic Equity and European Corporate driving positive NIR, supported by underlying company growth
Fund performance	Broad-based year-on-year growth across key funds

Finance review continued

Group financial performance continued

Private Debt
Overview

Flagship strategies	Scaling strategies	Seeding strategies
Senior Debt Partners	North America Credit Partners	-

	Year ended 31 March 2023	Year ended 31 March 2024	Year-on-year growth[2]	Last five years CAGR[2,3]
AUM	$23.8bn	**$28.3bn**[1]	19%	23%
Fee-earning AUM	$14.2bn	**$15.9bn**	12%	22%
Fundraising	$3.8bn	**$4.8bn**	26%	
Deployment	$4.5bn	**$3.8bn**	(14)%	
Realisations	$2.0bn	**$1.8bn**	(8)%	
Effective management fee rate	0.82%	**0.84%**	+2bps	
Management fees	£84m	**£100m**	20%	28%
Performance fees	£6m	**£8m**	22%	
Balance sheet investment portfolio	£0.2bn	**£0.1bn**		
Annualised net investment return[4]	9%	**9%**		10%[5]

1. See page 16 for a description of how our methodology for calculating AUM has changed for FY24.
2. AUM on constant currency basis;
3. AUM calculation based on 31 March 2019 to 31 March 2024;
4. Balance Investment Portfolio NIR;
5. Five-year average

Performance of key funds

	Vintage	Total fund size	Status	% deployed	Gross MOIC	Gross IRR	DPI
Senior Debt Partners II	2015	€1.5bn	Realising		1.3x	8%	97%
Senior Debt Partners III	2017	€2.6bn	Realising		1.2x	7%	47%
Senior Debt Partners IV	2020	€5.0bn	Realising		1.2x	11%	15%
Senior Debt Partners V			Fundraising / Investing				
North American Private Debt I	2014	$0.8bn	Realising		1.5x	16%	128%
North American Private Debt II	2019	$1.4bn	Investing	95%	1.3x	13%	34%
North America Credit Partners III			Fundraising				

Key drivers

Business activity	Fundraising: Senior Debt Partners ($3.7bn) and North America Credit Partners III ($1.0bn) Deployment: Senior Debt Partners ($3.5bn) and North America Credit Partners ($0.2bn) Realisations: Senior Debt Partners ($1.4bn) and North America Credit Partners ($0.3bn)
Fee income	Management fees: Net deployment supporting higher fee earning AUM, in particular in Senior Debt Partners Performance fees: Positive impact of higher base rates
Balance sheet investment portfolio	Investment returns: Interest rates remaining at higher levels and limited impairments
Fund performance	Key funds generally flat-to-up year-on-year

Finance review continued

Group financial performance continued

Real Assets

Overview

Flagship strategies	Scaling strategies	Seeding strategies
-	Infrastructure Europe Real Estate Equity Europe Real Estate Debt	Infrastructure Asia Real Estate Equity Asia

	Year ended 31 March 2023	Year ended 31 March 2024	Year-on-year growth[2]	Last five years CAGR[2,3]
AUM	$8.3bn	**$10.8bn[1]**	30%	21%
Fee-earning AUM	$6.9bn	**$7.7bn**	11%	20%
Fundraising	$1.0bn	**$1.0bn**	(4)%	
Deployment	$1.7bn	**$2.2bn**	28%	
Realisations	$1.0bn	**$0.9bn**	(10)%	
Effective management fee rate	0.91%	**0.94%**	+3bps	
Management fees	£49m	**£56m**	15%	20%
Performance fees	–	**–**	n/m	
Balance sheet investment portfolio	£0.3bn	**£0.4bn**		
Annualised net investment return[4]	8%	**13%**		7%5

1. See page 16 for a description of how our methodology for calculating AUM has changed for FY24.
2. AUM on constant currency basis;
3. AUM calculation based on 31 March 2019 to 31 March 2024;
4. Balance Investment Portfolio NIR;
5. Five-year average

Performance of key funds

	Vintage	Total fund size	Status	% deployed	Gross MOIC	Gross IRR	DPI
Real Estate Partnership Capital IV	2015	£1.0bn	Realising		1.2x	5%	97%
Real Estate Partnership Capital V	2018	£0.9bn	Realising		1.2x	9%	28%
Real Estate Partnership Capital VI			Investing	73%	1.1x	11%	10%
Infrastructure Equity I	2020	€1.5bn	Investing	97%	1.3x	21%	1%
Infrastructure II			Fundraising / Investing				
Sale & Leaseback I	2019	€1.2bn	Investing	92%	1.2x	8%	6%
Strategic Real Estate II			Fundraising / Investing				

Key drivers

Business activity	Fundraising: Real Estate equity and debt strategies ($0.6bn) and Infrastructure II ($0.4bn) Deployment: Real Estate equity and debt strategies ($1.5bn), Infrastructure Europe ($0.7bn) Realisations: Real Estate equity and debt strategies ($0.8bn), Infrastructure Europe ($0.1bn)
Fee income	Management fees: Debt strategies continue to deploy, increasing fee earning AUM. Equity strategies charging higher fees rate, positively impacting the effective management fee rate Performance fees: No performance fees due to early stage of key carry-eligible funds
Balance sheet investment portfolio	Investment returns: Positive NIR in Real Estate Equity and Infrastructure, with Real Estate Debt broadly flat year-on-year
Fund performance	Key funds broadly flat-to-up year-on-year

Finance review continued

Group financial performance continued

Credit
Overview

Flagship strategies	Scaling strategies	Seeding strategies
CLOs	Liquid Credit	-

	Year ended 31 March 2023	Year ended 31 March 2024	Year-on-year growth[2]	Last five years CAGR[2,3]
AUM	$18.2bn	**$17.9bn[1]**	(1)%	7%
Fee-earning AUM	$17.9bn	**$17.7bn**	(1%)	8%
Fundraising	$1.9bn	**$1.8bn**	(3)%	
Realisations	$1.7bn	**$2.5bn**	49%	
Effective management fee rate	0.49%	**0.48%**	(1)bps	
Management fees	£66m	**£65m**	(1%)	10%
Performance fees	–	**£13m**	n/m	
Balance sheet investment portfolio	£0.4bn	**£0.3bn**		
Annualised net investment return[4]	(7%)	**(1)%**		(2)%[5]

1. See page 16 for a description of how our methodology for calculating AUM has changed for FY24.
2. AUM on constant currency basis;
3. AUM calculation based on 31 March 2019 to 31 March 2024;
4. Balance Investment Portfolio NIR;
5. Five-year average

Key drivers

Business activity	Fundraising: One US CLO ($0.4bn) and one European CLO ($0.4bn), remainder coming into various Liquid Credit funds Realisations: Liquid Credit ($1.9bn) and CLOs ($0.6bn)
Fee income	Management fees: In line with trajectory of fee-earning AUM Performance fees: Due to Alternative Credit, which has a performance fee test every three years
Balance sheet investment portfolio	Investment returns: Positive NIR across CLO equity, CLO debt and Liquid Credit, offset by a reduction in the value of the balance sheet's holding of CLO equity to reflect CLO dividends received that are recorded in the FMC

Fund Management Company

The Fund Management Company (FMC) manages our third-party AUM, which it invests on behalf of the Group's clients.

Management fees
The effective management fee rate on our fee-earning AUM at year end was 0.92% (FY23: 0.90%), and management fees for the period totalled £505.4m (FY23: £481.4m), a year-on-year increase of 5% (7% on a constant currency basis).

In FY24 management fees included £4.6m of catch-up fees (FY23: £30.6m). Excluding catch-up fees, management fees delivered a year-on-year growth rate of 11%.

Performance fees
Performance fees recognised for the year totalled £73.8m (FY23: £19.6m). The year-on-year increase was largely due to the inaugural recognition in the current period of performance fees relating to Europe VII (£14.8m) as well as recognition of performance fees within Alternative Credit (which are tested every three years). During the year we realised £26m in cash from performance fees, and at 31 March 2024 the Group had an asset of £83.7m of accrued performance fees (FY23: £37.5m).

£m	
Accrued performance fees at 31 March 2023	**37.5**
Accruals during period	73.8
Received during period	(25.9)
FX and other movements	(1.7)
Accrued performance fees at 31 March 2024	**83.7**

Fund Management Company continued

Recognition of performance fees

In addition to management fees, the Group receives performance fees from certain funds if performance thresholds are met (see page 22).

Performance fees are a relatively small but important part of the Group's revenue. The Group receives approximately 20–25% of performance fees from the funds that it manages, with the remainder going to the investment teams.

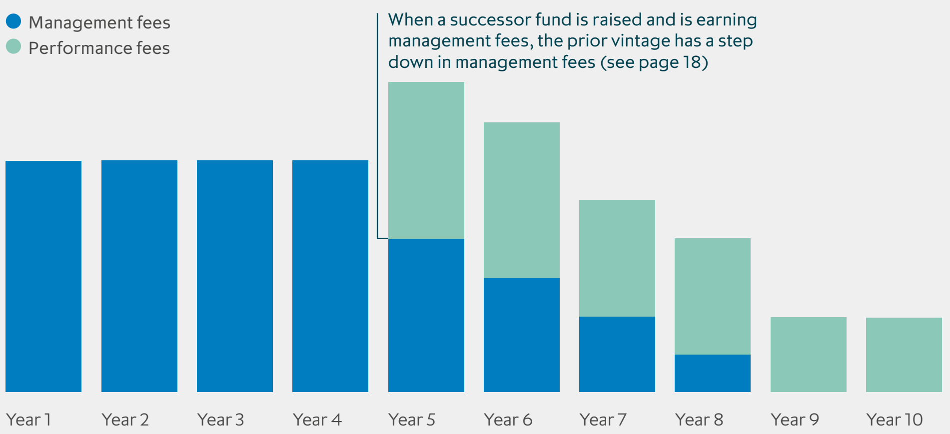
Over the medium term we expect performance fees to be ~10–15% of our total third-party fee income. Accrual of unrealised performance fees is a matter of judgement (see note 3 on page 134) and we take a conservative approach to minimise the possibility of any significant reversals.

Illustrative recognition of performance fee accrual under UK-adopted IAS for a fund that charges fees on committed capital

Performance fees are recognised only if it is highly probable that there will not be a significant reversal in the future. In practice recognition generally occurs after a number of realisations have been made. Timing of recognition depends on deployment, exits and fund performance.

Where the hurdle date is expected to be reached within 24 months of the year end, a constraint will be applied to the performance fee that is recognised but not yet paid. For FY24, this constraint was 56% (see page 134.

Certain funds that charge fees on invested capital also charge performance fees, which the Group benefits from. The process for recognising performance fees in these funds is the same as outlined above, and the illustrative profile in the graph would change to reflect the management fee being charged on invested. For more detail on how we charge management fees (see page 18).



Other income and movements in fair value of derivatives

Other income includes dividend receipts of £47.0m (FY23: £40.2m) from investments in CLO equity, which are continuing to be received in line with historical experiences. The FMC also recognised £25.0m of revenue for managing the IC balance sheet investment portfolio (FY23: £25.0m), as well as other income of £0.9m (FY23: £0.5m).

During FY23 the Group decided to no longer enter into FX transaction hedges for its fee income as a matter of course (although it may still do so on an ad hoc basis), and economically closed out all outstanding such hedges. For FY24 the movement in fair value of derivatives within the FMC was zero (FY23: £(26.8)m).

Operating expenses and margin

Operating expenses increased by 21% compared to FY23 and totalled £277.5m (FY23: £229.2m). Salaries and Incentive Scheme Costs increased ahead of headcount (which grew 9%), largely due to a number of senior hires, combined with the annualisation impact of prior years' joiners that started part way through FY23. Other administrative costs increased year-on-year, linked to growth across various business lines and ongoing investments in our operating platform.

£m	Year ended 31 March 2023	Year ended 31 March 2024	Change %
Salaries	85.0	**101.0**	19%
Incentive scheme costs	92.2	**113.3**	23%
Administrative costs	45.7	**56.8**	24%
Depreciation and amortisation	6.3	**6.4**	2%
FMC operating expenses	**229.2**	**277.5**	**21.1%**
FMC operating margin	**57.5%**	**57.4%**	**(0.1%)**

Within FMC operating expenses (Incentive scheme costs), there was £41.0m expensed for stock-based compensation.

The FMC recorded a profit before tax of £374.5m (FY23: £310.7m), a year-on-year increase of 21% and an increase of 23% on a constant currency basis.

Finance review continued

Investment Company

The Investment Company (IC) invests the Group's balance sheet to seed new strategies, and invests alongside the Group's scaling and flagship strategies to align interests between our shareholders, clients and employees. It also supports a number of costs, including for certain central functions, a part of the Executive Directors' compensation, and the portion of the investment teams' compensation linked to the returns of the balance sheet investment portfolio (Deal Vintage Bonus, or DVB).

Balance sheet investment portfolio

The balance sheet investment portfolio was valued at £3.1bn at 31 March 2024 (31 March 2023: £2.9bn). During the period, it generated net realisations and interest income of £139m (FY23: £122m), being net realisations of £88m (FY23: £103m) and cash interest receipts of £51m (FY23: £53m).

It made seed investments totalling £312m, including on behalf of Real Estate Equity, Life Sciences and Infrastructure Asia.

£m	As at 31 March 2023	New investments	Realisations	Gains/ (losses) in valuation	FX & other	As at 31 March 2024
Structured and Private Equity	1,751	94	(225)	232	(45)	**1,807**
Private Debt	169	22	(50)	13	(5)	**149**
Real Assets	289	179	(103)	44	(7)	**402**
Credit[1]	363	28	(63)	(3)	(7)	**318**
Seed Investments[2]	330	312	(333)	92	(7)	**394**
Total Balance Sheet Investment Portfolio	**2,902**	**635**	**(774)**	**378**	**(71)**	**3,070**

1. Within Credit, at 31 March 2024 £22m was invested in liquid strategies, with the remaining £296m invested in CLO debt (£106m) and equity (£190m).
2. Gains/(losses) in valuation include a gain of £60m recognised in the prior year UK-adopted IAS financial statements.

Net Investment Returns

For the five years to 31 March 2024, Net Investment Returns (NIR) have been in line with our medium-term guidance, averaging 11%. For the twelve months to 31 March 2024, NIR were 13% (FY23: 4%).

NIR of £379.3m were comprised of interest of £124.9m from interest-bearing investments (FY23: £113.2m), capital gains of £252.4m (FY23: loss of £(13.2)m) and other income of £2.0m. NIR were split between asset classes as follows:

	Year ended 31 March 2023		Year ended 31 March 2024	
£m	NIR (£m)	Annualised NIR (%)	NIR (£m)	Annualised NIR (%)
Structured and Private Equity	112.9	6%	**232.5**	**13%**
Private Debt	14.4	9%	**13.8**	**9%**
Real Assets	20.7	8%	**44.2**	**13%**
Credit	(30.1)	(7%)	**(2.9)**	**(1%)**
Seed Investments[1]	(15.6)	(6%)	**91.7**	**25%**
Total net investment returns	**102.3**	**4%**	**379.3**	**13%**

1. FY23 NIR adjusted to reflect three assets with Seed Investments that were previously included within Real Assets.

The NIR included a £118m benefit from three investments that were originally intended as seed investments but which we will now sell directly to third parties.

For further discussion on balance sheet investment performance by asset class, refer to pages 8 to 11 of this announcement.

In addition to the NIR, the other adjustments to IC revenue were as follows:

£m	Year ended 31 March 2023	Year ended 31 March 2024	Change
Changes in fair value of derivatives[1]	16.8	**(7.3)**	n/m
Inter-segmental fee	(25.0)	**(25.0)**	–%
Other	4.3	**1.0**	(77)%
Other IC revenue	**(3.9)**	**(31.3)**	**n/m**

1. Derivatives relate to the hedging of our net currency assets, see page 27.

As a result, the IC recorded total revenues of £348m (FY23: £98.4m).

Finance review continued

Investment Company continued

Investment Company expenses

Operating expenses in the IC of £100.4m decreased by 3% compared to FY23 (£103.1m).

£m	Year ended 31 March 2023	Year ended 31 March 2024	Change
Salaries	20.0	**21.4**	7%
Incentive scheme costs	59.6	**58.6**	(2%)
Administrative costs	20.7	**18.1**	(13%)
Depreciation and amortisation	2.8	**2.3**	(18%)
IC operating expenses	**103.1**	**100.4**	**(3%)**

Within IC operating expenses (incentive scheme costs), there was £12.6m expensed for stock-based compensation. Incentive scheme costs also included DVB accrual of £35.1m (FY23: £36.6m), due both to the passage of time and the impact of underlying valuation changes.

Employee costs for teams who do not yet have a third-party fund are allocated to the IC. For FY24, the directly-attributable costs within the Investment Company for teams that have not had a first close of a third-party fund was £21.1m (FY23: £24.4m). When those funds have a first close, the costs of those teams are transferred to the Fund Management Company. During the period, certain costs within real estate were transferred from the IC to FMC, resulting in £4.6m of expenses being recognised in the FMC.

Interest expense was £45.8m (FY23: £61.8m) and interest earned on cash balances was £21.5m (FY23: £13.9m).

The IC recorded a profit before tax of £223.3m (FY23: loss before tax £(52.6)m).

Group

Tax

The Group recognised a tax charge of £(78.5)m (FY23: £(28.8)m), resulting in an effective tax rate for the period of 13.2% (FY23: 11.2%). The increase compared to the prior year is due to an increase from 19% to 25% in the UK tax rate and positive NIR.

As detailed in note 13, the Group has a structurally lower effective tax rate than the statutory UK rate. This is largely driven by the Investment Company, where certain forms of income benefit from tax exemptions.

Dividend and share count

ICG has a progressive dividend policy. Over the long term the Board intends to increase the dividend per share by at least mid-single digit percentage points on an annualised basis.

The Board has proposed a final dividend of 53.2p per share which, combined with the interim dividend of 25.8p per share, results in total dividends for the year of 79.0p (FY23: 77.5p). This marks the 14th consecutive year of increases in our ordinary dividend per share, which over the last five years has grown at an annualised rate of 12%. We continue to make the dividend reinvestment plan available.

At 31 March 2024 the Group had 290,631,993 shares outstanding (31 March 2023: 290,598,849). During the year the Group recognised £53.6m in stock-based compensation. The Group has a policy of neutralising the dilutive impact of stock-based compensation through the purchase of shares by an Employee Benefit Trust ('EBT').

Finance review continued

Group continued

Balance sheet and cash flow

We use our balance sheet's asset base to grow our fee-earning AUM, and do this through two routes:
- investing alongside clients in our existing strategies to align interests; and
- making investments to seed new strategies.

During the year we made gross investments of £323m alongside existing strategies and £312m in seed investments. See page 24 for more information on the performance of our balance sheet investment portfolio during the period.

To support this use of our balance sheet, we maintain a robust capitalisation and a strong liquidity position:

£m	31 March 2023	31 March 2024
Balance sheet investment portfolio	2,902	**3,070**
Cash and cash equivalents	550	**627**
Other assets	424	**476**
Total assets	**3,876**	**4,173**
Financial debt	(1,538)	**(1,448)**
Other liabilities	(361)	**(430)**
Total liabilities	**(1,899)**	**(1,878)**
Net asset value	**1,977**	**2,295**
Net asset value per share	**694p**	**801p**

Liquidity and net debt

At 31 March 2024 the Group had total available liquidity of £1,124m (FY23: £1,056m), net financial debt of £874m (FY23: £1,032m) and net gearing of 0.38x (FY23: 0.52x).

During the period, available cash increased by £68m from £506m to £574m, including the repayment of £51m of borrowings that matured.

The table below sets out movements in cash:

£m	FY23	FY24
Opening cash	**762**	**550**
Operating activities		
Fee and other operating income	573	**492**
Net cash flows from investment activities and investment income[1]	162	**180**
Expenses and working capital	(322)	**(272)**
Tax paid	(32)	**(41)**
Group cash flows from operating activities - APM2,3	**381**	**359**
Financing activities		
Interest paid	(64)	**(49)**
Interest received on cash balances	14	**29**
Purchase of own shares	(39)	**–**
Dividends paid	(236)	**(223)**
Net repayment of borrowings	(195)	**(51)**
Group cash flows from financing activities - APM2	**(520)**	**(294)**
Other cash flow[4]	(77)	**14**
FX and other movement	4	**(2)**
Closing cash	**550**	**627**
Regulatory liquidity requirement	(44)	**(53)**
Available cash	**506**	**574**
Available undrawn ESG-linked RCF	550	**550**
Cash and undrawn debt facilities (total available liquidity)	**1,056**	**1,124**

1. The aggregate cash (used)/received from balance sheet investment portfolio (additions), realisations, and cash proceeds received from assets within the balance sheet investment portfolio.
2. Interest paid, which is classified as an Operating cash flow under UK-adopted IAS, is reported within Group cash flows from financing activities - APM.
3. Per note 31 of the Financial Statements, Operating cash flows under UK-adopted IAS of £255.9m (FY23: £291.6m) include consolidated credit funds. This difference to the APM measure is driven by cash consumption within consolidated credit funds as a result of their investing activities during the period.
4. Cash flows in respect of purchase of intangible assets, purchase of property, plant and equipment and net cash flow from derivative financial instruments.

Finance review continued

Group continued

At 31 March 2024, the Group had drawn debt of £1,448m (FY23: £1,538m). The change is due to the repayment of certain facilities as they matured, along with changes in FX rates impacting the translation value:

	£m
Drawn debt at 31 March 2023	**1,538**
Debt (repayment) / issuance	(51)
Impact of foreign exchange rates	(39)
Drawn debt at 31 March 2024	**1,448**

Net financial debt therefore reduced by £158m to £874m (FY23: £1,032m):

£m	31 March 2023	31 March 2024
Drawn debt	1,538	**1,448**
Available cash	506	**574**
Net financial debt	**1,032**	**874**

At 31 March 2024 the Group had credit ratings of BBB (stable outlook) / BBB (positive outlook) from Fitch and S&P, respectively.

The Group's debt is provided through a range of facilities. All facilities except the ESG-linked RCF are fixed-rate instruments. The weighted-average pre-tax cost of drawn debt at 31 March 2024 was 3.07% (FY23: 3.17%). The weighted-average life of drawn debt at 31 March 2024 was 3.3 years (FY23: 4.1 years). The maturity profile of our term debt is set out below:

£m	FY25	FY26	FY27	FY28	FY29	FY30
Term debt maturing	246	180	496	–	99	427

For further details of our debt facilities see Other Information (page 204).

Net gearing

The movements in the Group's balance sheet investment portfolio, cash balance, debt facilities and shareholder equity resulted in net gearing decreasing to 0.38x at 31 March 2024 (FY23: 0.52x).

£m	31 March 2023	31 March 2024	Change %
Net financial debt (A)	1,032	**874**	(15%)
Net asset value (B)	1,977	**2,295**	16%
Net gearing (A/B)	**0.52x**	**0.38x**	**(0.14)x**

Foreign exchange rates

The following foreign exchange rates have been used throughout this review:

	Average rate for FY23	Average rate for FY24	Year ended 31 March 2023	Year ended 31 March 2024
GBP:EUR	1.1560	**1.1609**	1.1375	**1.1697**
GBP:USD	1.2051	**1.2572**	1.2337	**1.2623**
EUR:USD	1.0426	**1.0829**	1.0846	**1.0792**

The table below sets out the currency exposure for certain reported items:

	USD	EUR	GBP	Other
Fee-earning AUM	33%	54%	11%	2%
Fee income	35%	56%	8%	1%
FMC expenses	16%	17%	57%	10%
Balance sheet investment portfolio	22%	51%	20%	7%

The table below sets out the indicative impact on our reported management fees, FMC PBT and NAV per share had sterling been 5% weaker or stronger against the euro and the dollar in the period (excluding the impact of any hedges):

	Impact on FY24 management fees[1]	Impact on FY24 FMC PBT[1]	NAV per share at 31 March 2024[2]
Sterling 5% weaker against euro and dollar	+£23.9m	+£25.2m	+14p
Sterling 5% stronger against euro and dollar	-£(21.6)m	-£(22.8)m	-(13)p

1. Impact assessed by sensitising the average FY24 FX rates.
2. NAV / NAV per share reflects the total indicative impact as a result of a change in FMC PBT and net currency assets.

Where noted, this review presents changes in AUM, fee income and FMC PBT on a constant currency exchange rate basis. For the purposes of these calculations, prior period numbers have been translated from their underlying fund currencies to the reporting currencies at the respective FY24 period end exchange rates. This has then been compared to the FY24 numbers to arrive at the change on a constant currency exchange rate basis.

The Group does not hedge its net currency income as a matter of course, although this is kept under review. The Group does hedge its net balance sheet currency exposure, with the intention of broadly insulating the NAV from FX movements. Changes in the fair value of the balance sheet hedges are reported within the IC.

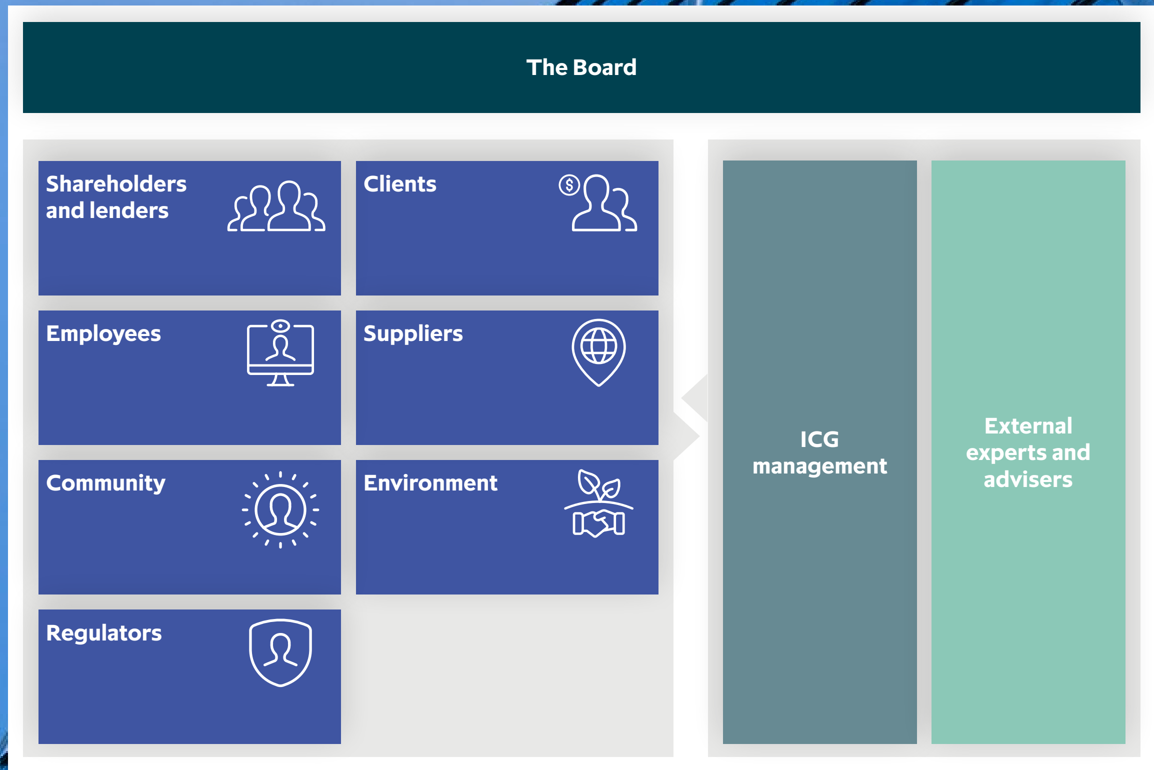
Stakeholder engagement

STAKEHOLDER DIALOGUE AND INSIGHT KEY TO OUR GOVERNANCE AND GROWTH

The strength of our stakeholder relationships enables us to grow responsibly. Listening to and engaging with our diverse stakeholders drives progress, trust and transparency. It enables us to understand external developments and market expectations and supports our identification of opportunities and risks.

Our key stakeholder groups

The Directors consider that the following groups are the Group's key stakeholders. The Board seeks to understand the interests of each stakeholder group so that these may be properly factored into the Board's decisions. We do this through various methods including direct engagement by executive and non-executive Board members where relevant; receiving reports and updates from management; and seeking input and counsel from external experts and advisers as appropriate.



Stakeholder engagement continued

Stakeholder	Why is it important to engage?	How have the Board and management engaged?	What were the key topics of engagement?	Outcomes as a result of that engagement
Shareholders and lenders	Effective access to capital is crucial for the success of the Group, and fostering a supportive investor base that is interested in the long-term prospects of the Group is of strategic importance. We seek to foster a two-way dialogue with both current and potential shareholders and lenders. We strive to communicate clearly to them about our performance and prospects. We also seek to understand their views on our industry and our business so that these perspectives can be factored into management and Board decisions.	The Group conducts an active Investor Relations programme, engaging with shareholders, lenders and rating agencies throughout the year using a variety of channels. During FY24 these included one-on-one and group meetings, shareholder roadshows following results and on an ad hoc basis (in a number of geographies), and shareholder dinners (including with Non-Executive Directors (NEDs) and members of the management team). Following David Bicarregui's appointment to the Board, David has also spent time getting to know our shareholders during the course of the year. The Board and management receive feedback on shareholder and lender views directly from our shareholders, rating agencies and balance sheet finance providers, the Group's Shareholder Relations function and from third parties, such as our corporate brokers. The Chair also undertook a series of meetings with our largest shareholders without management present to receive shareholder feedback on the Group, our growth plan and management.	– The Group's financial performance in FY23 and outlook over the short and long term – Impact of the macroeconomic environment on the Group's clients and portfolio companies – Fundraising, deployment and realisation activity – Cost base progression and our investments in the business – Capital allocation including dividend policy and deploying balance sheet capital alongside our clients and to seed new strategies	– Strong engagement with current and potential shareholders both through regular reporting and off-cycle interactions – Refined our disclosure on the performance of our funds, having reformatted to webcast results presentations as of Q3 – Hosted a shareholder seminar, "Deep dive on scaling out", as part of our annual programme of shareholder seminars – S&P Ratings updated our credit rating in December 2022 to positive outlook
Clients Read more on page 13	Clients entrust us with their capital to invest on their behalf. The single largest driver of our long-term growth is continuing to attract increasing levels of capital from our clients and growing our client base, while delivering strong returns. Ensuring that we understand our clients' needs and serve them appropriately is fundamental to the success of the Group.	We are continually considering the position of our clients, and how we can best engage with them. More information on our clients can be found on page 13. Our in-house marketing team engages regularly with all clients and potential clients, providing detailed updates on fund performance, new funds and other business developments, including sustainability matters. We held regular client investor days and investor conferences throughout the year, ensuring that our clients have access to our in-house distribution team as well as to senior management and members of our investment teams.	– Designing funds to meet clients' needs – Strategy to grow our client base and increase holdings by existing clients – Reporting of portfolio performance – Integrating sustainability considerations into our client reporting and our investment processes	– Continued to broaden our expertise and offering of funds to meet client needs – Offered successor vintages of established funds to meet client demand – Enhanced our monitoring, target setting and reporting for portfolio companies – Continued to offer a number of funds with sustainable elements (including our Article 9 Life Sciences Fund)

Stakeholder engagement continued

Stakeholder	Why is it important to engage?	How have the Board and management engaged?	What were the key topics of engagement?	Outcomes as a result of that engagement
Employees Read more on page 35	The success of the Group depends on collaboration and expertise across teams. Effective two-way communication with our employees is essential to build and maintain engagement. Our employee engagement informs us where we are doing well and where further actions should be considered and applied.	We have a number of formal and informal channels to achieve this, including a significant employee engagement survey held during the year, regular whole company business briefings and regular team meetings. During the year, Amy Schioldager was the NED responsible for employee engagement, and she held a number of sessions with employees during the year in individual and group forums. Effective 16 July 2024, Andrew Sykes will act as the NED responsible for employee engagement. Details of our employee engagement can be found on page 36.	– DEI aims and ambitions – Growth and development of our employees – Wellbeing of employees – Enhancing our agile working arrangements – Ensuring that the employee experience is not adversely impacted by our growth trajectory	– Approval of key DEI targets, including the extension of the target for representation of female colleagues and a new target for those from ethnic minorities in senior management – Refinements by management in respect of workplace culture and wellbeing – Initiation of talent development and talent retention programmes, including focused training and mentoring – Review of employee compensation
Suppliers	We work to ensure that our suppliers are engaged with our business and that each party understands the approach of the other. This enables our suppliers to better meet our needs and us to understand their perspective, as well as delivering appropriate oversight of the supplier relationship.	We ensure that senior management hold regular relationship meetings with our key suppliers to ensure that any issues in our interactions with them are fully considered and addressed, and to review supplier performance. We are also continuing with the development of our supplier on-boarding process with enhanced due diligence on our key suppliers in respect of key sustainability metrics. The Board receives regular updates on our engagement with suppliers, in particular in respect of the third-party administrators who provide services in respect of our funds. One of our key third-party administrators presented at a Board meeting this year, which was an excellent opportunity to engage with each other about our relationship and future plans.	– Ability of providers, including third-party administrators, to continue to provide a high-quality and fairly priced service – Enhancement of ethical and responsible procurement practices including conducting of Modern Slavery risk assessment of suppliers – Building broader relationships with supplier teams	– Launched a full-scale review of our Third Party Administrator Arrangements – Reviewed processes with suppliers (both onboarding and the go-forward relationship) and enhanced ESG assessment process which all new and existing material suppliers are now required to complete – Review of invoice payment process to ensure prompt payment of suppliers

Stakeholder engagement continued

Stakeholder	Why is it important to engage?	How have the Board and management engaged?	What were the key topics of engagement?	Outcomes as a result of that engagement
Community	We are a people business, with offices in 19 locations, investing money on behalf of clients including pension funds and insurance companies worldwide. Our actions may have meaningful and direct impacts on local communities. It is incumbent upon us to ensure that we actively cultivate and maintain strong local relationships and help our local communities share in our success.	The Board has reconfirmed its commitment to our increased level of charitable payments and emphasised to management the importance of continuing to play our part as a responsible member of society. Board members, including both Executive and NEDs, have participated in volunteering opportunities with key charitable partners.	– Identifying the most appropriate way for the Group to positively impact the wider community – Continued commitment of employee time to charitable initiatives	– Continued our charitable partnership in support of charities tackling the cost-of-living crisis via the "Million Meals Initiative" – Committed £2.6m this financial year to support a variety of charitable causes – Gave employees an opportunity to pitch to a panel of senior management for corporate donations to be made to charities close to the employees' hearts – as a result, over £100,000 was awarded to four charities not previously supported by the firm – Over 220 employees participated in Corporate Social responsibility volunteering sessions over the course of the year – Completed an innovative charitable arrangement with Community Capital Credit Fund (our first social purpose investor) (CC) – CC has committed to ICG Senior Debt Partners 5 and the Group has waived its management fee/carried interest on the basis that CC will put the saving towards supporting causes that align with the Group's charitable focus (i.e. social mobility and early career development)
Environment Read more on page 47	We are aware of the impact of our business operations on the natural environment. We are seeking to reduce potential negative impact from our own operations, as well as from our funds' investments where relevant.	Details of our focus on environmental matters, particularly those related to climate change, and climate risk can be found on pages 47 to 64. The Board has a keen interest in sustainability matters and regularly receives updates from senior management, including Board presentations from our Global Head of Sustainability & ESG.	– How to integrate climate-related considerations into our corporate and portfolio management decision making – The most appropriate and credible way to align the business and investments to make progress against our stated decarbonisation goals – Ensuring that investment decisions are made with appropriate regard to environmental factors, including our shareholders', lenders', clients' and regulators' requirements	– Continued enhancement of our pre-investment assessment approach. For more information, please see our Sustainability & People Report – Continued to reduce greenhouse gas (GHG) emissions from our own operations and made progress in setting science-based targets with Relevant Investments[1], (see page 52 in our TCFD Report) – Committed to support the goal of achieving net zero emissions across our operations and Relevant Investments[1] by 2040. The commitment is supported by two targets validated by the Science Based Target Initiative (SBTi) (see page 48) 1. Relevant Investments include all direct investments within the Group's Structured and Private Equity asset class and Infrastructure Equity strategy where the Group has sufficient influence. Sufficient influence is defined by SBTI as follows: at least 25% of fully diluted shares and at least a board seat. All targets refer to the Group's financial year, which runs from 1 April to 31 March.

Stakeholder engagement continued

Stakeholder	Why is it important to engage?	How have the Board and management engaged?	What were the key topics of engagement?	Outcomes as a result of that engagement
Regulators	Certain subsidiaries of ICG are licensed by financial regulators and subject to a wide spectrum of regulation across a number of jurisdictions. Engaging with regulators, both directly and through industry bodies is vital for regulation to evolve proportionately and remain relevant. Our continued compliance with standards and expectations set by regulators is of paramount importance to the Group's standing as an asset manager and to meeting the expectations of our stakeholders. Therefore the Group has a vested interest in ensuring regulation remains appropriate. We build practices and processes which complement regulatory standards and mandate all staff to comply with these standards.	We continue to engage with regulators both directly and through industry bodies in order to inform and shape the development of our industry. We complete required filings, surveys and other submissions and acting responsively and thoughtfully to any inbound queries.	– The Group participates in industry bodies and consultations and provides input to regulators through these and similar channels. Where requested or appropriate, we engage directly with regulators on specific topics – The Group engages on matters relating to EU and UK asset management regulation, private markets regulation, debt markets regulation and ESG SEC private fund manager regulation	– During the year the Group received permission from regulators to open regulated branches in Copenhagen, Paris, Milan and Frankfurt from which the Group will conduct activities. This was complemented with additional MiFID top up permissions – The Group also expanded its regulatory licence in Australia in anticipation of evolving local regulations

Stakeholder engagement continued

Section 172 statement

As required by the Companies Act 2006, the Directors have had regard to wider stakeholders' needs when performing their duties under s.172. In particular, the Directors recognise the importance of acting in a way that promotes the long-term success of the Company to the benefit of its members as a whole.

We set out on the following pages how the Directors considered the interests of stakeholders. The clearest example of this is in capital allocation and the use of our balance sheet to support the long-term growth of our Fund Management Company.

During the year, in their decision making, management and the Board balanced a number of considerations including:

- Alignment of the Group's interests with its clients, co-investing in our strategies alongside our clients, while seeking to reduce the Group's commitments in the longer term where appropriate
- The longer-term prospects of new funds, what quantity of third-party AUM such funds and future vintages are likely to attract, and the management fee generation of such new funds
- Maintaining robust capitalisation, with strong liquidity
- The prevailing market conditions and macroeconomic forecasts
- The importance of ensuring that our business is conducted in accordance with applicable standards and practices

Section 172(1) limbs

A	the likely consequences of any decision in the long term
B	the interests of the Company's employees
C	the need to foster the Company's business relationships with suppliers, customers and others
D	the impact of the Company's operations on the community and the environment
E	the desirability of the Company maintaining a reputation for high standards of business conduct
F	the need to act fairly as between members of the Company

Further information on how Section 172(1) has been applied by the Directors can be found throughout the Annual Report

Section 172 duties	Read more	Page
A Consequences of decisions in the long term	Chair's statement	6
	Strategic priorities	12
	Our approach to sustainability	39
	Climate-related financial disclosure	47
	Stakeholder Engagement	28
	Principal Risks and uncertainties	42
	Viability statement	46
	Board activities	67
	Corporate Governance report – Nominations and Governance Committee	93
	Directors' Remuneration Report	100
	Directors' Report	76
B Interests of employees	Chair's statement	6
	CEO's review	7
	Our people	35
	Stakeholder engagement – Employees	30
	Principal Risks and uncertainties	42
	Engagement with our stakeholders	28
	Board activities	67
	How the Board monitors culture	84
C Fostering business relationships with suppliers, customers and others	Chair's statement	6
	CEO's review	7
	Business model	10
	Strategic priorities	12
	Our approach to sustainability	39
	Non-financial information statement – Ethics and governance	65
	Stakeholder Engagement:	28
	Customers & Society	29
	Principal Risks and uncertainties	42
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	Board activities	67

Section 172 duties	Read more	Page
D Impact of operations on the community and the environment	Chair's statement	6
	CEO's review	7
	Our approach to sustainability	39
	Climate-related financial disclosure	47
	Non-financial information statement – Ethics and governance	65
	Stakeholder engagement – Community	31
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E Maintaining high standards of business conduct	Chair's statement	6
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	Our people	35
	Our approach to sustainability	39
	Climate-related financial disclosure	47
	Non-financial information statement – Ethics and governance	65
	Stakeholder Engagement	28
	Board activities	67
	How the Board monitors culture	84
	Board evaluation	83
	Audit and Risk Committees	85 and 90
F Acting fairly between members others	Stakeholder engagement – Shareholders and lenders	29
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Stakeholder engagement continued

CASE STUDY: Dividend policy review

DISTRIBUTIONS TO SHAREHOLDERS AND REINVESTING FOR FUTURE GROWTH

During the year, the Board considered a number of aspects of our dividend policy, incorporating Board-level shareholder engagement and advice from our corporate brokers.

Total dividend for the year ended 31 March 2024 pence per share

79.0p

Total dividend for the year ended 31 March 2023 pence per share

77.5p

The Board's discussions included a review of the dividend policy, which concluded that the previous approach (based on, among other things, a range set by reference to FMC profit) was no longer appropriate and evolved the policy to being "progressive".

Along with underlining the Board's commitment to the dividend as an important component of shareholder returns, this change enables the Board in the future to implement a smoother trajectory of dividend growth and increases the flexibility for decision making, in particular in striking the optimal balance between distributions to shareholders and reinvesting in the business for future growth.

The Board also reviewed our projected capital structure and liquidity, the trajectory of gearing, the ability to maintain a progressive dividend, and the need to invest in the business.

Outcomes in the year

The Group's dividend policy was amended to being "progressive". Dividends of 79.0p per share were declared for FY24.

Key considerations:

- Having a clear, understandable shareholder distribution policy
- Aligning the Group's interests with its shareholders and clients
- Liquidity and gearing position of the Group
- Market opportunities and conditions
- Long-term AUM and fee potential of strategies
- Ensuring the maintenance of appropriate levels of regulatory capital and other prudent reserves.

Our people

A GLOBAL PEOPLE BUSINESS DRIVING INNOVATION AND GROWTH

It is our people who deliver our strategic objectives and enable the success of our business. We attract, retain, and develop high-performing and high-potential employees to thrive and fulfil our purpose as well as advance their career goals.

Investing in our people and their progress supports our growth, and their new ideas underpin our innovation.

What we do, how we do it, why we do it

Attract
- High level of personal impact and business building opportunities
- Wide-ranging options for career development
- Inclusive culture at the core and throughout the firm.

Retain
- Comprehensive career development
- Market-leading, holistic benefits
- Engagement and opportunity to contribute across the firm.

Develop
- Dedicated Learning & Development programmes at all levels
- Mentoring and Employee Networks
- Development of teams and individuals a core priority for people managers.

Diversity, equity and inclusion
Cultivating a diversity of perspectives, improving our teams' performance

Employee development
Helping our people reach their full potential and building the next generation of talent

Wellbeing and support
Supporting the physical and mental wellbeing of our employees, their families and dependants

Engagement and voice
Effective communication to build and maintain engagement

Our values
Performance for our clients
Entrepreneurialism and innovation
Ambition and focus
Taking responsibility and managing risk
Working collaboratively, inclusively and acting with integrity

Our people continued

Supporting ICG's evolution

Our growth is built on a high-performance culture and competitive reward philosophy to enable retention of talent. We accelerate key and emerging talent (scaling up) and are an employer of choice for external talent (scaling out).

Efficient and scalable HR operational processes and partnering are key to our growth. We are enhancing our HR data and reporting to improve our candidate and employee experience as well as our overall efficiency.

Talent management and DEI strategies identify and deliver the skills, capabilities and perspectives needed for the future of the business. We are continuing to focus on our location strategy to ensure optimal market coverage as well as efficient process delivery.

By delivering high quality and effective HR foundations alongside ambitious strategic HR change, we enable the business to create significant long-term value.

1 Build connected and enhanced platforms
2 Centralised data
3 Standardise/simplify processes
4 Build-out strategic teams and locations
5 Invest in talent

Our progress on four areas of people initiatives

Diversity, equity and inclusion

- We have exceeded our gender target of 30% women in leadership by 2023, with a reported position of 36.3 % to the UK Women in Finance Charter in Sept 2023.
- We continuously enhance existing diverse recruitment practices with a new Inclusive Recruitment programme to build capabilities for those involved in hiring activity.
- We are supporting global connectivity for growing employee network events and intersectional activity through our DEI Champions Group.
- Our focus on improving industry access and education for people from under-represented groups is deeply embedded within HR, our work with a range of external partners, and our CSR initiatives.
- We have completed an extensive review of our DEI practices with a specialist DEI consultant to hone our thinking and inform next steps in our strategy.

Employee development

- We are providing comprehensive development offerings for employees across different career stages through our global development platform, individual programmes, and employee networks – with a blend of both digital and in-person opportunities.
- Updated mentoring and people manager development offerings are being rolled out to support an inclusive high performance culture and to increase engagement and collaboration.
- Performance management efforts are focusing on active support and regular development, meaningful objectives setting and appraisal.

Wellbeing and support

- We are continuing to develop and promote our market-leading offering of parent and carer benefits, mental and physical wellbeing activity, as well as career sustainability to help colleagues balance work and personal lives.

Engagement and voice

- We proactively engage with employees through our annual employee pulse survey, regular business forums such as Town Halls, and focus groups with executives as well as the employee engagement NED.
- Our new quarterly People Forum brings internal cultural influencers together to shape ideas, position priorities and lead on driving outcomes across business areas.

Ranked (globally)

for the second year in a row

#1

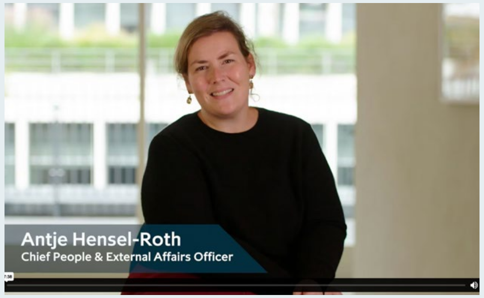
by Honordex Inclusive PE and VC Index 2024 for external transparency of DEI activity within the industry

Employee Engagement*

for July 2023

7.1/10

*Employee Engagement driver includes questions on Loyalty, Recommendation and Satisfaction. July 2023 Pulse Survey participation rate: 74%



Watch a video that shows how the quality of our people drives our innovative approach

"A relentless focus on our people and culture is a commercial imperative."

Antje Hensel-Roth
Chief People and External Affairs Officer

Visit our website for our full Sustainability and People Report 2023/2024: www.icgam.com/spr

Our people continued

INVESTING FOR GROWTH

HOW WE ARE INVESTING IN OUR PEOPLE FOR GROWTH

We invest in our people because their progress supports our growth and their new ideas underpin our innovation.

We are continuing to further our efforts addressing aspects of the employee life cycle to ensure we create a diverse, equitable and inclusive pipeline of talent to successfully meet our talent imperatives and drive performance:

- Our early careers programmes focus on hires and enhancing access to our industry for under-represented groups
- Conscious Inclusion Workshops for all employees
- Women's Development Programme for mid- to senior-level women
- Inclusive Recruitment programme for anyone involved in hiring
- 'Leading for Impact' programme for senior leaders
- DEI training as part of annual Compliance cycle

To address employee pulse survey feedback which highlighted a desire to enhance managerial skills, our new People Manager Programme, '*Managing for Results*', is designed to provide measurable skills development and drive confidence in managing through growth.

Firm-wide mentoring is launching for employees at all levels to develop expertise, address areas of interests, improve connectivity to our business strategy and across people from different backgrounds.

Our employee networks

Our employee networks contribute significantly to employee experience and community activity at ICG, underpinning our inclusive culture. They are global, employee-led and bring people together who share identities, interests and ambitions for personal development and DEI progress. Networks cover topics including gender, ethnicity, LGBTQ+, next generation, family, carers, disability, and wellbeing.

Diversity, Equity and Inclusion: Our Refreshed Strategy

Our People	Our Industry	Our Data and Insight	Our Responsible Investing

Following a comprehensive review of our DEI work to date, our refreshed DEI strategy aims to support different perspectives to enhance our firm's performance and wider contributions. We are applying a holistic DEI lens to both internal and external-facing activity while continuing to enable an inclusive and equitable culture at ICG without bias or discrimination.

As we progress and implement our strategy, our DEI focus on 'Our People' and 'Our Industry' is ongoing, and we are increasing focus on our emphasis on 'Our Data and Insights' to equip us with actionable DEI insights around our strategic priorities. 'Our Responsible Investing' drives DEI improvements in our portfolio by promoting and encouraging greater DEI practices within our investment approach and, as appropriate, our portfolio companies.

Across the Group, in addition to existing efforts around our more established DEI topics such as gender, ethnicity and LGBTQ+ , we are addressing newer areas of focus, including social mobility and disability through a range of opportunities.

We are also updating our aspirational diversity targets and target populations. As part of our UK Women in Finance Charter commitments, we are continuing to commit to meet/exceed 30% women in UK senior management by 2027. In line with the UK Parker Review's aims to improve the ethnic diversity of UK business, we commit to meet/exceed 10% ethnic minorities in global senior management (ICG's combined ExCo and ExCo-1 (ExCo Direct Reports) equivalent) by December 2027.

Beyond our formal targets, we track a number of DEI metrics including representation data and pulse survey sentiment to help identify where inclusion barriers may exist that need action. Recruitment is underway for a DEI Lead, a newly created role to drive organisation-wide progress on our DEI intent both top-down and bottom-up.

Find out more in our Governance report on page 66 and Non-financial information statement on page 65

Our people continued

Key people metrics

All data is 31 March 2024 unless noted

General

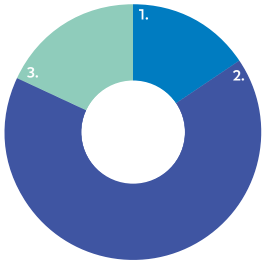
Number of permanent employees (total)
637
(2023: 582)

Number of permanent employees (FTE)
635
(2023: 579)

Employee turnover (%)
13.0%
(2023: 16.8%)

Age

1.	Below 30	17%
2.	30–50	72%
3.	Above 50	11%



Women

Board (%)
40%
(2023: 36%)

Senior Board positions (Chair, SID, CEO, CFO)
0
(2023: 0)

Executive Committee (%)
33%
(2023: 33%)

Global Senior Management[1] (%)
29%
(2023: 30%)

UK Senior Management[2] (%)
37%
(2023: 42%)

Global All Employees (%)
37%
(2023: 36%)

Global New Hires (%)
39%
(2023: 46%)

UK New Hires (%)
37%
(2023: 52%)

Mean Hourly Gender Pay Gap (%)
30.3%
(2023: 34.4%)

Mean Gender Bonus Gap (%)
70.2%
(2023: 74.3%)

1. Global Senior Management is ICG's equivalent for Combined Executive Committee (ExCo) and ExCo Direct Reports population Reported to the FTSE Women Leaders Review and Parker Review and was newly defined for 2024 reporting. In addition to ExCo members, the "ExCo Direct Reports" equivalent population included are those roles which are: a direct report to an Executive Director; and for CBS: also hold a firm-wide leadership role of a functional area (Tax, Legal, Investor Relations, Compliance, COO, Finance, HR, Corporate Affairs, Reward. Internal Audit is also included). For MCR: also hold a firm-wide leadership role for all client functions. For INV: also hold a firm-wide leadership role (Investment Office, Head of ESG) and/or is also an MRT who leads a business with more than 5% of AUM in UK entity as per our recent, Board-approved definition of MRTs (excl. PEFI).
2. UK Senior Management population (WIFC) is newly defined for 2024 reporting. In addition to ExCo members, the "ExCo Direct Reports" equivalent population included are those roles which are: a direct report to an Executive Director; and for CBS: also hold a firm-wide leadership role of a functional area (Tax, Legal, Investor Relations, Compliance, COO, Finance, HR, Corporate Affairs, Reward. Internal Audit is also included). For MCR: Europe Head of Marketing & Global Client Relations. For INV: also hold a firm-wide leadership role (Investment Office, Head of ESG) and/or is also an MRT who leads a business with more than 5% of AUM in UK entity as per our recent, Board-approved definition of MRTs (excl. PEFI Female share of UK Senior Management target is meet/exceed 30% women by 2027.

Ethnic minorities

Board
0%
(2023: 9% Asian)

Senior Board positions (Chair, SID, CEO, CFO)
0
(2023: 1)

Executive Committee (%)
0%
(2023: 33% Asian)

Global Senior Management[1] (%)
13%
(2023: 17%)

UK All Employees (%)
26%
of which 63% White, 17% Asian, 4% Black, 5% Other, 10% Prefer Not to Say
(2023: 23%, of which 66% White, 14% Asian, 3% Black, 6% Other, 11% Prefer Not to Say)

UK New Hires (%)
38%
of which 58% White, 25% Asian, 8% Black, 5% Other, 5% Prefer Not to Say
(2023: 34%, of which 66% White, 20% Asian, 4% Black, 10% Other, 0% Prefer Not to Say)

Find out more in our Governance report on page 66 and Non-financial information statement on page 65

Responsible investing

DELIVERING LONG-TERM VALUE CONTINUED PROGRESS ON SUSTAINABILITY

ICG seeks to integrate sustainability considerations into our investment approach and into our own operations. By supporting responsible and sustainable business practices, we can deliver long-term value for our clients and stakeholders.

For more information on ICG's approach to Sustainability and Responsible Investing, read our Sustainability and People Report 2023/2024:

www.icgam.com/spr

ICG has been a signatory to the UN PRI since 2013 and has been highly rated by third-party ratings and assessments.

ICG's Sustainability Ratings and Assessments
for year ending 31 March 2024

UN PRI 2023 Assessment
Following rating per module

Policy, Governance and Strategy
★★★★★

Indirect – Private Equity
★★★★☆

Direct – Private Equity
★★★★★

Fixed Income – Corporate
★★★★★

Fixed Income – Private Debt
★★★★☆

Confidence Building Measures
★★★★☆

S&P Global Corporate Sustainability Assessment

Scored 60/100
Retained membership in the DJSI Europe Index
(2022: 65/100; 2021: 59/100)

MSCI ESG Ratings
(on a scale of AAA-CCC)

Maintained Industry Leader rating of

AAA
(2022: AAA; 2021: AAA)

Sustainalytics ESG Risk Ratings

Maintained Low Risk rating – score of

14.9

Top second percentile among Asset Management and Custody Services companies assessed by Sustainalytics
(2022: Low risk – 15.8/100, 2021: Low risk – 18.6/100)

CDP Climate Change

ICG retained CDP Climate Change Leadership score of

A-
(2022: A-; 2021: B)

FTSE4Good Index

6th consecutive year
ICG retained membership

Managing risk

RISK DISCIPLINE FOR STRATEGIC GROWTH

Effective risk management is a core competence underpinned by a strong control culture.

Our approach

The Board is accountable for the overall stewardship of the Group's Risk Management Framework (RMF), internal control assurance, and for determining the nature and extent of the risks it is willing to take in achieving the Group's strategic objectives. In so doing the Board sets a preference for risk within a strong control environment to generate a return for investors and shareholders and protect their interests.

Risk appetite is reviewed by the Risk Committee, on behalf of the Board, and covers the principal risks that the Group seeks to take in delivering the Group's strategic objectives.

The Risk Committee is provided with management information regularly and monitors performance against set thresholds and limits. The Board also promotes a strong risk management culture by encouraging acceptable behaviours, decisions, and attitudes toward taking and managing risk throughout the Group.

Managing risk

Risk management is embedded across the Group through the RMF, current and emerging risks are identified, assessed, monitored, controlled, and appropriately governed based on a common risk taxonomy and methodology. The RMF is designed to protect the interests of stakeholders and meet our responsibilities as a UK-listed company, and the parent company of a number of regulated entities.

The Board's oversight of risk management is proactive, ongoing and integrated into the Group's governance processes. The Board receives regular reports on the Group's risk management and internal control systems. These reports set out any significant risks facing the Group.

The evaluation of risk events and corrective actions assists the Board in its assessment of the Group's risk profile. The Board also meets regularly with the internal and external auditors to discuss their findings and recommendations, which enables it to gain insight into areas that may require improvement. The Board reviews the RMF regularly, and it forms the basis on which the Board reaches its conclusions on the effectiveness of the Group's system of internal controls.

The Group operates a risk framework consistent with the principles of the 'three lines of defence' model.

Taking controlled risk opens up opportunities to innovate and further enhance our business, for example new investment strategies or new approaches to managing our client relationships. Therefore, the Group maintains a risk culture that provides entrepreneurial leadership within a framework of prudent and effective controls to enable effective risk management. Please also refer to the Risk Committee Report (page 90 to 92).

Taking responsibility and managing risk is one of our key values that drive our success. For more information on our culture and values, see page 35.

Risk appetite

Risk appetite is defined as the level of risk which the Group is prepared to accept in the conduct of our activities. The risk appetite framework is implemented through the Group's operational policies and procedures and internal controls and supported by limits to control exposures and activities that have material risk implications. The current risk profile is within our risk appetite and tolerance range.

Managing risk **continued**

Risk Appetite Level

	Low	Moderate	High	Very high
External Environment Risk			●	
Fund Performance Risk		●		
Balance Sheet Risk		●		
Key Personnel Risk	●			
Legal, Regulatory and Tax Risk	●			
Operational Resilience Risk		●		
Third Party Provider Risk		●		
Key Business Process Risk		●		

Principal and emerging risks

The Group's principal risks are individual risks, or a combination of risks, materialisation of which could result in events or circumstances that might threaten our business model, future performance, solvency, or liquidity and reputation. Reputational risk is not in itself a principal risk; however, it is an important consideration and is actively managed and mitigated as part of the wider RMF. Similarly, sustainability risk is not defined as a principal risk but is considered across the Group's activities as an embedded value. The Group has determined that the most significant impact from climate change relates to the underlying portfolio investments. Climate-related risk for both the Group's own operations and ICG's fund management activity are addressed in greater detail in the Climate-related Financial Disclosures (see page 48) and note 1 of the financial statements (see page 132).

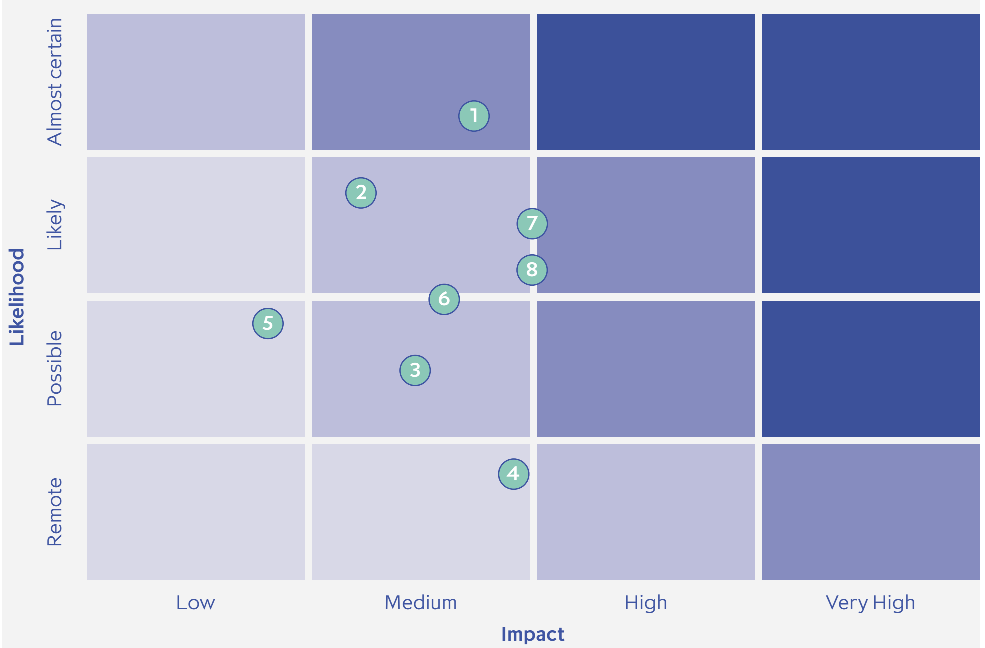
The Group uses a principal and emerging risks process to provide a forward-looking view of the potential risks that can threaten the execution of the Group's strategy or operations over the medium to long term. Emerging risks are identified through conversations and workshops with stakeholders throughout the business, attending industry events, and other horizon scanning by Group Risk and Compliance, these are monitored on an ongoing basis to ensure that the Group is prioritising its response to emerging risks appropriately. The Directors confirm that they have undertaken a robust assessment of the principal and emerging risks, in line with the requirements of the UK Corporate Governance Code.

The Group's RMF identifies eight principal risks which are accompanied by associated responsibilities and expectations around risk management and control. Each of the principal risks is overseen by an accountable Executive Director, who is responsible for the framework, policies and standards that detail the related requirements.

The Directors confirm that they have reviewed the effectiveness of the Group's risk management and internal control system and confirm that no significant failings or weaknesses have been identified. This is supported by an annual Material Controls assessment and Fraud Risk Assessment, facilitated by the Group Risk Function, which provides the Directors with a detailed assessment of related internal controls.

The diagram on the right shows the Group's principal risks. The horizontal axis shows the impact of a principal risk if it were to materialise, and the vertical axis illustrates the likelihood of this occurring. The scales are based on the residual risk exposure remaining after mitigating controls.

Risk profile



Strategic and Business	Risk trend
1 External Environment Risk	↔
2 Fund Performance Risk	↔

Financial	
3 Balance Sheet Risk	↓

Operational	Risk trend
4 Key Personnel Risk	↓
5 Legal, Regulatory and Tax Risk	↔
6 Operational Resilience Risk	↔
7 Third Party Provider Risk	↔
8 Key Business Process Risk	↑

Managing risk continued

Strategic alignment
1 Grow AUM 2 Invest 3 Manage and Realise

1 External Environment Risk

Strategic alignment:	Risk trend:	Risk appetite:	Executive Director responsible:
1 2 3	↔	High	Benoît Durteste

Risk Description

Geopolitical and macroeconomic concerns and other global events such as pandemics and natural disasters that are outside the Group's control could adversely affect the environment in which we, and our fund portfolio companies, operate, and we may not be able to manage our exposure to these conditions and/or events. In particular, these events have contributed, and may continue to contribute, to volatility in financial markets which can adversely affect our business in many ways, including by reducing the value or performance of the investments made by our funds, making it more difficult to find opportunities for our funds to exit and realise value from existing investments and to find suitable investments for our funds to effectively deploy capital. The External Environment Risk could affect our ability to raise funds and materially increase or reduce our profitability.

Key Controls and Mitigation

- The Group's business model is predominantly based on illiquid funds which are closed-ended and long-term in nature. Therefore, to a large extent the Group's fee streams are 'locked in'. This provides some mitigation in relation to profitability and cash flows against market downturn. Additionally, given the nature of closed-end funds, they are not subject to redemptions.
- A range of complementary approaches are used to inform strategic planning and risk mitigation, including active management of the Group's fund portfolios, profitability and balance sheet scenario planning and stress testing to ensure resilience across a range of outcomes.
- The Board, the Risk Committee and the Risk function monitor emerging risks, trends, and changes in the likelihood of impact. This assessment informs the universe of principal risks faced by the Group.

Trend and Outlook

Heightened geopolitical risk, high interest rates and weak economic growth means the investing environment remains uncertain and potentially volatile. The Group has proven expertise in navigating complex and uncertain market conditions, with our business model providing a high degree of stability through economic cycles. As noted in the Finance review on page 17, we have substantial dry powder across a range of strategies, stable management fee income, are not under pressure to deploy or realise, and can capitalise on opportunities that emerge across our asset classes.

We are actively supporting our portfolio companies as they seek to take advantage of current market dislocation by growing organically and inorganically, as well as ensuring that they have the people, systems, and capital structures in place to navigate a period of potentially protracted uncertainty, including to ensure they are appropriately hedged against interest rate risks. Our portfolios remain fundamentally well positioned, with robust operational performance and reasonable leverage.

We remain alert to the current macroeconomic and geopolitical uncertainty and continue to monitor the potential impact on our investment strategies, clients, and portfolio companies, as well as the broader markets. While the uncertainty remains elevated, we do not see an increased risk to our operations, strategy, performance, or client demand as a result.

2 Fund Performance Risk

Strategic alignment:	Risk trend:	Risk appetite:	Executive Director responsible:
1 2 3	↔	Moderate	Benoît Durteste

Risk Description

Current and potential clients continually assess our investment fund performance. There is a risk that our funds may not meet their investment objectives, that there is a failure to deliver consistent performance, or that prolonged fund underperformance could erode our track record. Consequently, existing investors in our funds might decline to invest in funds we raise in future and might withdraw their investments in our open-ended strategies. Poor fund performance may also impact our ability to raise subsequent vintages or new strategies impacting our ability to compete effectively. This could in turn materially affect our profitability and impact our plans for growth.

Key Controls and Mitigation

- A robust and disciplined investment process is in place where investments are selected and regularly monitored by the Investment Committees for fund performance, delivery of investment objectives, and asset performance.
- All proposed investments are subject to a thorough due diligence and approval process during which all key aspects of the transaction are discussed and assessed. Regular monitoring of investment and divestment pipelines is undertaken on an ongoing basis.
- Monitoring of all portfolio investments is undertaken on a quarterly basis focusing on the operating performance and liquidity of the portfolio.
- Material sustainability and climate-related risks are assessed for each potential investment opportunity and presented to, and considered by, the Investment Committees of all investment strategies. Further analysis is conducted for opportunities identified as having a higher exposure to climate-related risks.

Trend and Outlook

Against a fast-moving global economic backdrop, we have continued to successfully manage our clients' assets. As expected, given our focus on downside protection, our funds are showing attractive performance through a period of volatility. In particular, our debt strategies are generating historically high returns for clients.

Fund valuations have remained stable during the period, with strong underlying performance of our portfolio companies and income from our interest-bearing investments largely offsetting reductions in valuation multiples or increasing costs of capital. Despite the slowdown in transaction activity across the market, we have continued to anchor the performance of key vintages through a disciplined approach to realisations.

The Group saw sustained client demand for our flagship and scaling strategies. In the former, we had closes in the period for Strategic Equity V, our direct lending strategy SDP V, and the second vintage of our mid-market strategy in European Mid-Market II; additionally in our Credit strategy we originated new Collateralised Loan Obligations (CLOs) in the period. Within scaling strategies, notable successes included a first close in Real Estate Opportunistic Europe (Metro), Infrastructure Europe II, North America Credit Partners III, ICG Living, as well as follow on closes in LP Secondaries I. The Group also seeded new investments in the Asia region in the Infrastructure Asia and Real Estate Asia strategies. Our closed-end funds model more generally provides visibility of future long-term fee income and therefore Fund Management Company (FMC) profits.

Looking ahead the outlook remains positive. We continue to hire selectively to help drive future growth within our investment teams, and within Marketing and Client Relations, focused on product and end-client expertise. We have a powerful local sourcing network and a diversified product offering of successful investment strategies that enable us to navigate dynamic market conditions, which helps to mitigate this risk.

More detail on the performance of the Group's funds can be found on pages 19 to 22.

Managing risk continued

Strategic alignment
1 Grow AUM 2 Invest 3 Manage and Realise

3 Balance Sheet Risk

Strategic alignment:	Risk trend:	Risk appetite:	Executive Director responsible:
1 2 3	↓	Moderate	David Bicarregui

Risk Description

The Group is exposed to liquidity and market risks. Liquidity risks refer to the risk that the Group may not have sufficient financial resources to meet its financial obligations when they fall due. Market risk refers to the possibility that the Group may suffer a loss resulting from the fluctuations in the values of, or income from, proprietary assets and liabilities. The Group does not deliberately seek exposure to market risks to generate profit; however, on an ancillary basis we will co-invest alongside clients into our funds, seed assets in preparation for new fund launches or hold investments in CLOs in accordance with regulatory requirements. Consequently, the Group is exposed to having insufficient liquidity to meet its financial obligations, including its commitments to its fund co-investments. In addition, adverse market conditions could impact the carrying value of the Group's investments resulting in losses on the Group's balance sheet.

Key Controls and Mitigation

- Debt funding for the Group is obtained from diversified sources and the repayment profile is managed to minimise material repayment events. The profile of the debt facilities available to the Group is reviewed frequently by the Treasury Committee.
- Balance sheet hedging of non-sterling exposure is undertaken to minimise short-term volatility in the financial results of the Group.
- Market, interest rate and liquidity exposures are reported monthly and reviewed by the Group's Treasury Committee.
- Liquidity projections and stress tests are prepared to assess the Group's future liquidity as well as compliance with the regulatory capital requirements.
- Investment Company commitments are reviewed and approved by the CEO and the CFO on a case-by-case basis assessing the risks and return on capital.
- Valuation of the balance sheet investment portfolio is reviewed quarterly by the Group Valuation Committee, which includes assessing the assumptions used in valuations of underlying investments.

Trend and Outlook

Global markets remain susceptible to volatility from a number of macroeconomic factors, specifically related to global interest rates, and geopolitical factors. We continue to implement measures to mitigate the impact of market volatility and interest rate fluctuations in line with Group policy, and we will respond to the prevailing market environment where appropriate.

Our balance sheet remains strong and well capitalised, with net gearing of 0.38x, and with £1.1bn of available liquidity as of 31 March 2024. In addition, the Group has significant headroom to its debt covenants. All of the Group's drawn debt is fixed rate, with the only floating rate debt being the Group's committed £550m revolving credit facility, which was undrawn as of 31 March 2024. This facility is only intended to provide short-term working capital for the Group. Additionally, during the year Standard & Poor upgraded ICG's outlook from BBB (Stable) to BBB (Positive), while Fitch maintained the Group at BBB (Stable).

The Group's liquidity, gearing and headroom are detailed in the Finance Review on page 26.

4 Key Personnel Risk

Strategic alignment:	Risk trend:	Risk appetite:	Executive Director responsible:
1 2 3	↓	Low	Antje Hensel-Roth

Risk Description

The Group depends upon the experience, skill and reputation of our senior executives and investment professionals. The continued service of these individuals, who are not obligated to remain employed with us, is uniquely valuable and a significant factor in our success. Additionally, a breach of the governing agreements of our funds in relation to 'Key Person' provisions could result in the Group having to stop making investments for the relevant fund or impair the ability of the Group to raise new funds if not resolved in a timely manner.

As such, the loss of key personnel could have a material adverse effect on our long-term prospects, revenues, profitability and cash flows and could impair our ability to maintain or grow assets under management in existing funds or raise additional funds in the future.

Key Controls and Mitigation

- An active and broad-based approach to attracting, retaining, and developing talent, supported by a range of complementary approaches including a well-defined recruitment process, succession planning, a competitive and long-term approach to compensation and incentives, and a focus on advancement through the appraisal process, dedicated development and mentoring programmes driven by a dedicated Learning & Development team.
- Continued focus on the Group's culture by developing and delivering initiatives that reinforce appropriate behaviours to generate the best possible long-term outcomes for our employees, clients, and shareholders.
- Promotion of a diverse and inclusive workforce through policies as well as supporting benefits, including personal, family, health and wellbeing activities.
- Regular reviews of resourcing and key person exposures are undertaken as part of business line reviews and the fund and portfolio company review processes.
- The Remuneration Committee oversees the Directors' Remuneration Policy and its application to senior employees, and reviews and approves incentive arrangements to ensure they are appropriate and in line with market practice.

Trend and Outlook

Attracting and retaining key people remains a significant operational priority. We continue to focus on strategic hiring across the firm to support our strategy of scaling the business by ensuring we have the breadth and depth of expertise to execute on the long-term opportunities ahead. Building on the investments we made in FY23, we have continued to welcome a number of senior hires across the organisation, including the appointment of senior investment executives, client-facing executives and operational leaders.

We have made senior appointments across many of our investment teams enabling us to amplify our team across the breadth of our investment strategies. Within fund marketing we have focused on growing our team in North America, with a focus on both consultant and institutional relationships, as well as broadening our geographical penetration with key senior appointments on the US West Coast and Canada. We have evolved our organisation design within Client Relations by on-boarding experienced Managing Directors to further elevate our efforts in engaging with a sophisticated client base across a broader range of products.

Staff turnover has trended downwards, from 16.8% to 12.8%, as market dynamics have shifted and the recruitment market has slowed down. While strong candidates remain in demand we continue to be successful in attracting hires at all levels of experience and at the high calibre required for the Group. This year, we have been able to make senior, external hires into the roles of CFO and COO. Over the past three years, we have furthermore recruited a number senior investment leaders and team executives, including into the newly created role of Global Head of Real Estate; portfolio managers and investment teams focusing on European and Asian Real Estate Equity, Asian Infrastructure Equity, European Large Cap and Mid-Market Corporates, US Liquid Credit, and US and European Private Credit. We have also externally recruited a Global Head of CRM as well as senior fundraising executives in North America and EMEA.

Read more about Our people on page 35.

Managing risk continued

Strategic alignment
1 Grow AUM 2 Invest 3 Manage and Realise

5 Legal, Regulatory and Tax Risk

Strategic alignment:	Risk trend:	Risk appetite:	Executive Director responsible:
1 2 3	↔	Low	David Bicarregui

Risk Description

Regulation defines the overall framework for the marketing distribution and investment management of the Group's strategies and supporting the Group's business operations. The failure of the Group to comply with the relevant rules of professional conduct and laws and regulations could expose the Group to regulatory censure, penalties or legal action.

Additionally, the increase in demand for tax-related transparency means that tax rules are continuing to evolve. This raises a complex mix of tax implications for the Group, in particular for transfer pricing, permanent establishment and fund structuring processes. The tax authorities could challenge the Group's interpretation of tax rules, resulting in additional tax liabilities.

Changes in the legal and regulatory and tax framework applicable to the Group's business may also disrupt the markets in which the Group operates and affect the way the Group conducts its business. This could in turn increase the cost base, lessen competitiveness, reduce future revenues and profitability, or require the Group to hold more regulatory capital.

Key Controls and Mitigation

- Compliance and Legal functions are dedicated to understanding and fulfilling regulatory and legal expectations on behalf of the Group, including interactions with our regulators and relevant industry bodies. The functions provide guidance to, and oversight of, the business in relation to regulatory and legal obligations.
- Compliance undertakes routine monitoring and deep-dive activities to assess compliance with relevant regulations and legislation.
- The Tax function has close involvement with significant Group transactions, fund structuring and business activities, both to proactively plan the most tax efficient strategy and to manage the impact of business transactions on previously taken tax positions.
- Regulatory, legislative and tax developments are continually monitored to ensure we engage early in any areas of potential change.

Trend and Outlook

ICG continues to operate across a complex global regulatory environment. As the nature and focus of regulation and laws evolve, the Group continually adapts to meet regulatory obligations. Regulatory engagement through FY24 has focused on internal regulatory initiatives including the Group's establishment of an EU branch structure. Proactive engagement on emerging focus areas for instance providing thought leadership on AIFMD II has helped the regulatory risk profile remain broadly stable.

Legal risk continues to be impacted by the continued regulatory focus on the sector, which we anticipate may lead to an evolution of the existing applicable legal framework for the business, as well as uncertainty due to forthcoming elections in the US, UK and other jurisdictions. It also remains the case that the Group is subject to litigation risk, which may increase as the Group's business expands and becomes more complex.

The Pillar One and Two Model rules (also referred to as the 'Anti Global Base Erosion' or 'GloBE' rules) will be implemented from 1 April 2024 (financial year ending 31 March 2025). The Group's trading activities within the FMC are subject to tax at the relevant statutory rates in the jurisdictions in which income is earned. Pillar One (reallocation of taxes across jurisdictions) is not expected to apply for the Group based on the worldwide revenue threshold. For Pillar Two, the Group has performed an impact analysis on the Pillar Two proposals for a global minimum tax rate of 15% and does not expect the implementation to be significant.

The Group remains responsive to a wide range of developing regulatory areas and the increase in regulatory scrutiny around private markets more generally, and continues to invest in the Compliance, Legal and Tax teams to ensure the Group maintains appropriate and relevant coverage.

6 Operational Resilience Risk

Strategic alignment:	Risk trend:	Risk appetite:	Executive Director responsible:
1 2 3	↔	Moderate	David Bicarregui

Risk Description

The Group is exposed to a wide range of threats which can impact our operational resilience. Natural disasters, cyber threats, terrorism, environmental issues, and pandemics have the potential to cause significant business disruption and change our working environment. Our disaster recovery and business continuity plans may not be sufficient to mitigate the damage that may result from such a disaster or disruption. Additionally, the failure of the Group to deliver an appropriate information security platform could result in unauthorised access by malicious third parties, breaching the confidentiality, integrity and availability of our data and systems. Regardless of the source, any critical system failure or material loss of service availability could negatively impact the Group's reputation and our ability to maintain continuity of operations and provide services to our clients.

Key Controls and Mitigation

- Operational resilience, in particular cyber security, is top of the Group's Board and Leadership agenda, and the adequacy of the Group's response is reviewed on an ongoing basis.
- Business Continuity and Disaster Recovery plans are reviewed and approved on at least an annual basis by designated plan owners, and preparedness exercises are complemented by an automated Business Continuity Planning tool.
- Providing laptops for all employees globally removes the physical dependency on the office and allows employees to work securely from home.
- The Group's technology environment is continually maintained and subject to regular testing, such as penetration testing, vulnerability scans and patch management. Technology processes and controls are also upgraded where appropriate to ensure ongoing technology performance and resilience.
- An externally managed security operations centre supplies the Group with skilled security experts and technology to proactively detect and prevent potential threats and to recover from security incidents, including cyber attacks.

Trend and Outlook

We have continued to invest in our platform to support the increasing breadth and scale of our business and to position ICG for future growth, as noted in the CEO review on page 7.

To maintain pace with the ever-evolving threat landscape, the Group continues to invest in systems and services that improve our ability to respond to business continuity events of all forms. Effective oversight of technology and business facing third-party suppliers forms one of the cornerstones of the Group's ongoing business continuity programme and a key part of the Group's regular business continuity and disaster recovery testing regime.

As part of the Group's commitment to cyber and information security, ICG certified against the ISO27001 framework in the early part of FY24. Up-to-date and maintained cyber hygiene, vulnerability scanning, technical surveillance countermeasures alongside user education make up the core components of the Group's cyber security with external threat intelligence used to inform investments in solutions to ensure our data is protected and secure.

Managing risk continued

Strategic alignment
1 Grow AUM 2 Invest 3 Manage and Realise

7 Third-Party Provider Risk

Strategic alignment:	Risk trend:	Risk appetite:	Executive Director responsible:
1 2 3	↔	Moderate	David Bicarregui

Risk Description

The Group outsources a number of functions to third-party providers as part of our business model, as well as managing service provider arrangements on behalf of our funds. The most significant third party provider relationships for both the Group and the funds are Third Party Administrators (TPAs). The risk that the TPAs fail to deliver services in accordance with their contractual obligations could compromise our operations and impair our ability to respond in a way which meets both client and stakeholder expectations and requirements. Any future over reliance on one or a very limited number of TPAs in a specific and important business area could also expose the Group to heightened levels of risk, particularly if the service is not easily substitutable. Additionally, the failure of the Group to maintain sufficient knowledge, understanding and oversight of the controls and processes in place to proactively manage our TPAs could damage the quality and reliability of these TPA relationships.

Key Controls and Mitigation

- The TPA oversight framework consists of policies, procedures, and tools to govern the oversight of key suppliers, including our approach to selection, contracting and on-boarding, management and monitoring, and termination and exit. In particular, we undertake initial and ongoing due diligence of our TPAs to identify and effectively manage the business risks related to the delegation or outsourcing of our key functions.
- Ongoing monitoring of the services delivered by our TPAs is delivered through regular oversight interactions where service levels are compared to the expected standards documented in service agreements and agreed-upon standards.

Trend and Outlook

The Group has continued to embed the TPA Governance and Oversight Framework during the course of the year, gathering consistent evidence of the ongoing performance of our TPAs.

This has allowed the respective operational oversight teams to identify trends and themes that impact service levels and provides a guide to where additional oversight activities are required. The teams work in partnership with our TPAs to ensure consistent performance levels are maintained and issues are redressed on a timely basis.

The KPI reporting also allows the Group to benchmark the performance of our TPAs against each other, thereby providing information to support a decision around potential rationalisation of the portfolio. Going forward, the Group will continue to assess the potential for improved operational efficiency and streamlined investor experience in reaching a decision on the appropriate number of TPAs to utilise.

8 Key Business Process Risk

Strategic alignment:	Risk trend:	Risk appetite:	Executive Director responsible:
1 2 3	↑	Moderate	David Bicarregui

Risk Description

All operational activities at the Group follow defined business processes. We face the risk of errors in existing processes, or from new processes as a result of the growth of the business and ongoing change activity which inherently increases the profile of operational risks across our business. The Group operates within a system of internal controls that provides oversight of business processes, which enables our business to be transacted and strategies and decision making to be implemented effectively. The risk of failure of significant business processes and controls could compromise our operations and disadvantage our clients, or expose the Group to unanticipated financial loss, regulatory censure, or damage to our reputation. This could in turn materially reduce our profitability.

Key Controls and Mitigation

- Key business processes are regularly reviewed, and the risks and controls are assessed through the Risk and Control Self-Assessment (RCSA) process.
- A 'three lines of defence' model is in place, which ensures clarity over individual and collective responsibility for process risk management and to ensure policies, procedures and activities have been established and are operating as intended.
- Regular reporting and ongoing monitoring of underlying causes of operational risk events, to identify enhancements that require action.
- A well-established incident management processes for dealing with system outages that impact important business processes.
- An annual review of the Group's material controls is undertaken by senior management and Executive Directors.

Trend and Outlook

Our RMF defines our approach to the identification, assessment, management and reporting of operational risks and associated controls across the business. There were no significant changes to the Group's RMF's overall approach to risk governance or its operation in the period, however the rollout of the new Governance, Risk and Compliance (GRC) system should see enhancements to the existing approach as well as potentially reducing the residual risk of business process risk through enhanced risk data and a more holistic view of our risk environment.

We monitor underlying causes of errors to identify areas for action, promoting a culture of accountability and continuously improving how we address issues. We also continue to enhance the RMF. Against the backdrop of macroeconomic uncertainty, and growth of the business, the operational risk profile has remained broadly stable with operational losses in line with previous years. Investment Operations, Fund Accounting and Finance continue to be the most material operational risk areas.

Key Business Process Risk exposure is elevated due to ongoing operational changes as the Group continues to make progress on the strategic initiative of "Scaling up and Scaling Out" by improving the scalability of our operations platform by implementing systems, enhancing infrastructure to manage our growth plans more effectively, and investing in the operations platform itself. Transformation and project activity, including workflow automation, is anticipated to yield more efficient and automated processes and a reduction in operational risk over the medium term.

Viability statement

A comprehensive and robust assessment

In accordance with the UK Corporate Governance Code, the Directors have carried out a comprehensive and robust assessment of the prospects and viability of the Group.

The Group's long-term prospects are primarily assessed through the strategic and financial planning process. The main output of this periodic process is the Group's strategic plan, supported by the annual budget which is approved by the Board (see page 68). This assessment also reflects the Group's strategic priorities (see page 12).

The Board's oversight of the strategic plan is underpinned by the regular briefings received by the Board on macroeconomics, markets, new products and strategies, people management and processes (see page 68). New strategy reviews consider both the market opportunity for the Group and the associated risks, principally the ability to raise third-party funds, and deliver strong investment performance.

Period for assessing viability

The period covered by the Group's strategic plan, regulatory capital reporting, shareholder fundraising guidance and the deployment duration for some of the larger strategies is three years. This, combined with an assessment of the period over which forecasting assumptions are most reliable, and taking into account the recommendations of the Financial Reporting Council in their 2021 thematic review publication, has led the Directors to choose a period of three years to March 2027 for their formal assessment of viability. The Directors are satisfied that a forward-looking assessment of the Group for this period is sufficient to enable a reasonable statement of viability.

Assessment of viability

The assessment of the Group's viability requires the Directors to consider the principal risks that could affect the Group (see pages 42 to 45), with further information in the Risk Committee Report on page 90.

The Group has good visibility on future management fees due to the long-term nature of our funds (see page 18). This is underpinned by a well-capitalised balance sheet coupled with a strong liquidity position.

Stress testing is performed on the Group's strategic plan, which considers the impact of one or more of the key risks crystallising over the assessment period. The severe but plausible stress scenario applied to the strategic plan is a material reduction in AUM arising as a result of one or more of the External environment and Fund performance principal risks crystallising, with the scenario applying a significant slowdown to fundraising, deployment and realisation, combined with a significant valuation write down of the Group's balance sheet investments.

Having reviewed the results of the stress tests, the Directors have concluded that the Group would have sufficient resources in the stressed scenario and that the Group's ongoing viability would be sustained. The stress scenario assumptions include maintaining the Group's dividend policy but this and other assumptions would be reassessed if necessary over the longer term.

In addition, the Group undertakes a reverse stress test to identify the circumstances under which the business model becomes unviable. The most likely scenario to cause the business model to be unviable is investment write-downs causing a breach of debt covenants. The reverse stress test determines the level of investment write-downs required to breach debt covenants and trigger a business model failure point, in the absence of any management actions.

Analysis of this scenario concluded that write-downs significantly in excess of those experienced during the global financial crisis by the Group, without any mitigating actions, would be required in order for the Group to breach its banking covenants. The Directors consider this level of write-down to be extremely remote.

Viability statement

Based on the results of the analysis, and in accordance with the provisions of the UK Corporate Governance Code, the Directors confirm that they have a reasonable expectation that the Group will continue to operate and meet its liabilities, as they fall due, for the next three years. The Directors' assessment has been made with reference to the Group's current position and prospects, the Group's strategy, the Board's risk appetite, the Group's principal risks and the management of those risks, as detailed in the Strategic Report on pages 1 to 65.

Given the above, the Directors also considered it appropriate to prepare the financial statements on the going concern basis as set out on pages 77 and 133.

CLIMATE-RELATED FINANCIAL DISCLOSURES

About this Report

This Report provides our shareholders, clients and other stakeholders with an overview of how ICG manages the exposure to climate-related risks in our business and investments and builds capacity to capitalise on climate-related opportunities.

This Report is consistent with the recommendations of the Task Force on Climate-related Financial Disclosures (TCFD). This Report also takes into consideration the TCFD's Supplemental Guidance for Asset Managers.

Find out more about our Climate Change Policy and see our previous TCFD reports on our website: www.icgam.com/sustainability-esg

The following entities within the Group, which are regulated by the Financial Conduct Authority (FCA), are in scope of chapters 2.1 and 2.2 of the FCA's Environmental, Social and Governance (ESG) Sourcebook, which requires firms to publish a 'TCFD entity report' containing climate-related disclosures consistent with the TCFD recommendations: ICG Alternative Investment Limited and Intermediate Capital Managers Limited. These firms rely on this report to fulfil their entity-level disclosure requirements.

The report follows the four thematic areas of the TCFD recommendations, and as such outlines the Group's approach to incorporating climate-related risks and opportunities into our strategy, governance, risk management, and metrics and targets.

In determining the relevance and materiality of information presented in this Report, we consider:

A Our investments
We recognise that climate change may have a material impact (both positive and negative) on investment performance and returns over the short, medium and long term. Even though the third-party funds we manage are generally not consolidated into the Group from a financial perspective, we consider the climate-related risks and opportunities surrounding these funds and our fund management activities as a key part of our business.

B Our Group operations
As an alternative asset manager, our own operations are considerably less material than our investment activity. However we do believe it is important to manage the climate impacts, risks and opportunities in our operations and we note where we have done so throughout this Report.

Climate-related Financial Disclosures continued

Our commitments

Our investments

As a broadly diversified, global alternative asset manager our priority in addressing climate-related risks and opportunities is the decarbonisation of our investment portfolios.

ICG supports the global goal of net zero greenhouse gas emissions by 2050 or sooner, in line with global efforts to limit warming to 1.5°C above pre-industrial levels, and is a signatory to the Net Zero Asset Managers Initiative.

Investments where we have sufficient influence[1] (Relevant Investments)

Long term goal:

ICG has committed to reaching net zero GHG emissions for Relevant Investments by 2040.

Medium term targets:

ICG has set a portfolio coverage decarbonisation target validated by the Science Based Targets Initiative (SBTi) to ensure 100% of Relevant Investments have SBTi-validated science-based targets by 2030, with an interim target of 50% by 2026[2].

Group operations

While the Group's own operational emissions have negligible impact and exposure to climate-related risks compared to those of our investments, we do recognise our responsibility to ensure our own business operations are fully accounted for.

Long term goal:

ICG has committed to reaching net zero GHG emissions in our operations by 2040.

Medium term target:

ICG has set a decarbonisation target validated by the SBTi to reduce ICG's Scope 1 and 2 GHG emissions by 80% by 2030 from a 2020 base year[2].

Transparency

We believe that transparency on material sustainability-related risks and opportunities such as those posed by climate change is important to better inform decision making of stakeholders and drive action. We expect this of our investees and strive to be clear and transparent in our own disclosure as a firm.

ICG retained its leadership level score of 'A-' in the 2023 CDP[3] climate change assessment ('A-' in 2022).

1. Relevant investments include all direct investments within ICG's Structured and Private Equity asset class and Infrastructure Equity strategy, which currently comprise 23.2% of AUM (see page 52), where ICG has sufficient influence. Sufficient influence is defined by SBTi as follows: at least 25% of fully diluted shares and at least a board seat.
2. All references are to ICG financial years running from 1 April to 31 March.
3. CDP is a not-for-profit charity that runs the global disclosure system for investors, companies, cities, states and regions to manage their environmental impacts with a dedicated, comprehensive assessment framework for climate change. Source CDP: https://www.cdp.net/

Strategy

The actual and potential impacts of climate-related risks and opportunities on ICG's businesses, strategy and financial planning.

TCFD recommended disclosures:

A **Description of the climate-related risks and opportunities ICG has identified over the short, medium, and long term.**
B **Description of the impact of climate-related risks and opportunities on ICG's businesses, strategy, and financial planning.**
C **Description of the resilience of ICG's strategy, taking into consideration different climate-related scenarios, including a 2°C or lower scenario**

Climate-related risks and opportunities

The time horizons and materiality of the impact of climate-related risks and opportunities on our business may differ depending on a range of factors, including the type of investments, geographical and/or sectorial focus, and the external market environment.

Generally, we look at three time horizons for the potential impacts of climate-related risks and opportunities: short term (0 to 5 years), medium term (5 to 10 years) and long term (10+ years). These are broadly related to the length of an individual investment (short term), the length of a fund's life (medium term) and any time horizon greater than 10 years (long term).

The tables on page 49 outline the relevant climate-related risks and opportunities we have identified within the Group's fund management activities and their potential impact on our business, strategic objectives and financial planning, as well as their link to the Group's principal risks. Each of these climate-related risks and opportunities may contribute, to varying degrees, to the manifestation of the principal risks it relates to. The Group has implemented a range of mitigating controls for each of these principal risks (see page 41). Further detail on how climate-related risks are identified and managed within our fund management activities is provided in the Managing risk section of this Report (see page 41).

Find out more about our Climate Change Policy and see our previous TCFD reports on our website: www.icgam.com/sustainability-esg

Climate-related Financial Disclosures continued

Strategy continued

Description		Potential impact to investees	Time Horizon	Potential impact on ICG as an asset manager	Time Horizon	Link to ICG Principal Risks
Climate-related risks						
Transition: Policy, regulatory and legal	– Changes to climate-related regulations – Changes to market-related regulatory mechanisms (e.g. carbon price/tax and energy efficiency standards) – Increased litigation related to response, or lack thereof, to climate change	– Increased operating cost – Decreased valuation	Short to long term depending on sector	– Increased cost of compliance for funds – Increased due diligence cost – Reduced fund performance and impact on ICG's track record – Loss of clients or reduced demand for our funds	Short to long term	Legal, Regulatory and Tax Risk 5
Transition: Market, technology and reputation	– Climate change affecting demand for products and/or services of the Group as well as of current or potential investments – Volatility of input prices and resources or supply chain shocks (e.g. food, energy, etc) as a result of climate change – Substitution of existing products and services with lower emissions options impacting the competitiveness of current and potential investments in certain sectors – Stigmatisation of specific industries, impacting existing investment exposure – Greenwashing or perception of not adequately responding to climate challenges – Perceived neglect of fiduciary duties	– Increased operating cost – Decreased revenue – Decreased valuation	Short to long term depending on sector	– Lower fund performance and impact on track record – Lower asset valuations impacting the Group's balance sheet and fund investments – Negative stakeholder perception and impact on ICG's brand and positioning – Loss of clients or reduced demand for our funds	Short to long term	External Environment Risk 1 Fund Performance Risk 2 Balance Sheet Risk 3
Physical: Acute and chronic	– Impact on critical physical operations or supply chains from extreme weather events, shift in climate patterns such as temperature or precipitation	– Increased CAPEX and adaptation or resilience building related cost – Increased insurance cost – Increased costs related to damage and disruptions – Decreased valuation	Medium to long term depending on geography and operating model	– Lower fund performance and impact on track record – Lower asset valuations impacting the Group's balance sheet and fund investments	Long term	Fund Performance Risk 2 Balance Sheet Risk 3
Climate-related opportunities						
Transition & Physical: Products and services	– Evolving existing or developing new solutions that support the transition to low-carbon economy (e.g. energy efficiency, renewable energy, etc), and/or climate adaption and/or resilience building	– Increased revenue – Increased valuation	Short to medium term	– Increased Group revenues in line with growing demand – Growth in AUM through retention of current and attraction of new clients – Higher fund performance and enhanced track record – Higher asset valuations impacting the Group's balance sheet and fund investments	Short to medium term	Fund Performance Risk 2 Balance Sheet Risk 3
Transition: Market and reputation	– Evolving value/investment proposition to address client preferences – Climate-linked financing reducing the cost of capital at deal, fund and Group levels	– Increased revenue – Increased valuation	Short to medium term	– Growth in AUM through retention of current and attraction of new clients – Enhanced brand and competitive reputation of Group and investments – Higher fund performance and enhanced track record – Higher asset valuations impacting the Group's balance sheet and fund investments	Short to medium term	Fund Performance Risk 2 Balance Sheet Risk 3

Climate-related Financial Disclosures continued

Strategy continued

Resilience of our business and strategy to climate-related risks and opportunities

The Group business model is driven by management fee income, 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 that is contractually locked in for a long term and largely not based on fund valuation. As such, any short-term increase or decrease in the valuation of individual investments or funds (including as a result of climate-related factors) would not immediately impact the Group's financial position. However, the impact of climate change on portfolio companies or real assets may impact the valuation of those investments 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' preferences in respect of climate change is a potential medium-to-long-term risk to the Group.

The decarbonisation of our investment portfolios has an important role in building the long-term resilience of our business strategy, and responsiveness of funds to climate-related risks and opportunities. This is exhibited in the investment decisions and management of portfolios to deliver returns for our clients, and in the launch of new products.

We also recognise that climate change and nature are inextricably linked and mutually reinforcing. As the effect of climate change on nature and biodiversity worsens the capacity for nature to act as a sink for carbon emissions or to help regulate the climate and global temperatures is declining; and vice versa. As such we have begun the process of incorporating nature and biodiversity into our approach to assessing sustainability factors throughout the investment cycle. We anticipate future climate-related financial disclosures will be increasingly linked to nature and biodiversity-related disclosures.

Addressing climate-related risks and opportunities throughout the investment life cycle

We take a selective and thoughtful approach to making investments, with due consideration of relevant climate-related risks and opportunities. The overarching charters governing climate-related risks within our fund management activities are the Responsible Investing Policy and the Climate Change Policy, which cover all investments. The Climate Change Policy contains an exclusion list and, furthermore, requires consideration of the implications of climate-related risks and opportunities in our investment due diligence, portfolio management, valuation, and decision-making processes.

ICG's Exclusion List prohibits direct investments in certain coal, oil and gas activities which generally limits the exposure of our portfolios to investments with higher probability of becoming stranded assets in the medium to long term.

In addition, climate risk exposure assessment is a mandatory step in the evaluation of new investment opportunities across the vast majority of ICG's funds in their investing period, with findings presented to Investment Committees for consideration in making investment decisions. Investment opportunities with potentially heightened climate risk exposure are discussed with the ICG Sustainability & ESG team and expert advisers, where appropriate. In the last three years, since the climate risk exposure assessment was introduced, we declined 116 investment opportunities where climate-related risk was a contributing factor to the investment decision[4].

Exposure of portfolios to climate-related risks

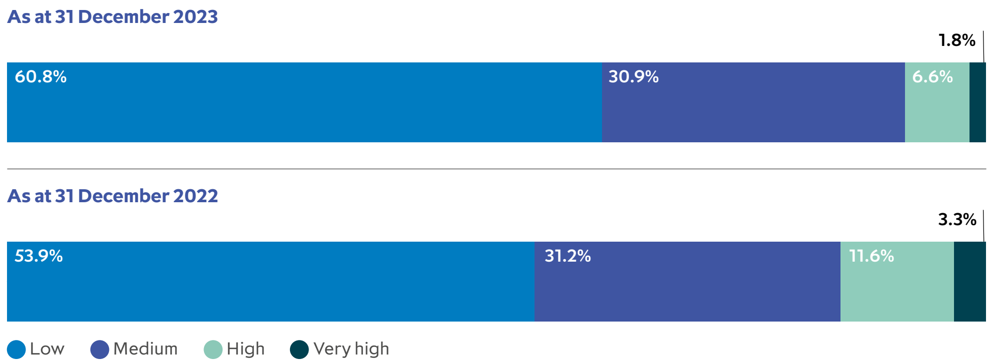
Before making a direct investment, ICG employs a proprietary climate risk exposure assessment. The methodology for the assessment is tailored to the nature of the investments, i.e. in a company versus in real estate. This methodology was developed in partnership with third-party subject matter experts and utilises established external and ICG proprietary data sources to support the assessment of both physical and transition climate-related risks.

For companies, each investment opportunity receives an overall climate risk exposure rating on a 4-grade scale from Low to Very High. The rating combines exposure to transition risk (sector and value chain) and physical risk, taking into account the countries of company headquarters and key operational assets.

The assessment has inherent limitations. It only considers a limited number of predefined inherent attributes about a company (as described above), does not take into account any mitigation, control or adaptation measures put in place, and does not measure the likely financial impact on a given company.

These exposure ratings provide, in our view, a useful indication of the resilience of our funds' portfolios to climate-related risks. As at 31 December 2023, 91.6% of assessed portfolios (see page 51) received a climate risk exposure rating of Low or Medium, therefore having limited exposure to potentially heightened climate-related risks (as at 31 December 2022: 85.0%). Only 1.8% of assessed portfolios received Very High climate risk exposure rating, which we consider as potentially heightened climate-related risk (as at 31 December 2022: 3.3%).

Distribution of climate risk ratings for total assessed ICG portfolios



For further details including our complete Exclusion List, see our Climate Change Policy on icgam.com

4. This is tracked since February 2021 when ICG's Enhanced Exclusion List was introduced.

Climate-related Financial Disclosures continued

Strategy continued

Exposure of assessed portfolios to potentially heightened climate-related risks by asset class[5]

	Structured and Private Equity[6]			Private Debt			Infrastructure Equity			Credit[7]		
Year	2023	2022	2021	2023	2022	2021	2023	2022	2021	2023	2022	2021
% of portfolio (by unrealised value) exposed to potentially heightened climate-related risks[8]	2.2%	2.1%	3.4%	0.2%	0.3%	–%	–%	–%	–%	3.0%	7.8%	6.4%

The proportion of investments with potentially heightened exposure to climate-related risks by asset class is presented in the table above. Overall, we continue to see a low exposure across all assessed portfolios managed by ICG. For investments with potentially heightened exposure to climate-related risks, we conduct additional analysis, where feasible, to better understand the specific exposure of the business and the current approach taken by the company and/or its fiscal sponsor to address any such exposure.

For real estate investments, a comprehensive climate risk assessment[9] was introduced in January 2023.

The transition risk assessment considers assets' sustainability credentials versus regulatory and market benchmarks over different time horizons (such as Green Buildings Certifications, energy efficiency, use of on or off-site renewable energy). This risk may be reduced by planned interventions included in the business plan for the asset. For assessments performed since launch in January 2023, 18.4% of assets received an Amber rating for the medium term (5-10 years), reducing to 13.2% when interventions were considered. Two assets received a Red rating for inherent risk in the long term (10+ years), both reduced to Green post-interventions as a result of commitments (either through ICG funded capex or tenant obligation) to improve the energy performance of the buildings as required.

For physical risk, a site-specific hazard exposure assessment is conducted by an external third party across multiple potential hazards, using the IPCC RCP 8.5 scenario. Based on assessments performed since launch in January 2023, the most common exposure identified is flood risk, with limited exposure across other hazard types. Where elevated risk is identified, mitigation and resilience measures are considered, alongside any additional measures that may be required to reduce this risk to an acceptable level.

5. Portfolio composition as at 31 December in each respective year.
6. Excludes ICG Enterprise Trust and LP Secondaries – assessed portfolios in 2023 represent 94% of AUM in this asset class as at 31 December 2023 (2022: 93%, 2021: 93%).
7. Excludes Alternative Credit and investments in third-party CLOs. Assessed portfolios in 2023 represent 92% of AUM in this asset class as at 31 December 2023 (2022: 87%, 2021: 91%).
8. 2023 figures based on unrealised value, whereas 2022 and 2021 are based on invested cost. Liquid Credit figures which are based on Market Value of investments for all years. All figures as at 31 December in the respective year; if not available as at that date we have used the latest available validated figures at the time of conducting the assessment.
9. Each potential investments receives a separate RAG rating for transition risk and physical climate-related risks. Red (R) indicates higher risk level, Amber (A) indicates medium level of risk, and green (G) indicates lower risk level.

Approach to scenario analysis

In 2020, we began conducting a formal assessment of the exposure to climate-related risks across our portfolios utilising ICG's proprietary climate risk assessment methodology, with some element of scenario analysis for investments with potentially heightened climate-related risk exposure. Since then we have confirmed the limited exposure to potentially heightened climate-related risks across our portfolios and as a result have adapted our approach.

For further details on our progress against our portfolio coverage SBT, see our Sustainability and People Report 2023/2024

Transition risks

Given the wide manifestation of transition risks and the direct and indirect implications on the economy at large, in 2023 we decided to strengthen our assessment capabilities by incorporating sector-based transition risk scenario analysis as part of the climate risk assessment conducted as standard for all new investment opportunities in companies. This scenario analysis incorporates metrics from three of the transition scenarios provided by the Network for Greening the Financial System (NGFS):

- Current Policies (base case) – this scenario assumes that only currently implemented policies are preserved, resulting in emissions growth until 2080, which leads to about 3°C of warming and severe physical risks.
- Below 2°C – this scenario gradually increases the stringency of climate policies, giving a 67% chance of limiting global warming to below 2°C by the end of the century. Under this scenario net zero emissions are achieved after 2070. Physical and transition risks are both relatively low.
- Delayed Transition – this scenario assumes new climate policies are not introduced until 2030 and the level of action differs across countries and regions based on currently implemented policies. As a result, emissions exceed the carbon budget temporarily and decline more rapidly after 2030 to ensure a 67% chance of limiting global warming to below 2°C by the end of the century. This leads to both higher transition and physical risks than the Below 2°C scenario.

Read the full description of the scenarios on the NGFS website: www. ngfs.net/ngfs-scenarios-portal/explore

Climate-related Financial Disclosures continued

Strategy continued

Since being introduced at the start of 2023, investment teams have utilised this more nuanced assessment capability for over 550 investments in companies; resulting in a climate risk exposure rating under each of the 'Below 2°C' and the 'Delayed Transition' scenarios. The graphs below outline the distribution of climate risk exposure ratings for these investments under each of the two scenarios. Overall the exposure to potentially heightened climate-related risk is limited under both scenarios and almost negligible under 'Delayed Transition' scenario.

Distribution of climate risk exposure ratings ('Below 2°C' and 'Delayed Transition')*

*As at 31 December 2023 based on unrealised value for all investments except for syndicated loans and high yield bonds which are based on Market Value.

Physical risks

In contrast to transition risks, physical risks are to a greater degree location and operating model specific. Therefore, we conduct physical risk scenario analysis, on a case by case basis, for investment opportunities where we have sufficient influence and which we have identified as having potentially heightened exposure either in the direct operations or in the supply chain of companies. Such analysis is typically conducted as part of the ESG due diligence we commission by external advisors and uses the following two Representative Concentration Pathways (RCPs) adopted by the Intergovernmental Panel on Climate Change (IPCC):

- RCP4.5, described by the IPCC as a moderate scenario in which emissions peak around 2040 and then decline. This scenario assumes future implementation of emissions management and mitigation policies; and
- RCP8.5, is the highest baseline emissions scenario, in which emissions continue to rise throughout the twenty-first century, such that the most adverse effects of physical climate change manifest.

Starting in January 2023, for all potential real estate investment opportunities, a site-specific climate hazard exposure assessment is conducted by an external third party across multiple potential hazards, using the IPCC RCP 8.5 scenario.

Our approach to scenario analysis will evolve over time to further incorporate expectations of clients, regulators and best practice in the industry, with the aim to provide decision-useful and actionable insight for building resilience to climate-related risks of our portfolios.

Decarbonising our investment portfolios

ICG's top priority remains the decarbonisation of our investment portfolios, wherever possible, through our investment decision making and engagement.
Our ability to affect decarbonisation outcomes is largely dependent on the level of influence we have and given the breadth of investment strategies we manage this can vary significantly across and within investment strategies.

1. Direct investments in companies where ICG has sufficient influence (Relevant Investments)

Key information

23.2%*
of AUM, as at 31 March 2024

*Includes AUM in strategies which may make Relevant Investments: European Corporate, APAC Corporate, and Infrastructure Equity.

Key Investment Strategies:
- European and APAC Corporate
- Infrastructure Equity

ICG has committed to reach net zero GHG emissions by 2040 for Relevant Investments, i.e. those direct investments where ICG has sufficient influence, defined by SBTi as at least 25% of fully diluted shares and a board seat. In support of this commitment, we have set a portfolio coverage science-based target ('SBT') approved and validated by the SBTi:
- 100% of Relevant Investments (by invested capital) to have SBTi-validated science-based targets by 2030, with an interim target of 50% by 2026[11].

11. All references are to ICG financial years running from 1 April to 31 March.
12. These are Europe Corporate, Asia Pacific Corporate, Europe Mid-Market, Infrastructure Equity, and certain seed assets that qualify as Relevant Investments.
13. Measurement in line with the SBTi guidance for the private equity sector. A Relevant Investment is only counted in if it has been a Relevant Investment for at least 24 months or has set an SBT already. Note that the SBTi currently does not validate SBTs for educational institutions, so three Relevant Investments in this sector have been excluded from our update.
14. As per the applicable SBTi requirements for target setting and validation.

To date, most portfolio companies that qualify as Relevant Investments are in the early stages of their decarbonisation journeys at the time of ICG's investment. Indeed, no Relevant Investments have had a pre-existing science-based target (either validated by the SBTi or in the process of being validated) at the point of our initial investment. Hence, we have created an onboarding and engagement programme to support portfolio companies with every stage of decarbonising in line with the Goals of the Paris Agreement and addressing climate-related risks and opportunities. Example measures include:
- Assigning senior-level responsibility for climate-related matters;
- Sharing the results of our company-specific climate risk assessment, including scenario analysis, as relevant;
- Supporting a carbon footprint assessment of the business in line with the GHG Protocol and the development of Board-level approved climate action and decarbonisation plans with appropriate allocation of resources;
- Establishing company-specific decarbonisation KPIs and targets, in line with the requirements of SBTi; and
- Monitoring progress annually on the implementation of emission reductions initiatives to deliver on set plans and targets.

Key developments

As at 31 March 2024:,

Engaged all 34 Relevant Investments across five investment strategies[12], representing nearly $10.6bn of invested capital.

64% of Relevant Investments (by invested capital) have set SBTi-validated targets or submitted for validation[13]- achieving our interim target of 50% two years earlier.

These targets in aggregate seek to manage over 3 million tCO_2e in line with climate science[14].

Climate-related Financial Disclosures continued

Strategy continued

2. Other direct investments in companies (not Relevant Investments) as well as primary and secondary commitments to PE Funds

Key information

68.3%
of AUM, as at 31 March 2024

Key Investment Strategies:
- Senior Debt Partners
- North America Private Debt
- Strategic Equity
- ICG Enterprise Trust
- Liquid Credit
- CLOs

For other investments where we have limited or no influence, ICG looks to engage on decarbonisation, insofar as feasible, with management of portfolio companies, and/or the controlling private equity sponsor. Our engagement focuses on understanding current practices and encouraging improvement, where possible.

As comprehensive sustainability disclosures, including GHG emissions, are still nascent among private companies, our key focus of engagement in many cases has been on improving transparency on sustainability matters, including disclosure of performance and GHG emissions. Improved coverage and quality of data is critical to understanding the carbon footprint of our portfolios and the financed emissions attributable to ICG and its funds. See 'The climate data challenge' for further details on what we seek to do about it.

Beyond data quality and availability challenges, for many of the investment strategies in this category, there are no industry-established frameworks to measure alignment of underlying portfolios with a 1.5°C pathway.

3. Real estate investments

Key information

8.5%
of AUM, as at 31 March 2024

Key Investment Strategies:
- European Real Estate Debt
- Strategic Real Estate

Buildings account for 40% of energy consumption and 36% of CO_2 emissions in the EU[15]. As a result, there is a growing regulatory focus and increasing ambition for emissions reduction across the built environment. ICG employs different tools to drive decarbonisation across the real estate portfolio, depending on the investment strategy.

The latest ICG's European Real Estate Debt fund has a loan framework designed to incentivise sponsors to decarbonise assets, via issuance of green loans and/or sustainability-linked financing. As at 31 March 2024, nine loans have been issued under the fund's Green Loan Framework.

ICG's Strategic Real Estate (SRE) funds have a proportion of capital allocated towards making sustainability improvements across the portfolio ('Sustainable Capital Allocation'). During the year ended 31 March 2024, an expert advisor was appointed to perform a review of the SRE portfolio against the CRREM[16] pathways, which are the established 1.5°C pathways to measure alignment for real estate properties. Outputs of the review will inform prioritisation for use of available SCA funds.

15. European Commission, February 2020.
16. Carbon Risk Real Estate Monitor (CRREM) – available at Publications – CRREM Project.

The climate data challenge

To enable decarbonisation at scale and greater transparency in private markets, we also need reliable GHG emissions data and industry-established tools and frameworks to measure attainment of decarbonisation progress across asset classes – both areas have seen some improvement in 2023 but require expanded focus and attention by the industry at large.

GHG emissions data

We have continued to expand measurement of financed emissions in line with the Partnership for Carbon Accounting Financials (PCAF) Standard, and inclusion of such data in sustainability reporting to clients a number of active funds managed by ICG. Disclosure of GHG data by private companies and for real estate property is still nascent, so for any gaps in actual data we utilise proxy data modelled by reputable external data providers. This year, we assessed and reported fund-level financed emissions, alongside other portfolio metrics recommended by the TCFD, such as weighted average carbon intensity and portfolio carbon footprint, for funds representing 44.2% of total AUM. The vast majority of the underlying emissions data was based on proxy estimates and excluded Scope 3 emissions, due to a lack of reliable data reported by investees. In ICG's view, the aggregation of such data into Group-wide portfolio climate metrics would be misleading.

We recognise the importance of this data to our shareholders, clients and other stakeholders, so we will continue exploring ways to improve the coverage and quality of climate data for our portfolios. As more reliable data becomes available for private companies and real estate, we will review on an annual basis our approach to disclosing such data in aggregated form in this Report.

With 47.2% of our AUM as at 31 March 2024 in private debt and credit funds, ICG recognises the importance of continuing to encourage measurement and reporting of GHG emissions to use as lenders. In addition to direct engagement with companies, we worked with peers in the Initiative Climat International (iCI) Private Credit Working Group, which ICG co-chairs, to publish a concise guide for companies offering practical guidance on the foundational steps to measure and report on GHG emissions.

Tools and frameworks to measure attainment of decarbonisation progress across asset classes

For many alternative asset classes, beyond buyout and growth PE and real estate equity, there has been very limited guidance on measuring alignment of given portfolios with 1.5°C pathways (in line with the Paris Agreement). That is why, over the course of 2023, ICG joined forces with over 200 GPs and 40 LPs active in private markets to determine a common language for asset managers to describe where their portfolios are on their decarbonisation journey and proportion that is managed in alignment with a 1.5°C pathway. The result was the publication of the Private Markets Decarbonisation Roadmap (PMDR). Through its Alignment Scale, the PMDR proposes an industry-consistent approach and criteria to classify portfolio companies along the decarbonisation trajectory, with the intent to incentivise real action across and within assess classes. ICG has begun incorporating the PMDR Alignment Scale in its pre-investment assessment and post-investment monitoring tools, and will utilise it in its disclosures going forward.

To see the guide and further details on the PMDR please visit the UN PRI website

Climate-related Financial Disclosures continued

Strategy continued

Developing our investment strategies

We future-proof our business in part by evolving our existing investment strategies and developing new ones. This enables us to better serve the needs of our clients and to capitalise on a wider range of investment opportunities.

An enhanced focus on sustainability can be a source of competitive advantage. We seek to integrate sustainability considerations, including those related to climate change mitigation and adaptation, into the design of new investment strategies or funds where we have influence to drive better outcomes. For new strategies or funds where we have sufficient influence, we also seek to consider science-based decarbonisation targets that support the goals of the Paris Agreement and/or align the sustainability priorities and practices with specific UN Sustainable Development Goals (SDGs).

Key developments

In the last three years, ICG has raised a total of $16.4bn of capital in investment strategies[17] with explicit engagement priority or formal framework that focuses on climate change within the investment process.

Such strategies represent 32% of AUM, as at 31 March 2024, compared to 28% a year earlier.

We also seek opportunities, including those presented by the transition to a low-carbon economy which fit ICG's investment approach and ability to invest across the capital structure. For example, investments in real assets, such as commercial real estate, housing developments, renewable energy and other infrastructure delivering core services, can play an important role in supporting global economic growth, enhancing social cohesion, and delivering the transition to a low-carbon economy. To capitalise on this growing investment opportunity, ICG has launched a number of strategies investing in infrastructure and real estate that have sustainability frameworks designed to deliver tangible, targeted improvements in the sustainability performance of assets as part of their asset management plans.

Key developments

As at 31 March 2024, such strategies targeting sustainability improvements constitute 61% of AUM in Real Assets, compared to 48% as at 31 March 2023, and 40% as at 31 March 2022.

As at 31 March 2024 ICG Infrastructure Equity has invested in total of 2.7 GW of net renewable energy generating capacity since the strategy was launched in 2020; compared to 1.9 GW a year earlier.

Fund-level sustainable financing

At a fund level, we also seek to link our climate ambition to our third-party financing, where possible. Since 2021, we have raised a total of $3.2bn sustainability-linked fund-level financing that has climate-related KPIs.

Group operations

The Group procures mainly professional and business services and 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 in the short and medium term.

The Sustainability & ESG, Legal, Risk and Compliance, and Operations teams work closely to ensure the Group's compliance with current and emerging climate-related regulations of relevance to its operations, including the UK Streamlined Energy and Carbon Reporting (SECR) and Energy Savings Opportunity Scheme (ESOS) regulations and the EU Energy Efficiency Directive (EED).

We also seek to link our climate ambition to our Group-level third-party financing, where possible. We have raised a total of $1.2bn sustainability-linked financing, including issuing a €500 million sustainability-linked bond with adjustments to the coupon rate linked to progress against ICG's approved and validated science-based targets.

See page 63 for ICG's GHG emissions statement which outlines key initiatives we have implemented to continue to reduce our operational carbon footprint

17. These include the latest vintages of European Corporate, Strategic Equity, Strategic Real Estate, European Real Estate Debt, and Infrastructure Equity investment strategies.

Climate-related Financial Disclosures continued

Strategy continued

Progress against ICG operational SBTi-validated target

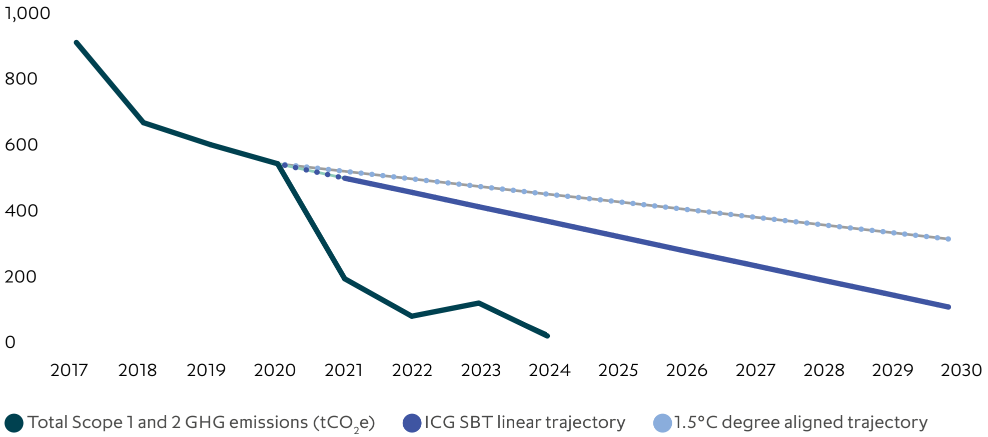
During the reporting period 1 April 2023 to 31 March 2024, our measured Scope 1 and Scope 2 (market-based) emissions totalled 28 tCO_2e, which represents 95% reduction compared to base year.

Key development

On track to deliver ICG's science-based target of 80% reduction by 2030; this year ICG's Scope 1 and 2 GHG emissions were 28 tCO_2e, representing 95% reduction compared to the 2020 base year.

The chart below illustrates ICG's emissions reduction versus its Scope 1 and 2 SBT trajectory and a 1.5°C aligned trajectory.

Group Scope 1 and 2 (market-based) GHG emissions (tCO_2e)



While this means the Group has already achieved our Scope 1 and 2 science-based target (SBT), we remain determined to sustain this performance over time as the firm continues to grow and expand its presence globally. ICG will continue to expand the purchase of electricity from renewable sources and explore energy efficiency measures in our operations.

Governance

ICG's governance of climate-related risks and opportunities

TCFD recommended disclosures:

A Description of ICG Board's oversight of climate-related risks and opportunities

B Description of ICG Management's role in assessing and managing climate-related risks and opportunities

Oversight and management of climate-related risks and opportunities are incorporated into the Group's governance structure and risk management framework (RMF).

The Board sets the Group's strategic direction and, when setting strategic objectives, it considers all material factors including those relating to climate change. As such, the Board considers climate-related risks, as relevant as a strategic matter, when reviewing the annual business plans over the short, medium, and long term, for example, in annual budgets, performance objectives and determining the risk appetite of the Group.

The Board is engaged in the Group's focus on stewardship and sustainability, and regularly receives reports on client considerations, client experience, investment performance and sustainability matters, including regular updates on climate-related matters. The Board has delegated oversight of climate-related matters, including progress towards ICG's net zero commitment and the implementation of ICG's Climate Change Policy, to the CEO, with support from the CFO and the CPEAO. The CEO, who also serves as Chief Investment Officer, has ultimate accountability and oversight of investment processes of ICG's funds and is therefore responsible for climate-related issues across the investment process and in our portfolios.

The diagram below provides an overview of the Group's governance structure for the oversight, assessment and management of climate-related risks and opportunities.

Climate-related Financial Disclosures continued

Governance continued

Group's governance structure for the oversight, assessment and management of climate-related risks and opportunities

ICG plc Board of Directors

Oversight of Group strategy and risk, receiving regular updates on sustainability, ESG and climate-related matters at a minimum twice a year

Executive Directors

- responsible for implementing the Group's approved strategy, including driving our net zero commitment and various climate-related programmes
- the CEO has lead responsibility for climate-related matters and reviews and guides any decisions made regarding investment strategies, including the update and implementation of ICG's Responsible Investing Policy and the Climate Change Policy
- receive regular updates on sustainability, ESG and climate-related matters

Remuneration Committee

- oversees the Directors' Remuneration Policy and its application to senior employees, including the inclusions of sustainability related KPIs, and reviews and approves incentive arrangements to ensure they are commensurate with market practice

Risk Committee

- oversees the Group's RMF, compliance processes and procedures, and controls assurance 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

Audit Committee

- oversees the Group's financial reporting and related elements of its internal financial controls, including TCFD disclosure obligations of the Group and other climate-related disclosure requirements, such as the UK Streamlined Energy and Carbon Reporting (SECR) requirements
- receives updates from the Global head of Sustainability & ESG annually (at a minimum)

Sets direction and provides oversight

Inputs into climate strategy and reports on progress

Climate assessment and stewardship of investment portfolios

Investment Committees[1]

- responsible for ensuring that climate-related issues are appropriately considered when taking an investment decision; and that the Sustainability & ESG team's guidance is accounted for, where climate-related issues are material or unclear.

Investment teams

- responsible for the day-to-day implementation of the Responsible Investing Policy and Climate Change Policy, and the integration of climate-related consideration in investment processes, guided by the RI Committee and the Sustainability & ESG team

Responsible Investing Committee[2]

- promotes, supports, and helps to integrate responsible investing practices across ICG's investment strategies in line with ICG's Responsible Investing and Climate Change policy

Sustainability & ESG team

- provides subject-matter expertise to support the assessment and management of climate-related risks and opportunities across our fund management activities, including assessment and engagement of investees; setting strategic objectives and targets; building capacity across the organisation; and fostering collaboration within the industry
- works closely with Risk Oversight and Control functions within the Group, to ensure adequate governance frameworks and controls are in place to assess and manage climate-related risks

Risk Oversight and Control functions[3]

1. Each fund has its own Investment Committee (IC). The ICs are comprised of senior investment professionals, including the respective fund Portfolio Manager(s).
2. The Responsible Investing Committee is made up of the Head of Investment Office, Global Head of Sustainability & ESG, and senior investment professionals from ICG's investment strategies.
3. Legal, Compliance, Risk, and Internal Audit functions.

Climate-related Financial Disclosures continued

Governance continued

The CFO is responsible for ensuring climate-related risks which might impact the Group's own operations are understood and mitigated. The Operations and IT teams, with support from the Sustainability & ESG team, are responsible for assessing and managing climate-related risks associated with Group offices, IT infrastructure or third-party vendors. Updates on climate-related issues are provided to the CFO, as and when they manifest.

Training and capacity building

Ensuring that our investment teams have sufficient knowledge to implement the Responsible Investing Policy and Climate Change Policy is essential. ICG is committed to providing investment teams with regular bespoke training, comprehensive guidance and access to online tools to ensure they can identify and address sustainability, including climate-related, risks and opportunities in our investment activities. The Sustainability & ESG team also provides regular briefings on emerging topics, regulatory developments and industry best practice.

Key development

ICG further developed its training programme so it can be delivered to the whole business. Mandatory training for all employees was rolled out to incorporate core understanding of Responsible Investing, Sustainability and ESG at ICG. The training also delves into greater detail on specific themes, such as climate-related risks and opportunities. This mandatory training is supplemented by more advanced specific knowledge-building for relevant professionals such as investment teams in key topics that relate to their role.

Remuneration

The Company and its Board have a long-term orientated approach to variable pay, which aligns our Executive Directors to the interests of our shareholders and the Group's key priorities. As per the Directors' Remuneration Policy, the Group makes a single variable pay award each year to Executive Directors, based on a balanced scorecard of KPIs, one of which is Culture, DEI and Sustainability. Further details can be found on page 103.

The Group incorporates ESG assessment into the annual performance appraisals of all portfolio managers across the firm, including climate-related components, where applicable to the investment strategy. The aim of this practice is to reinforce alignment and accountability at the right levels of the organisation and ensure we comply with a continued increase in relevant regulatory requirements. It also positions portfolio managers to lead by example, ensuring sustainability and climate-related factors are being appropriately and consistently considered in their teams' approaches to investment.

Risk Management

The processes used by ICG to identify, assess and manage climate-related risks

TCFD recommended disclosures:

- **A Description of ICG's processes for identifying and assessing climate-related risks.**
- **B Description of ICG's processes for managing climate-related risks.**
- **C Describe how processes for identifying, assessing, and managing climate-related risks are integrated into ICG's overall risk management.**

Group Risk Management Framework

Risk management is embedded across the Group through a dedicated RMF, which ensures that current and emerging risks are identified, assessed, monitored, mitigated, and appropriately governed based on a common risk taxonomy and methodology. This is done within the risk appetite set by the Board, i.e. the nature and extent of the risks it is willing to take in achieving the Group's strategic objectives.

The Group RMF is consistent with the principles of the 'three lines of defence' model. This ensures clarity over responsibility for risk management and segregation of duties between those who take on risk and manage risk, those who oversee risk and those who provide assurance; and this approach is applied to climate-related risks and opportunities.

The Group adopts both a top-down and a bottom-up approach to risk assessment.

At a Group level, climate-related risk is considered broadly and has been incorporated into our Group-wide RMF as a cross-cutting risk. This means that we recognise the potential impact climate-related issues may have on other material risks within our RMF, namely the Group principal risks[18] (see page 41). In line with the recommendations of TCFD and regulatory guidance, the Group considers the financial and non-financial risks arising from physical climate risk (risks related to the physical impacts of climate change) and transition climate risk (risks related to the transition to a low-carbon economy).

Of the Group's eight principal risks, we have assessed the following as currently most likely to be impacted by climate-related matters, to varying degrees, as follows:

18. The Group defines principal risks as those that would threaten the Group's business model, future performance, solvency, or liquidity.

Climate-related Financial Disclosures continued

Risk Management continued

Principal risk	Potential impact	Process for risk identification and management
External Environment Risk 1	Climate-related conditions and/or events outside the Group's control, such as rapid shifts in climate policy and/or clients' climate requirements, volatility in energy markets, and/or increased frequency and severity of extreme weather events; may adversely affect our business, including by reducing the value or performance of the investments made by our funds, making it more difficult to find opportunities for our funds to exit and realise value from existing investments and to find suitable investments for our funds to effectively deploy capital.	– Implementation of Climate Change Policy – Screening and due diligence processes for new investment opportunities – Portfolio monitoring and stewardship (see table on page 59) – The Group's New Product Approval process requires sustainability considerations, including climate-related risks and opportunities, to be integrated into the design of new strategies or funds where we have influence to drive better sustainability outcomes
Fund Performance Risk 2	Climate-related issues (as described above) may affect the performance of our funds, and therefore make it more challenging to raise capital or new funds and affect our reputation, thereby impacting the Group's ability to grow and compete effectively.	
Balance Sheet Risk 3	Climate-related risks will increasingly be incorporated into risk assessments and asset valuations, which could have a material impact on the attractiveness of existing and potential investments impacting the Group's balance sheet and fund investments.	
Legal, Regulatory and Tax Risk 5	Increasing legal and regulatory requirements in relation to climate-related issues may result in increasing regulatory enforcement or litigation risk for the Group and its fund management entities and potential reputational damage due to instances of non-compliance with current or emerging climate-related regulations or market/client expectations, and ensuring that (where relevant) such requirements are embedded in our processes, procedures, controls and disclosures.	– Global regulatory horizon scanning, including current and emerging sustainability and climate-related regulations – Participation in industry working groups focused on effective implementation of sustainability-related regulations – Sustainability regulatory task-force within the Group comprising Legal, Sustainability & ESG, Risk and Compliance functions; monitoring the implementation of new regulatory requirements across the Group
Operational Resilience Risk 6	Potential operational disruption caused by climate-related issues. primarily physical risk, including within the Group's key third-party providers.	– Implementation of Climate Change Policy – Implementation of the Group's Sustainable fit-out guide to our offices – Implementation of the Supplier Code of Conduct – Supplier assessment questionnaire rolled out during the year to better assess sustainability-related risks, including arising from or related to climate change

Reputational risk, while not a principal risk, is also an important consideration for the Board and the Executive Directors, in setting and implementing the Group's strategic objectives. Therefore we recognise the potential impact to the Group if it is not seen by stakeholders to be adequately supporting the transition to a low-carbon economy, addressing clients' requirements on climate change, and demonstrating progress towards our commitment (see page 103).

In addition to the top-down risk assessment, the business undertakes a bottom-up review which involves a comprehensive risk assessment process designed to facilitate the identification and assessment of key risks and controls related to each business function's most important objectives and processes. This is primarily achieved through the risk and control self-assessment process (RCSA).

Key developments

The Group completed a review of the Sustainability & ESG team through the Group's RCSA process and documented the key risks and controls the team is responsible for, including those related to climate.

In addition, we also initiated a review to ensure that sustainability and climate-related risks are also incorporated, as relevant, in the RCSAs of other functions across the Group. The initial stage of this review is expected to be completed in the coming year and will be updated as needed going forward.

Incorporating climate considerations into fund management

We recognise that climate change may have a material impact on investment performance and returns over the short, medium and long term. As described above, we therefore have processes and procedures in place to account for climate-related risks and opportunities in the design of new products, the execution of our investment practices and processes and the focused engagement with and stewardship over investments. The ICG Climate Change Policy – covering 100% of ICG's AUM – requires us to consider the implications of climate-related risks and opportunities in our investment research, valuation, and decision-making processes.

Group balance sheet investments

The Group's exposure to climate risk arising from its balance sheet investment portfolio (seed assets) is managed in line with our standard fund management activities, as outlined on page 59.

Further details of the Group's RMF, including the processes used to determine which risks could have a material financial impact on the Group, are set out on page 40

For further details including our complete Exclusion List, see our Climate Change Policy on icgam.com

Climate-related Financial Disclosures continued

Risk Management continued

Identifying, assessing and managing climate-related risks

Our approach and processes for identifying, assessing, prioritising, and managing climate-related risks for active funds are summarised by key strategy in the table below:

Asset class	Structured and Private Equity			Private Debt		Real Assets			Credit
Key strategy	**European and Asia Pacific Corporate**	**Strategic Equity**	**ICG Enterprise Trust / LP Secondaries**	**Senior Debt Partners**	**North America Capital Partners**	**Real Estate Debt**	**Real Estate Equity**	**Infrastructure Equity**	**Liquid Credit CLOs**
Pre investment									
Exclusion List screening	✓	✓	✓	✓	✓	✓	✓	✓	✓
Bespoke climate risk assessment	✓	✓	✓	✓	✓	✓	✓	✓	✓
Additional due diligence for deals with potentially heighten climate risk exposure	✓	✓	✓	✓	✓	✓	✓	✓	✓
Climate risk assessment findings included in IC memos	✓	✓	✓[19]	✓	✓	✓[20]	✓[20]	✓	✓
Post investment									
Ongoing portfolio monitoring process (including through annual surveys, where relevant)	✓	✓	✓	✓	✓	✓	✓	✓	✓
Engagement on climate-related matters	✓	✓		✓		✓[21]	✓	✓	✓[22]
Investment-specific climate-related targets and KPIs[23]	✓					✓[21]	✓	✓	

19. Applicable to direct investments by ICG Enterprise Trust.
20. Harmonised and formalised across all real estate investments since January 2023.
21. For certain investments in the European Real Estate Debt strategy as part of the strategy's Green Loan Framework.
22. Typically focused on improved disclosures on climate risk and GHG emissions by investee companies.
23. For investments where we have sufficient influence.
24. The Inevitable Policy Response (IPR) is a climate transition forecasting consortium commissioned by the PRI which aims to prepare institutional investors for the portfolio risks and opportunities associated with an acceleration of policy responses to climate change. https://www.unpri.org/sustainability-issues/climate-change/inevitable-policy-response

Exclusion List screening

For any direct investment, investment teams screen against ICG's Exclusion List which, among other activities, prohibits us from knowingly making direct investments in certain coal, oil and gas activities, to avoid exposure of our funds to investments that are inherently prone to having the most significant adverse environmental and/or social impacts which could impact their performance in the short, medium and/or long term.

For indirect investments, where feasible, ICG seeks to ensure that the Exclusion List is implemented subject to a materiality threshold.

Climate risk assessment

For each potential investment opportunity, we use a climate risk exposure assessment tool and methodology bespoke to the nature of the investment (in a company or real asset) to help us identify and assess whether there are any material climate-related risk exposures associated with an investment. As standard, these tools utilise established external and ICG proprietary sources of data to support the assessment of both physical climate risks and transitional climate risks. A climate risk scorecard is produced and additional analysis must be completed for investment opportunities identified as having a potentially heightened exposure to climate-related risks. In situations where we have sufficient influence, external ESG due diligence, including a specific analysis of climate-related risks and opportunities, is conducted as standard. The findings of the climate risk assessment are consolidated and included as standard in the investment proposal to the respective IC for most strategies. 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.

See more details on our approach and process on pages 50

Key developments

ICG undertook a review of its climate risk assessment methodology for investments in companies to ensure it is still fit for purpose and in line with market practice. As a result, a number of enhancements were identified and will be implemented in the coming year:

1. **Expanded the assessment of exposure to both physical and transition risks to incorporate characteristics related to the company's specific operating model and value chain.**
2. **Streamlined and updated the external data sources to ensure we utilise most relevant and up-to-date data for investors. One such notable enhancement is the incorporation of the Inevitable Policy Response (IPR)[24] Forecast Policy Scenario (2023) into the transition risk assessment component, which also provides an indication of the implied carbon price for a wide range of jurisdictions on a consistent basis.**

Monitoring

Following an investment, material climate-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, ICG may seek to better understand how these issues are managed either through ongoing dialogue or through our annual sustainability surveys. Climate change is an integral part of our annual sustainability surveys which monitor governance and management of climate change, as well as performance and decarbonisation plans. We publish summary results of our sustainability surveys in our annual Sustainability and People report.

Climate-related Financial Disclosures continued

Risk Management continued

Group operations – identifying and managing climate-related risks

Transition risks

Enhanced GHG emissions reporting and climate-related compliance requirements have been identified as a potential climate-related risk to the Group operations. The Sustainability & ESG, Legal, Risk and Compliance and Operations and IT teams work closely to ensure the identification of relevant emerging regulatory requirements and the Group's compliance with climate-related regulation of relevance to its operations, including the UK SECR and ESOS, and the EU EED.

Key development

We enhanced our assessment of suppliers to include a wider range of sustainability considerations, including exposure to and capabilities to manage climate-related risks and opportunities, where relevant. This will be rolled out to all new and existing material suppliers going forward.

We will continue to monitor changes in the exposure to physical and transition climate risks of our direct operations and address any identified risks, as needed.

Read more in our Sustainability and People Report 2023/2024

Physical risks

Following our established RMF and associated procedures, we consider that the Group's direct operations are not materially exposed to physical climate risks because, among 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. 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. From a real estate perspective, the Group operates from leased offices and our employees have the ability to work remotely. In the year ended 31 March 2023, the Group 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 risks.

Metrics & Targets

The metrics and targets used by ICG to assess and manage relevant climate-related risks and opportunities

TCFD recommended disclosures:

A Metrics used by ICG to assess climate-related risks and opportunities in line with its strategy and risk management process.

B Scope 1, Scope 2, and, if appropriate, Scope 3 GHG emissions, and the related risks.

C Description of the targets used by ICG to manage climate-related risks and opportunities and performance against targets.

The Group uses a variety of metrics and tools to assess climate-related risks and opportunities in line with its business strategy, net zero approach and risk management processes.

While a source of important insight, some of these metrics and tools have inherent limitations (e.g. scope of coverage, availability and/or quality of data as well as the uncertainty associated with some of the underlying assumptions). We utilise internal data and proprietary tools and methodologies, as well as external data sources and providers, to produce these climate metrics.

As the vast majority of emissions data that ICG has today is based on proxy estimates and excluded Scope 3 emissions, in ICG's view, the aggregation of such data into Group-wide portfolio climate metrics would be misleading. As indicated below, in relation to financed emissions, and other portfolio climate metrics recommended by TCFD, given the significant gaps in available measured emissions data in private markets, ICG's current focus is on improving the coverage and quality of such data (see page 53), which will enable us to establish a credible baseline for these metrics across our portfolios.

Climate-related Financial Disclosures continued

Metrics & Targets continued

	Climate Metrics	Target and/or current activity[25]	Scope	Climate risk	Use and measurement	Ref
Group						
Remuneration	Remuneration linked to sustainability and climate considerations.*	Sustainability and climate-related considerations are incorporated into the annual variable component of the remuneration of Executive Directors and all portfolio managers across the firm.	Executive Directors and Portfolio Managers' annual variable pay	Transition & Physical	Assesses the link of remuneration with sustainability considerations, including the implementation of the ICG Climate Change Policy and specific aspects pertaining to each investment strategy.	103
Sustainability-linked financing	Amount of ESG or Sustainability financing, with climate-related metrics	The Group seeks to link its climate ambition to third-party financing, where possible	Group and Fund related third-party financing	Transition & Physical	Measures the amount of third-party financing with built in climate-metrics that may adjust the margin or coupon of the facility. Expressed as an aggregate absolute amounts in GBP for the Group and USD for fund related third-party financing.	54
Investments						
Climate-related risks	Proprietary climate risk exposure rating	Exposure to climate-related risks (both physical and transition) is assessed as standard for all direct investment opportunities utilising our proprietary, asset type specific methodologies.	Individual direct investments	Transition & Physical	Assesses the potential exposure to physical and transition climate-related risks for individual investment opportunities using the Group's proprietary climate risks exposure assessment methodology. Climate risk exposure rating is incorporated into all investment proposals for consideration by ICs.	50
	Proportion of investments in companies with potentially heightened climate risk exposure	Conduct annually a Group-wide top-down portfolio assessment with a view to inform ICG's sustainability and climate-specific objectives and priorities.	Investments across our Structured and Private Equity, Private Debt and Credit asset classes, and Infrastructure Equity strategy.	Transition & Physical	Measures the exposure of portfolios to potentially heightened climate risk based on the Group's proprietary climate risk exposure assessment methodology, expressed as % of portfolio by unrealised value of investments.	50
	Proportion of investments in companies with heightened climate risk sector exposure	Conduct annually a Group-wide top-down portfolio assessment with a view to inform ICG's sustainability and climate-specific objectives and priorities.	Investments across our Structured and Private Equity, Private Debt, Real Assets and Credit asset classes.	Transition	Assess the exposure of certain portfolios to heightened climate risk sectors[26], expressed as % of portfolio by	50
Decarbonising our investment portfolios	Alignment to 1.5°C pathway	Long-term goal: reach net zero GHG emissions across Relevant Investments by 2040. Interim target (approved and validated by the SBTi): 100% of Relevant Investments to have SBTi-validated science-based targets by 2030, with an interim target of 50% by 2026.	Relevant Investments	Transition	Measures the proportion of Relevant Investments covered by science-based targets, as % of invested capital, which are therefore aligning with 1.5°C pathway. Monitored internally and reported publicly on an annual basis.	52
	Financed emissions and portfolio carbon footprint	Given the significant gaps in available measured emissions data in private markets, especially on Scope 3 GHG emissions, ICG's focus is on improving the data coverage and quality so we can establish a credible baseline for this metric across its portfolios.	Active funds[27] making direct investments across our Structured and Private Equity, Private Debt, Real Assets, and Credit asset classes.	Transition	Assesses the absolute GHG emissions associated with and attributable to a portfolio of investments, expressed in tCO_2e (financed emissions); and the financed emissions per unit of invested capital, expressed in tCO_2e per million invested in fund currency. Monitored internally and reported to investors in certain active funds at least annually.	N/A
	Weighted average carbon intensity.	Given the significant gaps in available measured emissions data in private markets, especially on Scope 3 GHG emissions, ICG's focus is on improving the data coverage and quality so we can establish a credible baseline for this metric across its portfolios.	Active funds[27] making direct investments across our Structured and Private Equity, Private Debt, Real Assets, and Credit asset classes.	Transition	Measures a portfolio's exposure to carbon-intensive investments, expressed in tCO_2e/ million revenue in fund currency for corporate investments; or in tCO_2e/m^2 for real estate investments. Monitored internally and reported to investors in certain active funds at least annually.	N/A

Climate-related Financial Disclosures continued

Metrics & Targets continued

	Climate Metrics	Target and/or current activity[25]	Scope	Climate risk	Use and measurement	Ref
	Investments continued					
Developing our strategies	Investment strategies with explicit engagement priority or formal framework that focuses on climate change within the investment process.	ICG has incorporated climate change considerations in the approval process for new funds or strategies. Since 2021, we have considered climate change in the launch of the latest vintages of European Corporate and Mid-Market, Strategic Equity, Infrastructure Equity, Strategic Real Estate and European Real Estate Debt investment strategies, which have explicit focus on engagement on climate change and decarbonisation.	Active funds across our Structured and Private Equity, Private Debt, Real Assets, and Credit asset classes.	Transition & Physical	Provides an indication for our ability to adapt our investment strategies to explicitly incorporate climate change considerations. Cumulative amount of capital raised since April 2021, expressed in USD billion; and AUM expressed in USD billion in such strategies.	5
	Investments in infrastructure and real estate targeting sustainability improvements.*	ICG has several strategies investing in infrastructure and real estate that have sustainability frameworks designed to deliver tangible, targeted improvements in the sustainability performance of assets.	Infrastructure Equity, European Real Estate Debt, and Sale and Leaseback.	Transition	Measures the proportion of Group's investments in infrastructure and real estate in strategies targeting tangible sustainability improvements, expressed as % of AUM in Real Assets. Monitored internally and publicly reported annually.	54
	Installed renewable energy generating capacity	ICG Infrastructure has made a number of investments to support the further growth and development of companies specialising in renewable energy generation across North America, Europe and Asia Pacific; which directly support the transition to a low-carbon economy.	Infrastructure Equity strategy and seed assets	Transition	Measures the aggregate and annual change in installed renewable energy generating capacity, expressed in GW. Monitored internally and publicly reported annually.	54
	Our operations					
Our operations	Scope 1 and 2 absolute GHG emissions (market and location-based).*	Long-term goal: net zero GHG emissions across operations by 2040. Interim target (approved and validated 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 (market-based.)	Group operations: combustion of fuel, fugitive emissions, and purchased electricity and heat.	Transition	Measures the direct operational carbon footprint of the Group in line with the GHG Protocol, expressed in tCO_2e. Assessed annually and reported publicly, subject to independent limited assurance.	63 - 64
	Scope 1 and 2 GHG emissions intensity (market-based).*	ICG seeks to improve the GHG intensity of our operations, year-on-year.	Group operations: combustion of fuel, fugitive emissions, and purchased electricity and heat	Transition	Measures efficiency of the direct operational carbon footprint of the Group relative to its revenue, expressed in tCO_2e per £m revenue. Assessed annually and reported publicly, subject to independent limited assurance.	63 - 64
	Energy used from renewable sources.	ICG seeks to maximise the proportion of electricity consumption from renewable sources, and encourage landlords to provide low-carbon heating solutions, wherever feasible.	Group operations: purchased electricity and heat	Transition	Measures the proportion of electricity and heat from renewable sources. Assessed annually and reported publicly, subject to independent limited assurance	63 - 64
	Scope 3 absolute GHG emissions.*	The Group is establishing a complete baseline and assessing the tools and levers necessary to reduce its Scope 3 emissions.	Group operations: business travel, purchased goods and services, water supply and waste generation	Transition	Measures the indirect operational carbon footprint of the Group in line with the GHG Protocol, expressed in tCO_2e. Assessed annually and reported publicly, subject to independent limited assurance.	63 - 64

* Indicates a cross-industry climate-related metric as per the TCFD Guidance on Metrics, Targets, and Transition Plans, 2021.

25. All references are to ICG financial years running from 1 April to 31 March.

26. Source ICG, the Heightened climate risk sectors categorisation is based on the latest TCFD Implementation Guidance (October 2021) which identifies the following sectors with the highest likelihood of climate-related financial impacts: Energy, Transport, Materials & Buildings, and Agriculture, Food & Forestry Products. ICG has adapted these to incorporate the framework provided by the Guidance on Use of Sectoral Pathways for Financial Institutions, produced by the Glasgow Financial Alliance for Net Zero in June 2022.

27. Active funds for this metric are those funds managed by ICG that principally focus on direct investments and that were either in fundraising or investing period or open-ended in nature, or were already measuring this metric at the start of FY22

Climate-related Financial Disclosures continued

Annual Group GHG emissions statement

This statement has been prepared in accordance with our regulatory obligation to report GHG emissions pursuant to the Companies (Directors' Report) and Limited Liability Partnerships (Energy and Carbon Report) Regulations 2018 which implement the UK Government's policy on SECR.

Operational GHG emissions performance

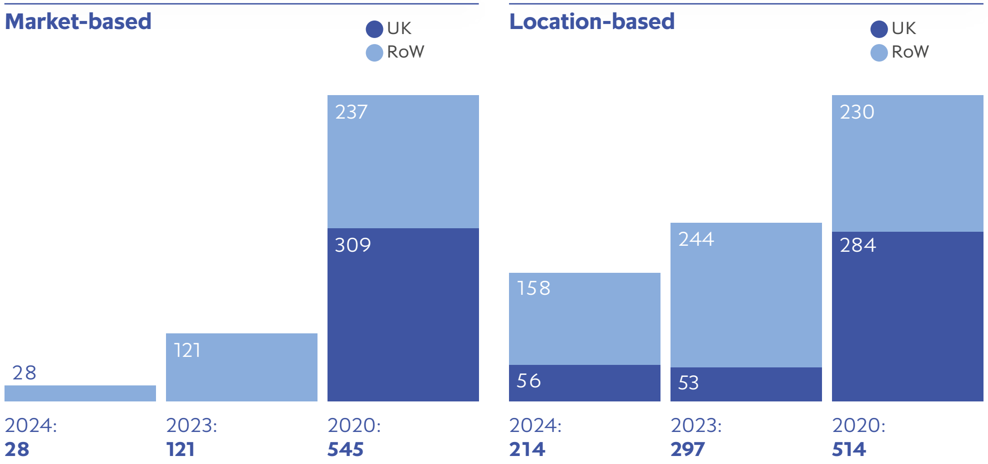
During the period 1 April 2023 to 31 March 2024 (the reporting period), our measured Scope 1 and Scope 2 (market-based) emissions totalled 28 metric tCO_2e compared to 121 metric tCO_2e in the 12-month period to 31 March 2023 (the prior period). The Scope 1 and 2 intensity[1] equated to 0.04* metric tCO_2e/FTE and 0.03* metric tCO_2e/£m revenue, compared to 0.21 metric tCO_2e/FTE and 0.19 metric tCO_2e/£m revenue in prior period.

GHG emissions[2]	Activity	12-month period ending 31 March 2024	2023	2020 (baseline)
Direct emissions (Scope 1)	Combustion of fuel and operation of facilities	14*	46*	66
Indirect emissions (Scope 2)	Purchased electricity (location-based)	197*	250*	448
	Purchased electricity (market-based)	11*	75*	479
	Purchased heat (district heating)[3]	3*	n/a	n/a
	Total Scope 1 and 2 (market-based)[4]	**28***	**121**	**545**
Indirect emissions (Scope 3)	Business travel (flights, rail, car rental, taxis, hotels)	4,630*	2,724*	2,640
	Waste generated in operations (incl. water)	14*	3*	8
	Purchased goods and services (incl. capital expenditures)[5]	14,878*	13,286*	0
	Fuel and energy related activities[6]	56*	79	0
	Total Scope 3	**19,578***	**16,092**	**2,648**

1. Scope 1 and 2 emissions intensity for the reporting period are based on FTE of 635, and Revenue of £949.6m.
2. Numbers in the table have been rounded up or down to the nearest metric tonne of CO2e.
3. Emissions from district heating have been introduced in the reporting period. While the specific facilities have always utilised this for heat, this was only identified by the landlord and communicated for the first time in this reporting period. The total amount is not significant enough to trigger a restatement of the baseline.
4. The sum of Scope 1 and 2 emissions is based on the Scope 2 market-based data and includes purchased heat from district heating which is new the GHG inventory in the reporting period.
5. Emissions are calculated using identifiable vendors and their related industry (which are assigned on a best effort basis). We exclude expenditure where we can not clearly identify the vendor's industry or emissions. This constitutes approx. 1% of expenditure after removal of intercompany transactions.
6. Figure for the 12-month period to 31 March 2023 has been restated to 79 tCO2e to reflect a change in methodology; representing a 4% increase. This also resulted in an increase of our Total Scope 3 emissions for this period from 16,089 tCO2e to 16,092 tCO2e.

*ICG plc engaged Ernst & Young LLP (EY) to provide limited assurance over GHG emission metrics as indicated by * in the annual GHG emission statement for the year ended 31 March 2024. The assurance engagement was planned and performed in accordance with International Standard on Assurance Engagements (UK) 3000 (July 2020), as promulgated by the Financial Reporting Council (FRC). The assurance report is publicly available at https://www.icgam.com/sustainability-esg/. It includes details on the scope, respective responsibilities, approach, restrictions, limitations and conclusions. EY also provided assurance for the year ended 31 March 2023. Data for previous years was verified to ISO14064 by alternative providers.

Scope 1 and 2 emissions ($mtCO_2e$)[1]



In the reporting period Scope 1 and 2 (market-based) emissions have decreased by 95% from ICG's baseline, driven by an increase in the number of offices procuring 100% renewable electricity; reaching 7 out of the 12 offices in scope of our GHG reporting (see our GHG statement methodology on page 64 for more information).

During the prior period, our Scope 1 and 2 emissions increased due to overlapping rental periods for two properties during an office move in the United States of America (US). Since then, we have reverted to having one major office in the US which is now a LEED Gold certified facility. It also has a 10-year agreement to procure 100% renewable energy.

Metrics	12-month period ending 31 March 2024	2023	2020
Scope 1 and 2 (market-based emissions) per FTE ($mtC0_2e$)[1]	**0.04**	0.2	1.07
Scope 1 and 2 (market-based emissions) per £m revenue ($mtCO_2e$)[1]	**0.03**	0.19	1.32

Scope 3 emissions performance

Scope 3 emissions have increased from this reporting period compared to the prior period. Our main emissions activities are purchased goods and services (76%) and business travel (24%). The increase is largely driven by the growth of the firm and expanding our presence.

Climate-related Financial Disclosures continued

Annual Group GHG emissions statement continued

Energy consumption and efficiency

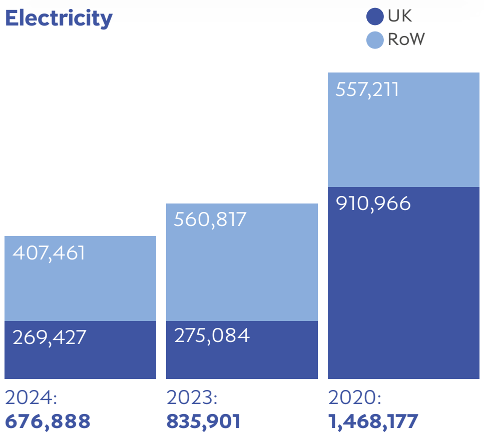
During the year, our total fuel and electricity consumption in our operations totalled 677 MWh. 40% of electricity was consumed in the UK, while the remaining 60% was consumed in 12 offices outside the UK which are predominantly serviced offices where ICG has limited control over energy provision. The split between fuel and electricity consumption is displayed in the table below. 95% of electricity purchased is from renewable sources either through green tariffs or backed by renewable energy certification, compared with 76% in the prior period. This year, the London office has improved energy efficiency through modification of the building management system, resulting in 2.1% energy reduction compared to the prior period. This success, will inform further energy efficiency and emissions reduction initiatives in next 12 months.

During the reporting period, it was confirmed that the new office in New York does not use a gas heating system; which is the main reason behind the reduction in fuels use compared to the prior period.

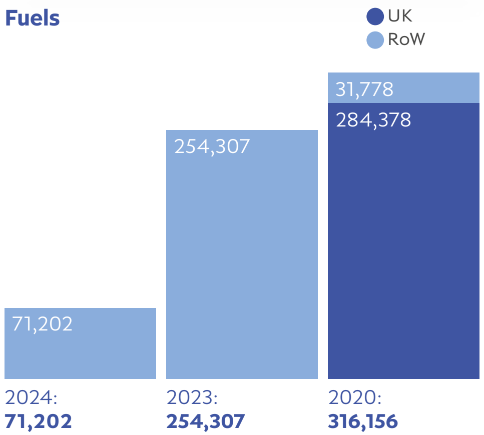
	12-month period ended 31 March		
Metrics (KWh)	**2024**	**2023**	**2020**
Electricity	**676,888**	835,901	1,468,177
of which, from renewable sources	**644,544**	638,697	0
District heating	**22,460**	n/a	n/a
Fuels[1]	**71,202**	254,307	316,156
Total Electricity, District heating and Fuels	**770,550**	1,090,207	1,784,333

1. Natural gas and transportation fuels (petrol and diesel).

Electricity



Fuels



GHG statement methodology

Reporting period: 1 April 2023 - 31 March 2024.

ICG quantifies and reports our organisational GHG emissions in alignment with the World Resources Institute's Greenhouse Gas Protocol Corporate Accounting and Reporting Standard, the Scope 2 Guidance, and Corporate Value Chain (Scope 3) Standard. We consolidate our organisational boundary according to the operational control approach, which includes all our offices around the world with five or more employees.

The GHG emissions sources that constituted our operational boundary for the reporting period are:
- Scope 1: Combustion of fuel and operation of facilities
- Scope 2: Purchased electricity consumption for our own use (location-based and market-based), and purchased heat from district heating energy schemes (new to this reporting period)
- Scope 3: Business travel (rail, taxis, hotels, air travel and car rental (new to this reporting period)), water supply and waste generation, transmission and distribution of electricity, purchased goods and services (including capital goods expenditure)

Numbers provided in this Annual Group GHG emissions statement have been rounded up or down to the nearest metric tonne of CO_2e.

In some cases, where data is missing, values have been estimated using either extrapolation of available data or data from the previous year as a proxy. Further detailed explanation of the calculation approach is provided in page 202.

The Scope 2 Guidance requires that we quantify and report Scope 2 emissions according to two different methodologies ('dual reporting'): (i) the location-based method, using average emissions factors for the country in which the reported operations take place; and (ii) the market-based method, which uses the actual emissions factors of the energy procured when certified green electricity has been procured.

Consumption data has been converted into CO_2 equivalent using:

- UK Government's CO2e conversion factors are used for all UK based emission sources. The activities included are electricity, heating, waste/ water, transmission and distribution losses (including WTT), business travel (rail (including UK to Europe travel), air, hotel, and rental cars). Any Eurostar travel uses UK Government factors. For international offices, when factors were not available, the following activities utilised UK Government's CO_2e conversion factors - air travel and natural gas heating, waste/water, and district heating.
- International Energy Agency international conversion CO_2e factors were used for global offices for the following activities- electricity and transmission and distribution losses (including WTT).
- United States Environmental Protection Agency carbon emission factors are used for train travel in the US, and Network for Transport Measures (NTM) data carbon factors are used for train travel in the EU. UK Government based rail factor is used for any Eurostar travel emissions.
- For business travel based on expenses, Exiobase spend based emissions factors are used for taxi travel in place of the now obsolete Quantis factors.
- For purchased goods and services (including capital spend), emission calculations for 11 large suppliers was based on latest publicly available actual corporate emissions data. It incorporated the suppliers emissions and revenue considering ICG's total spend with the supplier. Spend-based emissions factors (£/CO_2e) were allocated using the SIC codes supplied by the UK Government.

Further details are found in the Basis of Preparation on pages 202 to 203.

Non-financial information statement

The Group complies with the Non-Financial Reporting requirements contained in sections 414CA and 414CB of the Companies Act 2006. This information is intended to help stakeholders better understand how we address key non-financial matters. This aligns with the work we already do in support of the Task Force on Climate-related Financial Disclosures and UN Sustainable Development Goals (see pages 47 to 64). Further details of the activities we undertake in supporting these frameworks are available on our website. Details of our principal risks and how we manage those risks are set out on pages 42 to 45.

Employee matters

We aim for employees to have a sense of wellbeing and promote an inclusive working culture where they can freely question practices and suggest alternatives. We support agile working and offer access to a range of flexible benefits. We ensure our levels of overall remuneration are without bias and designed to attract, develop and retain talented employees.

Employee diversity

As at 31 March 2024, the Group has a permanent employee population of 637 of which 233 are women and 404 are men. There are three Executive Directors including one woman. Of the 24 senior managers reporting to the Executive Directors (including those based outside the UK), seven (29%) are women.

Board diversity

Biographical details of the Board are set out on page 70 with information on diversity on page 69.

Measurement

The Board approved the renewal of the women in UK senior management target to 30% by 2027 and a shareholder KPI has been established (see page 15) to reinforce a culture of inclusivity which supports a diverse and thriving workforce and lays the foundation for sustainable success.

We have published our 2024 gender pay gap data which is set out on page 108.

Human rights and social matters

We do not tolerate discrimination of any nature and comply fully with applicable human rights legislation.

Policies and standards

We are opposed to any form of modern slavery and human trafficking. We seek to ensure there are no such practices in our business and supply chain. During the year, we have carried out employee training and awareness raising and continued to include anti-slavery considerations in supplier selection and due diligence. We conduct due diligence on our own business, portfolio companies, and material suppliers. No concerns were raised in any of our due diligence over the course of the last year.

The Group's full policy on Modern Slavery can be found at www.icgam.com.

Anti-bribery and corruption

We are committed to ethical business across all our operations and investments. Our policy is never to offer, request or receive bribes, and to refuse any request to pay them. We actively seek to reduce opportunities for corruption. We do not invest in companies or projects that engage in corruption or appear to have a high risk of such behaviour and we investigate and deal with all reported or identified cases of corruption in line with our policy. The policy applies to all entities within the Group wherever we do business.

Environmental matters

Regarding climate-related matters, the Group's disclosures in response to the recommendations of the TCFD are set out on page 47.

The Group's disclosures in accordance with the SECR requirements are set out on page 63.