

Risk Committee report

Strategic risk oversight and challenge

“Our commitment to robust risk management, embedded within a strong control culture, fuels our long-term growth and value creation.”

Rosemary Leith
Chair of the Risk Committee



Dear shareholders

I am pleased to present the Risk Committee's report for the year ended 31 March 2025.

The Committee's primary focus is to provide oversight and strategic challenge to the Group's risk management framework, ensuring alignment with the expectations of our shareholders, regulators, and clients.

Throughout the year, the Committee has maintained a proactive approach to monitoring the Group's risk profile, ensuring exposures remain within the Board-approved risk appetite. This had been achieved through comprehensive top-down and bottom-up assessments, coupled with robust analysis of principal risk drivers. Working closely with senior management, we have focused on enhancing our internal control environment to support the Group's continued growth. A key milestone has been the successful implementation of our new Risk system, which provides a scalable platform for effective risk management.

We have closely monitored the impact of significant geopolitical developments on our strategic positioning and risk profile. While these events have contributed to heightened market uncertainty, our diversified business model and disciplined risk management practices have demonstrated resilience. We remain vigilant in assessing potential implications for our investment strategies, clients, and portfolio companies.

The macroeconomic environment has remained dynamic, characterised by evolving interest rate trajectories and inflationary pressures. The Committee has worked closely with management to evaluate the potential impact on our liquidity and fundraising capabilities. We remain confident in the Group's ability to navigate this landscape effectively, underpinned by our robust capital structure and proactive investor engagement strategies.

A key area of focus for the Committee has been the rapid advancements in artificial intelligence, particularly generative AI. We recognise the transformative potential of these technologies and the importance of proactive governance. The Committee is actively considering the strategic implications and opportunities, while ensuring the development of appropriate risk management frameworks. We are committed to harnessing the power of AI responsibly, aligning with our values and stakeholder expectations.

Looking ahead, the Committee will continue to prioritise the monitoring of emerging risks, with a particular focus on the regulatory landscape and sustainability related matters. Cyber security remains a critical priority, and we will further strengthen our cyber risk framework to ensure the Group maintains robust defences against evolving threats, including those posed by advanced AI technologies. Ongoing enhancement of our wider risk and control environment will also be a key focus area.

The Risk Committee remains committed to fostering a proactive risk culture, ensuring the Group is well-positioned to navigate the challenges and opportunities that lie ahead. We will continue to work collaboratively with the Audit Committee and the Remuneration Committee to provide effective oversight and ensure alignment of our strategic objectives.

I would welcome the opportunity to discuss the Committee's work with any shareholder.

Rosemary Leith
Chair of the Risk Committee

20 May 2025

Risk Committee report continued

Committee roles and responsibilities

The role of the Committee is to support the Board in identifying and managing risk, complying with regulations, and promoting good conduct.

Principal and emerging risks

Identification and management of principal risks
Risk appetite and tolerances
Identification and monitoring of emerging risks

Governance

Committee governance
Oversight of risk and compliance policies
Best practice and governance code developments

Risk management framework

Effectiveness of risk management systems
The operational resilience of the Group and assessment of the Group's control environment
Risk function resourcing

Regulatory risks

Impact and implementation of regulatory change
Internal capital adequacy and risk assessment (ICARA)
Compliance function resourcing

Committee members

Rosemary Leith (Chair)
Sonia Baxendale ¹
Virginia Holmes
Amy Schioldager ²
Matthew Lester

1. Joined the Board on 1 January 2025.
2. Retired from the Board on 16 July 2024.

Governance of risk

The Committee is mandated by the Board to encourage, and seek to safeguard, high standards of risk management and effective internal control across the Group.

Monitoring the effectiveness of controls

The Risk Committee is provided with several risk reports, which it uses to review the Group's risk management framework on an ongoing basis and works closely with the Audit Committee to review the system of internal controls. The reports enable the Committees to develop a cumulative assessment and understanding of the effectiveness with which internal controls are being managed and risks are being mitigated by management across the Group.

As part of their review, the Committees consider whether the processes in place are sufficient to identify all material controls, defined as those critical to the management of the principal risks of the business, including the risk of fraud. Additional reporting on the effectiveness of material controls is provided to the Risk Committee and the Audit Committee on an annual basis to support the review of the effectiveness the Group's risk management and internal control systems.

The Committee confirms that it has undertaken a robust assessment of the emerging and principal risks. The Committee reviewed the effectiveness of the Group's risk management and internal control system and confirm that no significant failings or weaknesses have been identified.

Summary of meetings in the year

The Committee held four meetings during the year. In the ordinary course of business, the Committee receives a report from the Head of Risk providing an assessment of each principal risk versus appetite, key risk events, key emerging risks, actions taken or being taken to manage the risks, and ongoing activity to enhance and develop the Group's RMF; and from the Global Head of Compliance and Risk on global compliance and implementation of relevant regulatory developments.

Committee governance

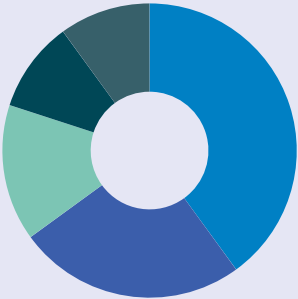
The Committee's terms of reference are approved and reviewed by the Board on a regular basis, most recently in May 2025. The terms of reference are available on the Group's website, www.icgam.com, or by contacting the Company Secretary.

The operations of the Committee were reviewed as part of the internal Board evaluation completed in March 2025; the Committee was found to be operating effectively.

The Committee held four meetings during the year. The Committee members attending each of the meetings can be found on page 67.

How the Committee spent its time

Principal and emerging risks identification and management, including monitoring of risk appetite metrics	40%
Assessment of the Group's control environment	25%
Internal capital adequacy and risk assessment	15%
Oversight of risk and compliance function initiatives	10%
Other	10%



Overview
Strategic report
Governance report
Auditor's report and financial statements
Other information

Risk Committee report continued

- Over the course of the year the Committee considered and discussed the following significant matters:
- The Group's 2024 ICARA, on which the Committee carried out a detailed review and was satisfied that the operational risk and financial stress scenarios were appropriately calibrated and also stressed the particular vulnerabilities of the Group. The Committee's assessment was informed by a review of the ICARA by external consultants, which encompassed evolving regulatory expectations and industry practice.
 - An update on the implementation of a Risk system which represents a strategic step forward in the Group's approach to managing risk and strengthening governance. The Committee noted that the system builds on the Group's current capabilities to drive value across multiple functions.
 - The annual Information Technology and Cyber update received from the Group's Cyber Security Lead, which covered the cyber security standards, security protection tools, ongoing detection, and monitoring of threats, and testing of cyber response and recovery procedures.
 - An update on the Group's new systems and tools, with the Committee satisfied with the approach taken by the business.
 - The results of an internal exercise conducted to test the Group's strategic resilience through a simulated crisis response. The exercise noted that there were no material gaps in the crisis management of the Group, however some minor enhancements were recommended.
 - An update on the Group's gold command response and governance processes.
 - An update on the increase of the scope and assurance coverage of the Group's annual Material Controls Assessment, and Fraud Risk Assessment to ensure the ongoing improvement of the Group's control environment.

Other matters considered

In addition to the significant matters addressed above, the Committee maintained a rolling agenda of items for its review, including the adequacy of resourcing in the Compliance and Risk functions, updates on key policies and a review of the annual Whistleblowing report, annual Compliance plan, annual policy review and the Money Laundering Officer's report. The Committee meets privately with both the Head of Risk and the Global Head of Compliance and Risk on an annual basis.

Internal Audit, Risk and Compliance monitoring

Internal Audit, Risk and Compliance work closely together to ensure appropriate coverage of the Group's activities.

The Committee supported the Audit Committee in its oversight of the internal audit programme (see page 83), which is risk-based. It is designed to permit changes to the programme in the light of changed circumstances. In conjunction with the Audit Committee, the Committee reviews the proposed compliance monitoring to be undertaken during the following fiscal year and at each of its subsequent meetings receives any relevant output.

Where there is a perceived overlap of responsibilities between the Audit and Risk Committees, the respective Committee Chairs will have the discretion to agree the most appropriate Committee to fulfil any obligation. During the year the Committee ensured that appropriate monitoring was undertaken. No significant matters of concern were identified.