

## Chair's introduction

# High standards of governance for responsible growth

“Your Board will continue to seek growth across our business, overseen by a high quality governance process.”

**William Rucker**  
Chair



## Dear shareholders

During another busy year for our business, your Board has continued to focus on supporting ICG's growth and evolution. The financial results for the year continue to demonstrate considerable progress, and the firm remains on a long-term trajectory of profitable growth (see page 17). Looking to the future, we have supported the executive team as it has continued to reinforce the depth of the firm's senior management, and evolved our own membership as we plan for the future. In addition, the Board has held a detailed strategy review to ensure the continued success of the firm in the years ahead (see page 65). From May 2025, a Management Committee is being formed to work with the Executive Directors in considering and executing the operation of the Group's business. The Committee is comprised of the three Executive Directors and a number of senior executives who head business divisions.

Once again, the Board has benefited from hearing shareholder views. I have held a number of meetings with current and potential shareholders during the year and look forward to more in the coming years — 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 leaves us well positioned for further success; 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.

We remain aware of the regulatory and governance requirements that are incumbent on UK boards. Although your Board is performing well, we are aware that standards evolve and boards must rise to meet new challenges. Our Board review process concluded that your Board continues to operate cohesively and effectively; however we continue to evolve our membership and practices in the light of these standards. 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 listening to different perspectives has been an important component of ICG's success to date, and will continue to be a priority for your Board.

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 35.

Over the course of the year, we have engaged in discussions about the sustainability framework within which our Group operates, carefully considering the most effective ways to address them and ensuring proper Board oversight. In addition, we have placed continued emphasis on our broader stakeholder base, dedicating resources to employee growth through advanced training and development programs, contributing to the community through charitable contributions, and driving forward a variety of inclusion initiatives, including a detailed focus on gender diversity amongst investment staff (explained in detail on page 83). Looking ahead, we remain committed to focusing on our wider societal contributions and the impact of our public presence.

Sonia Baxendale joined the Board during the year and has already begun to be a valued contributor at our meetings. We also look forward to welcoming Robin Lawther to the Board. She will join the Company as a Non-Executive Director on 1 November 2025.

Throughout the year, the Board and its Committees carefully considered the revised Corporate Governance Code and continued to comply with those requirements for the year ended 31 March 2025.

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

**William Rucker**  
Chair

20 May 2025



## Chief Executive Officer's Review

# Delivering a milestone year for ICG

"ICG is clearly a manager of choice for clients. Our broad waterfront of products, investment track record, and financial strength position us for many years of growth."

**Benoît Durteste**  
CEO and CIO

## ICG has accomplished a lot in the twelve months covered in this report.

FY25 was a milestone year for us, both in terms of the results achieved and in securing visibility on future growth. We are delivering on our ambition of having breadth at scale, which is underpinned by our belief that clients are concentrating their resources on GPs with whom they can deploy significant amounts of capital into a range of private markets strategies, with top-tier investment performance. Managers such as ICG who are able to meet those demands are clearly benefiting and are seeing an increasing proportion of client business.

As I reflect on the year, a number of highlights stand out: We attracted \$24bn of client capital; We launched our first US evergreen strategy (Core Private Equity) and our first Asian Infrastructure fund; We opened offices in three new locations; and We made a number of important hires across our platform, in particular into our Client Solutions Group and key investment strategies.

Our waterfront of products today enables our clients to access a number of attractive, large and growing private markets asset classes. We have organically built leading positions in structured capital, secondaries and debt, and have a real assets platform that is positioned for growth. This is reflected in our AUM, with Structured Capital and Secondaries accounting for ~46%, Real Assets for ~12% and Debt strategies account for ~42%.

We are proud of the platform that this has created:

- Our flagship strategies (European Corporate, Strategic Equity and Senior Debt Partners) have leading positions in their markets
- Our scaling strategies (Mid-Market, Infrastructure, Real Assets, LP Secondaries and North America Credit Partners) are successfully attracting capital from clients and originating attractive investment opportunities

As a result, in a challenging market environment we are raising more capital from more clients into more strategies. This is visible in our fundraising for FY25, where we attracted 122 new institutional clients and raised 35% of the capital from the Americas. We had a number of final closes during the year including:

- SDP V (\$17bn<sup>1</sup> fund size, \$4.9bn raised in FY25): the largest ever direct lending fund in Europe<sup>2</sup>
- SE V (\$11bn<sup>1</sup> fund size, \$5.8bn raised in FY25): the world's largest GP-led secondaries fund focused on single asset continuation vehicles
- Europe Mid-Market II (€3bn<sup>1</sup> fund size, €1.3bn raised in FY25): ICG's largest ever vintage-to-vintage upside, 3x larger than Europe Mid-Market I
- NACP III (\$1.9bn<sup>1</sup> fund size, \$0.3bn raised in FY25): 50% increase in client capital compared to predecessor fund

1. Refers to the total programme, including co-mingled fund, other associated vehicles such as SMAs and annex sidecar vehicles, and the GP and ICG plc commitments.

2. At time of closing.



## Chief Executive Officer's Review continued

From a shareholder perspective, this breadth at scale results in increasingly large and diverse management fees, and significant operating leverage. Management fees have grown at an annualised rate of 19% in the last five years, and were £604m in FY25. Over the same time period, our group operating expenses grew at an annualised rate of 12%.

Transaction levels in the buyout market remained subdued in the year. Against that backdrop, we saw deployment and realisations notably higher than our average over the prior four years. In part this is a reflection of our size, and in part due to the nature of our investment strategies. Structured Capital and Secondaries drove deployment<sup>3</sup>, accounting for \$11.6bn out the total \$17.5bn, while Real Assets enjoyed its largest ever year of deployment at \$2.4bn. Realisations<sup>3</sup> were driven by Private Debt, which accounted for \$5.2bn of the total \$8.9bn. Competitive leveraged loan markets over the last 12 months along with subdued buyout levels have impacted the private debt landscape. We view this as a natural ebb-and-flow of the credit cycle, and it follows a very attractive period for direct lending in recent years.

Looking ahead, FY26 has started with notably higher levels of volatility and uncertainty. In the face of this we can remain measured and thoughtful, but never complacent, as we reflect on our positioning as a firm. Our fundraising over the last twelve months has anchored our management fees and dry powder for this fundraising cycle; FY26 and potentially FY27 were always going to be low points in our fundraising cycle irrespective of the market environment.

The current geopolitical environment may result in a meaningful long-term shift in economic policy and capital flows. In the short-term, transaction activity is likely to remain relatively low by historical standards, although debt strategies, structured capital and secondaries may be relative bright spots. We will remain very disciplined in our investment process, and are in the fortunate position that none of our strategies are under pressure to deploy capital.

Taking a longer perspective, the range of possible outcomes is wide and I believe the best-positioned private markets managers are those who prioritise investment performance, have strong origination capabilities, and have a range of strategies across asset classes and geographies

We are proud of our European heritage and of our global presence. We manage capital on behalf of clients from Asia, America and Europe, and today approximately 25% of our capital is deployed in North America and 70% in Europe. Our global footprint combined with our focus on services-centric businesses and our breadth of differentiated investment strategies combine to make ICG an attractive proposition for clients seeking exposure to private markets and for portfolio companies seeking private capital.

I therefore see significant opportunity to grow all our investment strategies in the coming years while maintaining strong investment performance. We are also actively exploring product innovations and other strategic opportunities to enhance our client offering and to generate attractive returns for our shareholders.

Periods of volatility during our 36-year history have always served to prove our ability to raise, invest and deploy capital successfully. In future years, when we look back on today's environment, I am confident we will be able to say that ICG emerged with its reputation enhanced, its client franchise strengthened, and its competitive positioning reinforced.

Thank you for your continued support,

**Benoît Durteste**  
CEO and CIO

3. See page 17.



## Our business model

# Positioned for long-term success

Our strategic positioning, financial characteristics and strong cultural identity enable us to manage the business with a clear long-term focus.

## How we create value

### Our purpose

To create long-term value for our clients by investing their capital in privately-owned companies and assets

### Our resources

We rely on financial and non-financial resources to execute our strategy and to operate our business model:

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

### What we do

We manage a differentiated waterfront of investment strategies that enable us to connect our clients' capital with companies and owners of real assets globally

We seek to generate attractive risk-adjusted returns on those investments, and in turn to grow our business in our chosen markets

### Our clients

We develop long-term relationships and serve a global, blue-chip institutional client base

We manage capital on behalf of a range of clients including pension funds, sovereign wealth funds, family offices and wealthy individuals

### How we manage risk

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

### Our strategy

We aim to be a leader in alternative asset management by **scaling up** existing strategies and products; by **scaling out** into new areas where we see meaningful client demand and attractive investment opportunities; and by **investing in our platform** to meet the needs of our investment strategies and clients

### The value we create

We have a wide range of stakeholders who share our in success



Our business model continued

We have built a differentiated waterfront of strategies with a clear focus on investment performance; strong origination platforms; and a global client franchise and distribution network.

These attributes have enabled us to support companies to grow; to help clients to meet their investment goals; and to generate value for our shareholders and other stakeholders.

## Our purpose

Our purpose is to create long-term value for our clients by investing their capital in privately-owned companies and assets.

Our culture of balancing ambition, performance and inclusion remains a driver of our success.

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

We require financial and non-financial resources to execute our strategy and to operate our business.

### Reputation and track record

Since our founding in 1989 we have built and protected our reputation for having a strong investment focus; an innovate and entrepreneurial culture; and a track record of delivering value for our clients.

### 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, inclusion and collaboration.

 **See Our People page 36**

### Client franchise

Our global client solutions group 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.

### Financial resources

Our visible, recurring management 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 17**



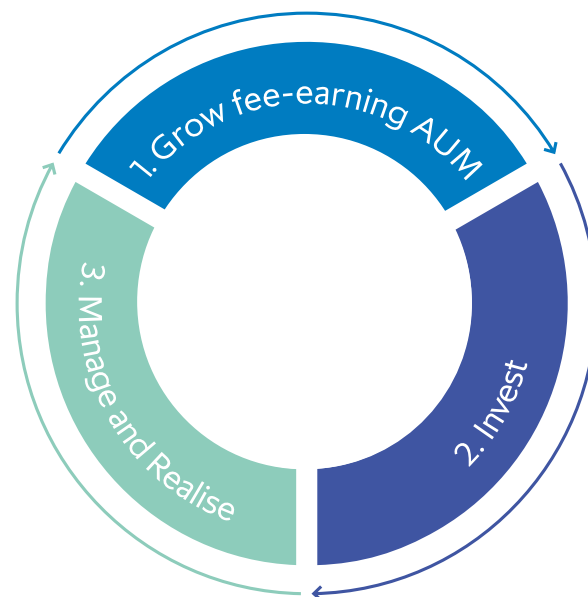
Our business model continued

## What we do

We manage a differentiated waterfront of strategies, accessible by a range of products, that enable us to connect our clients' capital with companies and owners of real assets globally.

We seek to generate attractive risk-adjusted returns on those investments, and in turn to grow our business in our chosen markets.

### Our value chain



#### 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 origination platform and investment expertise to secure attractive opportunities on behalf of our clients.

#### 3. Manage and Realise

We work to help our portfolio companies and assets develop, grow and to deliver long-term sustainable value.

### Our asset classes

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

#### Structured Capital and Secondaries

##### Structured Capital

Provides structured capital solutions to private companies, including both control transitions and minority investments

25%<sub>AUM</sub>

##### Private Equity Secondaries

Provides liquidity solutions to both GPs and LPs, by investing in high-quality private equity assets globally

21%<sub>AUM</sub>

#### Real Assets

Provides debt and equity capital to assets and companies within real estate and infrastructure

12%<sub>AUM</sub>

#### Debt

##### Private Debt

Provides debt financing to high quality corporate borrowers

26%<sub>AUM</sub>

##### Credit

Invests in sub-investment grade tradable credit and asset-backed finance

16%<sub>AUM</sub>



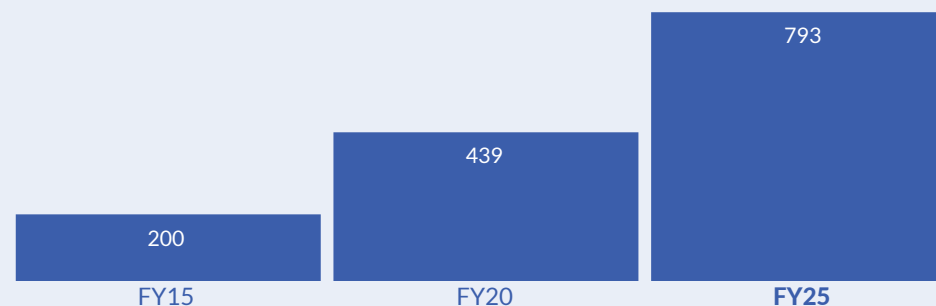
Our business model continued

## Our clients

We develop long-term relationships and serve a global, blue-chip institutional client base.

We manage capital from a range of underlying sources including pension funds, sovereign wealth funds, family offices and wealthy individuals.

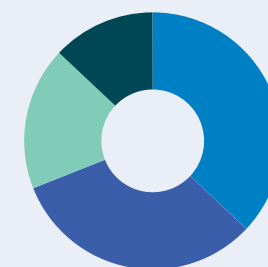
### Growing global client base<sup>1</sup>



1. Investor count, excluding CLOs.

### Client split by geography

EMEA (excluding UK & Ireland)	37%
Americas	32%
APAC	18%
UK & Ireland	13%



Client geography and type shown by number of clients, excluding CLOs and listed vehicles.

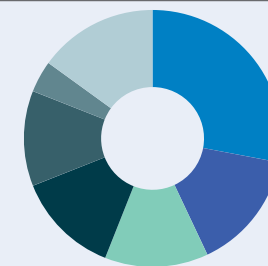
### Client engagement



[Read more about how we are investing in our platform on page 14](#)

### Client split by type

Pension	28%
Insurance Company	15%
Asset Manager	13%
Family Office	13%
Foundation/Endowment	12%
Wealth	4%
Other	15%



Client geography and type shown by number of clients.



## Our business model continued

## How we manage risk

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

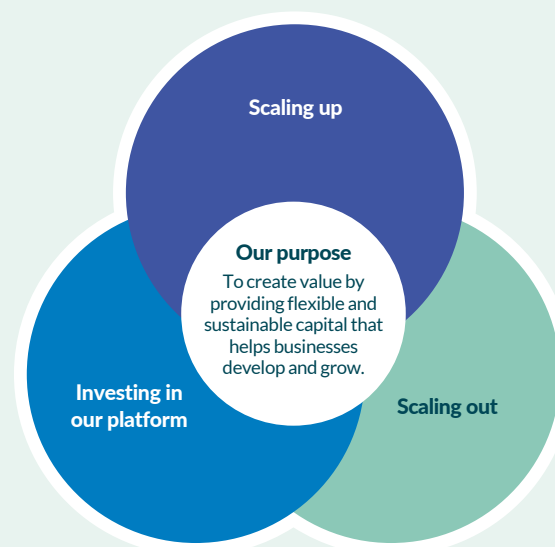
## Our strategy

We aim to be a leader in alternative asset management by **scaling up** existing strategies and products; by **scaling out** into new areas where we see meaningful client demand and attractive investment opportunities; and by **investing in our platform** to meet the needs of our investment strategies and our global client base.

Capital is continuing to be allocated to private markets, which in turn is providing financing to an increasingly wide range of corporates and real assets.

ICG is a meaningful contributor to this structural trend, in executing on our purpose to create long-term value by providing flexible and sustainable capital that helps businesses develop and grow.

We ensure that we remain attractive to our client base by offering a range of differentiated investment strategies that generate attractive returns, that are accessible through efficient products, and where clients can deploy substantial capital to help meet their investment objectives.



## Scaling up

Managing more AUM through our existing strategies enables clients to allocate more capital to us, helps widen our addressable investment universe, and creates substantial financial operating leverage for ICG shareholders.



## Building on positions of strength

More established strategies and investment products have strong track records and client followings.

Raising capital here is strategically valuable to ICG in building further market position, and these strategies scale the largest clients globally and can allocate incrementally more capital to ICG.

Financially these strategies typically consume low levels of balance sheet capital relative to the client capital they manage, and have high operating leverage.



## Our business model continued

## Our business strategy

## Scaling out

Ensuring future growth potential and continuing to meet client needs by having the right waterfront of investment strategies, along with appropriate fund structures and products.



## Optimising our waterfront of strategies

We have a number of seeding and scaling strategies that open significant addressable markets to ICG. We use our balance sheet to help accelerate the growth of these strategies and to support fundraising to generate management fee income.

In addition to exploring new investment strategies, we regularly review the products that we offer, and where appropriate we offer clients access to existing investment strategies through new product designs and structures.

## Investing in our platform

Supporting our client experience and product innovation, as well as protecting ICG in a regulated global landscape.



## Delivering efficient growth

Investments in our platform support our client offering and experience, including our client solutions group and operational areas such as client onboarding and ongoing fund reporting.

As the market evolves, clients become ever-more sophisticated and ICG scales and broadens, these areas are crucial to growing and managing our client base.

In addition, investments in areas such as AI, technology and operations help us to take advantage of the substantial data we have at our disposal; to efficiently manage internal processes as we grow; and to protect ICG from financial and non-financial harm.

## The value we create

## We have a wide range of stakeholders who share our in success.

**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.

**Natural environment**

Seeking to reduce potential negative impacts on the natural environment where relevant.

**Regulators**

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

 See Stakeholder Engagement on page 30

 See the FY25 Sustainability and People Report: [www.icgam.com/spr](http://www.icgam.com/spr)



Key performance indicators

# Progress against our KPIs

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

**A Alternative performance measures**

The UK-adopted IAS financial information on page 119 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 189 includes the definitions of these alternative performance measures and reconciliation to the relevant IFRS measures.

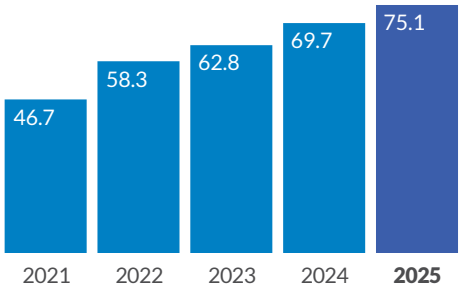
**Our Key Performance Indicators (KPIs) help us monitor our progress:**

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

**See more on our strategic objectives on page 13**

**Fee-earning AUM \$bn** **A**

\$75.1bn



**Rationale**

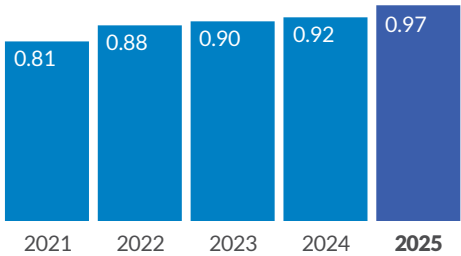
Growing fee-earning AUM is a key driver of the Group's management fees, when combined with the weighted-average management fee rate.

**Outcome**

Fee-earning AUM of \$75.1bn up 8% compared to FY24 on a constant currency basis. See page 17 for further discussion.

**Weighted-average fee rate %** **A**

0.97%



**Rationale**

The weighted-average management fee rate on fee-earning AUM indicates the level of management fees the Group earns on its fee-earning AUM. Fee rates vary across our strategies, and 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 0.97% (FY24: 0.92%).

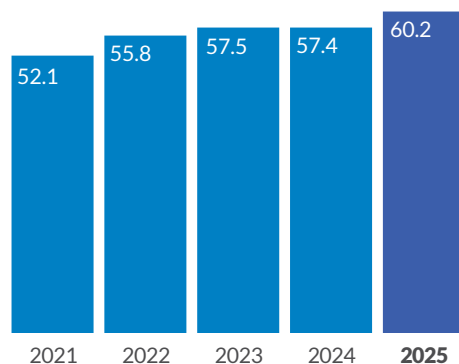


## Key performance indicators continued

## FMC operating margin %

(A)

60%



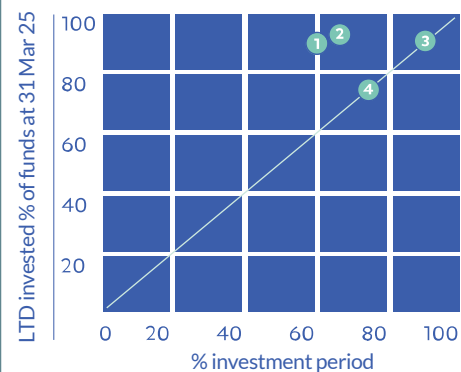
## Rationale

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

## Outcome

The FMC operating margin was 60.2% (FY24: 57.4%). See page 24 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

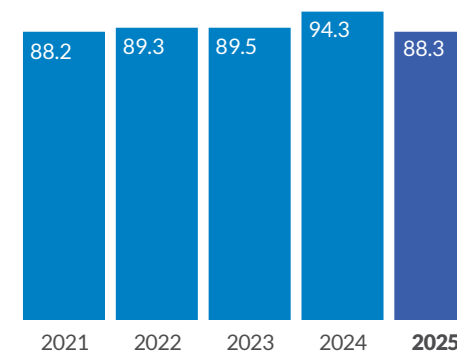
During the period we deployed a total of \$17.5bn of AUM on behalf of our direct investment funds (FY24: \$7.7bn).

## Key to deployment funds

- 1 Europe VIII
- 2 LP Secondaries I
- 3 RE Partnership VI
- 4 ICAP IV

## Percentage of realised assets exceeding performance hurdle %

88%



## 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.



## Finance review

# Increased earnings power and cash generation

"We are reporting growth across all key metrics for ICG. Our powerful financial model is creating long-term value for shareholders."

**David Bicarregui**  
Chief Financial Officer



## AUM

At 31 March 2025, AUM stood at \$112bn and fee-earning AUM at \$75bn. The bridge between AUM and fee-earning AUM is as follows:

\$m	Structured Capital and Secondaries	Real Assets	Debt	Seed investments	Total
<b>Fee-earning AUM</b>	<b>36,086</b>	<b>7,711</b>	<b>31,330</b>	<b>—</b>	<b>75,127</b>
AUM not yet earning fees	3,882	1,222	14,970	—	20,074
Fee-exempt AUM	9,073	3,487	1,314	—	13,874
Balance sheet investment portfolio <sup>1</sup>	2,458	502	(57)	379	3,282
<b>AUM</b>	<b>51,499</b>	<b>12,922</b>	<b>47,557</b>	<b>379</b>	<b>112,357</b>

AUM is presented across three asset classes (previously four) with no change in measurement.

1. Includes elimination of CLO equity \$630m (£488m) held by ICG already included within fee-earning AUM.

At 31 March 2025 we had \$32bn of AUM available to deploy in new investments ('dry powder'), of which \$20bn was not yet earning fees.

The presentation of our AUM has evolved compared to FY24. We are now showing three verticals (Structured Capital and Secondaries, Real Assets, and Debt) and within that, five asset classes (Structured Capital, Private Equity Secondaries, Real Assets, Private Debt, and Credit). The composition of Structured Capital and Secondaries is the same as what was previously called Structured and Private Equity; Real Assets remains unchanged; and Debt combines what was previously called Private Debt and Credit.

## Business activity

Year ended 31 March 2025	Fundraising	Deployment <sup>1</sup>	Realisations <sup>1,2</sup>
Structured Capital and Secondaries	\$13bn	\$12bn	\$2bn
Real Assets	\$2bn	\$2bn	\$1bn
Debt <sup>3</sup>	\$8bn	\$4bn	\$5bn
<b>Total</b>	<b>\$24bn</b>	<b>\$18bn</b>	<b>\$9bn</b>

1 Direct investment funds; 2 Realisations of fee-earning AUM; 3 Includes Deployment and Realisations for Private Debt only.

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 in-line with prior period at £530.5m (FY24: £530.8m). On the APM basis it was below the prior period at £532.2m (FY24: £597.8m).

Details of these adjustments can be found in note 4 to the consolidated financial statements on pages 129 to 135.



## Finance review continued

## AUM and FY25 fundraising

## AUM of \$112bn

AUM (\$m)	Structured Capital and Secondaries	Real Assets	Debt	Seed investments	Total
At 1 April 2024	40,872	10,815	46,246	499	98,432
Fundraising	13,247	2,256	8,149	—	23,652
Other additions	939	1,088	349	—	2,376
Realisations	(2,836)	(831)	(6,715)	—	(10,382)
Market and other movements	(899)	(401)	(456)	—	(1,756)
Balance sheet movement	176	(5)	(16)	(120)	35
<b>At 31 March 2025</b>	<b>51,499</b>	<b>12,922</b>	<b>47,557</b>	<b>379</b>	<b>112,357</b>
Change \$m	10,627	2,107	1,311	(120)	13,925
Change %	26%	19%	3%	n/m	14%
Change % (constant exchange rate) <sup>1</sup>	26%	18%	3%	n/m	14%

## Fee-earning AUM of \$75bn

Fee-earning AUM (\$m)	Structured Capital and Secondaries	Real Assets	Debt	Total
<b>At 1 April 2024</b>	<b>28,334</b>	<b>7,733</b>	<b>33,591</b>	<b>69,658</b>
Funds raised: fees on committed capital	9,868	1,336	—	11,204
Deployment of funds: fees on invested capital	2,114	581	6,432	9,127
Total additions	11,982	1,917	6,432	20,331
Realisations	(2,276)	(1,407)	(8,540)	(12,223)
<b>Net additions/(realisations)</b>	<b>9,706</b>	<b>510</b>	<b>(2,108)</b>	<b>8,108</b>
Stepdowns	(1,795)	(218)	—	(2,013)
FX and other	(159)	(314)	(153)	(626)
<b>At 31 March 2025</b>	<b>36,086</b>	<b>7,711</b>	<b>31,330</b>	<b>75,127</b>
Change \$m	7,752	(22)	(2,261)	5,469
Change %	27%	—%	(7)%	8%
Change % (constant exchange rate) <sup>1</sup>	27%	(2)%	(7)%	8%

1. See page 28 for FX exposure of fee-earning AUM, fee income, FMC expenses and Balance sheet investment portfolio.

## FY26 fundraising

At 31 March 2025, closed-end funds and associated SMAs that were actively fundraising included Europe IX; European Infrastructure II; and various other strategies. We expect to hold the final close for European Infrastructure II by June 2025. We anticipate launching LP Secondaries II during FY26. The timings of launches and closes depend on a number of factors, including the prevailing market conditions.

## Group financial performance

£m unless stated	Year ended 31 March 2024	Year ended 31 March 2025	Change %
Management fees	505.4	<b>603.8</b>	19%
of which catch-up fees	4.6	<b>61.8</b>	n/m
Performance fees	73.7	<b>86.2</b>	17%
<b>Third-party fee income</b>	<b>579.1</b>	<b>690.0</b>	<b>19%</b>
Other Fund Management Company income	72.9	<b>76.0</b>	4%
<b>Fund Management Company revenue</b>	<b>652.0</b>	<b>766.0</b>	<b>17%</b>
Fund Management Company operating expenses	(277.5)	<b>(304.6)</b>	10%
<b>Fund Management Company profit before tax</b>	<b>374.5</b>	<b>461.4</b>	<b>23%</b>
Fund Management Company operating margin	57.4%	<b>60.2%</b>	3%
<b>Net investment return</b>	<b>379.3</b>	<b>192.5</b>	<b>(49)%</b>
Other Investment Company Income	(31.3)	<b>(14.6)</b>	(53)%
Investment Company operating expenses	(100.4)	<b>(86.7)</b>	(14)%
Interest income	21.5	<b>19.2</b>	(11)%
Interest expense	(45.8)	<b>(39.6)</b>	(14)%
<b>Investment Company profit before tax</b>	<b>223.3</b>	<b>70.8</b>	<b>(68)%</b>
<b>Group profit before tax</b>	<b>597.8</b>	<b>532.2</b>	<b>(11)%</b>
Tax	(78.5)	<b>(79.8)</b>	2%
<b>Group profit after tax</b>	<b>519.3</b>	<b>452.4</b>	<b>(13)%</b>
Earnings per share	181.5p	<b>157.5p</b>	(13)%
Dividend per share	79.0p	<b>83.0p</b>	5%
<b>Group operating cash flow</b>	<b>359.0</b>	<b>518.0</b>	<b>44%</b>
Total available liquidity	£1.1bn	<b>£1.1bn</b>	(2)%
Balance sheet investment portfolio	£3.1bn	<b>£3.0bn</b>	(1)%
Total Balance Sheet Return	£426.3m	<b>£240.8m</b>	(44)%
Net gearing	0.38x	<b>0.25x</b>	(0.13)x
Net asset value per share <sup>1</sup>	790p	<b>859p</b>	9%

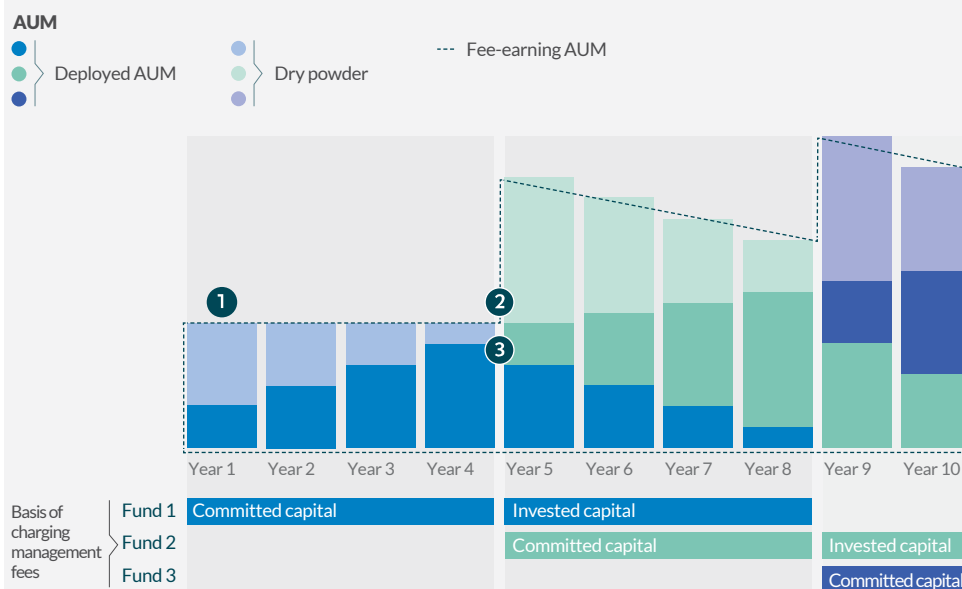
1. The number of shares used to calculate NAV per share has been adjusted to include shares held in the EBT, to reflect how the Group uses the EBT to neutralise the impact of share-based payments (a different basis to Group earnings per share). See page 26 for details. Prior period NAV per share figures have been adjusted to reflect this methodology.



## Finance review continued

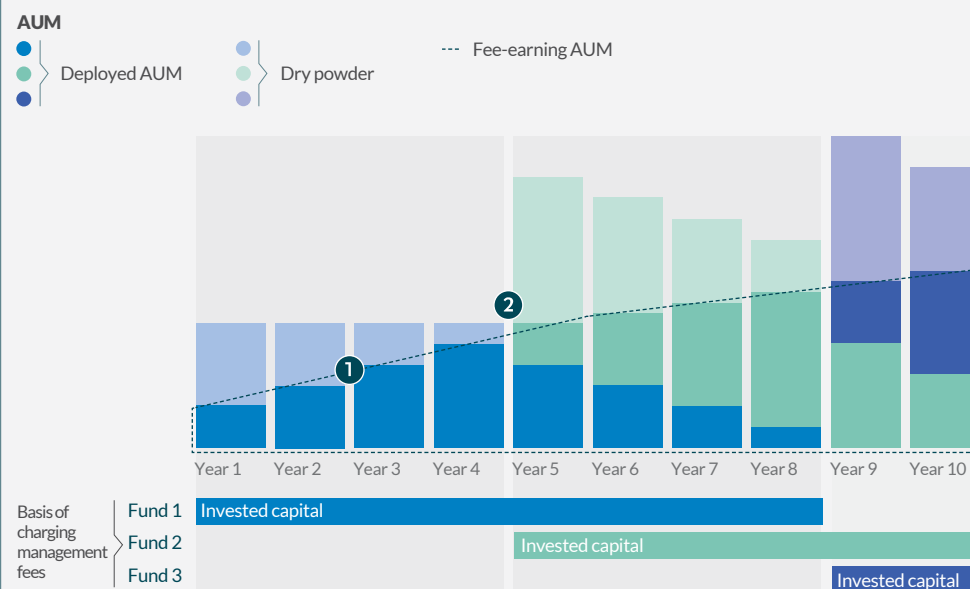
## How fee-earning AUM develops in closed-end funds

## 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', irrespective of when the commitment is made. The first fee payment clients make can therefore include fees that relate to prior fiscal years. Those fees are booked in the year they are received and are referred to as 'catch-up fees'.
- 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 Capital and Secondaries

## Overview

Seeding strategies	Scaling strategies		Flagship strategies	
Life Sciences	European Mid-Market Asia Pacific Corporate LP Secondaries Core Private Equity		European Corporate Strategic Equity	
	Year ended 31 March 2024	Year ended 31 March 2025	Year-on-year growth <sup>1</sup>	Last five years CAGR <sup>1,2,5</sup>
AUM	\$40.9bn	<b>\$51.5bn</b>	26%	29%
Structured Capital	\$22.7bn	<b>\$28.4bn</b>	25%	22%
Private Equity Secondaries	\$18.2bn	<b>\$23.1bn</b>	27%	43%
Fee-earning AUM	\$28.3bn	<b>\$36.1bn</b>	27%	24%
Structured Capital	\$16.2bn	<b>\$19.6bn</b>	20%	17%
Private Equity Secondaries	\$12.1bn	<b>\$16.5bn</b>	36%	36%
Fundraising	\$5.4bn	<b>\$13.2bn</b>	n/m	
Deployment	\$1.7bn	<b>\$11.6bn</b>	n/m	
Realisations <sup>3</sup>	\$0.8bn	<b>\$2.3bn</b>	n/m	
Effective management fee rate	1.24%	<b>1.25%</b>	+1bps	
Management fees	£284m	<b>£366m</b>	29%	22%
Performance fees	£53m	<b>£84m</b>	59%	28%
Balance sheet investment portfolio	£1.8bn	<b>£1.9bn</b>		
Total Balance Sheet Return <sup>4</sup>	£232.5m	<b>£151.8m</b>		16%

1. AUM on constant currency basis.

2. AUM calculation based on 31 March 2020 to 31 March 2025.

3. Realisations of fee-earning AUM.

4. NIR, including CLO dividends for Debt.

5. Five-year average for Total Balance Sheet Return.

Note: Growth calculations are performed using whole numbers for all metrics to ensure an accurate representation of the movements.

## Performance of key funds

	Vintage	Total fund size <sup>1</sup>	Status	% deployed	Gross MOIC	Gross IRR	DPI
<b>Structured Capital</b>							
Europe VI	2015	€3.0bn	Realising		2.2x	23%	191%
Europe VII	2018	€4.5bn	Realising		2.0x	18%	67%
Europe VIII	2021	€8.1bn	Realising		1.3x	16%	11%
Europe IX			Fundraising				
Europe Mid-Market I	2019	€1.0bn	Realising		1.7x	25%	47%
Europe Mid-Market II	2023	€2.6bn	Investing	35%	1.1x	25%	—
Asia Pacific III	2014	\$0.7bn	Realising		2.2x	18%	102%
Asia Pacific IV	2020	\$1.1bn	Investing	76%	1.3x	13%	1%
<b>Private Equity Secondaries</b>							
Strategic Secondaries II	2016	\$1.1bn	Realising		3.0x	46%	200%
Strategic Equity III	2018	\$1.8bn	Realising		2.7x	34%	76%
Strategic Equity IV	2021	\$4.3bn	Realising		1.5x	22%	3%
Strategic Equity V	2023	\$7.7bn	Investing	39%	2.9x	>100%	—
LP Secondaries I	2022	\$0.8bn	Investing	91%	2.3x	60%	31%

## Key drivers

<b>Business activity</b>	Fundraising: European Corporate (\$6.0bn), Strategic Equity (\$5.8bn), Mid Market II (\$1.4bn) Deployment: Mostly driven by European Corporate (\$6.4bn) and Strategic Equity (\$3.7bn) Realisations: European Corporate (\$1.4bn), Strategic Equity (\$0.7bn)
<b>Fee income</b>	Management fees: Increase largely driven by strong fundraising in Strategic Equity and Mid-Market. Catch-up fees of £49m (FY24: £3.7m), driven by Strategic Equity and Mid-Market Performance fees: Additional revenue accrued for Europe VII as it moved closer to its hurdle date
<b>Balance sheet investment portfolio</b>	Return largely driven by European Corporate
<b>Fund performance</b>	Year-on-year growth across key funds

1. Refers to commingled fund size.



## Finance review continued

## Group financial performance continued

## Real Assets

## Overview

Seeding strategies	Scaling strategies		Flagship strategies	
-	European Infrastructure Asia-Pacific Infrastructure Real Estate Equity Europe Real Estate Debt		-	
	Year ended 31 March 2024	Year ended 31 March 2025	Year-on-year growth <sup>1</sup>	Last five years CAGR <sup>1,2,5</sup>
AUM	\$10.8bn	<b>\$12.9bn</b>	18%	18%
Fee-earning AUM	\$7.7bn	<b>\$7.7bn</b>	(2)%	14%
Fundraising	\$1.0bn	<b>\$2.3bn</b>	n/m	
Deployment	\$2.2bn	<b>\$2.4bn</b>	9%	
Realisations <sup>3</sup>	\$0.9bn	<b>\$1.4bn</b>	56%	
Effective management fee rate	0.94%	<b>0.97%</b>	+3bps	
Management fees	£56m	<b>£77m</b>	36%	25%
Performance fees	—	—		
Balance sheet investment portfolio	£0.4bn	<b>£0.4bn</b>		
Total Balance Sheet Return <sup>4</sup>	£44.2m	<b>£30.0m</b>		8%

1. AUM on constant currency basis.

2. AUM calculation based on 31 March 2020 to 31 March 2025.

3. Realisations of fee-earning AUM.

4. NIR, including CLO dividends for Debt.

5. Five-year average for Total Balance Sheet Return.

Note: Growth calculations are performed using whole numbers for all metrics to ensure an accurate representation of the movements.

## Performance of key funds

	Vintage	Total fund size <sup>1</sup>	Status	% deployed	Gross MOIC	Gross IRR	DPI
Real Estate Partnership Capital IV	2015	£1.0bn	Realising		1.1x	4%	98%
Real Estate Partnership Capital V	2018	£0.9bn	Realising		1.2x	7%	50%
Real Estate Partnership Capital VI	2021	£0.6bn	Investing	83%	1.2x	10%	10%
Real Estate Debt Fund VII			Fundraising				
European Infra I	2020	€1.5bn	Realising		1.5x	21%	57%
European Infra II			Fundraising				
Infrastructure Asia			Fundraising				
Metropolitan II			Fundraising				
Strategic Real Estate I	2019	€1.2bn	Realising		1.2x	7%	6%
Strategic Real Estate II	2022	€0.7bn	Investing	70%	1.1x	9%	—

1. Refers to commingled fund size.

## Key drivers

<b>Business activity</b>	Fundraising: Real Estate equity and debt strategies (\$0.7bn) and Infrastructure Europe (\$1.4bn) Deployment: Real Estate equity and debt strategies (\$1.9bn), Infrastructure Europe (\$0.5bn) Realisations: Real Estate equity and debt strategies (\$1.1bn), Infrastructure Europe (\$0.3bn)
<b>Fee income</b>	Management fees: Increase largely driven by strong fundraising in European Infrastructure including catch-up fees of £9m (FY24: £0m) Performance fees: No performance fees due to early stage of key carry-eligible funds
<b>Balance sheet investment portfolio</b>	Return mainly driven by Infrastructure Equity, positive NIR in Real Estate Equity as well while Real Estate Debt is flat YoY
<b>Fund performance</b>	European Infrastructure saw strong value creation in the year, other strategies broadly flat



## Finance review continued

## Group financial performance continued

Debt  
Overview

Seeding strategies	Scaling strategies		Flagship strategies	
-	North American Credit Partners ("NACP") Australian Loans Liquid Credit		Senior Debt Partners ("SDP") CLOs	
	Year ended 31 March 2024	Year ended 31 March 2025	Year-on-year growth <sup>1</sup>	Last five years CAGR <sup>1,2,5</sup>
AUM	\$46.2bn	<b>\$47.6bn</b>	3%	10%
Private Debt	\$28.3bn	<b>\$29.7bn</b>	5%	17%
Credit	\$17.9bn	<b>\$17.9bn</b>	(1)%	3%
Fee-earning AUM	\$33.6bn	<b>\$31.3bn</b>	(7)%	7%
Private Debt	\$15.9bn	<b>\$13.5bn</b>	(15)%	11%
Credit	\$17.7bn	<b>\$17.8bn</b>	—	5%
Fundraising	\$6.6bn	<b>\$8.2bn</b>	23%	
Deployment	\$3.8bn	<b>\$3.5bn</b>	(8)%	
Realisations <sup>3</sup>	\$4.3bn	<b>\$8.5bn</b>	n/m	
Effective management fee rate	0.65%	<b>0.64%</b>	(1)bps	
Management fees	£165m	<b>£161m</b>	(3)%	12%
Performance fees	£21m	<b>£2m</b>	n/m	28%
Balance sheet investment portfolio	£0.4bn	<b>£0.4bn</b>		
Total Balance Sheet Return <sup>4</sup>	£57.9m	<b>£27.7m</b>		9%

1. AUM on constant currency basis.

2. AUM calculation based on 31 March 2020 to 31 March 2025.

3. Realisations of Fee-earning AUM.

4. NIR, including CLO dividends for Debt.

5. Five-year average for Total Balance Sheet Return.

Note: Growth calculations are performed using whole numbers for all metrics to ensure an accurate representation of the movements.

## Performance of key funds

	Vintage	Total fund size <sup>1</sup>	Status	% deployed	Gross MOIC	Gross IRR	DPI
Private Debt							
Senior Debt Partners II	2015	€1.5bn	Realising		1.3x	8%	100%
Senior Debt Partners III	2017	€2.6bn	Realising		1.2x	6%	66%
Senior Debt Partners IV	2020	€5.0bn	Realising		1.2x	11%	44%
Senior Debt Partners V	2022	€7.3bn	Investing	49%	1.1x	17%	5%
North American Private Debt I	2014	\$0.8bn	Realising		1.5x	16%	136%
North American Private Debt II	2019	\$1.4bn	Realising		1.4x	12%	73%
North America Credit Partners III	2023	\$1.9bn	Investing	30%	1.1x	19%	—%

1. Refers to commingled fund size.

## Key drivers

## Business activity

Fundraising: SDP (\$4.9bn) and NACP (\$0.3bn); CLOs (\$1.8bn) and Liquid Credit (\$1.0bn)  
 Deployment: SDP (\$2.7bn) and NACP (\$0.4bn)  
 Realisations: SDP (\$4.7bn) and NACP (\$0.3bn); CLOs (\$2.8bn) and Liquid Credit (\$0.5bn)  
 Net realisations of \$2.1bn within Debt drove a reduction in FEAUM for the asset class

## Fee income

Management fees: Lower than prior year owing to a reduction in FEAUM due to net realisation activity in SDP  
 Performance fees: FY24 benefited from performance fees in Alternative Credit (£13m), which are earned every three years

## Balance sheet investment portfolio

Includes the impact of the Group moving to a third-party valuer for its CLO equity during Q3, bringing the approach in line with wider market practice. Net effect of the assumptions applied by the third-party valuer increased the value of the CLO equity held on the balance sheet by £20m compared to the assumptions applied by the Company at 31 March 2024<sup>1</sup>

1. Further details of assumptions applied and sensitivities of the CLO equity valuation to these assumptions can be found in note 5 (IFRS) and in the Datapack (APM).



Finance review continued

Fund Management Company

The Fund Management Company (FMC) is the Group’s principal driver of long-term profit growth. It manages our third-party AUM, which it invests on behalf of the Group’s clients.

Management fees

Management fees for the period totalled £603.8m (FY24: £505.4m), a year-on-year increase of 19% (8% excluding the impact of catch-up fees of £61.8m in FY25 and £4.6m in FY24). On a constant currency basis management fees increased 22% year-on-year.

The effective management fee rate on our fee-earning AUM at the period end was 0.97% (FY24: 0.92%).

Performance fees

Performance fees recognised for the year totalled £86.2m (FY24: £73.7m). The year-on-year increase was largely due to additional revenue accrued for Europe VII as it moved closer to its hurdle date. During the period the Group received realised performance fees of £60.3m and at 31 March 2025 had accrued performance fees receivable on its balance sheet of £108.4m (31 March 2024: £83.7m):

£m	
Accrued performance fees at 31 March 2024	83.7
Accruals during period	86.2
Received during period	(60.3)
FX and other movements	(1.2)
Accrued performance fees at 31 March 2025	108.4

Recognition of performance fees

In addition to management fees, the Group receives performance fees from certain funds if performance thresholds are met.

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.

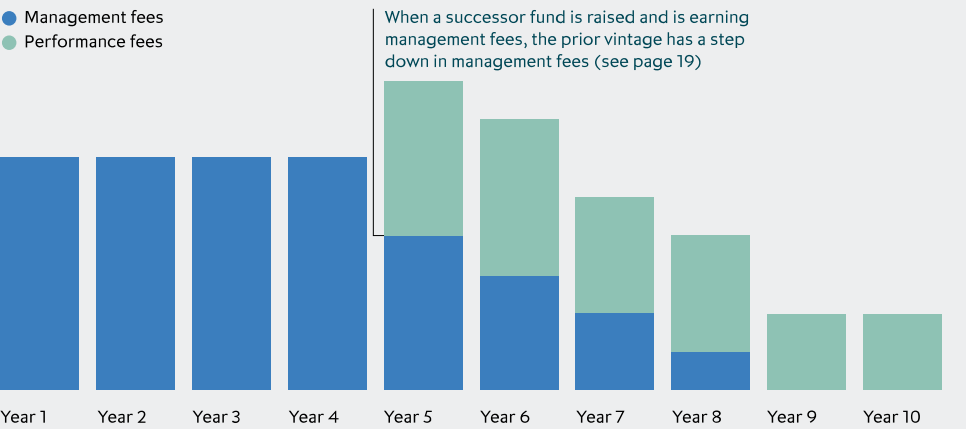
Over the medium term we expect performance fees to be ~10–15% of our total third-party fee income. Accrual of unrealised performance fees is a matter of judgement (see note 3 on page 128) and we take a conservative approach to minimise the possibility of any significant reversals.

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 FY25, this constraint was 53% (see page 128).

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 capital. For more detail on how we charge management fees (see page 19).





## Finance review continued

## Fund Management Company continued

**Other income**

Other income comprises dividend receipts of £48.3m (FY24: £47.0m) from investments on the balance sheet in CLO equity; an intercompany fee of £24.6m for managing the IC balance sheet investment portfolio (FY24: £25.0m); and other income of £2.8m (FY24: £0.9m).

**Operating expenses and margin**

FMC operating expenses totalled £304.6m, an increase of 10% compared to FY24 (£277.5m)

£m	Year ended 31 March 2024	Year ended 31 March 2025	Change %
Salaries	101.0	109.2	8%
Incentive scheme costs	113.3	128.8	14%
Administrative costs	56.8	58.5	3%
Depreciation and amortisation	6.4	8.1	27%
<b>FMC operating expenses</b>	<b>277.5</b>	<b>304.6</b>	<b>9.8%</b>
<b>FMC operating margin</b>	<b>57.4%</b>	<b>60.2%</b>	<b>2.8%</b>

Within FMC operating expenses (incentive scheme costs), an expense of £43.0m was recorded for stock-based compensation (FY24: £41.0m).

The FMC recorded a profit before tax of £461.4m (FY24: £374.5m), a year-on-year increase of 23% and an increase of 28% on a constant currency basis.

## Investment Company

The Investment Company (IC) invests the Group's balance sheet to seed new strategies, and invests alongside the Group's scaling and established strategies to align interests between our shareholders, clients and employees. It also supports a number of costs, including teams that have not yet had a first close on a first third-party fund, 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 £3.0bn at 31 March 2025 (31 March 2024: £3.1bn). During the period, it generated net realisations and interest income of £172m (FY24: £139m), being net realisations of £69m (FY24: £88m) and cash interest receipts of £103m (FY24: £51m).

We made seed investments totalling £166m.

£m	As at 31 March 2024	New investments	Realisations	Gains/ (losses) in valuation	FX & other	As at 31 March 2025
Structured Capital and Secondaries	1,807	373	(390)	152	(36)	1,906
Real Assets	402	79	(118)	30	(6)	387
Debt <sup>1</sup>	467	97	(90)	(20)	(11)	443
Seed Investments	394	166	(289)	31	(10)	292
<b>Total Balance Sheet Investment Portfolio</b>	<b>3,070</b>	<b>715</b>	<b>(887)</b>	<b>193</b>	<b>(63)</b>	<b>3,028</b>

1. Of which £228m is in CLO equity.



## Finance review continued

## Investment Company continued

## Net Investment Returns

For the five years to 31 March 2025, Net Investment Returns (NIR) have been in line with our medium-term guidance, averaging 12%. For the twelve months to 31 March 2025, NIR were 6% (FY24: 13%).

NIR of £192.5m were comprised of interest of £140.6m from interest-bearing investments (FY24: £124.9m) and capital gains of £51.9m (FY24: £252.4m). NIR were split between asset classes as follows:

	Year ended 31 March 2024		Year ended 31 March 2025	
	NIR (£m)	Annualised NIR (%)	NIR (£m)	Annualised NIR (%)
Structured Capital and Secondaries	232.5	13%	151.8	8%
Real Assets	44.2	9%	30.0	8%
Debt	10.9	2%	(20.5)	(5)%
Seed Investments	91.7	25%	31.2	9%
<b>Total net investment returns</b>	<b>379.3</b>	<b>13%</b>	<b>192.5</b>	<b>6%</b>

Total balance sheet return including CLO dividends (which are recognised in the FMC), was £240.8m (FY24: £426.3).

For further discussion on balance sheet investment performance by asset class, refer to pages 21 to 23 of this report.

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

£m	Year ended 31 March 2024	Year ended 31 March 2025	Change
Changes in fair value of derivatives <sup>1</sup>	(7.3)	8.3	n/m
Inter-segmental fee	(25.0)	(24.6)	(2)%
Other	1.0	1.7	70%
<b>Other IC revenue</b>	<b>(31.3)</b>	<b>(14.6)</b>	<b>(53)%</b>

1. See page 28 for FX exposure of fee-earning AUM, fee income, FMC expenses and Balance sheet investment portfolio.

As a result, the IC recorded total revenues of £177.9m (FY24: £348m).

## Investment Company expenses

Operating expenses in the IC of £86.7m decreased by 14% compared to FY24 (£100.4m), with increases in salaries and administrative costs being more than offset by a decrease in incentive scheme costs:

£m	Year ended 31 March 2024	Year ended 31 March 2025	Change %
Salaries	21.4	30.0	40%
Incentive scheme costs	58.6	29.5	(50)%
Administrative costs	18.1	26.8	48%
Depreciation and amortisation	2.3	0.4	(83)%
<b>IC operating expenses</b>	<b>100.4</b>	<b>86.7</b>	<b>(14)%</b>

Incentive scheme costs included DVB accrual of £9.4m (FY24: £35.1m). The reduction compared to FY24 was predominantly due to a change in the anticipated timing of when DVB is likely to be realised, which led the DVB accrual in H1 FY25 of £0.2m (H2 FY25: £9.2m).

Interest expense was £39.6m (FY24: £45.8m) and interest earned on cash balances was £19.2m (FY24: £21.5m).

The IC recorded a profit before tax of £70.8m (FY24: £223.3m).



## Finance review continued

### Group

#### Operating expenses

The Group's operating expenses in aggregate were £391.3m, compared to FY24 these increased by 4%. For more detailed commentary on the changes in the operating expenses, see pages 24 and 25 of this report.

£m	Year ended 31 March 2024	Year ended 31 March 2025	Change %
Salaries	122.4	<b>139.2</b>	14%
Incentive scheme costs	171.9	<b>158.3</b>	(8)%
Administrative costs	74.9	<b>85.3</b>	14%
Depreciation and amortisation	8.7	<b>8.5</b>	(2)%
Group operating expenses	<b>377.9</b>	<b>391.3</b>	<b>4%</b>

Within the Group operating expenses (incentive scheme costs), an expense of £52.3m was recorded for stock-based compensation (FY24: £53.6m).

#### Tax

The Group recognised a tax charge of £(79.8)m (FY24: £(78.5)m), resulting in an effective tax rate for the period of 14.9% (FY24: 13.2%).

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. The effective tax rate will vary depending on the income mix.

#### 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 56.7p per share which, combined with the interim dividend of 26.3p per share, results in total dividends for the year of 83.0p (FY24: 79.0p). This marks the 15th consecutive year of increases in our ordinary dividend per share, which over the last five years has grown at an annualised rate of 10%. We continue to make the dividend reinvestment plan available.

At 31 March 2025 the Group had 290,636,892 shares outstanding (31 March 2024: 290,631,993). During the year the Group recognised £52.3m 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').

#### Balance sheet and cash flow

Our growing earnings and cash generation are resulting in an increasingly valuable asset base, which we use to enhance our client offering and shareholder value while maintaining an appropriately capitalised balance sheet. We do this through:

- investing alongside clients in our existing strategies to align interests;
- making investments to grow the strategies and products we offer our clients; and
- returning appropriate capital to our shareholders.

During the year we made gross investments of £549m alongside existing strategies and £166m in seed investments, and maintained our progressive dividend policy. See page 24 for more information on the performance of our balance sheet investment portfolio during the period and page 14 for information on our dividend.

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

£m	31 March 2024	31 March 2025
Balance sheet investment portfolio	3,070	<b>3,028</b>
Cash and cash equivalents	627	<b>605</b>
Other assets	476	<b>447</b>
<b>Total assets</b>	<b>4,173</b>	<b>4,080</b>
Financial debt	(1,448)	<b>(1,177)</b>
Other liabilities	(430)	<b>(407)</b>
<b>Total liabilities</b>	<b>(1,878)</b>	<b>(1,584)</b>
<b>Net asset value</b>	<b>2,295</b>	<b>2,496</b>
<b>Net asset value per share<sup>1</sup></b>	<b>790p</b>	<b>859p</b>

1. The number of shares used to calculate NAV per share include shares held in the EBT (a different basis to Group earnings per share). The Group uses the EBT to purchase and hold shares to offset the impact of share-based payments. Prior period NAV per share figures have been adjusted to reflect this methodology.

#### Liquidity and net debt

For FY25 we are reporting operating cashflow of £518m (FY24: £359m). This increase is due both to higher cashflow from fee income and higher cash generation from our balance sheet.

At 31 March 2025 the Group had total available liquidity of £1,098m (FY24: £1,124m), net financial debt of £629m (FY24: £874m) and net gearing of 0.25x (FY24: 0.38x).

During the period, available cash decreased by £26m from £574m to £548m, including the repayment of £241m of borrowings that matured.



## Finance review continued

## Group continued

The table below sets out movements in cash:

£m	FY24	FY25
<b>Opening cash</b>	<b>550</b>	<b>627</b>
<b>Operating activities</b>		
Fee and other operating income	492	<b>656</b>
Net cash flows from investment activities and investment income <sup>1</sup>	180	<b>253</b>
Expenses and working capital	(272)	<b>(323)</b>
Tax paid	(41)	<b>(68)</b>
<b>Group cash flows from operating activities - APM<sup>2,3</sup></b>	<b>359</b>	<b>518</b>
<b>Financing activities</b>		
Interest paid	(49)	<b>(41)</b>
Interest received on cash balances	29	<b>20</b>
Purchase of shares by EBT	—	<b>(43)</b>
Dividends paid	(223)	<b>(229)</b>
Net repayment of borrowings	(51)	<b>(241)</b>
<b>Group cash flows from financing activities - APM<sup>2</sup></b>	<b>(294)</b>	<b>(534)</b>
Other cash flow <sup>4</sup>	14	<b>4</b>
FX and other movement	(2)	<b>(10)</b>
<b>Closing cash</b>	<b>627</b>	<b>605</b>
Regulatory liquidity requirement	(53)	<b>(57)</b>
<b>Available cash</b>	<b>574</b>	<b>548</b>
Available undrawn RCF	550	<b>550</b>
<b>Cash and undrawn debt facilities (total available liquidity)</b>	<b>1,124</b>	<b>1,098</b>

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 30 of the Financial Statements, Operating cash flows under UK-adopted IAS of £136.1m (FY24: £255.9m) 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.

At 31 March 2025, the Group had drawn debt of £1,177m (FY24: £1,448m). The change is due to the repayment of certain facilities as they matured, along with changes in FX rates impacting the translation value:

	£m
<b>Drawn debt at 31 March 2024</b>	<b>1,448</b>
Debt (repayment) / issuance	(241)
Impact of foreign exchange rates	(30)
<b>Drawn debt at 31 March 2025</b>	<b>1,177</b>

Net financial debt therefore reduced by £245m to £629m (FY24: £874m):

£m	31 March 2024	31 March 2025
Drawn debt	1,448	<b>1,177</b>
Available cash	574	<b>548</b>
<b>Net financial debt</b>	<b>874</b>	<b>629</b>

During the period, S&P upgraded ICG plc to BBB+. At 31 March 2025 the Group had credit ratings of BBB (positive outlook) and BBB+ (stable outlook) from Fitch and S&P, respectively.

The Group's debt is provided through a range of facilities. All facilities except the RCF are fixed-rate instruments. The weighted-average pre-tax cost of drawn debt at 31 March 2025 was 2.84% (FY24: 3.07%). The weighted-average life of drawn debt at 31 March 2025 was 2.9 years (FY24: 3.3 years). The maturity profile of our term debt is set out below:

£m	FY26	FY27	FY28	FY29	FY30
Term debt maturing	176	486	—	97	419

During FY25, the Group entered into a new Revolving Credit Facility (RCF), replacing the previous facility. The RCF, which matures in October 2027, remains at £550m and has more favourable economic terms compared to the previous facility. 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 0.25x at 31 March 2025 (FY24: 0.38x).

£m	31 March 2024	31 March 2025	Change %
Net financial debt (A)	874	<b>629</b>	(28)%
Net asset value (B)	2,295	<b>2,496</b>	9%
<b>Net gearing (A/B)</b>	<b>0.38x</b>	<b>0.25x</b>	<b>(0.13)x</b>



## Finance review continued

## Foreign exchange rates

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

	Average rate for FY24	Average rate for FY25	Year ended 31 March 2024	Year ended 31 March 2025
GBP:EUR	1.1609	<b>1.1919</b>	1.1697	<b>1.1944</b>
GBP:USD	1.2572	<b>1.2773</b>	1.2623	<b>1.2918</b>
EUR:USD	1.0829	<b>1.0751</b>	1.0792	<b>1.0815</b>

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

	USD	EUR	GBP	Other
Fee-earning AUM	35%	55%	9%	1%
Fee income	34%	58%	7%	1%
FMC expenses	18%	14%	59%	9%
Balance sheet investment portfolio	29%	49%	14%	8%

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 FY25 management fees <sup>1</sup>	Impact on FY25 FMC PBT <sup>1</sup>	NAV per share at 31 March 2025 <sup>2</sup>
Sterling 5% weaker against euro and dollar	+£29.0m	+£30.9m	+14p
Sterling 5% stronger against euro and dollar	-£(26.3)m	-£(28.0)m	-(13)p

1. Impact assessed by sensitising the average FY25 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 FY25 period end exchange rates. This has then been compared to the FY25 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.



## 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 66). This assessment also reflects the Group's strategic priorities (see page 13).

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 66). 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 2028 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 40 to 44), with further information in the Risk Committee Report on page 84.

The Group has good visibility on future management fees due to the long-term nature of our funds (see page 19). 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 maintained. 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 63.

Given the above, the Directors also considered it appropriate to prepare the financial statements on the going concern basis as set out on pages 119 and 188.



## Stakeholder engagement

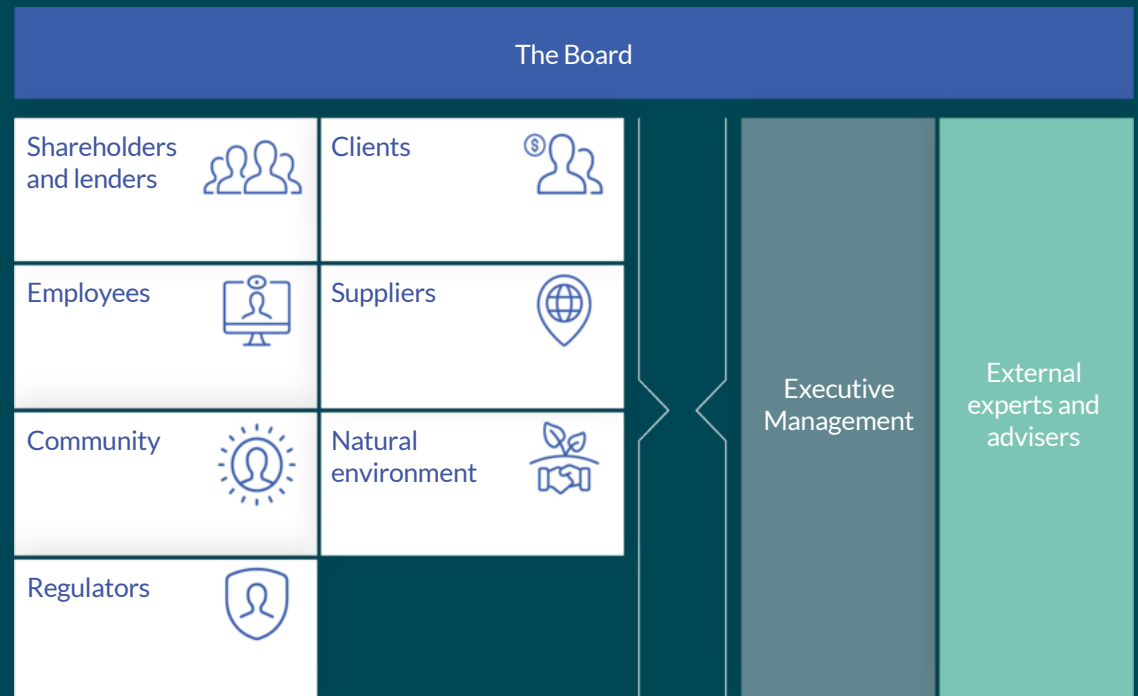
# Establishing successful relationships to enable us to grow responsibly

The strength of our stakeholder relationships enables the Group 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 Company's key stakeholders are listed below. The Directors seek to understand the interests of each stakeholder so that these may be properly factored into the Board's decisions.

The Board engages with stakeholders through various methods including direct engagement by Executive and Non-Executive Directors where relevant; receiving reports and updates from management; and seeking input from external advisers as appropriate.





## Stakeholder engagement continued

## Shareholders and lenders

**Why is it important to engage?**

Effective access to capital is of strategic importance and crucial for the success of the Group, along with fostering a supportive investor base that is interested in the long-term prospects of the Company.

We seek to promote 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.

**What were the key topics of engagement?**

- ICG's strategic positioning within the global alternative asset management landscape, the long-term prospects for the Group in that context, and where financial and non-financial resources being deployed to execute on those opportunities
- The Group's performance during the course of FY25, and the outlook over the short and long term
- Impact of the macroeconomic environment on the Group's clients, portfolio companies and investment activities
- Various other topics including capital allocation, cost base progression and financial presentation of results relative to peers

**How have the Board and management engaged?**

The Group conducts an active Shareholder and Debtholder Relations programme, engaging with shareholders, lenders and rating agencies throughout the year using a variety of channels and across all major financial regions globally.

During FY25 these included one-on-one and group meetings, both following results and on an ad hoc basis, and a shareholder seminar focused on ICG Strategic Equity.

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 a number of shareholders and non-shareholders, without management present, to receive feedback directly on the Group, our growth plan and management.

**Outcomes as a result of that engagement**

- In total we engaged with c. 70% of our shareholder register during FY25, with shareholders getting access to non-executive and executive leadership, as well as other senior management during the year
- A wide range of feedback was received as a result of these meetings, which have been factored into management and Board-level discussions

## Clients

**Why is it important to engage?**

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.

**What were the key topics of engagement?**

- Designing funds to meet clients' needs
- Strategy to grow our client base and increase holdings by existing clients
- Reporting of portfolio performance
- Industry best practice integration of sustainability considerations into our investment approach

**How have the Board and management engaged?**

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 12.

Our client solutions group 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 senior management, investment teams and Client Solutions Group.

**Outcomes as a result of that engagement**

- 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
- Further developed our internal teams to continue to improve our client experience
- Renamed our internal team as Client Solutions Group to better align the identity of the team with the evolving approach we are taking to working with our clients



## Stakeholder engagement continued

## Employees

**Why is it important to engage?**

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.

**What were the key topics of engagement?**

- Inclusion and culture aims and ambitions
- Growth and development of our employees
- Wellbeing of employees
- Enhancing employee experience aligned to ICG's purpose and values


**How have the Board and management engaged?**

We have a number of formal and informal channels to achieve this, including our annual employee engagement 'Pulse' survey held during the year; regular whole company business briefings; our quarterly People Forum and regular team meetings.

Throughout the year, Andrew Sykes, appointed as the NED responsible for employee engagement, conducted five focus group sessions with employees, spanning various business areas and geographies.

**Outcomes as a result of that engagement**

- Enhanced objectives for all people managers supported with the launch of the 'Managing for Results' programme for People Managers
- Investment in platforms further strengthening connectivity across processes and systems
- Piloted global mentoring programme accessible for all employees supporting career growth

 **For further details, please refer to Our People pages from page 36.**

## Suppliers

**Why is it important to engage?**

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.

**What were the key topics of engagement?**

- Improvement of onboarding activities to ensure that suppliers are effectively managed in order to enhance the overall client experience
- Rationalisation of the number of key third-party administrators to help build consistent operational processes
- Ability of providers, including third-party administrators, to continue to provide a high-quality and fairly priced service
- Requesting information on Supplier Sustainability Practices

**How have the Board and management engaged?**

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. We ask large and significant suppliers to complete a Supplier Sustainability information covering a range of sustainability topics. We also ask suppliers to commit to our Supplier Code of Conduct. 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.

**Outcomes as a result of that engagement**

- Enhancements to the operating model applied at our third-party administrators for client anti-money laundering and know your client activities
- Commencement of activity to consolidate our third-party administrators
- More comprehensive understanding of supplier sustainability practices
- Updated Supplier Code of Conduct



## Stakeholder engagement continued

## Community

**Why is it important to engage?**

We are a people business, with offices in 21 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.

**What were the key topics of engagement?**

- Identifying the most appropriate way for the Group to positively engage with and impact the wider community
- Continued commitment of employee time to charitable initiatives

**How have the Board and management engaged?**

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 have participated in volunteering opportunities with key charitable partners.

**Outcomes as a result of that engagement**

- Entered into four major charity partnerships committing £4m over three years to seek to enhance social mobility in education and the early years of employment
- Continued our charitable partnership in support of charities tackling the cost-of-living crisis via the third year of “Million Meals Initiative”
- Committed £2.9m 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 a range of charities not previously supported by the firm
- Over 250 employees participated in corporate social responsibility volunteering sessions over the course of the year

## Natural environment

**Why is it important to engage?**

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.

**What were the key topics of engagement?**

- 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

**How have the Board and management engaged?**

Details of our focus on environmental matters, particularly those related to climate change, and climate risk can be found on pages 46 to 62. 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.

**Outcomes as a result of that engagement**

- 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<sup>1</sup>, (see page 53 in our Climate-related financial disclosures)
- Committed to support the goal of achieving net zero emissions across our operations and Relevant Investments<sup>1</sup> by 2040. The commitment is supported by two targets validated by the Science Based Target Initiative (SBTi) (see page 59)

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

## Regulators and governments

**Why is it important to engage?**

Certain subsidiaries of ICG are licensed by financial regulators and subject to a wide spectrum of regulation across a number of jurisdictions. We also operate in many countries where government policy can affect the operation of our business and our investments. Engaging with regulators and governments, both directly and through industry bodies is vital for regulation and policy 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.

**What were the key topics of engagement?**

- The Group participates in industry bodies and consultations and provides input to regulators and governments through these and similar channels. Where requested or appropriate, we engage directly with regulators and politicians/policy makers on specific topics
- The Group engages on matters relating to EU and UK asset management regulation, private markets regulation, debt markets regulation and ESG regulation, as well as relevant policy matters at the corporate level

**How have the Board and management engaged?**

We continue to actively engage with regulators and policy makers 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 Board receives updates from the Global Head of Corporate Affairs and Global Head of Compliance & Risk on the Group's engagement with regulators and government bodies. ICG is a member of and sits on a number of committees of industry bodies producing thought leadership and policy maker engagement, including: ACC, BVCA, Invest Europe and LPEA. The Group CFO attended an industry roundtable with HM Treasury, organised by trade body the BVCA, as well as their annual Parliamentary reception, together with the Global Head of Corporate Affairs.

**Outcomes as a result of that engagement**

- The Group engaged via the BVCA on a number of topics including the Financial Reporting Council's Stewardship Code Consultation
- The Group participated in the FCA's review of private market valuation practices



## 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 weighed up 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

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## Our people

# A global people business – building long-term sustainable value, together

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

“At ICG, our people drive our success. We attract, retain, and develop high-performing, high-potential employees, helping them thrive and achieve their career goals while advancing our commercial ambitions.”

**Antje Hensel-Roth**  
Chief People and  
External Affairs Officer



## What we do:



## How we do it:



## Why we do it:

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

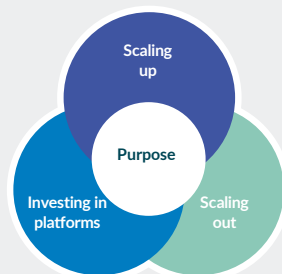
### Driving Innovation and growth

As a fast-growing firm, our success is built on our long-standing commitment to creating high-performance teams where ambition, collaboration, challenge and contribution are encouraged.

By creating a culture of inclusion, ICG enables our people to fulfil their potential and be supported to build world-class careers. Alongside offering competitive rewards, this approach means we are able to attract, nurture, and retain talent from a broad range of backgrounds.

As a firm, we focus on pivotal moments throughout the employee journey, collaborating with the business to deliver long-term sustainable value. We are strategically positioned in key global markets to provide optimal coverage and efficiency for both our clients and employees.

Our ongoing focus on enhancing data and reporting insights, combined with implementing market-leading talent strategies, ensures that our business and our people are equipped with the skills and perspectives needed for now and the future. This foundation, built on high-quality, high-performing HR teams and practices, drives scalable and sustainable processes.



**Scaling up:**  
we accelerate key and emerging talent

**Scaling out:** we are an employer  
of choice for external talent globally

**Investing in platforms:**  
connected and enhanced processes and systems

## Advancing our Key People Initiatives

### Inclusion and Culture

- ICG was named as Britain's most admired financial services company, voted for by our peers and financial analysts.
- Our six global Inclusion networks, sponsored by senior executives, are run by employees and open to all. These networks continually contribute to ICG's inclusive and supportive culture covering areas such as gender, ethnicity, LGBTQ+, young professionals, family, carers, disability, sports and wellbeing.
- As a signatory for the Women in Finance Charter, we continue to exceed our aspiration of having 30% women in UK senior management roles by 2027.
- We are committed to contributing to the industry and work with a number of partnerships such as Diversity Project, Women in Finance, British Private Equity and Venture Capital Association (BVCA), Level 20 and the Business Disability Forum.
- We have recently recruited a new Culture, Inclusion and Engagement Director to drive continued progress on our strategic agenda.

### Performance and development

- Our global platform and tailored programmes provide our people with comprehensive development opportunities, accessible through both online and face-to-face training, at different stages of their careers.
- Over the next two years, our people managers will engage in a specialised development programme designed to enhance managerial skill, increased engagement and collaboration within an inclusive, high-performance culture. This is complemented by clearly defined expectations and paths for advancement throughout the firm.
- We have continued to refine our performance management process to reinforce active support and ongoing development throughout the year, underpinned by meaningful objective setting, feedback and appraisals.

### Wellbeing and support

- Our market-leading benefits are actively promoted, including family building and career support as well as a personal allowance aimed at enhancing wellbeing. These efforts are intended to support our people through various life stages alongside fulfilling their career aspirations.

### Engagement and voice

- We actively engage with employees through our annual pulse survey, regular Town Halls and business forums, as well as focus groups with our NEDs.
- Internal cultural influencers continue to come together in our quarterly People Forum to bring ideas, recommend priorities, and share in outcomes across the firm.
- Our People Forum comprises a cross section of senior leaders, giving a voice to our colleagues across different offices and business units to inform decision-making across the firm and share responsibility for their implementation. This forum has become both an important sounding board and communication channel.

### Employee engagement survey participation rate and score for July 2024:

**79%** **7.2**  
(2023: 74%) (2023: 7.1)

Employee engagement driver includes questions on Loyalty, Recommendation and Satisfaction.

### Six Employee Networks:

**c.50**  
events delivered globally

### Ranked (globally):

**#2**  
Equality Group's Honordex Inclusive PE and VC Index 2025 (#1 globally in 2024 & 2023).

## Investing for growth

Fresh ideas and different perspectives allow us to stay entrepreneurial and innovative. Our employees are our greatest asset – when they grow and thrive, so does the firm. We believe investing in our people is of utmost importance.

Our talent management and inclusion initiatives are dedicated to supporting our workforce, and include:

- 'Leading for Impact' programme, which equips senior leaders to promote a strong team culture and high performance.
- 'Managing for Results' enables mid-level executives in becoming more confident, well-rounded managers who can excel in a dynamic growth environment.
- Our Women's Development Programme continues to support women in mid to senior-level positions to grow in their careers.
- Employees have access to a comprehensive digital learning offering and a personal development budget for professional upskilling aligned with their career aspirations and skills development.
- We continue to deliver 'Conscious Inclusion' training for all new joiners as well as supporting those who are recruiters with fair and inclusive hiring processes.
- Additionally, we are introducing a global mentoring programme for all employees, enhancing connectivity and offering guidance, support, and knowledge sharing as our colleagues navigate their careers.
- All employees complete an annual compliance training with specific modules focusing on Inclusion.

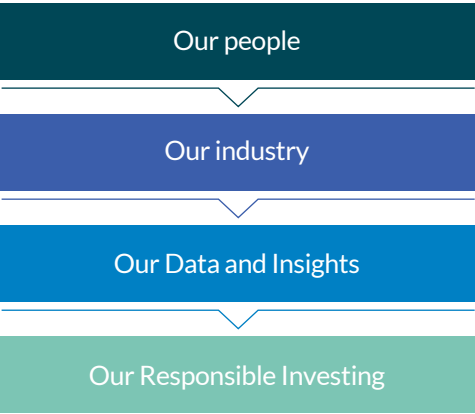




Our people continued

Inclusion, Culture and Engagement Strategy

Our strategy



As a global firm, with local presence, Inclusion is rooted in our values and aims to support different perspectives to enhance ICG's performance and contributions. Our Inclusion strategy integrates a holistic approach, benefiting our clients, our people and our stakeholders. By embracing our global reach, we tailor our approach to ensure it remains relevant and compliant with local laws in each market in which ICG operates.

For more information in ICG's approach to Sustainability and Responsible Investing, read our FY25 Sustainability and People Report: [www.icgam.com/spr](http://www.icgam.com/spr)

Find out more in our Governance report on page 64 and Non-financial information statement on page 63

We continue to use data to guide us. In 2024, we updated our representation aspirations and are consistently measuring our progress. Beyond this, we track a number of Inclusion measures within our Pulse Survey to better understand employee experience and to help identify opportunities.

As part of our UK Women in Finance Charter pledge, we are continuing to exceed 30% women in UK senior management by 2027. Additionally, 40% of our board members are women.

ICG supports the aims of the Parker Review to enhance ethnic diversity within UK businesses. Based on ONS classification, among the UK-located Global Senior Management population, 14% identify as coming from an ethnic minority background, 72% identifying as White, and 14% preferring not to disclose. We continue to exceed our aspiration of 10% ethnic minority representation in global senior management, located in the UK, by December 2027. Furthermore, we are delighted to have strengthened our board diversity by welcoming a new director who brings valuable perspectives from an ethnic minority background.

At the heart of ICG's inclusive environment are our global employee networks. They collaborate with colleagues across regions to share experiences, interests, and ambitions. Network events are numerous (c. 50 over the year) and very well attended, including panel discussions and guest speakers. We aim to address impactful topics such as gender bias in AI and benefits of sponsorship. Our Together network hosts various LGBTQ+ events for both ICG colleagues and external participants from across the private capital ecosystem to drive engagement and collaboration.

We are expanding our focus areas to include socio-economic mobility and disability inclusion, supported by our networks as well as our charitable giving strategy which is focused on social mobility and access to our industry across many of our key locations. Over the course of the year, we hosted events highlighting neurodiversity and disability in the workplace and our early careers programme aims to build a well-rounded pool of future talent.

Key People Metrics

All data is 31 March 2025 unless noted

<div>General</div> <div>Number of permanent employees (total)</div> <div>686 (2024: 637)</div> <div>Number of permanent employees (FTE)</div> <div>683.5 (2024: 635)</div> <div>Employee turnover (%)</div> <div>12.8% (2024: 13.0%)</div>		<div>Women</div> <div>Board (%)</div> <div>40% (2024: 40%)</div> <div>Senior Board positions (Chair, SID, CEO, CFO)</div> <div>0 (2024: 0)</div> <div>Executive Committee (%)</div> <div>33% (2024: 33%)</div> <div>Global Senior Management<sup>1</sup> (%)</div> <div>29% (2024: 29%)</div> <div>UK Senior Management<sup>2</sup> (%)</div> <div>36% (2024: 37%)</div> <div>Global All Employees (%)</div> <div>37% (2024: 37%)</div> <div>Global New Hires (%)</div> <div>45% (2024: 39%)</div> <div>UK New Hires (%)</div> <div>44% (2024: 37%)</div> <div>Mean Hourly Gender Pay Gap (%)</div> <div>29.6% (2024: 30.3%)</div> <div>Mean Gender Bonus Gap (%)</div> <div>73.2% (2024: 70.2%)</div>	
<div>Age</div> <div><div><div>Below 30</div><div>16%</div></div><div><div>30-50</div><div>71%</div></div><div><div>Above 50</div><div>13%</div></div></div> <div></div>		<div>Ethnic minorities</div> <div>Board (%)</div> <div>10% (2024: 0%)</div> <div>Senior Board positions (Chair, SID, CEO, CFO)</div> <div>0 (2024: 0)</div> <div>UK All Employees (%)</div> <div>29% (2024: 26%) of which 62% White, 20% Asian, 3% Black, 6% Other, 9% Prefer Not to Say or No Response</div> <div>Executive Committee (%)</div> <div>0% (2024: 0%)</div> <div>Global Senior Management<sup>3</sup> (%)</div> <div>14% (2024: 13%)<sup>1</sup></div> <div>UK New Hires (%)</div> <div>42% (2024: 38%) of which 55% White, 32% Asian, 1% Black, 9% Other, 3% Prefer Not to Say or No Response</div>	
<div>Find out more on our website:</div> <div><a href="http://www.icgam.com/people-and-careers/">www.icgam.com/people-and-careers/</a></div>		<div>Refer to page 199 for definitions</div>	



## Managing risk

# Resilient strategies for long-term success

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 doing so the Board sets a preference for risk within a strong control environment to generate a return for investors and shareholders and protect their interests.

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. Please refer to the Governance Report on page 64.

### Managing risk

Risk management is embedded across the Group through the RMF, to ensure current and emerging risks are identified, assessed, monitored, controlled, and appropriately governed based on a common risk taxonomy and methodology. The Group's RMF operates under the principles of the 'three lines of defence' model. 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.

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 84 to 86).

### 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 strategy 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.

### 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 46) and note 1 of the financial statements (see page 126).

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.

The Group's RMF identifies nine 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 diagram on page 40 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.

Emerging risks are identified through regular interactions with stakeholders throughout the business, attendance at industry events, review of external publications, and horizon scanning performed by the relevant functions, including Group Risk and Compliance. Emerging risks are continuously monitored to ensure that they are appropriately managed and mitigated by the Group.

### Directors' Confirmation

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 Directors confirm that they have undertaken a robust assessment of the principal and emerging risks facing the business, in line with the requirements of the UK Corporate Governance Code.

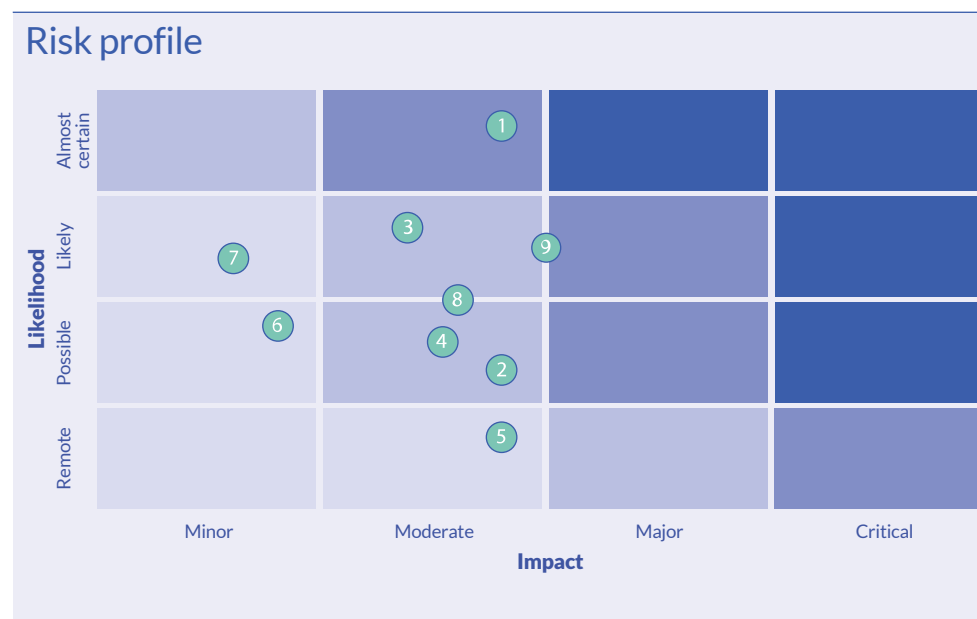


## Strategic alignment

① Grow AUM   ② Invest   ③ Manage and Realise

## Managing risk continued

Principal Risks		Risk Appetite Level				Risk trend
		Low	Medium	High	Very high	
Strategic						
1	External Environment Risk			●		↑
2	Fundraising Risk		●			↔
3	Fund Performance Risk		●			↔
Financial						
4	Market and Liquidity Risk		●			↔
Business Environment						
5	Key Personnel Risk	●				↔
6	Legal, Regulatory and Tax Risk	●				↔
7	External Reporting Risk	●				↔
Operational Resilience						
8	Information Technology and Security Risk		●			↔
9	Third Party Provider Risk		●			↔



## ① External Environment Risk

Strategic alignment:  
① ② ③

Risk trend:  
↑

Risk appetite:  
High

Executive Director responsible:  
Benoît Durteste

## Risk Description

Geopolitical, macroeconomic concerns, and global events (e.g. pandemics, natural disasters) beyond our control may impact our profitability, operating environment and our fund portfolio companies. These events can lead to financial market volatility, affecting fundraising, investment performance, exit opportunities, and the ability to deploy capital.

## Key Controls and Mitigation

Our business model is primarily based on long-term illiquid funds, providing stability during market downturns. 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

The investing environment remains uncertain and potentially volatile, with geopolitical shifts, high interest rates, and weak economic growth.

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 monitor the macroeconomic and geopolitical landscape, but do not anticipate increased risk to our operations, strategy, performance, or client demand.



## Strategic alignment

[1](#) Grow AUM [2](#) Invest [3](#) Manage and Realise

## Managing risk continued

## 2 Fundraising Risk

 Strategic alignment:  
[1](#)

 Risk trend:  
 ↔

 Risk appetite:  
 Medium

 Executive Director responsible:  
 Benoît Durteste

### Risk Description

The Group's long-term growth and profitability rely on successfully raising third-party funds. Failure to attract new investors, grow existing investments, and launch new strategies could impact future management fee income and restrict expansion into new markets and asset classes, limiting economies of scale. This risk has significant strategic and financial implications, including reduced profitability, loss of market share, and challenges in attracting and retaining top talent.

### Key Controls and Mitigation

The Group's Client Solutions Group function is dedicated to continually growing and diversifying our client base and supporting the Group's fundraising efforts. The diverse product offerings provide a range of solutions to match client requirements.

Monitoring of possible new fund structures and client bases is conducted on a regular basis to assess new opportunities.

### Trend and Outlook

Despite a challenging fundraising environment, we have continued to exceed our fundraising targets. The Group's track record and reputation remain strong with sustained momentum across the investment platform, for both flagship and scaling strategies. We saw final closes for Senior Debt Partners V, Strategic Equity V and Europe Mid-Market II, as well as North American Capital Partners III.

Our diverse product offering and client base, coupled with continued strong performance and strategic hires to support the growth of our Client Solutions Group, positions ICG for successful fundraising to continue scaling AUM.

## 3 Fund Performance Risk

 Strategic alignment:  
[1](#) [2](#) [3](#)

 Risk trend:  
 ↔

 Risk appetite:  
 Medium

 Executive Director responsible:  
 Benoît Durteste

### Risk Description

Current and potential clients continually assess our investment fund performance. There is a risk that our funds may not deliver consistent performance and erode our track record. Poor fund performance may hinder our ability to raise subsequent vintages or new strategies, impacting competitiveness, profitability and growth plans.

### 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.

### Trend and Outlook

Amidst a rapidly changing global economy, we have effectively managed our clients' assets. Our focus on downside protection has resulted in attractive performance, particularly in our debt strategies.

During this period, fund valuations have remained stable, supported by the strong performance of our portfolio companies and income from interest-bearing investments. Our disciplined approach to realisations has helped maintain the performance of key vintages, despite the market's reduced transaction activity.

While the market environment is challenging, the outlook remains positive. 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.

**P More detail on the performance of the Group's funds can be found on pages 20 to 22.**



## Strategic alignment

[1](#) Grow AUM [2](#) Invest [3](#) Manage and Realise

## Managing risk continued

## 4 Market and Liquidity Risk

Strategic alignment:

[1](#) [2](#) [3](#)

Risk trend:



Risk appetite:

Medium

Executive Director responsible:

David Bicarregui

### Risk Description

The Group is exposed to market and liquidity risks. Adverse market conditions could negatively impact the carrying value of the Group's investments, resulting in financial losses and constraining the Group's ability to launch new funds or meet co-investment obligations. This risk stems from the Group's strategy of co-investing alongside clients in its funds, seeding assets in preparation for fund launches, and holding investments in Collateralised Loan Obligations to meet regulatory requirements.

Liquidity risk refers to the possibility that the Group may not have sufficient financial resources to meet its obligations, including debt maturities and co-investment commitments, as they fall due.

### 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.

Market 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 respond to the prevailing market environment where appropriate.

Our balance sheet remains strong and well capitalised, with net gearing of 0.25x, and with £1,098bn of available liquidity as of 31 March 2025. 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 2025. This facility is only intended to provide short-term working capital for the Group.

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

## 5 Key Personnel Risk

Strategic alignment:

[1](#) [2](#) [3](#)

Risk trend:



Risk appetite:

Low

Executive Director responsible:

Antje Hensel-Roth

### Risk Description

The Group depends upon the experience, skill and reputation of our senior executives and investment professionals, and their continued service is vital to our success. Breaching the governing agreements of our funds in relation to 'Key Person' provisions could disrupt investment activities or hinder our ability to raise new funds, if not resolved promptly.

As such, the departure of key personnel may have a significant adverse impact on our long-term prospects, revenues, profitability, and cash flows. It could also impede our ability to maintain or grow assets under management in existing funds and hinder our ability to raise new funds.

### Key Controls and Mitigation

We employ an active and comprehensive approach to attract, retain, and develop talent. This includes a well-defined recruitment process, succession planning, competitive long-term compensation and incentives, and advancement opportunities through performance appraisals and dedicated development programmes.

Regular reviews of resourcing and key person exposures are undertaken as part of business line reviews and the fund and portfolio company review processes.

We maintain a focus on our organisational culture, implementing initiatives to promote appropriate behaviours that lead to optimal long-term outcomes for our employees, clients, and shareholders.

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, developing and retaining key personnel remains a significant priority for the Group. We continue to invest in emerging and high potential talent through focused and individual tailored development plans. After a successful pilot, we are launching a firm-wide mentoring programme during FY26 to foster connections across our business and support innovation. Additionally, having developed and piloted a new Manager-focused programme in FY25, we are now deploying the programme globally to inspire team vision, drive performance, ensure effective communication, and promote career development.

We remain committed to strategic and considered hiring and have welcomed senior professionals to the firm across client-facing, investment and operational roles. Notably, we onboarded a new Global Head of Client Solutions Group, who will continue to build upon our strong relationships with our sophisticated clients and our markets. Additionally, as part of our ongoing investment in our platform, Warsaw and India remain key strategic growth locations.

**Read more about our people on page 36.**



## Strategic alignment

 Grow AUM
  Invest
  Manage and Realise

## Managing risk continued

## 6 Legal, Regulatory and Tax Risk

 Strategic alignment:  




 Risk trend:  


 Risk appetite:  
 Low

 Executive Director responsible:  
 David Bicarregui

### Risk Description

Regulations establish the framework for the marketing distribution and investment management of our strategies, along with supporting our business operations. Non-compliance with professional conduct rules and legal requirements could result in 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, regulatory, and tax framework can disrupt the markets we operate in and impact our business operations. This may result in increased costs, reduced competitiveness, lower future revenues and profitability, or require the Group to hold more regulatory capital.

### Key Controls and Mitigation

The Compliance and Legal functions are responsible for understanding and meeting regulatory and legal requirements on behalf of the Group. They provide guidance to, and oversight of, the business in relation to regulatory and legal obligations.

Compliance conducts routine monitoring and in-depth assessments to evaluate adherence to 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.

### Trend and Outlook

ICG operates within a continually evolving and complex global regulatory environment. Against this backdrop the Group consistently adapts to meet its regulatory obligations. Throughout FY25, ICG has focused on internal initiatives, including further establishing the EU branch structure and development of the global regulatory footprint, to maintain a stable regulatory risk profile.

Legal risk continues to be impacted by the regulatory focus on the sector, which may lead to an evolution of the existing applicable legal framework for the business. 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 apply to the Group from 1 April 2024. The Group's trading activities within FMC are subject to tax at the relevant statutory rates in the jurisdictions in which income is earned. As expected, Pillar One did not apply to the Group for FY25 and we do not anticipate it will apply for the foreseeable future. The implementation of Pillar Two was closely modelled by the Group and we do not expect material impact for FY25 or beyond, but we continue to monitor closely.

The Group remains responsive to increasing scrutiny around private markets and continues to invest in its Compliance, Legal, and Tax teams to ensure appropriate and relevant coverage.

## 7 External Reporting Risk

 Strategic alignment:  




 Risk trend:  


 Risk appetite:  
 Low

 Executive Director responsible:  
 David Bicarregui

### Risk Description

External reporting risk refers to the potential adverse consequences arising from inaccurate, incomplete, or untimely reporting of the Group's financial and non-financial information to external stakeholders, including investors, regulators, and the public.

This risk encompasses the possibility of misstatements, omissions, or misleading disclosures in the Group's financial statements, regulatory filings, and other communications. Ineffective management of external reporting risk can lead to reputational damage, loss of investor confidence, regulatory scrutiny, and potential legal liabilities.

### Key Controls and Mitigation

The Group's financial reporting practices are aligned to external reporting and industry standards.

Financial reporting controls are in place and are subject to rigorous internal reviews.

Developments in accounting standards are continually monitored to ensure the impact of new or changed standards are properly assessed.

Sustainability disclosures are benchmarked against relevant standards from the Sustainability Accounting Standards Board and the Global Reporting Initiative.

### Trend and Outlook

ICG continues to rigorously review changes to regulatory and legislative requirements and client expectations in respect to external reporting, to ensure the Group meets stakeholder expectations and provides confidence to investors.

Sustainability has seen particular focus from regulators, with the EU Sustainable Finance Framework and the UK Sustainable Disclosure Requirements both increasing the rigour of ICG's reporting requirements related to sustainability-related information.

Updates to the UK Corporate Governance Code have enhanced ICG's reporting requirements in relation to our internal controls framework. The Group has conducted an assessment of the updated Code to ensure continued compliance with reporting standards.

The Group remains alert to developments in reporting requirements and standards, across an increasingly complex global business, and continues to ensure appropriate resource are in place to keep up with stakeholder expectations.



## Strategic alignment

 Grow AUM
  Invest
  Manage and Realise

## Managing risk continued

## 8 Information Technology and Security Risk

 Strategic alignment:  




 Risk trend:  


 Risk appetite:  
 Medium

 Executive Director responsible:  
 David Bicarregui

### Risk Description

The Group relies on information technology systems to conduct its operations and serve its clients. A failure to maintain a secure, reliable, and resilient IT environment could expose the Group to unauthorised access, breaches of data confidentiality, and disruptions to system availability. Cyberattacks, system failures, or other technology-related incidents could compromise sensitive information, hinder the Group's ability to make investment decisions, disrupt operations, and damage the Group's reputation.

### Key Controls and Mitigation

Operational resilience, in particular cyber security, is a key focus 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.

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

To maintain pace with the ever-evolving threat landscape, the Group continues to invest in our platform and systems to support the increasing breadth and scale of our business and to position ICG for future growth.

As part of the Group's commitment to cyber and information security, ICG certifies against the ISO27001 framework. 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.

ICG is responsive to technological enhancements, including the growing presence of Artificial Intelligence, to ensure that we are properly equipped to mitigate evolving cyber security risks, as well as positioning the Group to utilise new tools to support our continued growth.

## 9 Third-Party Provider Risk

 Strategic alignment:  




 Risk trend:  


 Risk appetite:  
 Medium

 Executive Director responsible:  
 David Bicarregui

### Risk Description

The Group relies on third-party providers for certain functions as part of our business model, including managing service provider arrangements for our funds. The most significant relationships are with Third Party Administrators (TPAs).

There is a risk that TPAs may not fulfil their contractual obligations, which could impact our operations and hinder our ability to meet client and stakeholder expectations.

Additionally, 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.

Ongoing monitoring of the services delivered by our TPAs is undertaken 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, gathering consistent evidence of the ongoing performance of our TPAs. This has allowed the 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 remediated on a timely basis.

The KPI reporting 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. The Group has assessed the potential for improved operational efficiency and streamlined investor experience in reaching a decision on the appropriate number of TPAs to utilise. As a result, the Group is currently undertaking a programme to reduce the number of key TPA relationships.



## Sustainability at a glance

# Embedding sustainability

ICG considers sustainability in our investment approach and in our own operations. By supporting responsible and sustainable business practices, we can manage sustainability-related risks and capitalise on opportunities for our clients and stakeholders.



For more information on ICG's approach to Sustainability and Responsible Investing, read our FY25 Sustainability and People Report:

[www.icgam.com/spr](http://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 2025

### UN PRI 2023 Assessment<sup>1</sup>

Policy, Governance and Strategy



Indirect – Private Equity



Direct – Private Equity



Fixed Income – Corporate



Fixed Income – Private Debt



Confidence Building Measures



1. In line with PRI requirements, ICG's most recent PRI assessment was 2023. This is because PRI re-configured their framework in 2024.

## S&P Global Corporate Sustainability Assessment

Scored 63/100

Retained membership in the DJSI Europe Index

(2023: 60/100; 2022: 65/100)

## MSCI ESG Ratings

(on a scale of AAA-CCC)

Maintained Industry Leader rating of

AAA

(2023: AAA; 2022: AAA)

## Sustainalytics ESG Risk Ratings

Maintained Low Risk rating – score of

13.0

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; 2020: Medium risk – 21.6/100)

## CDP Climate Change

ICG retained CDP Climate Change Leadership score of

A–

(2023: A–; 2022: A–)

## FTSE4Good Index

7th consecutive year  
ICG retained membership



## Climate-related Financial Disclosures

# Climate-related risks and opportunities

This report provides an overview of how ICG manages exposure to climate-related risks and builds processes and 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.**

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.

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

## A Our investments

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 to be 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 believe it is important to manage the climate impacts, risks and opportunities in our operations.



## Climate-related Financial Disclosures continued

The report follows the four thematic areas of the TCFD recommendations to outline the Group's approach to climate-related risks and opportunities covering governance, strategy, risk management and metrics and targets.

## Navigating our Climate-related Financial Disclosures

### ① Governance

**Read about ICG's governance of climate-related risks and opportunities on pages 47 - 49 including:**

- Our Group's governance structure for oversight of climate-related risks and opportunities
- The role of the Board and management in overseeing, managing and assessing climate-related risks and opportunities
- How our remuneration approach considers climate-related matters
- Climate-related training and capacity building

### ② Strategy

**Read about actual and potential impacts of climate-related risks and opportunities on ICG on page 49 - 55 including:**

- The risks and opportunities we have identified over the short, medium and long term
- The resilience of our strategy and business model to climate-related risks, including the climate risk exposure of our investment portfolio
- Our approach to decarbonising our investment portfolio
- How we consider climate-related risks and opportunities in the development of new investment strategies

### ③ Risk Management

**Read about the processes used by ICG to identify, assess and manage climate-related risks on page 56 - 58 including:**

- How climate risks and opportunities are embedded in our Group Risk Management Framework (RMF)
- How climate risks and opportunities are incorporated into fund management and the investment process

### ④ Metrics and targets

**Read about the metrics and targets used by ICG to assess and manage relevant climate-related risks and opportunities on page 59 - 60 including:**

- Our climate-related targets and commitments
- Other metrics we use to measure climate-related risks and opportunities

### ⑤ Group GHG emissions statement

**Read our Group GHG emissions statement on page 61 - 62 including:**

- Our Scope 1 and 2 operational emissions
- Selected Scope 3 categories including business travel, and purchased goods and services

## ① Governance

### ICG's governance of climate-related risks and opportunities

#### TCFD recommended disclosures:

- A Describe the Board's oversight of climate-related risks and opportunities.**
- B Describe management's role in assessing and managing climate-related risks and opportunities.**

The Group's governance structure and risk management framework (RMF) incorporates oversight and management of climate-related risks and opportunities.

The Board sets the Group's strategic direction and objectives, including reviewing annual business plans, annual budgets, performance objectives and determining the risk appetite of the Group. When doing so, it considers material factors including, as relevant, those related to climate change. The Board 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 decarbonisation commitments and the implementation of ICG's Responsible Investing and Climate Change Policies, to the Chief Executive Officer (CEO), with support from the Chief Financial Officer (CFO) and the Chief People and External Affairs Officer (CPEAO). The CEO, who also serves as Chief Investment Officer (CIO), has ultimate accountability for and oversight of investment processes within ICG's funds and is therefore responsible for climate-related issues across the investment process and in our portfolios.

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 are responsible for assessing and managing climate-related risks associated with Group offices, IT infrastructure or third-party vendors.

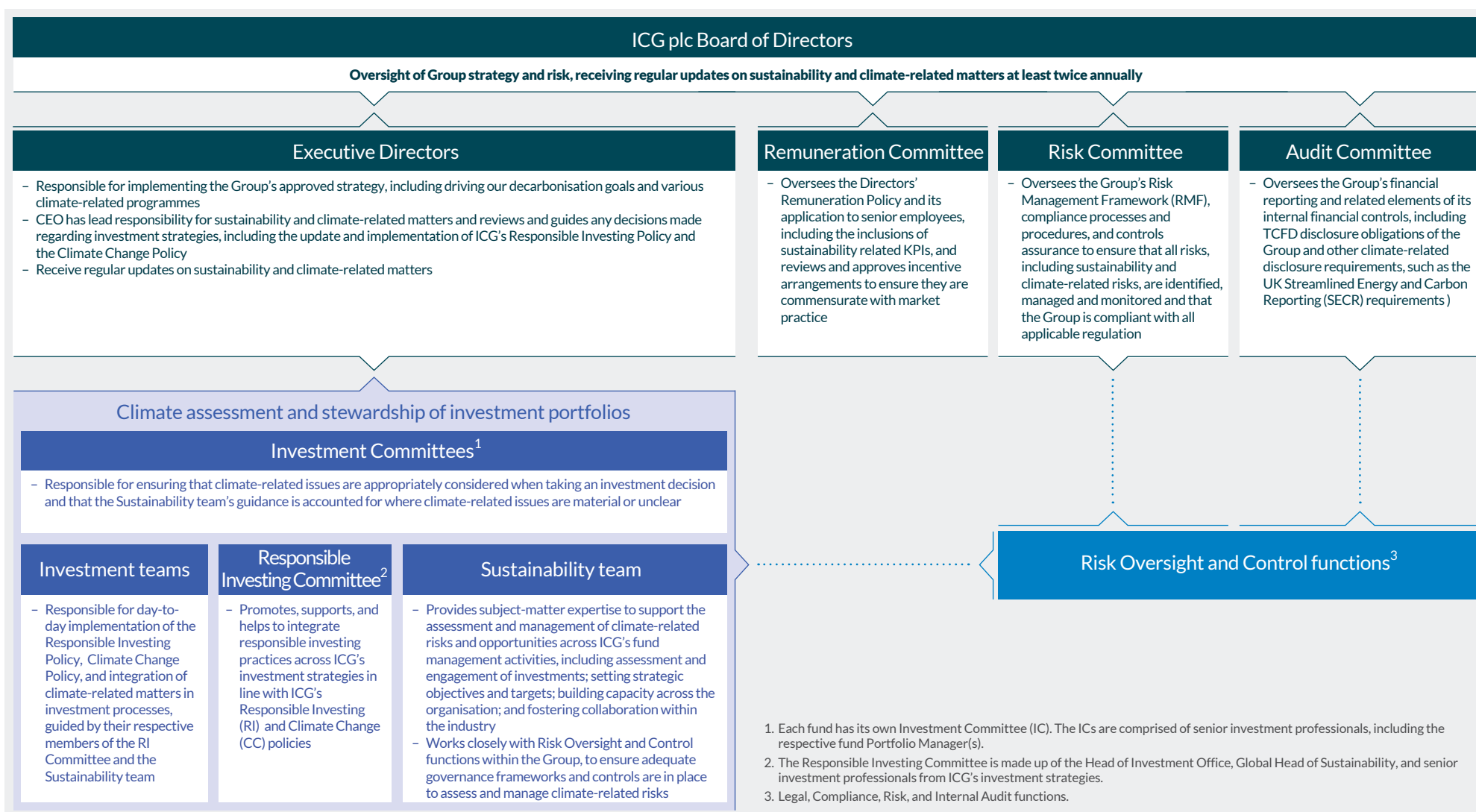
The diagram below provides an overview of the Group's governance structure for the oversight, assessment and management of climate-related risks and opportunities.



## Climate-related Financial Disclosures continued

## ① Governance continued

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





## Climate-related Financial Disclosures continued

## ① Governance continued

**Remuneration**

Our remuneration approach encourages and reflects sustained, long-term performance, which aligns our executives with the interests of our stakeholders. As outlined on page 96, Culture, Inclusion and Sustainability is a KPI included in the balanced scorecard of the Executive Director's single variable pay award.

The Group integrates sustainability (including, where relevant climate change matters) into the annual performance appraisals for all portfolio managers via an annual attestation. This practice ensures alignment, accountability, and compliance with regulatory requirements. It also empowers portfolio managers to lead by example, ensuring their teams consider sustainability and climate-related factors in their investment approaches.

**Training and capacity building**

Training is essential for embedding climate-related risk considerations across all areas of ICG. The Sustainability team provides updates on emerging topics, regulatory changes, and industry best practices, making use of appropriate governance structures and internal working groups. In FY25 topics included: enhancements to our Pre-Investment Sustainability Assessment, anti-greenwashing training, and developments in global sustainability reporting requirements.

**Key developments**

In FY25 we further embedded processes for climate-risk management through establishing a cross-functional working group related to sustainability and climate regulation and reporting with the aim of enhancing co-ordination and appropriate knowledge sharing. Given these are working level groups, they are not detailed in the governance structure above, but still form an important part of our overall approach to climate governance and risk management.

## ② Strategy

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

**TCFD recommended disclosures:**

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

**Climate-related risks and opportunities**

When identifying climate-related risks and opportunities that may impact our business, we consider a range of factors such as whether they may impact our own operations or our investments, the type and size of investments and related strategy and/or asset class, the geography, the sectoral focus and the external market environment. For more information on identification, assessment and management of climate-related risks see the Risk Management section of our Climate-Related Financial Disclosures on page 56.

We consider climate-related risks and opportunities across three time horizons: 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 table on page 50 outlines potential climate-related risks and opportunities we have identified for the Group 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, in varying degrees, to the manifestation of the principal risks they relate to. The Group has implemented a range of mitigating controls for these risks.



## Climate-related Financial Disclosures continued

## ② Strategy continued

Risk or opportunity category	Risk or opportunity description	Potential impact on ICG as an asset manager	Time horizon	Link to ICG Principal Risk	Mitigating activities	Ref
Transition Risk: Market and technology	1. Clients consider that ICG's approach to sustainability is not sufficient, including that we are not managing climate risks or opportunities appropriately	Loss of AUM, market share and related revenues	Short to Medium term	External Environment Risk ① Fundraising risk ②	<ul style="list-style-type: none"> <li>Ongoing interactions with clients and the wider market to evolve our approach to climate as appropriate.</li> <li>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</li> </ul>	51, 55
	2. Climate change affects demand for the products and/or services of companies in our investment portfolio	Lower fund performance and impact on track record	Medium to Long term	Fund Performance Risk ③	<ul style="list-style-type: none"> <li>Implementation of our Responsible Investing and Climate Change Policy</li> <li>Transition climate risk considerations embedded throughout investment process (see page 57)</li> <li>Our investment portfolio decarbonisation approach and targets (see pages 53)</li> </ul>	51 - 53
Transition Risk: Policy, regulatory and legal	3. Regulatory breaches and legal action related to climate change for ICG	Fines, litigation costs and reputational damage	Short to Medium term	Legal, Regulatory and Tax Risk ⑥ External Reporting Risk ⑦	<ul style="list-style-type: none"> <li>Global regulatory horizon scanning, including current and emerging sustainability and climate-related regulations by both ICG and our external legal counsel</li> <li>Participation in industry working groups focused on effective implementation of sustainability-related regulations</li> <li>Sustainability regulatory and reporting working group within the Group comprising Legal, Sustainability, Risk and Compliance, Finance, Client Services and Technology functions monitoring the implementation of new regulatory and disclosure requirements across the Group</li> </ul>	48, 49, 58
	4. Regulatory compliance costs, regulatory breaches and legal actions related to companies and assets in our investment portfolios	Lower fund performance and impact on ICG's track record leading to reduced demand for our funds; lower asset valuations impacting the Group's balance sheet and fund investments	Medium to Long term	Fund Performance Risk ③	<ul style="list-style-type: none"> <li>Implementation of our Responsible Investing and Climate Change Policy</li> <li>Climate risk embedded throughout investment process (see page 57)</li> <li>Engagement with companies on climate-related regulation</li> <li>Our investment portfolio decarbonisation approach (see page 53) and commitments (see page 59)</li> <li>Global regulatory horizon scanning, including current and emerging sustainability and climate-related regulations</li> <li>Participation in industry working groups focused on effective implementation of sustainability-related regulations</li> </ul>	57-58
Physical risk: Acute & Chronic	5. Acute risk to investments: extreme weather affects companies in our investment portfolios and their value chains	Affecting company valuations and reducing returns of investment portfolios	Medium to Long term	Fund Performance Risk ③	<ul style="list-style-type: none"> <li>Implementation of our Responsible Investing and Climate Change Policy</li> <li>Climate risk embedded throughout investment process (see page 57)</li> </ul>	57-58
	6. Chronic risk to investments: long-term effects of climate change, like temperature and sea-level rise, affect companies in our investment portfolio and their value chains	Affecting company valuations and reducing returns of investment portfolios	Medium to Long term	Fund Performance Risk ③	<ul style="list-style-type: none"> <li>Implementation of our Responsible Investing and Climate Change Policy</li> <li>Climate risk embedded throughout investment process (see page 57)</li> </ul>	57-58
	7. Acute & chronic risk to Group: potential disruption caused to ICG operations and/or key third-party providers	Impact on ICG's ability to operate	Long term	External Environment Risk ①	<ul style="list-style-type: none"> <li>IT infrastructure systems and data resides in the cloud and the Group leverages cloud services from multiple providers, further reducing concentration risk</li> <li>The Group operates from leased offices and our employees have the ability to work remotely</li> </ul>	55, 58
Transition & Physical Opportunity: Products and Services	8. Opportunity to evolve existing or develop new investment strategies related to climate to meet client demands	Increased AUM, market share and related revenue	Short to Medium term	N/A - opportunity	<ul style="list-style-type: none"> <li>Ongoing interactions with clients and the wider market to evolve our approach as appropriate.</li> <li>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</li> <li>The development and launch of investment strategies with a climate focus (see page 55 for more details)</li> </ul>	55
Transition Opportunity: Market and Reputation	9. Integrating climate considerations in fund and investment decision-making manages risks and drives opportunities	Enhanced fund performance, track record, and reputation, leading to further AUM, market share and related revenue	Short to Medium term	N/A - opportunity	<ul style="list-style-type: none"> <li>Implementation of our Responsible Investing and Climate Change Policy</li> <li>Climate risks and opportunities embedded throughout investment process (see page 57)</li> <li>Our investment portfolio decarbonisation approach (see page 53) and commitments (see page 59)</li> </ul>	57-58



## Climate-related Financial Disclosures continued

## ② Strategy continued

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

ICG's strategic focus of 'scaling up and scaling out' (see page 13) involves responding to client demands and expectations through the development and enhancement of our investment strategies. This includes the appropriate inclusion of climate-related matters in funds and strategies. As such, this ensures that, over the medium to long term, we meet clients' expectations related to our approach to managing climate-related risks and opportunities and ensures a level of flexibility in our response to this risk under different potential climate change scenarios (see risk 1 in the table above). For more detail on how we are incorporating climate-related matters into the development of our investment strategies see page 55.

The Group business model is based primarily on management fee income, paid by our clients for managing investment funds, and as such is long term and visible in nature. Management fees are predominantly charged on the basis of invested or committed capital that is contractually locked in for the long term.

As a result, short-term increases or decreases in the valuation of individual investments or funds (including those resulting from climate-related matters) would not immediately impact the Group's financial position. In the medium to long term, the impact of climate-related matters on valuations may impact the performance of funds and thus our track record and ability to raise further capital.

An indication of the resilience of our portfolio to climate-related risks is provided by the climate risk exposure assessment we undertake as part of our pre-investment sustainability assessment before making direct investments. The methodology for the assessment is tailored to the nature of the investments, i.e. in a company versus in a real estate asset.

**Climate risk in our investments in companies**

Our climate risk exposure assessment for companies, assigns each investment opportunity an overall climate risk exposure designation on a 4-grade scale from Low to Very High. The designation combines exposure to transition risk and physical risk, taking into account the company's sector, countries of headquarters and, where available, key operational assets.

The current assessment has inherent limitations. It considers a limited number of predefined inherent attributes about a company and does not measure the likely financial impact on a given company. Data availability for the assessment can vary depending on the strategy and when the assessment was undertaken, which means the methodology can differ slightly for each assessment.

Before June 2024, the assessment only considered a very limited amount of mitigation, control or adaptation measures put in place by companies before our investment. And, given it is undertaken pre-investment, does not consider risk mitigation carried out following our investment or measures we undertake to decarbonise our portfolio.

📖 **Read more about our approach to decarbonising our investment portfolio on pages 54 and 55.**

📖 **Read more about our approach to assessing and managing climate risks in our portfolio on pages 56 to 58, including more detail on our updated approach.**

📖 **Find out more about our Responsible Investing Policy and Climate Change Policy including our Exclusion List: [www.icgam.com/sustainability](http://www.icgam.com/sustainability)**

**Distribution of climate risk designation for total assessed ICG portfolios<sup>1</sup>****Climate risk exposure designation**

As at 31 December 2024, only 1.3% of assessed portfolios received a Very High climate risk designation (2023: 1.8%; 2022: 3.3%) and 92.4% received low or medium (2023: 91.6%; 2022: 85%).<sup>1</sup>

This reflects the consistent implementation of our Climate Change policy which includes our exclusion list and our pre-investment climate risk exposure assessment. Our exclusion list prohibits direct investments in certain coal, oil and gas activities, which generally limits the exposure of our portfolios to investments with a higher climate risk. For investment opportunities allowable under our exclusion list we also undertake the detailed pre-investment climate risk exposure assessment for consideration as part of the investment decision.

Since the climate risk exposure assessment was introduced four years ago, we have declined approximately 165 investment opportunities<sup>2</sup> where climate-related risk was a contributing factor to the decision. Around 50 of which were in FY25.

**Key developments**

We continue to strengthen our approach to climate-related risk in our investments. In June 2024 we launched an updated pre-investment sustainability assessment. This includes greater consideration of the actions, controls and adaptations that potential investees are taking to mitigate their inherent climate risk exposure.

Building on these improvements and in order to utilise improving technological capabilities, in FY26 we will be adding further detail and nuance through an updated approach to our assessments.

We do not yet have a comparable view across our portfolio that utilises these more nuanced approaches. As an increasing proportion of investments go through our enhanced assessments we will be able to present more nuanced insights across the portfolio. Read more about our improving approach to climate risk assessments on page 58.

1. This assessment does not incorporate the climate risk mitigation measures undertaken by potential investees that we have started considering separately in our pre-investment climate risk exposure assessment. As such this is a conservative assessment that may over-state the climate risk exposure of our investment portfolio.

2. As at 31 March 2025 as tracked by investment teams since February 2021 when ICG's Enhanced Exclusion List was introduced. Excludes Real Estate.



Climate-related Financial Disclosures continued

② Strategy continued

Exposure of assessed portfolios to potentially heightened climate-related risks by asset class<sup>1</sup>

Year	Structured Capital and Secondaries <sup>2</sup>			Infrastructure Equity			Private Debt			Credit <sup>3</sup>		
	2024	2023	2022	2024	2023	2022	2024	2023	2022	2024	2023	2022
% of portfolio (by unrealised value) exposed to potentially heightened climate-related risks <sup>4</sup>	1.5%	2.2%	2.1%	—%	—%	—%	—%	0.2%	0.3%	2.0%	3.0%	7.8%

The proportion of investments with potentially heightened exposure to climate-related risks (i.e. a Very High climate risk designation) by asset class is presented in the table above. Overall, we continue to see a low and decreasing inherent exposure across all assessed portfolios managed by ICG, reflecting implementation of our Climate Change Policy.

For investments with High or Very High designations we conducted additional analysis before investment, to better understand the specific exposure of the business and the current approach taken by the company and/or its financial sponsor to address any such exposure.

Our approach to scenario analysis for investments in companies

Our pre-investment sustainability assessment considers the exposure of potential investments to transition-related climate risks under different scenarios.

1. Portfolio composition as at 31 December in each respective year.  
2. Excludes ICG Enterprise Trust and LP Secondaries – assessed portfolios in 2024 represent 93% of AUM in this asset class as at 31 December 2024 (2023: 94%, 2022: 93%, 2021: 93%).  
3. Excludes Alternative Credit and investments in third-party CLOs. Assessed portfolios in 202 represent 91% of AUM in this asset class as at 31 December 2023 (2023: 92%2022: 87%, 2021: 91%).  
4. 2024 and 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.

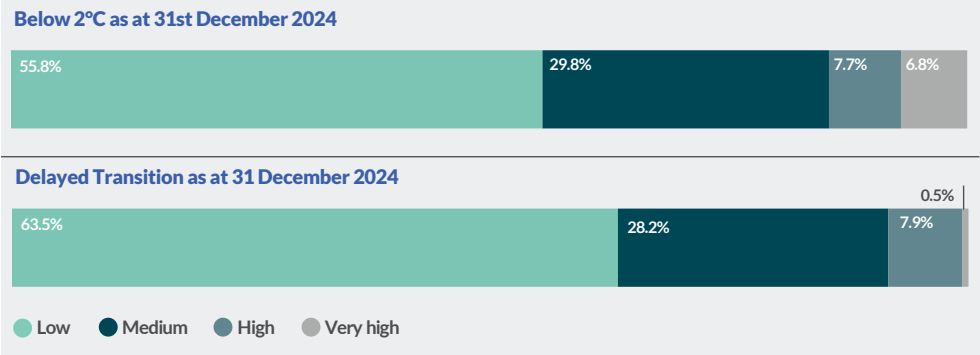
Transition risks

Since 2023 we have incorporated sector-based transition risk scenario analysis as part of the climate risk assessment conducted as standard for all new direct investment opportunities in companies.

This scenario analysis incorporates metrics from transition scenarios provided by the Network for Greening the Financial System (NGFS) to adjust the overall climate risk assessment score including:

- Below 2°C – this scenario assumes that climate policies are introduced immediately and become gradually more stringent. This scenario gives 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 that global annual emissions do not decrease until 2030. Strong policies are then needed to limit global warming to below 2°C. It 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. After 2030 this leads to both higher transition and physical risks than the Below 2°C scenario, however transition risks before this are lower.

Distribution of climate risk designation under 'Below 2°C' and 'Delayed Transition'



The graph above outlines the distribution of climate risk exposure designations under each of the two scenarios for investments in our portfolio that have gone through this assessment.<sup>5</sup> This is a subset of the total companies in our portfolio given an overall climate risk designation on page 51 but still provides a useful indication of how different climate scenario may impact our portfolio's climate risk exposure. Overall the exposure to potentially heightened climate-related risk is limited under both scenarios and almost negligible under a 'Delayed Transition' scenario.

As with the climate risk exposure designations on page 51, there are inherent limitations to this scenario assessment, including the limited numbers of pre-defined attributes of a company that are taken into account, and the likely financial impact on the company.

Key developments

As with our overarching climate risk scores (see page 51) for all investment opportunities since June 2024, we now also consider company specific mitigation, control or adaptation measures under both a Below 2°C and a Delayed Transition scenario for transition risk. Given the recent implementation of this approach these mitigation measures are not reflected in the climate risk designation in the above graphs.

Read the full description of the scenarios on the NGFS website: [www.ngfs.net/ngfs-scenarios-portal/explore](http://www.ngfs.net/ngfs-scenarios-portal/explore)

5. Approximately 50% of assets by unrealised value. The remainder is made up of legacy investments and also a smaller proportion of recent investments that have been assessed using our improved, but not yet comparable, methodology. As with the climate risk designation this excludes ICG Enterprise Trust, LP Secondaries, Alternative Credit and Third Party CLOs.



## Climate-related Financial Disclosures continued

## ② Strategy continued

## Physical risks

In contrast to transition risks, physical risks are location and operating model specific to a much greater degree.

Since June 2024, our Pre-Investment Sustainability Assessment undertaken for direct investments in companies includes physical climate risks considerations that utilise a company's sector, and location of key operating facilities. The assessment also considers actions taken by the company to mitigate physical risks such as measures to enhance the resilience of key operational facilities to climate hazards.

Corporate strategies include location-specific physical risk assessments for critical facilities in the scope of external sustainability due diligence (where commissioned) with a template assessment complete for each location utilising climate databases across multiple hazards (flood, wind – including cyclones – wildfire, geomorphic events (tsunami, landslide, volcano, earthquake). Where there is a high dependency or impact on water resources, a water stress assessment is completed.

After this assessment, we then consider the risk mitigation and adaptation measures that have been implemented by the company.

This approach identifies physical risks for critical assets where our capital is most exposed but does not allow comparison across companies or fund-level risk monitoring, which limits our ability to present an aggregate portfolio wide assessment.

## Climate risk in our real estate investment portfolio

For real estate investments, a comprehensive climate risk assessment is performed for all assets.

Based on feedback from investment teams, the real estate transition risk assessment was revised from a RAG rating to focus explicitly on: (i) energy performance ratings<sup>1</sup>, (ii) required capex for regulatory compliance<sup>2</sup> and (iii) additional capex for benchmarks like the CRREM pathways<sup>3</sup> or green buildings certifications<sup>4</sup>. Risk mitigation strategies include risk transfer (tenant or sponsor obligations to improve assets to required standards) or inclusion of sufficient capex within business plans for assets.

For physical risks in our real estate investments, a site-specific hazard exposure assessment is conducted by an external third party across multiple potential hazards, using the IPCC SSP 8.5 scenario. Based on assessments performed during the financial year, drought was the most common elevated or severe potential risk hazard identified, alongside heat, precipitation, and flood risk hazards. 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.

1. Where available and as relevant under local regulations, e.g. UK Energy Performance Certificates (EPCs), Diagnostic de Performance Énergétique (DPE) in France, Energieausweis or Energiepass in Germany.
2. For example Minimum Energy Efficiency Requirements (MEES) in the UK.
3. For example BREEAM in-use certifications or DGNB (Germany).

## Decarbonising our investment portfolios

Investment decision making and engagement are an important aspect of our management of climate-related risks and opportunities. Our approach to driving decarbonisation outcomes in our investment portfolio is largely dependent on the level of influence we have with the investment. This can vary significantly across the range of our investment strategies.

1. Direct investments in companies where ICG has sufficient influence (Relevant Investments)<sup>5</sup>

## Key information

25.2%\*

of AUM, as at 31 March 2025

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

## Key Investment Strategies:

European and APAC Corporate

European Infrastructure

ICG has a portfolio coverage science-based target ("SBT") approved and validated by the SBTi which states that: 100% of Relevant Investments (by invested capital) will have SBTi-validated science-based targets by 2030, with an interim target of 50% by 31 March 2026 (see page 59 for more details).

To date, most portfolio companies that qualify as Relevant Investments are in the early stages of their decarbonisation journeys when ICG makes its initial investment. Indeed, only one Relevant Investment had a pre-existing target that was either validated by the SBTi or in the process of being validated at the point of our initial investment.

Hence, we have an onboarding and engagement programme to support portfolio companies where we have sufficient influence with identifying and executing critical steps to decarbonise their business model and address climate-related risks and opportunities.

Example engagement measures include:

- Assigning senior-level responsibility for climate-related matters;
- Sharing the results of our company-specific climate risk assessment, including scenario analysis;
- Supporting a carbon footprint assessment of the business 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 the 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 2025:

Engaged 100% of Relevant Investments<sup>4</sup> across five investment strategies<sup>5</sup>, representing approximately \$9.5bn of invested capital.

77.3% of Relevant Investments (by invested capital) have set SBTi-validated targets or submitted for validation<sup>6</sup> – again exceeding our interim target of 50% in advance of the 2026 deadline.

**For further details on our progress against our portfolio coverage SBT, see our FY25 Sustainability and People Report.**

4. Relevant investments are direct investments where ICG has sufficient influence defined by the Science based target initiative (SBTi) as having at least 25% of fully diluted shares and a board seat.
5. Europe Corporate, Asia Pacific Corporate, Europe Mid-Market, European Infrastructure, and certain seed assets.
6. Measurement in line with the SBTi guidance for the private equity sector. A Relevant Investment must be relevant for at least 24 months or have set an SBT already. SBTi currently does not validate SBTs for educational institutions, so three Relevant Investments in this sector are excluded, as well as one investment with which we do not have governance rights, given the particular board structures in that country. Invested capital measured at 31 March 2025 FX rates.



## Climate-related Financial Disclosures continued

## ② Strategy continued

**2. Direct or indirect Investments in companies where we do not have sufficient influence****Key information**

66.8%

of AUM, as at 31 March 2025

**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, our engagement with companies and/or their private equity sponsors focuses on understanding current practices and encouraging improvement, where possible.

As comprehensive sustainability disclosures are still nascent among private companies, our focus of engagement has been on improving transparency on sustainability matters, including disclosure of GHG emissions and decarbonisation plans. Improved coverage and quality of data is critical to understanding the carbon footprint of our portfolios and financed emissions attributable to ICG and its funds. See page 59 'Climate data challenge in private markets' for further details.

**3. Real estate investments****Key information**

8.0%

of AUM, as at 31 March 2025

**Key Investment Strategies:**

European Real Estate Debt
Strategic Real Estate

Buildings account for 40% of energy consumption and 36% of CO<sub>2</sub> emissions in the EU<sup>1</sup>. 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 its real estate portfolio, depending on the investment strategy.

ICG's active European Real Estate Debt funds have a loan framework designed to incentivise sponsors to decarbonise assets, via issuance of sustainability-linked financing. As at 31 March 2025, 12 loans have been issued under the fund's Green Loan Framework. Recent vintages of ICG's European Real Estate Debt Fund have an updated Sustainable Loan Framework which remains focused on reducing operational carbon.

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 financial year, an expert advisor performed a review of the SRE portfolio against the CRREM<sup>2</sup> 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.

1. European Commission, February 2020.

2. Carbon Risk Real Estate Monitor (CRREM) – available at Publications – CRREM Project.

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

To manage climate-related risks and opportunities at scale requires greater transparency in private markets, including 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 recent years but require expanded focus and attention.

For this reason, in 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 the 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 utilises it in fund-related disclosures to clients.

On page 59, we discuss in more detail the collection of GHG emissions data in private markets.

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



## Climate-related Financial Disclosures continued

## ② 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. ICG seeks 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 outcomes which might support risk mitigation and/or value preservation. For new strategies or funds where we have sufficient influence, we might also seek to consider science-based decarbonisation targets that support the goals of the Paris Agreement.

We also seek opportunities 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 performance of assets as part of their asset management plans.

**Key developments**

As at 31 March 2025, strategies with specific sustainability frameworks targeting improvements in the performance of assets<sup>1</sup> represent account for 65% of AUM in real assets compared to 61% as at 31 March 2024, and 48% as at 31 March 2023.

As at 31 March 2025 ICG's European Infrastructure has invested in total of 3.4 GW of net renewable energy generating capacity since the strategy was launched in 2020; compared to 2.7 GW a year earlier.

ICG's Asia-Pacific Infrastructure strategy invests in scalable, mid-market energy transition assets across Japan, South Korea and India. As at 31 March 2025 it has made three investments in renewable energy platforms.

**Fund-level sustainable financing**

At a fund level, we have also linked our climate ambition to third-party financing. Since 2021, we have raised a total of \$3.1bn sustainability-linked fund-level financing that has climate-related KPIs.

**Group operations**

We consider the Group's direct operations as not materially exposed to physical climate risks because, among other factors, the Group primarily procures professional and business services and does not have a complex supply chain, nor does it make capital investments in research and development. The business 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.

We have also linked our climate ambition to our Group-level third-party financing. We issued 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 59).

 **See page 61 for ICG's GHG emissions statement which outlines key initiatives we have implemented to continue to reduce our operational carbon footprint.**

1. These include our European Infrastructure funds, and active European Real Estate Debts funds and Strategic Real Estate funds. See page 54 for more information on our approach to decarbonising our Real Estate investments.



## Climate-related Financial Disclosures continued

## ③ Risk Management

**The processes used by ICG to identify, assess and manage climate-related risks****TCFD recommended disclosures:**

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

**Group Risk Management Framework**

Risk management is embedded across the Group through a dedicated Risk Management Framework (RMF), which ensures current and emerging risks are identified, assessed, monitored, mitigated, and appropriately governed. 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 (see page 39 for more details) 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 or embedded 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.<sup>1</sup> (on page 50 we highlight how the climate-related risks and opportunities we have identified are linked to our Group Principal Risks).

Of the Group's nine principal risks, we have assessed the following as currently most likely to be impacted by climate-related matters, to varying degrees. On pages 39 - 44 we outlined the key controls and mitigation activities and trends for these principal risks which apply equally to the climate-related considerations.

1. The Group defines principal risks as 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.

Principal risk	Climate-related considerations
<b>External Environment Risk</b> 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. This could include through 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.
<b>Fund Raising Risk</b> ②	Clients may deem that our approach to climate risks and opportunities is not in line with their expectations which could impact our ability to raise funds. Consequently this could impact future management fee income, restrict expansion into new markets and asset classes, and/or limit economies of scale.
<b>Fund Performance Risk</b> ③	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.
<b>Legal, Regulatory and Tax Risk</b> ⑥	Increasing regulatory enforcement or litigation risk for the Group and its fund management entities due to increasing regulatory requirements. This may also lead to potential reputational damage due to instances of non-compliance with current or emerging climate-related regulations or market/client expectations. Ensuring that (where relevant) such requirements are embedded in our processes, procedures, controls and disclosures.
<b>External Reporting Risk</b> ⑦	While we take measures to ensure we are staying abreast of climate-related regulatory matters, we must nonetheless take care to comply with appropriate climate reporting regulations and/or meeting client requirements and expectations.



## Climate-related Financial Disclosures continued

## ③ Risk Management continued

Reputational risk, while not a principal risk, is 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 commitments (see page 59).

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 recently completed its annual review of activities undertaken by the Sustainability team through the Group's RCSA process and documented the key risks and controls the team is responsible for, including those related to climate.

## 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. 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.

ICG's Responsible Investing and Climate Change Policy 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 58.

## Identifying, assessing and managing climate-related risks throughout the investment lifecycle

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 Capital and Secondaries			Real Assets			Debt		
	Structured Capital	Private Equity Secondaries		Real Assets			Private Debt	Credit	
Key strategy	European and Asia Pacific Corporate	Strategic Equity	ICG Enterprise Trust / LP Secondaries	Infra-structure Equity	Real Estate Debt	Real Estate Equity	Senior Debt Partners	North America Capital Partners	Liquid Credit and CLOs
<b>Pre-investment</b>									
Exclusion List screening	✓	✓	✓ <sup>1,2</sup>	✓	✓	✓	✓	✓	✓ <sup>2</sup>
Bespoke climate risk exposure assessment	✓	✓	✓ <sup>1</sup>	✓	✓	✓	✓	✓	✓
Additional analysis for deals with potentially heightened climate risk exposure	✓	✓	✓ <sup>1</sup>	✓	✓	✓	✓	✓	✓
Climate risk assessment findings included in IC memos	✓	✓	✓ <sup>1</sup>	✓	✓ <sup>3</sup>	✓ <sup>3</sup>	✓	✓	✓
<b>Post-investment</b>									
Ongoing portfolio monitoring process (including through annual surveys, where relevant)	✓	✓	✓	✓	✓	✓	✓	✓	✓
Engagement on climate-related matters	✓	✓		✓	✓ <sup>4</sup>	✓	✓		✓ <sup>5</sup>
Investment-specific climate-related targets and KPIs <sup>5</sup>	✓			✓	✓ <sup>4</sup>	✓			

1. Primarily applicable to direct investments by ICG Enterprise Trust, though elements are incorporated, where relevant and feasible, into primary or secondary fund commitments.

2. ICG's Group-wide exclusion list applies to direct investments.

3. Harmonised and formalised across all real estate investments since January 2023.

4. For certain investments in the European Real Estate Debt strategy as part of the strategy's Green Loan Framework.

5. Typically focused on improved disclosures on climate risk and GHG emissions by investee companies.

6. For investments where we have sufficient influence.



## Climate-related Financial Disclosures continued

## ③ Risk Management continued

**Pre-Investment****Exclusion List screening**

For 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 more prone to climate-related risk which could impact their performance in the short, medium and/or long term. For indirect investments, where feasible, ICG uses best efforts to ensure that the Exclusion List is applied.

**Climate risk assessment**

For potential investment opportunities, we use a climate risk exposure assessment bespoke to the nature of the investment (in a company or real asset) to help us identify and assess associated material climate-related risk exposures. 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 is completed for opportunities with a potentially heightened exposure to climate-related risks.

In investments where we have sufficient influence, external sustainability due diligence, including a specific analysis of climate-related risks and opportunities, is conducted where appropriate and relevant. The findings of the climate risk assessment are consolidated and included as standard in the investment proposal to the respective Investment Committee for most strategies. Where material climate-related issues are identified, the Investment Committee 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.

**Key developments**

Since June 2024, new investments have followed our enhanced climate risk exposure assessment which now includes:

- Expanding our assessment of physical and transition risks to incorporate characteristics of a company's specific operating model and value chain.
- Updating external data sources to ensure the most relevant and up-to-date data. For example, the incorporation of the Inevitable Policy Response (IPR) Forecast Policy Scenario (2023)<sup>1</sup> into the transition risk assessment, which provides an indication of the implied carbon price for a wide range of jurisdictions. For the physical climate risk assessment, we integrated consideration of country-level preparedness for physical climate hazards, utilising the University of Notre Dame's ND-Gain Country Index Vulnerability Scores.
- Separating inherent exposure and post-mitigation risk, allowing us to incorporate specific exposure mitigation measures put in place by companies. For example, for transition risk, this incorporates the level of alignment to a net zero transition – utilising the Private Markets Decarbonisation Roadmap's (PMDR) alignment scale (see page 54 for more details).

 **Read more about climate risk management in our FY25 Sustainability and People Report**

1. 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>

**Key developments**

In FY26, we will roll out an updated approach to climate risk assessments following an extensive review in FY25.

The new approach will make use of improving technological solutions and climate-related data and analysis in private markets such as asset geolocation. This will provide more detailed company-specific physical climate risks assessments across a range of climate hazards, including chronic (e.g. sea level rise), and acute hazards (e.g. wildfire). It will also provide detail on nature-related risks. For transition risks, we will identify risks and opportunities most material for a company at both sectoral and geographic level in line with TCFD recommendations.

More detail on our new approach can be found in our Sustainability and People Report FY25.

**Post-investment**

Following an investment, material climate-related risks and opportunities are monitored and reviewed as 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 climate-related matters are managed either through ongoing dialogue with management teams and/or our annual sustainability surveys. Our sustainability surveys 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.

We also engage with investments on the decarbonisation of their business models. The exact nature of our engagement depends on the relation and influence we have over those investments. More detail can be found on pages 53 and 54.

**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, Legal, Risk and Compliance, 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.

**Physical risks**

We do not consider the Physical Risks to our operations to be material (see page 55).

Moreover, as 100% of our IT infrastructure systems and data resides in the cloud and the Group leverages cloud services from multiple providers this further reduces concentration risk.

**Key developments**

In FY25 we updated our supplier code of conduct. This includes enhanced expectations of our suppliers in relation to managing sustainability risks and impacts, including climate.

This builds on the enhanced supplier sustainability questionnaire we deployed using at the end of FY24 during the procurement process for large suppliers. Together these further improve our insight into climate risks in our supply chain.



## Climate-related Financial Disclosures continued

## ④ Metrics &amp; Targets

**The metrics and targets used by ICG to assess and manage relevant climate-related risks and opportunities****TCFD recommended disclosures:**

- A** Disclose the metrics used by the organisation to assess climate-related risks and opportunities in line with its strategy and risk management process.
- B** Disclose Scope 1, Scope 2 and, if appropriate, Scope 3 greenhouse gas (GHG) emissions and the related risks.
- C** Describe the targets used by the organisation 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, decarbonisation goals 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 metrics.

**Climate data challenge in private markets**

Disclosure of GHG data by private companies and for real estate property is still nascent. 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 54% of total AUM<sup>1</sup>. However, 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. We continue to encourage the collection and reporting of GHG emissions for companies in our portfolio, through our monitoring and engagement activity, including our Annual Portfolio Company survey (see page 58). We continue to review the availability of reliable data for private companies and real estate to allow us to disclose such data in aggregate form in this report. This requires the establishment of a credible baseline across our portfolios that is comparable with future years and not subject to fluctuating coverage, inherent uncertainty and extensive future revisions.

**Our commitments****Our investments**

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.

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

**Investments where we have sufficient influence<sup>2</sup> (Relevant Investments)****Long-term goal**

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

**Medium-term goal**

ICG has set a portfolio coverage decarbonisation target validated by the Science Based Targets Initiative (SBTi) to ensure 100% of Relevant Investments<sup>1</sup> have targets validated by the SBTi by 2030, with an interim target of 50% by 2026<sup>2</sup>.

**Group operations**

While the Group's own operational emissions have negligible impact 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 goal**

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<sup>3</sup>.

As well as our commitments we also measure and track a range of other climate-related metrics. Examples of some of the metrics that we track can be found on the next page (page 60)

1. AUM in funds and mandates where we are reporting either fund or asset level climate-related metrics to clients for periods ending between 1 April 2024 and 31 March 2025. Reported as a percentage of ICG's total AUM. Includes ICG Enterprise Trust.
2. Relevant investments include all direct investments within ICG's Structured and Private Equity asset class and Infrastructure Equity strategy, which currently comprise 25.2% 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.
3. All references are to ICG financial years running from 1 April to 31 March.



## Climate-related Financial Disclosures continued

## ④ Metrics &amp; Targets continued

Select Climate Metrics <sup>1</sup>	Target and/or current activity <sup>2</sup>	Scope	Use and measurement	Ref
Remuneration linked to culture, inclusion and sustainability considerations (including climate).*	Sustainability and climate considerations incorporated into annual variable component of Executive Directors and portfolio managers remuneration.	Executive Directors and Portfolio Managers' annual variable pay.	Assesses performance related to sustainability considerations, including the implementation of the ICG Climate Change Policy and links this to remuneration.	49
Pre-investment climate risk assessment across transition and physical risk.	We undertake a climate risk assessment for all investment opportunities for inclusion in Investment Committee memo's. Since June 2024, this includes transition (across different scenarios) and physical risk as well as pre- and post-company specific mitigation activity.	Individual direct investments.	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.	57-58
Exposure of portfolio to High or Very High pre-mitigation inherent climate risk exposure score and post-mitigation climate risk score*.	Annually conduct a Group-wide portfolio assessment of climate risk using Pre-investment asset level assessment to get a view of % of the portfolio by unrealised value of the investment with a High or Very High climate risk score.	Direct investments across all asset classes except real estate.	Assesses the climate risk inherent exposure of the portfolio. Allows insight into portfolios inherent climate risk exposure and how investees are managing climate risk.	52
Our climate-related commitments including operational Scope 1, 2 GHG emissions*.	Progress against climate related commitments covering investments where we have sufficient influence and our own operations (as outlined on page 59).	Relevant Investments and our own operations.	See page 59 for details of our commitments, and pages 61 - 62 for progress against our Scope 1 and 2 operational GHG emissions reduction target.	59
Fund-level climate metrics in line with TCFD and the Partnership for Carbon Accounting Financials (PCAF).	Measure and report climate-related metrics in line with the requirements of the TCFD and PCAF for active funds <sup>3</sup> where relevant and feasible. 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 <sup>3</sup> making direct investments across our Structured and Private Equity, Private Debt, Real Assets, and Credit asset classes.	Assesses the absolute GHG emissions associated with and attributable to a portfolio of investments, expressed in tCO <sub>2</sub> e (financed emissions); the financed emissions per unit of invested capital, expressed in tCO <sub>2</sub> e per million invested in fund currency (carbon footprint) and the financed emissions per unit of revenue, expressed in tCO <sub>2</sub> e per million revenue in fund currency (Weighted Average Carbon Intensity (WACI)). Monitored internally and reported to investors in certain active funds at least annually.	59
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.	Real Asset strategies including European Infrastructure, European Real Estate Debt, and Sale and Leaseback.	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.	54, 55
Other metrics specific to individual funds or strategies. For example in ICG Infrastructure equity fund we measure "Installed Renewable Energy Generating Capacity".	Metrics specific to a fund strategy's approach to managing climate risks and opportunities. For example, ICG Infrastructure has made a number of investments to support the growth and development of companies specialising in renewable energy generation across North America, Europe and Asia Pacific directly supporting the transition to a low-carbon economy. Only applies to select funds	European Infrastructure strategy and other select funds.	Measures the specific management or outcomes of climate risks and opportunities within a fund. For example, ICG European Infrastructure measures the aggregate and annual change in installed renewable energy generating capacity, expressed in GW. Monitored internally and where relevant reported annually in client reporting.	54, 55

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

1. A non-exhaustive list of climate-related metrics that we measure and consider. Key examples only.

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

3. 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

## ⑤ 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 Streamlined Energy and Carbon Reporting (SECR). The Basis for Preparation for this report and the GHG emissions presented can be found on page 195.

## Group Operational GHG emissions

GHG emissions <sup>1</sup>	Activity	12-month period ending 31 March:		
		2025	2024	2020 (baseline)
Direct emissions (Scope 1)	Combustion of fuel and operation of facilities	8*	14	66
Indirect emissions (Scope 2)	Purchased electricity (location-based)	208*	197	448
	Purchased electricity (market-based)	33*	11	479
	Purchased heat (district heating) <sup>2</sup>	22*	3	n/a
<b>Total Scope 1 and 2 (market-based)<sup>3</sup></b>		<b>63*</b>	<b>28</b>	<b>545</b>
Indirect emissions (Scope 3)	Business travel (flights, rail, car rental, taxis, hotels)	4,982*	4,630	2,640
	Waste generated in operations (incl. water)	18*	14	8
	Purchased goods and services (incl. capital expenditures) <sup>4</sup>	11,758*	14,878	0
	Fuel and energy related activities	61*	56	0
<b>Total Scope 3</b>		<b>16,819*</b>	<b>19,578</b>	<b>2,648</b>

1. Numbers in the table have been rounded up or down to the nearest metric tonne of CO<sub>2</sub>e.

2. Emissions from district heating have been introduced in the prior 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 the prior reporting period. The total amount is not significant enough to trigger a restatement of the baseline.

3. The sum of Scope 1 and 2 emissions is based on the Scope 2 market-based data. For 2025 and 2024 this also includes purchased heat from district heating.

4. The majority of emissions are calculated using spend categories mapped to DEFRA SIC codes, which are assigned on a best effort basis. See Basis of Preparation on page 195 for more detail.

5. Scope 1 and 2 emissions intensity for the reporting period are based on FTE of 683.5 (FY24: 635), and Revenue of £970.9 (FY24: £949.6m). Emissions intensity metrics not assured by EY.

\* 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 2025. 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/sustainability-and-people-reports/#disclosures>. It includes details on the scope, respective responsibilities, approach, restrictions, limitations and conclusions. EY also provided assurance for the year ended 31 March 2024 and 31 March 2023. Data for previous years was verified to ISO14064 by alternative providers.

## Operational GHG emissions performance

During the period 1 April 2024 to 31 March 2025 (the reporting period), our measured Scope 1 and Scope 2 (market-based) emissions totalled 63 metric tCO<sub>2</sub>e compared to 28 metric tCO<sub>2</sub>e in the prior 12-month due to a slight reduction in our renewable energy purchase (see page 62). The FY25 number represents a 88% reduction compared to the 2020 base year. Scope 1 and 2 intensity equated to 0.09 metric tCO<sub>2</sub>e/FTE (FY24: 0.04; FY23: 0.2; FY20: 1.07) and 0.07 metric tCO<sub>2</sub>e/£m revenue (FY24: 0.03; FY23: 0.19; FY20: 1.32).<sup>5</sup> In the UK: we have no Scope 1 emissions or Scope 2 market-based emissions and 60 metric tCO<sub>2</sub>e (or 29%) of Scope 2 location-based emissions.

## Key developments

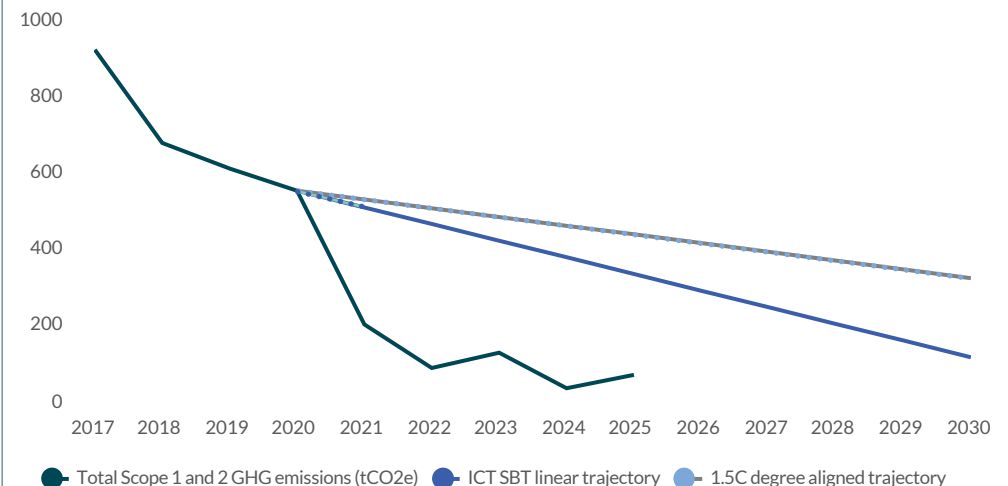
On track to deliver ICG's science-based target of 80% reduction by 2030; this year ICG's Scope 1 and 2 GHG emissions were 63 tCO<sub>2</sub>e, representing 88% reduction compared to the 2020 base year.

Group Scope 1 and 2 (market-based) GHG emissions (tCO<sub>2</sub>e)

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

## Scope 3 emissions performance

Total Scope 3 emissions have decreased this reporting period compared to the prior period. Our main Scope 3 emissions categories are purchased goods and services (~70%) and business travel (~30%). The decrease is largely due to improving data quality, allowing for more precise emissions estimations.

Group Scope 1 and 2 (market-based) GHG emissions (tCO<sub>2</sub>e)



Climate-related Financial Disclosures continued

⑤ Annual Group GHG emissions statement continued

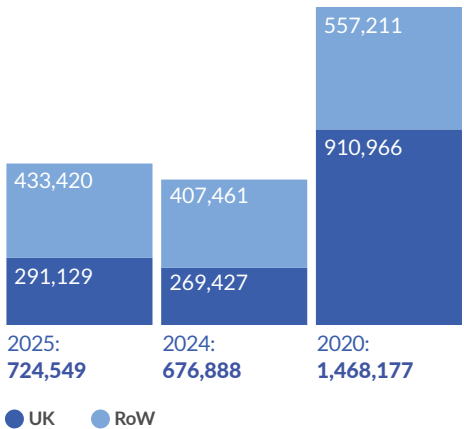
Energy consumption and efficiency

During the year, fuel, district heating and electricity consumption in our operations totalled 848 MWh. 40% of electricity was consumed in the UK, while the remaining was consumed in offices outside the UK which are predominantly serviced offices where ICG has limited control over energy provision. The UK has no fuel or district heating energy use. The split between fuel and electricity consumption is displayed in the table below. 92% of electricity purchased is from renewable sources either through green tariffs or backed by renewable energy certification, compared with 95% in the prior period.

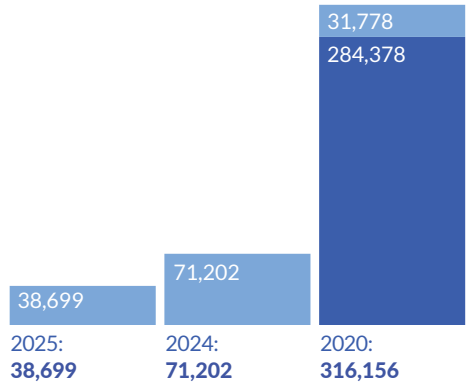
Metrics (KWh)	12-month period ended 31 March		
	2025	2024	2020 (baseline)
Electricity	724,549	676,888	1,468,177
of which, from renewable sources	664,995	644,544	0
District heating	85,060	22,460	n/a
Fuels <sup>1</sup>	38,699	71,202	316,156
<b>Total Electricity, District heating and Fuels</b>	<b>848,308</b>	<b>770,550</b>	<b>1,784,333</b>

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

Electricity (KWh)



Fuels (KWh)





## 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 46 to 62). 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 40 to 44.

#### 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 2025, the Group has a permanent employee population of 686 of which 37% are women and 73% are men. There are three Executive Directors including one woman. ICG's global senior management population<sup>1</sup> including Executive Directors, women represent seven (29%), including those based outside the UK.

#### Board diversity

Biographical details of the Board are set out on page 68 with information on diversity on page 67.

#### Measurement

The Board approved the renewal of the women in UK senior management target to 30% by 2027. We have published our 2025 gender pay gap data which is set out on page 102.

### 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](http://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 46.

The Group's disclosures in accordance with the SECR requirements are set out on page 61.

1. Refer to page 199 for definition.