Climate-related risks and opportunities: implications for investment performance and long-term value

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 ICG 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.

See our previous TCFD reports, within Annual Reports, on our website: www.icgam.com/ara

The report follows the four thematic areas of the TCFD recommendations: governance, strategy, risk management and metrics and targets.

1 Governance

Read about ICG's governance of climate-related risks and opportunities on pages 47-48 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 49-57 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,
- 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 58-60 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 61-62 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 63-64 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 the 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 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 team assess and manage climate-related risks associated with Group offices, IT infrastructure or third-party vendors.

The diagram on page 48 provides an overview of the Group's governance structure for the oversight, assessment and management of climate-related risks and opportunities by the board and management including Executive Directors.

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 93, Culture, Inclusion and Sustainability is a KPI included in the balanced scorecard of the Executive Director's single variable pay award.

The Group also 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 requires 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 FY26 topics included:

- The current state of the climate, recent scientific developments and temperature changes, and the implications of climate hazards, carbon pricing, and climate-related regulation for the Responsible Investing committee.
- Annual refresher training for all investment team members on integrating sustainability across the investment lifecycle, including implementation of Responsible Investment and Climate Change policies.
- Market updates to various segments of ICG, such as ICG's Operations Team, Client Solutions Group, and all-staff Global Town Hall,

Key developments

As part of the rollout of ICG's enhanced approach to assessing climate-related risks and opportunities across the portfolio in FY26, the Sustainability team delivered tailored trainings to investment teams.

These trainings outlined the enhanced approach, in what contexts it should be applied, and how to use the new assessment tools at individual investment level (see page 60). It also provided guidance on interpreting outputs and their application in practice.

Climate-related Financial Disclosures continued

1 Governance continued

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

ICG plc Board of Directors

Oversight of Group strategy and risk, receiving regular updates on sustainability and climate-related matters at least twice annually

Executive Directors

- Responsible for implementing the Group's approved strategy, including driving our decarbonisation goals and various climate-related programmes
- CEO has lead responsibility for sustainability and climate-related matters and reviews and guides any decisions made regarding investment strategies, including the content and implementation of ICG's Responsible Investing Policy and the Climate Change Policy
- Receive regular updates on sustainability and climate-related matters

Remuneration Committee

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

Risk Committee

- Oversees the Group's Risk Management Framework (RMF), compliance processes and procedures, and controls assurance to ensure that all risks, including sustainability and climate-related risks, are identified, managed and monitored and that the Group is compliant with all applicable regulation

Audit Committee

- Oversees the Group's financial reporting and related elements of its internal financial controls, including TCFD disclosure obligations of the Group and other climate-related disclosure requirements, such as the UK Streamlined Energy and Carbon Reporting (SECR) requirements

Climate assessment and stewardship of investment portfolios

Investment Committees[1]

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

Investment teams

- Responsible for day-to-day implementation of the Responsible Investing Policy, Climate Change Policy, and integration of climate-related matters in investment processes, guided by their respective members of the RI Committee and the Sustainability team

Responsible Investing (RI) Committee[2]

- Promotes, supports, and helps to integrate responsible investing practices across ICG's investment strategies in line with ICG's Responsible Investing (RI) and Climate Change (CC) policies

Sustainability team

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

Oversight and Control functions[3]

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

Climate-related Financial Disclosures continued

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 affect our business, we consider a range of factors. These include whether impacts relate to ICG's own operations or its investments; the type, size and strategy of investments and relevant asset class, including the nature of fees earned by ICG; geographic exposure; sector 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 58.

At the Group level, 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.

A large portion of the risks and opportunities identified (as outlined on page 50) are risks that would arise indirectly via the manifestation of climate related risks and opportunities in our investment portfolio. The risks facing our investment portfolio at an aggregate level are outlined on pages 51-55.

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

ICG's business strategy ('scaling up, scaling out, and investing in our platform' – see page 14) includes the appropriate inclusion of climate-related matters in the development and enhancement of our investment strategies and funds, alongside continued investment in our platform to meet clients' sustainability and climate-related expectations.

Over the medium to long term, our strategy is well aligned with meeting clients' expectations related to climate-related risks and opportunities in our investment portfolio. This approach also enables us to respond to client expectations that may evolve under different climate scenarios. For more detail on how we are incorporating climate-related matters into the development of our investment strategies see page 57.

ICG's business model is based primarily on management fee income, paid by our clients for managing illiquid 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 (see finance review on pages 20 to 21 and page 130 of our financial statements for more detail).

As a result, the 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 management fee revenue.

Climate-related matters could impact management fees in the medium and long term, as the impact of climate-related matters on the valuations of individual investments may impact the performance of funds, and thus our track record and ability to raise further capital. However, the aggregate low risk profile of ICG's investment portfolio, across climate scenarios and time horizons (see pages 51-55) means the risk of material impact is low.

The impact of climate-change risks and opportunities on ICG's balance sheet investments, and on performance fees linked to fund performance, would be short to medium-term in nature were they to materialise. As with the impact on management fees, balance sheet and performance fee related risks manifest via the portfolio wide impact of climate change, and are thus, in aggregate – are low in nature.

Climate-related Financial Disclosures continued

2 Strategy continued

Overview of the climate related risks and opportunities for ICG's group operations

Risk/opportunity category	Risk/opportunity description	Potential impact on ICG Group	Time horizon	Link to Principal Risk	Mitigating and supporting 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	**Fundraising**: Loss of AUM, market share and related revenues	Short to Medium term	External Environment Risk 1 Fundraising risk 2	– Ongoing interactions with clients and the wider market to evolve our approach to climate as appropriate – 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	51, 57
	2. Climate change affects demand for the products and/or services of assets in our investment portfolio	**Fund Performance:** Reduced investment asset values, may lead to lower fund returns, reduced performance fees, and negative impact on Group balance sheet. Impact on track record may eventually impact fundraising, AUM, market share and related revenues.	Medium to Long term	Fund Performance Risk 3	– Implementation of our Responsible Investing and Climate Change Policy – Climate transition and physical risk considerations embedded throughout investment process (see page 58) – Investment portfolio engagement on decarbonisation where relevant (see pages 56) – General portfolio risk management and diversification	51-58
Transition Risk: Policy, regulatory and legal	3. Regulatory breaches and legal action related to climate change for ICG	**Operational:** Fines, litigation costs and reputational damage to ICG	Short to Medium term	Legal, Regulatory and Tax Risk 6 External Reporting Risk 7	– Global regulatory horizon scanning, including current and emerging sustainability and climate-related regulations by ICG and our external legal counsel – Participation in industry working groups focused on effective implementation of sustainability-related regulations	48-49, 58-60
	4. Regulatory compliance costs, regulatory breaches and legal actions related to companies and assets in our investment portfolios	**Fund Performance:** Reduced investment asset values, may lead to lower fund returns, reduced performance fees, and negative impact on Group balance sheet. Impact on track record may eventually impact fundraising, AUM, market share and related revenues.	Medium to Long term	Fund Performance Risk 3	– Implementation of our Responsible Investing and Climate Change Policy – Climate risk embedded throughout investment process (see page 58) – Engagement with companies on climate-related regulation – Our investment portfolio decarbonisation approach (see page 56) and commitments (see page 61) – Global regulatory horizon scanning, including current and emerging sustainability and climate-related regulations – Participation in industry working groups focused on effective implementation of sustainability-related regulations	56-61
Physical risk: Acute & Chronic	5. Acute risk to investments: extreme weather affects companies in our investment portfolios and their value chains	**Fund Performance:** Reduced investment asset values, may lead to lower fund returns, reduced performance fees, and negative impact on Group balance sheet. Impact on track record may eventually impact fundraising, AUM, market share and related revenues.	Medium to Long term	Fund Performance Risk 3	– Implementation of our Responsible Investing and Climate Change Policy – Climate risk embedded throughout investment process (see page 58)	57-58
	6. Chronic risk to investments: long-term effects of climate change, like temperature and sea-level rise, affect companies in our investment		Medium to Long term	Fund Performance Risk 3	– Implementation of our Responsible Investing and Climate Change Policy – Climate risk embedded throughout investment process (see page 58)	57-58
	7. Acute & chronic risk to Group: potential disruption caused to ICG operations and/or key third-party providers	**Operational:** Impact on ICG's ability to operate	Long term	External Environment Risk 1	– IT infrastructure systems and data resides in the cloud and the Group leverages cloud services from multiple providers, further reducing concentration risk – The Group operates from leased offices and our employees have the ability to work remotely	57, 58
Transition & Physical Opportunity: Products and Services	8. Opportunity to evolve existing or develop new investment strategies related to climate to meet client demands	**Fundraising:** Increased AUM, market share and related revenue	Short to Medium term	N/A – opportunity	– Ongoing interactions with clients and the wider market to evolve our approach as appropriate. – 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 – The development and launch of investment strategies with a climate focus (see page 55 for more details)	57
Transition Opportunity: Market and Reputation	9. Integrating climate considerations in fund and investment decision-making manages risks and drives opportunities	**Fund Performance**: Enhanced fund performance, track record, and reputation, leading to further fundraising, AUM, market share and related revenue	Short to Medium term	N/A – opportunity	– Implementation of our Responsible Investing and Climate Change Policy – Climate risks and opportunities embedded throughout investment process (see page 58) – Our investment portfolio decarbonisation approach (see page 56) and commitments (see page 61)	57-58

Climate-related Financial Disclosures continued

2 Strategy continued

Resilience of our investment portfolio to climate-related risks and opportunities

An indication of the resilience of our investment portfolio to climate-related risks comes from the Group-wide assessments we perform each year (see Key developments box and following pages for more details).

Overall results indicate that ICG's portfolio is relatively low-risk from a climate risk perspective, with the portfolio weighted-average climate risk being low to medium for physical risk, transition risk and transition opportunity across all time periods and climate scenarios. These results confirm assessments performed in previous years under differing methodologies.

This profile reflects the implementation of our Climate Change Policy, as well as our Responsible Investing Policy, which incorporates ICG's Exclusion List. The Exclusion List, which has been in force in its current form since February 2021, prohibits direct investments in certain coal, oil and gas activities — by reference to revenue thresholds and company position in the value chain. Therefore it generally limits portfolio exposure to investments with higher climate-related risk (see our Responsible Investing and Climate Change policies for more details).

For all investment opportunities permitted under the Exclusion List, a climate risk and opportunity assessment is undertaken as part of our pre-investment sustainability assessment. The results may inform investment decision-making (see page 60). Since the climate risk exposure assessment was introduced five years ago, we have declined approximately 210 investment opportunities where climate-related risk was a contributing factor, around 42 of which were in FY26[1].

Over time, this declined-deal metric has begun to underrepresent the impact of ICG's Responsible Investing and Climate Change Policies, as investment teams screen out higher-risk opportunities at an earlier stage, before they are formally considered and recorded as declined deals.

Our Responsible Investing Policy and Climate Change Policy apply to 100% of AUM, including our balance sheet investment portfolio. As such, these policies help to ensure that Group capital is protected against these risks in the same way that we seek to protect our clients' capital.

Portfolio company climate risks and opportunity assessment

Key developments

In FY26, we began implementing a new approach to climate risk assessment that uses a third-party climate risk analysis tool,[2] supporting both pre-investment assessment and post-investment monitoring. Utilising this new capability, we have undertaken a top-down assessment of climate-related risks and opportunities across ICG strategies and funds representing 68% of AUM as at 31 December 2025[3]. The assessment draws on sector and country-level data alongside company-specific financial inputs. It provides preliminary insights into portfolio-wide exposure to different transition and physical risks.

This new approach introduces significant methodological enhancements, including the ability to assess climate-related risks and opportunities across a wider range of time horizons and under different climate scenarios. It also draws on a broad range of research, models and scientific insights.

The results presented on pages 52-55 reflect our portfolio-level assessment of climate-related physical and transition risks and opportunities, as highlighted in the Key developments box.

The top-down assessment presented is designed to provide an indicative and strategic understanding of how different types of climate risk manifest across ICG's whole investment portfolio. While underpinned by granular climate modelling and recognised frameworks, the results do not fully capture company-specific characteristics such as risks specific to sites of operations. It also does not capture company mitigation and adaptation measures, and thus generally overstates the level of risk.

Notwithstanding these limitations, the approach provides a consistent and framework-aligned basis for portfolio-wide comparison, and enhances our understanding of how different climate-related risks and opportunities are distributed across ICG's investment portfolio[3].

Read more about our approach to decarbonising our portfolio on page 56, and more about our approach to assessing and managing climate risks as part of the investment process on pages 59 to 60.

Find out more about our Responsible Investing Policy and Climate Change Policy including our Exclusion List: www.icgam.com/ri

1. As at 31 March 2026 as tracked by investment teams since February 2021 when ICG's Enhanced Exclusion List was introduced.
2. AXA Altitude by AXA Climate.
3. These are funds in the following asset classes: Structured Capital, Private Equity Secondaries (excluding LP Secondaries, CPE and ICG Enterprise Trust) and Private Debt. It also includes the European Infrastructure and Asia-Pacific Infrastructure Strategies. A separate assessment was undertaken for Real Estate and Credit strategies which represent a further 24% of the portfolio at 31 December 2025 (see page 55).

Climate-related Financial Disclosures continued

2 Strategy continued

Transition risk and opportunities assessment

Climate transition risks and opportunities are identified and assessed across TCFD transition categories using the sector and country of each portfolio company. Risks are evaluated using third-party databases mapped to Network for Greening the Financial System (NGFS) material climate-related indicators for each sector, alongside the carbon intensity of each sector by country. This provides a broad indication of transition risk types and levels across the sectors ICG is exposed to, though it does not reflect company-specific business models, operations, or mitigation measures.

The assessment also draws on NGFS-aligned transition scenarios, reflecting varying assumptions on the pace, timing and ambition of global climate policy and economic transition — spanning orderly through to delayed or disorderly scenarios. We present results at 2030 and 2040 time horizons: 2030 aligns with key near-term policy milestones and our short-term horizon, while 2040 captures medium-term divergence between scenarios. We have not extended analysis beyond this date given policy unpredictability and the likelihood that few currently held assets will remain in the portfolio.

Outcomes of climate transition assessment

The portfolio-wide results indicate a low overall transition risk profile, with some variation across asset classes. Our weighted-average methodology is inherently conservative, classifying any company with a risk score above 40% as "high" and above 70% as "very high"[1].

With regard to transition opportunities, ICG's assessed portfolio appears to have greater transition opportunity than transition risk. This is due to the fact that the majority of our assessed portfolio is in sectors that are not hard to abate, do not rely extensively on fossil fuels, have energy-intensive operations, or highly emittive supply chains, which limits their transition risk. Those same sectors do have potential exposure to transition opportunities, as outlined on page 53, which include: developing renewable energy (e.g. expansion of low-emissions goods and services), capitalising on shifting customer preferences for new products and services and their ability to promote more efficient operations. Indeed, the scoring methodology inherent in the climate risk analysis tool scores the majority of sectors across ICG's assessed portfolio as having higher opportunity than risk.

In the case of Infrastructure that portfolio carries a marginally elevated transition risk exposure (Low to Moderate) due to increasing global raw material costs in supply chains — particularly in the renewable energy sector — though it also holds high transition opportunities.

At an individual transition risk level, as outlined on page 53, the most common risk affecting portfolio companies, by unrealised value, is higher GHG emissions pricing, followed by increased raw material costs. Other identified transition risks are low or negligible. This reflects the tool's focus on material sector risks, which highlight only a small number of key risks per company. Risks showing a low portfolio-level exposure in our assessment are not necessarily non-existent — rather, they do not have a heightened impact on revenues, OpEx or CapEx for more than 5% of assessed portfolio companies by unrealised value. Compliance with reporting regulations is one such example.

Weighted-average transition risk[2, 3]

Asset class / strategies[4]	2030 NDC	2030 Delayed transition	2030 Net Zero 2050	2040 NDC	2040 Delayed transition	2040 Net Zero 2050
Structured Capital	Low	Low	Low	Low	Low	Low
Private Equity Secondaries	Low	Low	Low	Low	Low	Low
Infrastructure strategies	Moderate	Low	Moderate	Moderate	Moderate	Moderate
Private Debt	Low	Very low	Low	Low	Low	Low
Portfolio-wide[5]	Low	Low	Low	Low	Low	Low

Weighted-average transition opportunity[2, 3]

Asset class / strategies	2030 NDC	2030 Delayed transition	2030 Net Zero 2050	2040 NDC	2040 Delayed transition	2040 Net Zero 2050
Structured Capital	Moderate	Low	Moderate	Moderate	Moderate	Moderate
Private Equity Secondaries[4]	Moderate	Low	Moderate	Moderate	Moderate	Moderate
Infrastructure strategies	High	Moderate	High	Moderate	High	High
Private Debt	Moderate	Low	Moderate	Moderate	Moderate	Moderate
Portfolio-wide[5]	Moderate	Low	Moderate	Moderate	Moderate	Moderate

1. Data and percentages by unrealised value of analysed portfolio at 31 December 2025.
2. Asset class / strategy risk scores calculated by weighted average unrealised value of each portfolio company risk score. For ease of interpretation we convert scores to a 0–100 scale and apply the following categories: Very low (0–15), Low (15–25), Moderate (25–40), High (40–70) and Very high (70–100).
3. A methodological limitation of the tool is that it disregards transition risks immaterial to the company when calculating the overall transition risk score. To correct this, we conservatively assume that immaterial transition risks are midpoint between low and medium risk.
4. See footnote 3 on page 51 for included strategies.
5. Weighted-average result of all portfolio companies assessed.
6. Note: The results presented are designed to provide an indicative and strategic insight of risks/opportunities at ICG Group level based on sectors and country of operations of portfolio companies undertaken top-down. They do not represent a precise risk assessment of each company in the portfolio and should not be treated as such. See page 51.

The NGFS scenarios used for the climate transition scenario analysis include:

NDC (Nationally Determined Contributions)
This scenario includes all pledged policies even if not yet implemented. it is referred in the Analysis as the 'Business As Usual' scenario.

Delayed transition
This scenario assumes annual emissions do not decrease until 2030. Strong policies are needed to limit warming to below 2°C.

Net Zero 2050
Ambitious scenario that limits global warming to 1.5 °C through stringent climate policies and innovation, reaching net zero CO_2 emissions around 2050.

Very low
Low
Moderate
High
Very high

Climate-related Financial Disclosures continued

2 Strategy continued

Transition risks – portfolio exposure to specific transition risks[1,2]

Category	Risk	2030 NDC	2030 Delayed transition	2030 Net Zero 2050	2040 NDC	2040 Delayed transition	2040 Net Zero 2050
Policy & legal	Increased pricing of GHG emissions	Cross-cutting	Low	Cross-cutting	Cross-cutting	Cross-cutting	Cross-cutting
	Mandates on and regulation of existing products and services	Low	Low	Low	Low	Low	Low
	Regulation on energy efficiency and certification	Low	Low	Low	Low	Low	Low
	Exposure to litigation	Low	Low	Low	Low	Low	Low
	Emerging regulation on reporting requirements	Low	Low	Low	Low	Low	Low
Technology	Cost to transition to lower-emissions alternatives	Low	Low	Low	Low	Low	Low
	Increased cost of raw materials	Some	Some	Some	Some	Some	Some
	Increased energy / electricity prices	Low	Low	Low	Low	Low	Low
Market	Shift in customer preferences	Low	Low	Low	Low	Low	Low
Reputation	Increased stakeholder concerns	Low	Low	Low	Low	Low	Low

Note: Results stay relatively stable across scenarios and time horizons due to the relatively stable nature of transition risk on the sectors to which the portfolio is exposed and due to the manner in which the tool assigns material transition risks (as outlined on page 52). The exception is in 2030 the delayed transition scenario, where there is low exposure to Increased Pricing of GHG emissions, consistent with the outlook of that scenario.

Transition opportunities – portfolio exposure to specific transition opportunities[1,2]

Category	Opportunity	2030 NDC	2030 Delayed transition	2030 Net Zero 2050	2040 NDC	2040 Delayed transition	2040 Net Zero 2050
Policy & legal	Favourable regulatory frameworks and public incentives	Low	Low	Low	Low	Low	Low
Technology	Promote more efficient buildings and operations	Cross-cutting	Low	Cross-cutting	Cross-cutting	Cross-cutting	Cross-cutting
	Use of more efficient modes of transport	Low	Low	Low	Low	Low	Low
	Use of more efficient production and distribution process production	Low	Low	Low	Some	Some	Some
	Use of lower-emission sources of energy	Some	Low	Some	Some	Low	Some
	Use of recycling	Low	Low	Low	Some	Some	Some
	Resource substitution or diversification	Low	Low	Low	Low	Low	Low
Market	Access to new markets	Low	Low	Low	Cross-cutting	Low	Some
	Increased reliability of supply chain	Low	Low	Low	Low	Low	Low
	Expansion of low-emission goods and services	Cross-cutting	Some	Cross-cutting	Cross-cutting	Some	Cross-cutting
	Shift in customer preferences	Cross-cutting	Low	Cross-cutting	Cross-cutting	Cross-cutting	Cross-cutting
Reputation	Increased stakeholder concerns	Low	Low	Low	Low	Low	Low

The NGFS scenarios used for the climate transition scenario analysis include:

NDC (Nationally Determined Contributions)
This scenario includes all pledged policies even if not yet implemented. it is referred in the Analysis as the 'Business As Usual' scenario.

Delayed transition
This scenario assumes annual emissions do not decrease until 2030. Strong policies are needed to limit warming to below 2°C.

Net Zero 2050
Ambitious scenario that limits global warming to 1.5 °C through stringent climate policies and innovation, reaching net zero CO_2 emissions around 2050.

Portfolio exposure to specific climate transition risks and opportunities:

- **Cross-cutting exposure**
A variety of companies representing more than 20% of ICG's analysed portfolio (by % of unrealised value) are exposed to potentially heightened risk/opportunity
- **Some exposure**
Some companies, representing more than 5% of ICG's analysed portfolio (by % of unrealised value) are exposed to potentially heightened risk / opportunity
- **Low Exposure**
Companies representing less than 5% of ICG's analysed portfolio (by % unrealised value) are exposed to potentially heightened risk / opportunity

1. All data and percentages are calculated by unrealised value of the total assessed portfolio as at 31 December 2025.
2. As outlined on page 51-52, the results presented are designed to provide an indicative and strategic insight of risks at ICG Group level based on sectors and country of operations of portfolio companies. The assessment is undertaken top-down and the results do not represent a precise risk assessment of each company in the portfolio in aggregate and should not be treated as such.

Climate-related Financial Disclosures continued

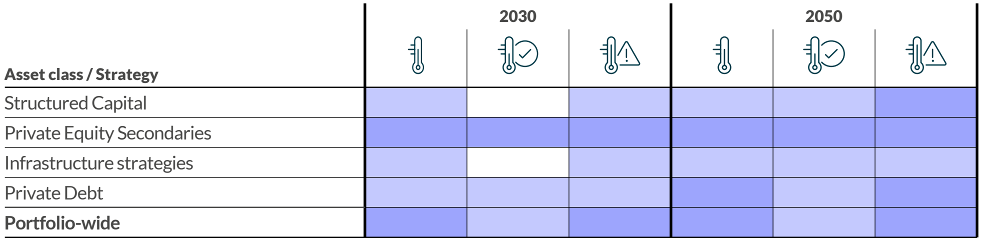
2 Strategy continued

Assessing physical climate risks

Given the highly localised nature of physical climate risks, individual hazards are modelled using detailed geographic grid data determined by the nature of the risk — for example, wildfire risk at 300m × 300m resolution and flood risk at a finer 30m × 30m resolution — drawing on robust and validated sources including Met Office climate models. Hazard-level outputs are aggregated to derive country-level physical risk scores, applied to each company based on its principal country of exposure and asset type. The country-level results for each company are inherently conservative; for example companies operating in countries where more than 10% of the population and/or landmass is exposed to heightened risk from a specific hazard are themselves considered exposed – a limitation of the methodology for the data available. Accordingly, we have chosen to delineate physical hazards with potentially increased exposure across more than 40% of portfolio companies (by unrealised value) as having cross-cutting exposure. This allows us to focus on key cross-cutting risks.

We assess physical climate risk using IPCC Sixth Assessment Report scenarios based on Shared Socio-economic Pathways (SSPs), which enable us to evaluate how the frequency and severity of physical hazards may evolve under differing warming outcomes. We applied three SSP-based scenarios, aligning our physical risk assessment with the same temperature outcome logic underpinning the transition scenarios at 2030 and 2050, while reflecting the longer time horizons relevant to physical climate risk.

Weighted-average physical risk [1, 2, 3]



The scenarios used for the climate physical risk scenario analysis include:

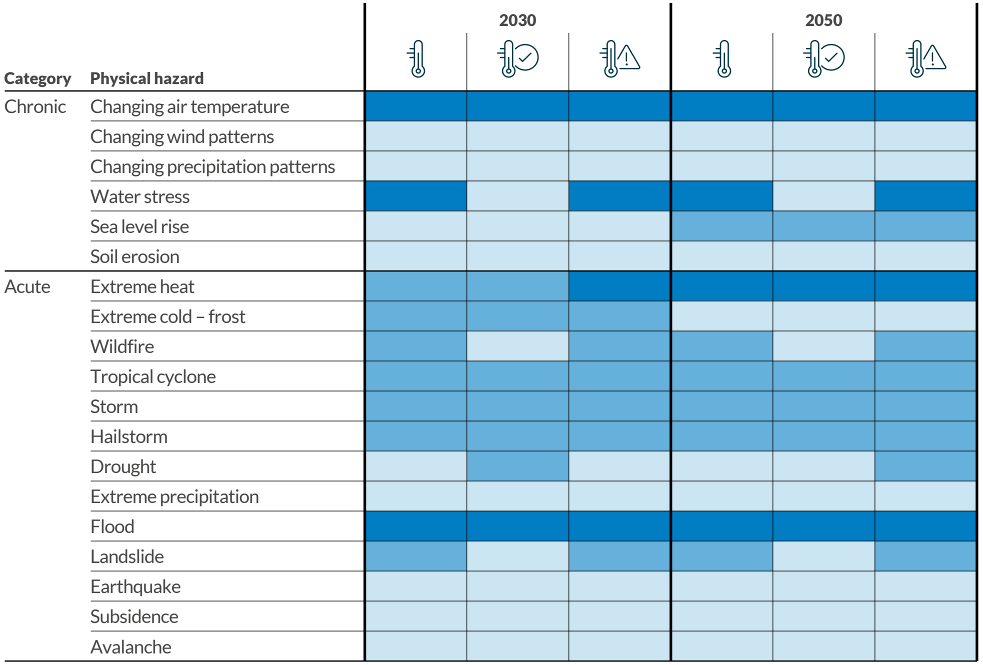
"Middle of the Road" scenario (SSP2-4.5)
This realistic scenario is projected to lead to a end-of-century warming around 2.7°C.

Optimistic scenario (SSP1-2.6)
The temperature increase stabilises at around 1.8°C by the end of the century.

"High-reference" scenario (SSP5-8.5)
This pessimistic scenario is projected to lead to an end-of-century warming around 4.4°C.

- Very low
- Low
- Moderate
- High
- Very high

Physical risk by individual hazards [1, 2, 3]



Portfolio exposure to specific climate physical risk hazards

Cross-cutting exposure
Companies representing more than 40% of the portfolio (by % of unrealised value) have potentially increased exposure to this risk

Some exposure
Companies representing more than 5% of portfolio (by % of unrealised value) have potentially increased exposure to this risk

Low Exposure
Companies representing less than 5% of portfolio (by % unrealised value) have potentially increased exposure to this risk

1. All data and percentages are calculated by unrealised value of the total assessed portfolio as at 31 December 2025.
2. Footnotes 2, 4 and 5 on page 52 also apply to this table.
3. As outlined on page 51-52, the results presented are designed to provide an indicative and strategic insight of risks at ICG Group level based on sectors and country of operations of portfolio companies. The assessment is undertaken top-down and the results do not represent a precise risk assessment of each company in the portfolio in aggregate and should not be treated as such.

Climate-related Financial Disclosures continued

2 Strategy continued

Outcomes of Physical Climate Risk Assessment

ICG's overall weighted-average physical risk profile is low to medium (see table on page 54). As with transition risk, we apply an inherently conservative methodology to this portfolio-wide assessment e.g., we classify any company with a risk score above 40% as "high" and above 70% as "very high". Our delineation of categories is set at thresholds that ensure we are focused on the most material risks for our own decision-making purposes.

The marginally elevated risk in the Private Equity Secondaries asset class reflects its exposure to a specific countries with higher risks, reflecting the limitations of this top-down assessment that does not use precise geo-location of assets.

At the individual risk level, our analysis on page 54 identifies flood risk, changing air temperatures, extreme heat, and water stress as hazards to which more than 40% of ICG's portfolio companies (by unrealised value) may have heightened exposure. Please see pages 58-60 for details of how we manage climate risks for individual investments.

Real estate

A comprehensive climate risk assessment is also performed for all real estate assets, though the nature of the assessment is different due to the nature of the 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[1], (ii) required capex for regulatory compliance[2] and (iii) additional capex for benchmarks like the CRREM pathways[3] or green buildings certifications[4]. 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, extreme heat was the most common elevated or severe potential risk hazard identified, alongside drought, wind, 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.

Liquid Credit and CLOs

Our assessment of risk within the credit portfolio reflects the distinct nature of the investment strategy and the related availability of data.[5] Each investment opportunity is assigned an overall climate risk exposure designation on a 4-grade scale from Low to Very High, combining transition and physical risk exposure based on the company's sector and country of headquarters.

This assessment carries inherent limitations — including that it does not reflect companies' specific business model or specific locations (outside of the HQ); the range of scenarios it can evaluate and the exclusion of any risk mitigation measures implemented by the companies.

Consistent with prior years, the assessment continues to indicate a low inherent climate risk exposure across the Liquid Credit and CLO portfolio, reflecting the implementation of our Climate Change Policy.

On an inherent exposure basis, only 2.6% of the portfolio by unrealised value is classed as exposed to potentially heightened climate-related risks (covering 96.3% of the portfolio), having fallen steadily from 7.8% in 2022[6]. While driven by a range of factors, many companies in this category have exposure of some form to the agricultural sector.

Since 2024, new investments representing 37.8% of value have also undergone our enhanced sustainability assessment, which importantly includes the evaluation of climate mitigation activities.

When these mitigation activities are incorporated, the proportion of assets exposed to potentially heightened climate-related risks falls to 1.7% — suggesting that, were mitigation activities applied across the full portfolio, such exposure could be even lower.

Year	2025	2024	2023	2022
% of portfolio (by unrealised value) exposed to potentially heightened climate-related risks[6]	2.6 %	2.0 %	3.0 %	7.8 %

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. Carbon Risk Real Estate Monitor
4. For example BREEAM in-use certifications or DGNB (Germany).
5. Due to the number of individual companies in the portfolio and our ability – due to the nature of the investment strategy – to collect data for the assessment, we continue to apply our previous approach to assessing climate-related risks and opportunities in our liquid credit and CLO portfolio.
6. For CLO's 2025, 2024 and 2023 figures are based on unrealised value, whereas 2022 is based on invested cost. Liquid Credit figures are based on Market Value of investments for all years. All figures are 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. This assessment excludes third-party CLOs and covers 96.3% of the portfolio.

Climate-related Financial Disclosures continued

2 Strategy continued

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)[1]

Key information

29.2%*

of AUM, as at 31 March 2026

* Includes AUM in strategies which may make Relevant Investments: European Corporate, European Mid-market, Asia Pacific Corporate, and Infrastructure Equity and certain other assets.

Key Investment Strategies:

- European Corporate, Mid-market and Asia Pacific Corporate
- European Infrastructure

ICG has a portfolio coverage science-based target (SBT) approved and validated by the Science Based Targets initiative (SBTi) which requires 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 61 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;
- 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 2026:
- Engaged 100% of Relevant Investments[1] across five investment strategies[2], representing approximately $10.7bn of invested capital.
- Approximately 80% of Relevant Investments (by invested capital) have set SBTi-validated targets or submitted for validation[3] – exceeding our interim target of 50% by 2026.

For further details on our progress against our portfolio coverage SBT, see our FY26 Sustainability and People Report

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

Key information

60.8%

of AUM, as at 31 March 2026

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 61 'Climate data challenge in private markets' for further details.

3. Real estate investments

Key information

10.0%

of AUM, as at 31 March 2026

Key Investment Strategies:

- European Real Estate Debt
- Strategic Real Estate
- Metropolitan

Despite falling emissions, buildings remain one of the largest sources of energy-related greenhouse gas emissions in the EU, accounting for around one-third of the total.[4] 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 loan frameworks designed to incentivise sponsors to decarbonise assets, via issuance of sustainability-linked financing. As at 31 March 2026, 17 loans have been issued under the ICG's Green or Sustainable Loan Framework.

ICG's Strategic Real Estate (SRE) funds have a proportion of capital allocated towards making sustainability improvements across the portfolio ('Sustainable Capital Allocation'), while the Metropolitan platform strategically deploys capex for sustainability initiatives. For example, lease re-gears offer opportunity for targeted sustainability upgrades, including measures such as solar PV installation and LED lighting.

1. 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.
2. Europe Corporate, Asia Pacific Corporate, Europe Mid-Market, European Infrastructure, and certain other assets including balance sheet assets.
3. 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 due to the rights of other parties involved in the governance of the portfolio company. Invested capital measured at 31 March 2026 FX rates.
4. European Environment Agency (2025), Greenhouse gas emissions from energy use in buildings in Europe. Greenhouse gas emissions from energy use in buildings in Europe | Indicators | European Environment Agency (EEA).

Climate-related Financial Disclosures continued

2 Strategy continued

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 incorporated the PMDR Alignment Scale in its pre-investment assessment and post-investment monitoring tools, and utilises it in fund-related disclosures to clients. Our Sustainability and People Report contains further information.

On page 61, 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

Developing our investment strategies

Our strategic focus on enhancing existing investment strategies and developing new ones, future-proofs our business and helps us to continually serve the needs of our clients.

As part of this, for some investment strategies, an enhanced focus on sustainability can be a source of competitive advantage. Where we have influence to drive outcomes which might support risk mitigation and/or value preservation, ICG seeks to integrate sustainability considerations, including those related to climate change mitigation and adaptation, into the design of new investment strategies or funds . For new strategies or funds where we have sufficient influence, we might also consider 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 that also contribute to the transition to a low-carbon economy.

Key developments

- As at 31 March 2026, strategies with specific sustainability frameworks targeting improvements in the performance of assets represent account for 85% of AUM in real assets compared to 65% as at 31 March 2025, and 61% as at 31 March 2024.[1]
- As at 31 December 2025 companies in ICG's European Infrastructure have cumulatively installed a total of 3.7 GW of net renewable energy generating capacity since the strategy was launched in 2020; compared to 3.4 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 2026 it has made four 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 $3.2bn sustainability-linked fund-level financing that has climate-related KPIs.

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.

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 61).

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

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 34 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.[1] 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 34-39 we outline the key controls and mitigation activities and trends for these principal risks which apply equally to the climate-related considerations.

Principal risk most likely to be impacted by climate change	Climate-related considerations
External Environment Risk 1	Climate-related conditions and/or events outside the Group's control, such as rapid shifts in climate policy and/or clients' climate requirements, volatility in energy markets, and/or increased frequency and severity of extreme weather events may adversely affect our business. 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.
Fundraising Risk 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.
Fund Performance Risk 3	Climate-related issues, as described above, are a key external environment risk that can impair our ability to deliver consistent and expected fund performance. This may erode our track record and reputation, both of which are critical to maintaining investor confidence. If performance is affected, it can become more difficult to raise new capital or funds, ultimately creating a fundraising risk for the Group. This, in turn, may impact our ability to grow and compete effectively.
Legal, Regulatory and Tax Risk 6	Increasing regulatory enforcement and litigation risk for the Group and its fund management entities reflects the growing complexity, fragmentation and volume of sustainability and climate-related legal and regulatory requirements. The evolving landscape places greater implementation and compliance burdens on the Group, including adapting to new and changing disclosure, classification and reporting standards. Failure to comply may result in regulatory sanctions, fines, or legal action, as well as reputational damage.
External Reporting Risk 7	There is an increasing risk to ICG that sustainability reporting may not be sufficiently detailed, accurate, complete, or timely to meet the growing and evolving requirements at the client, fund, and Group level. The volume and complexity of climate-related regulations, combined with heightened expectations from clients and other stakeholders for robust sustainability disclosures, create a challenging reporting environment. Inaccurate or incomplete reporting — whether regulatory or in response to client demand — could result in regulatory scrutiny, legal or financial penalties, loss of client trust, and reputational damage.

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.

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 responding to the transition to a low-carbon economy and climate-related physical hazard; addressing clients' requirements on climate change; and demonstrating progress towards our commitments (see page 61).

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.

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 60.

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 Corporate, Mid-Market and Asia Pacific Corporate	Strategic Equity	LP Secondaries, Core Private Equity, ICG Enterprise Trust	European and Asia-Pacific Infra-structure	Real Estate Debt	Real Estate Equity Europe	Senior Debt Partners	North America Credit Partners	Liquid Credit, CLOs and Australian Loans
Pre-investment									
ICG Exclusion List screening (including direct investments in certain emissions intensive activities by reference to revenue thresholds)[1]	✓	✓	✓ 2	✓	✓	✓	✓	✓	✓ 2
Climate-related considerations assessed as part of sustainability assessment where relevant	✓	✓	✓	✓	✓	✓	✓	✓	✓
Climate–related considerations included in IC memos where material	✓	✓	✓	✓	✓	✓	✓	✓	✓
Margin ratchets or other incentives offered for companies to decarbonise where relevant					✓		✓		
Post-investment									
GHG emissions, climate risk and decarbonisation targets included in company and/or asset monitoring	✓	✓	✓ 3	✓	✓	✓	✓		✓
Engagement on climate-related matters with portfolio company management or sponsors	✓	✓		✓	✓ 4	✓	✓		✓ 5
Decarbonisation plans and/or targets developed with portfolio companies[6]	✓			✓	✓ 4	✓			

1. Including coal, oil and gas, with differences depending on whether this is upstream, midstream or downstream.
2. ICG's exclusion list only applies to direct investments. Therefore its direct applicability to ICG ET, LPS and Credit will depend on the type of transaction that is undertaken.
3. Applies to ICG Enterprise Trust but not LP secondaries and CPE.
4. For certain investments in the European Real Estate Debt strategy as part of the strategy's Green Or Sustainability 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 by reference to revenue thresholds and their position in the value chain. This limits our funds exposure to a range of assets which 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. The exact nature of how the Exclusion list is applied to indirect strategies depends on the nature of the strategy and investment.

Climate risk assessment

For potential investment opportunities, we incorporate a climate risk assessment within our pre-investment sustainability assessment to identify and evaluate material climate-related risk exposures. The scope of this assessment varies according to the nature of the investment (i.e. company or real asset), the investment strategy, and the type and quantity of data available. We utilise established frameworks and data sources to assess both climate physical and transition risks.

Where ICG has sufficient influence, we may conduct external ESG due diligence — including specific analysis of climate-related risks and opportunities — as appropriate. ICG consolidates assessment findings and include them as standard in the investment proposal submitted to the relevant Investment Committee for most strategies. Where we identify material climate-related issues, the Investment Committee may decide not to proceed, request further investigation prior to completion, or require remedial actions following closing.

Key developments

In FY26, we rolled out a new climate risk and opportunity assessment tool across a range of investments and funds, leveraging a new third-party platform. We now use this approach to screen new investment opportunities, inform pre-investment sustainability assessments, and strengthen ongoing portfolio monitoring and reporting.

In strategies where we have sufficient influence to collect the appropriate data, we have begun conducting full bottom-up assessments of climate-related risks and opportunities where material and relevant, drawing on the precise geo-location of an asset or company's key operating sites.

This granular, site-specific assessment delivers rich information on potential climate risks across physical and transition risk types, categories, and scenarios. Pre-investment, we can apply these insights to inform investment decision-making; post-investment, we can use them to engage portfolio companies in implementing risk mitigation measures and capturing opportunities.

We also applied this tool for the portfolio-wide assessment outlined on page 51. However, that assessment is intentionally limited to high-level company information to ensure comparability and consistency across strategies, reflecting the varying levels of data access available to different investment teams.

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 relationship and influence we have with those investments. More detail on our approach to decarbonisation can be found on pages 56 and 57.

Read more about climate risk management in our FY26 Sustainability and People Report.

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 57).

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.

Climate-related Financial Disclosures continued

4 Metrics & 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 steadily improving but not yet reliable. This year, we assessed and reported fund-level financed emissions to clients, alongside other portfolio metrics recommended by the TCFD, such as weighted average carbon intensity and portfolio carbon footprint, for funds representing 65% of total AUM[1]. At this stage, in ICG's view, the aggregation of such data into Group-wide portfolio climate metrics would be misleading. This is because of the relatively low percentage of AUM covered and the fact that the emissions data makes use of proxy estimates and excludes Scope 3 emissions, due to a lack of reliable data reported by investees. Aggregating this data for Group-wide reporting 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.

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 to allow us to disclose such data in aggregate form in this report. 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 60).

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[2] (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[2] have targets validated by the SBTi by 2030, with an interim target of 50% by 2026[3].

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[3].

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 62).

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 2025 and 31 March 2026. Reported as a percentage of ICG's total AUM. Includes ICG Enterprise Trust.
2. Relevant investments include all direct investments within ICG's Structured Capital and Private Equity Secondaries asset class and European Infrastructure Equity strategy, which currently comprise 29.2% of AUM (see page 56), 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 & Targets continued

Select Climate Metrics[1]	Target and/or current activity[2]	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 memos, we monitor the resulting outputs and scores of this assessment both for individual assets and across a range of funds and strategies.**	Individual direct investments.	**Assesses the potential exposure to climate-related physical and transition risks for individual investment opportunities and across funds and strategies, using the Group's climate risks exposure assessment methodology.**	57-58
Weighted average climate risk score across ICG portfolios.*	**Annually conduct a Group-wide portfolio assessment of climate risk to get a view of % of the portfolio weighted-average climate risk score across transition risk, transition opportunities and physical risk across a range of scenarios and time horizons.**	Direct investments across all asset classes except real estate and CFM.	**Assesses the inherent climate risk exposure of the portfolio across different risks, time horizons and scenarios. Allows insight into key risks and portfolio hotspots.**	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 61 for details of our commitments, and pages 63-64 for progress against our Scope 1 and 2 operational GHG emissions reduction target.**	61
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[3] 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 our portfolios.**	Active funds[3] making direct investments across our Structured Capital and Private Equity Secondaries, 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_2e (financed emissions);the financed emissions per unit of invested capital, expressed in tCO_2e per million invested in fund currency (carbon footprint) and the financed emissions per unit of revenue, expressed in in tCO_2e 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 186.

Group Operational GHG emissions

GHG emissions[1]	Activity	12-month period ending 31 March: 2026*	2025	2020 (baseline)
Direct emissions (Scope 1)	Combustion of fuel and operation of facilities	5*	8	66
Indirect emissions (Scope 2)	Purchased electricity (location-based)	177*	208	448
	Purchased electricity (market-based)	34*	33	479
	Purchased heat (district heating)	29*	21[2]	N/A
	Total Scope 1 and 2 (market-based)[3]	**68***	**62[2]**	**545**
Indirect emissions (Scope 3)	Business travel (flights, rail, car rental, taxis, hotels)	3,683*	4,852[2]	2,640
	Waste generated in operations (incl. water)	15*	6[2]	8
	Purchased goods and services (incl. capital expenditures)[4]	9,220*	11,081[2]	0
	Fuel and energy-related activities	86*	62[2]	0
	Total Scope 3	**13,004***	**16,130[2]**	**2,648**

1. All numbers in the table have been rounded up or down to the nearest metric tonne of CO_2e.
2. Comparative figures restated from prior year, please see basis of reporting for more detail.
3. The sum of Scope 1 and 2 emissions is based on the Scope 2 market-based data. For 2026 and 2025, 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 186 for more detail.
5. Scope 1 and 2 emissions intensity for the reporting period are based on FTE of 676 (FY25: 684), and Revenue of £1,036.0m (FY25: £970.9m). 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 2026. 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 www.icgam.com/spr. It includes details on the scope, respective responsibilities, approach, restrictions, limitations and conclusions. EY also provided assurance for the year ended 31 March 2025, 2024 and 2023. Data for previous years was verified to ISO14064 by alternative providers.

Operational GHG emissions performance

During the period 1 April 2025 to 31 March 2026 (the reporting period), Scope 1 and 2 intensity equated to 0.1 metric tCO_2e/ FTE (FY25: 0.09; FY24: 0.04; FY20: 1.07) and 0.07 metric tCO_2e/£m revenue (FY25: 0.07; FY24: 0.04; FY20:1.32).[5]

In the UK: we have no Scope 1 emissions or Scope 2 market-based emissions and 49 metric tCO_2e (or 28%) 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 68 tCO_2e, representing 88% reduction compared to the 2020 base year.

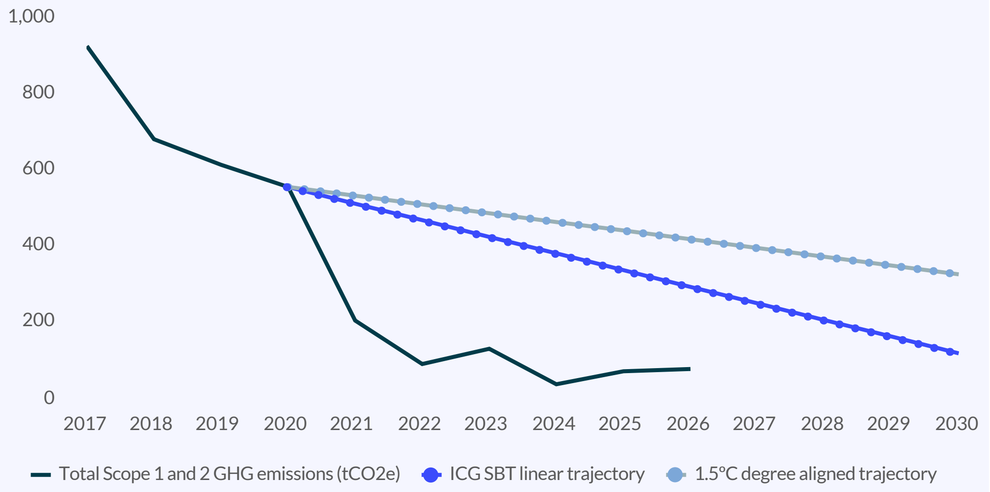
Group Scope 1 and 2 (market-based) GHG emissions (tCO_2e)

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_2e)



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 912 MWh. 37% 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. 88% of electricity purchased is from renewable sources either through green tariffs or backed by renewable energy certification, compared with 95% in the prior period.

	12-month period ended 31 March		
Metrics (KWh)	**2026**	**2025**	**2020 (baseline)**
Electricity	**725,393**	724,549	1,468,177
of which, from renewable sources	**638,045**	664,995	–
District heating	**96,659**	75,049[2]	N/A
Fuels[1]	**29,452**	22,224[2]	316,156
Total Electricity, District heating and Fuels	**851,504**	**821,822[2]**	**1,784,333**

1. Natural gas and transportation fuels (petrol and diesel).
2. Comparative figures restated from prior year – please see basis of reporting for more information.