ICG

Intermediate Capital Group PLC

INVESTING FOR GROWTH

Annual Report & Accounts 2024

Contents

Key content in this report

What we do
We raise capital from our clients, which our investment teams deploy, manage and realise. We create shareholder value by growing our fee-earning AUM and therefore management fees, and by making and managing investments that generate performance fees and investment income. By creating value for our clients and our portfolio companies, we underpin our ability to raise and deploy future funds.

Read more on page 12

Our people
We are proud of our people's excellence, commitment and diverse perspectives. Our culture of balancing ambition, performance and inclusion remains a cornerstone of our success.

Read more on page 35

Our strategy
We are scaling up, scaling out and investing in our platform to meet the needs of our investment strategies and our global client base. Successfully executing on this will generate an increasingly broad base of compounding AUM and fee income, supported by a world-class operating platform.

Read more on page 5

Our risk mitigation
We ensure that current and emerging risks are identified, assessed, monitored, and controlled to protect stakeholders' interests.

Read more on page 40

Find out more

ICG website
www.icgam.com

ICG Sustainability and People Report 2023/2024
www.icgam.com/spr

Who we are

ICG is one of the world's leading alternative asset managers. We create sustainable value by partnering with ambitious businesses.

We deliver outstanding investment performance to our clients, provide wide-ranging capital solutions for corporates and owners of real assets, and create value for stakeholders, shareholders and communities.

Our Annual Report for 2024
This report combines all aspects of ICG's performance and reflects how we are addressing areas which we believe have the potential to have a material impact on the delivery of our strategic objectives.

Unless otherwise stated, performance information is for the year ended 31 March 2024.

INVESTING FOR GROWTH

During the year, fee-earning AUM has grown by 11%. We have invested in our strategies, people and platform to ensure we are well positioned for the years ahead.

During 2024 we have focused on:

Scaling up and scaling out

Read more on page 5

We have invested in our existing strategies alongside our clients and have made seed investments to support the launch of new strategies.

Our people and platform

Read more on page 35

We have invested across the organisation to deepen our investment teams, broaden our marketing and client relations offering, and to enhance our operating platform.

Investing sustainably

Read more on page 39

We have continued to integrate sustainability into our processes and have made progress towards our net zero commitment.

ICG at a glance

DELIVERING LONG-TERM GROWTH

We have built an outstanding track record and created long-term value for our stakeholders: helping companies grow, institutional investors and shareholders achieve their goals, and creating an inclusive working environment where our colleagues can succeed.

We are 35 years old this year. We have grown almost entirely organically, by having a strong investment culture and delivering for our clients.

"A strong investment culture and client focus have been two of the key drivers supporting our growth."

Benoît Durteste
Chief Investment Officer and Chief Executive Officer

As we continue to grow, we maintain a relentless focus on investment performance and on clients' outcomes.

We strive to be a trusted partner for our stakeholders
Everything we do aims to create value for our stakeholders.

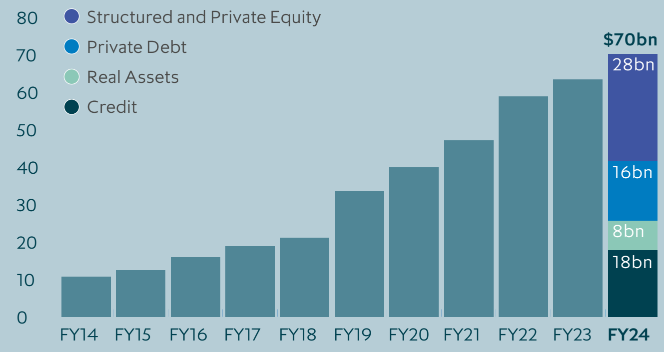
See Chief Executive Officer's Review on page 7

$98bn
AUM[1]

681
Number of clients

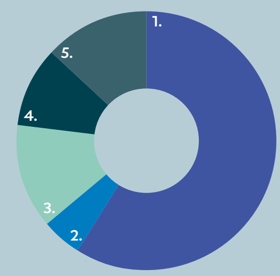
Growth in fee-earning AUM $bn

17%
Five-year Compound Annual Growth Rate (CAGR)



Supported by a strategic and valuable balance sheet

Structured and Private Equity	59%
Private Debt	5%
Real Assets	13%
Credit	10%
Seed investment	13%



£3bn
Balance sheet investment portfolio

1. During the year, the Group updated its AUM measurement policy, see page 16.

ICG at a glance continued

"Our financial performance is the output of the value we create for our clients, the strategic position of ICG, and our long-term approach to capital allocation."

David Bicarregui
Chief Financial Officer

Fee income is the key financial driver of our business, and our capital management underpins the successful execution of our strategic objectives.

See page 22

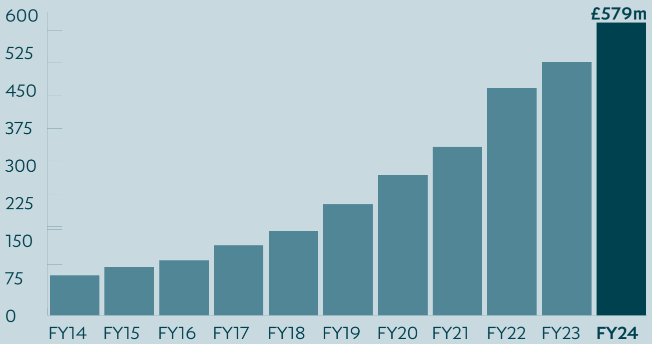
Fee income
£579m (2023: £501m)

FMC PBT
£375m (2023: £311m)

NAV per share
801p (2023: 694p)

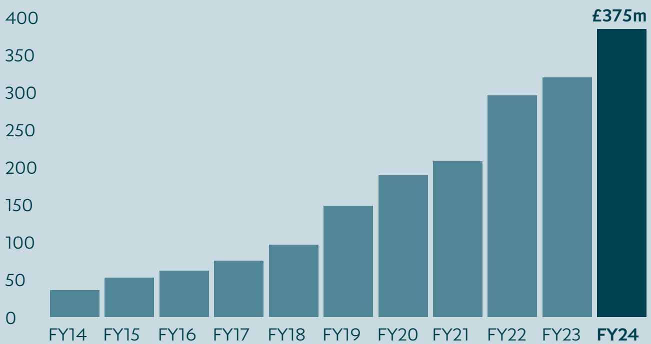
Fee income £m

22%
Five-year CAGR



Fund management company PBT £m

21%
Five-year CAGR



"Our people remain the cornerstone of our strategy and are a key driver of our success."

Antje Hensel-Roth
Chief People and External Affairs Officer

People are at the core of what we do and the value we create. We focus on developing world-class teams, preserving the entrepreneurial spirit which makes us special, and creating a culture that is inclusive and impactful on a corporate and a personal level.

Making a difference

We aim to have a wide range of people joining our firm and then invest heavily in their development and success.

See Our People on page 35

637
People

7.1/10
Employee engagement*
July 2023

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

Why invest in ICG

LONG-TERM VALUE CREATION

"The Board has a long-term perspective on creating shareholder value. ICG operates in an attractive global market, and we are focused on ensuring the Group is strategically and financially positioned to execute on the exciting opportunities ahead."

William Rucker
Chair

Total shareholder return since IPO

85.8x

(Last 10 years: 5.6x)

Source: Bloomberg as of 31 March 2024.

Attractive, structurally growing sector

Client demand

Allocations to private markets are expected to grow in the coming years, supported by attractive returns, lower volatility, more availability of strategies, and the increasing importance of private markets in the global economy.

$7tn

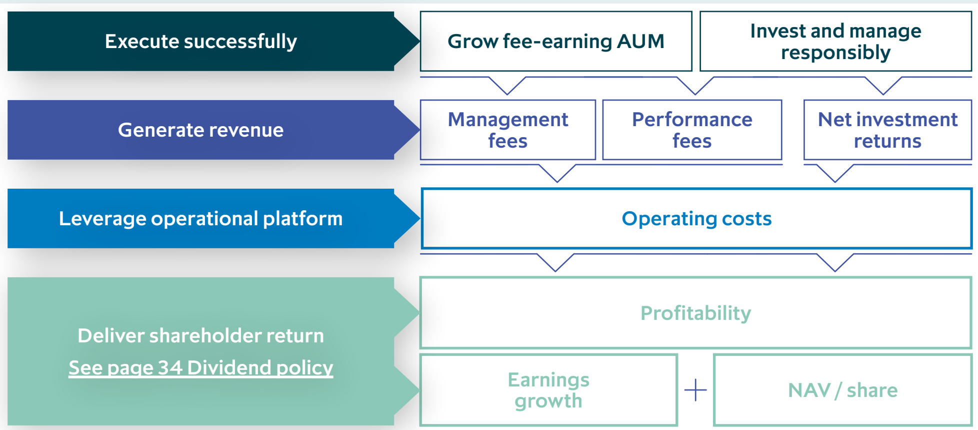
Forecast increase in private markets AUM, 2023 - 2028

Source: Preqin as of April 2024.

Investment opportunities in private markets

An increasingly large number of businesses are looking to private markets for capitalisation to facilitate succession or invest in growth initiatives.

How we generate shareholder value



Why invest in ICG continued

Positioned to execute

People

Our business is deeply relationship-based. We benefit from our local teams having a strong track-record and an excellent network that enables them to originate and execute on investment and fundraising opportunities.

Read about Our People on page 35

Operational

Broad, scaled investment strategies

We have a diversified platform enabling our clients to invest across four asset classes.

$98bn
AUM[1]

Global client footprint

Our client base is diverse and global. It includes some of the world's largest sovereign wealth funds, asset managers, pension plans and insurance companies, as well as family office and wealthy individuals.

>680
Clients globally

Financial

Visible and recurring management fee income

>90% of our AUM is in long-duration, closed-end funds. This gives us visible and recurring streams of management fee income with almost no mark-to-market exposure, enabling us to plan for the long term.

Strategically powerful balance sheet

Our well capitalised, robust and valuable balance sheet enables us to seed new strategies, align interests with our clients, and generate value for our shareholders.

£3bn
Balance sheet investment portfolio

£1.1bn
Total available liquidity

Track record of growth

Fee-earning AUM

Our fee-earning AUM directly drives our management fees. We have developed a strong track record of raising and deploying capital, growing our fee-earning AUM substantially.

2.2x
Five-year growth

Fee income

Our management fees are visible, resilient streams of income that are generally not impacted by fund valuations. Performance fees account for 10-15% of our total fee income.

2.6x
Five-year growth

FMC PBT

There is substantial operating leverage within our business model. As our investment strategies have scaled and we have generated more fee income, our FMC PBT growth has outpaced the growth of our fee-earning AUM and fee income.

2.6x
Five-year growth

Drivers of future shareholder value

Scaling up

Our four flagship strategies account for 70% of our fee-earning AUM and generate 72% of our management fee income. We see significant opportunity for each of these strategies to grow in coming years.

4
Flagship strategies

Scaling out

We currently have 12 seeding and scaling strategies that open significant addressable markets to ICG. As these strategies scale, they will make ICG even more relevant to clients, and our fee streams will become more diversified and resilient.

12
Seeding and scaling strategies

Invest in our platform

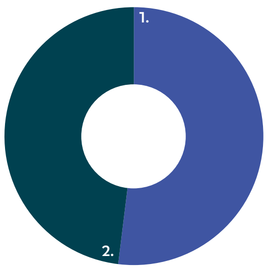
A world-class platform supports our client experience and product innovation, helps leverage insight from the vast amount of data across our firm, and helps protect ICG in a regulated global landscape.

Disciplined approach to capital allocation

We balance capital allocation decisions between investing in the business and returning capital to shareholders, all underpinned by ensuring we have a robust balance sheet. Internal investment encompasses investing in our platform as well as developing new strategies and investing alongside clients in existing strategies. Our progressive dividend policy is our principal route of returning capital to shareholders.

Use of capital generated over last five years[2]

1. Dividend declared	52%
2. Internal investments	48%



1. During the year the Group updated its AUM measurement policy, see page 16.
2. Total EPS FY20 – FY24 inclusive, internal investments defined as cumulative APM EPS less cumulative declared dividends.

Chair's introduction

EFFECTIVE GOVERNANCE TO FACILITATE GROWTH

William Rucker
Chair

"Your Board will continue to ensure that ICG's business is run to high standards of governance and growth."

Dear shareholders

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

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

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

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

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

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

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

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

William Rucker
Chair
27 May 2024

Chief Executive Officer's Review

30 YEARS SINCE LISTING DECADES OF OPPORTUNITIES

Benoît Durteste
CEO and CIO

Marking 30 years since IPO

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

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

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

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

Navigating today's environment

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

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

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

Chief Executive Officer's Review continued

Building for growth

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

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

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

Meeting client demand

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

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

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

Looking ahead

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

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

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

Thank you for your continued support.

Benoît Durteste
CEO and CIO

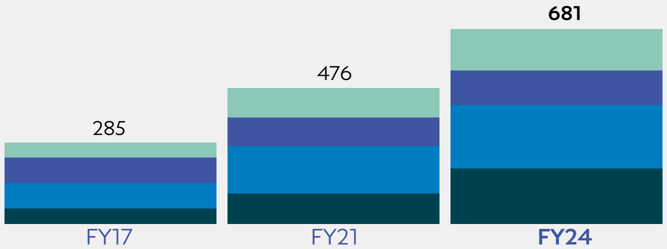
6. Full Time Equivalent basis.

Chief Executive Officer's Review continued

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

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

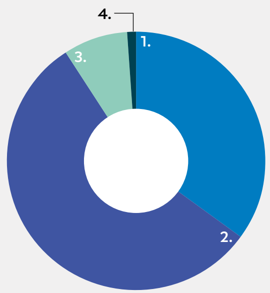
Global client base is scaling[2]



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

Global Fee income

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



Our business model

INVESTING IN GROWTH TO CREATE VALUE

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

How we create value

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

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

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

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

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

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

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

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

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

Our business model continued

Our purpose

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

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

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

Our resources

Our reputation and track record

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

Our people and platform

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

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

See Our People page 35

Our client franchise

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

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

Our financial resources

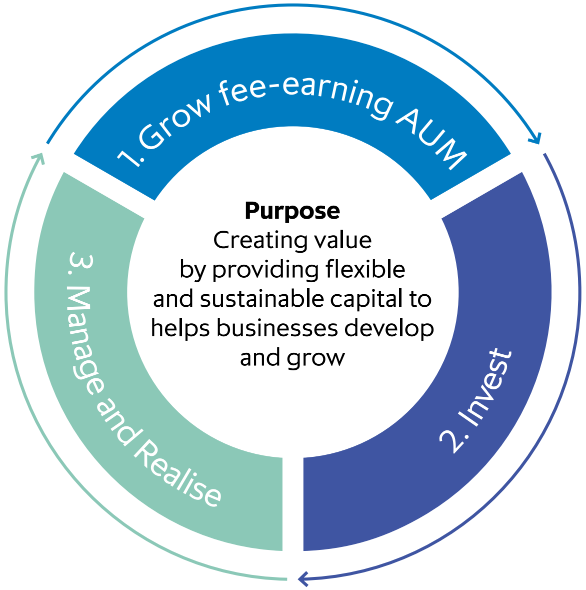
Our visible, recurring fee income enables us to plan with a long-term view, and our strategic and valuable balance sheet enables us to seed and accelerate new strategies, and to align our interest with our clients.

See Finance Review page 16

Our business model continued

What we do

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



1. Grow fee-earning AUM

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

2. Invest

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

3. Manage and Realise

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

Our asset classes

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

Our asset classes

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

41% Fee-earning AUM
58% Fee income

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

23% Fee-earning AUM
19% Fee income

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

11% Fee-earning AUM
10% Fee income

Credit
Invests in tradeable credit markets.

25% Fee-earning AUM
13% Fee income

Our market environment

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

See page 7.

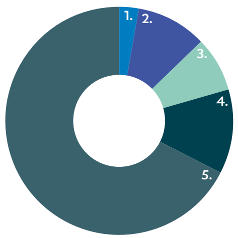
Our business model continued

Our clients

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

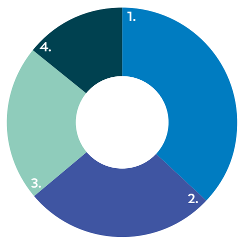
Client diversification[1]

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



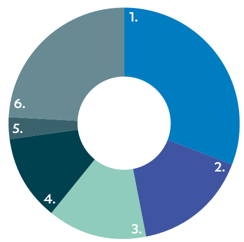
Client split by geography[1]

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



Client split by type[1]

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



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

The value we create

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

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

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

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

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

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

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

See Stakeholder Engagement on page 28

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

Managing our risks

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

See Managing Risks on page 40

Key performance indicators

HOW WE MEASURE OUR SUCCESS

Ⓐ Alternative performance measures

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

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

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

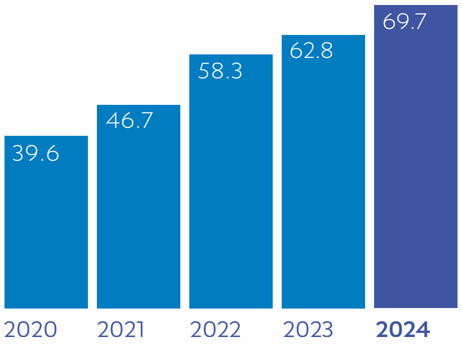
Our Key Performance Indicators (KPIs) help us monitor our progress:

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

See more on our strategic objectives on page 12

Fee-earning AUM $bn Ⓐ

$69.7bn

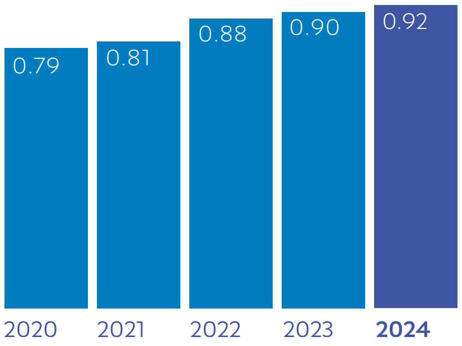


Rationale
Raising third-party funds is one of the leading indicators of the Group's profitability.

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

Weighted-average fee rate % Ⓐ

0.92%



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

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

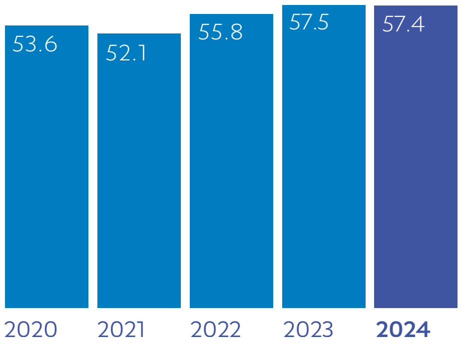
Key performance indicators continued

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

Read more on our Executive Director KPIs on page 100

FMC operating margin %

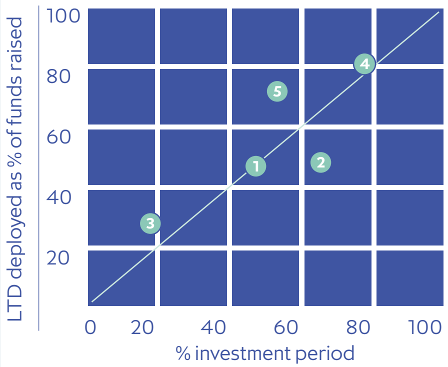
57.4%



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

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

Deployment of direct investment funds %

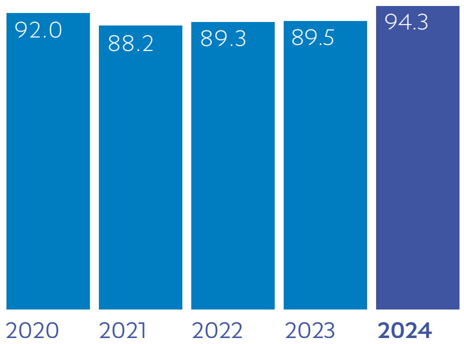


Rationale
Direct investment funds have a defined investment period. We monitor progress against a straight-line deployment basis as an indicator of timing for subsequent fund raising.

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

Percentage of realised assets exceeding performance hurdle %

94.3%

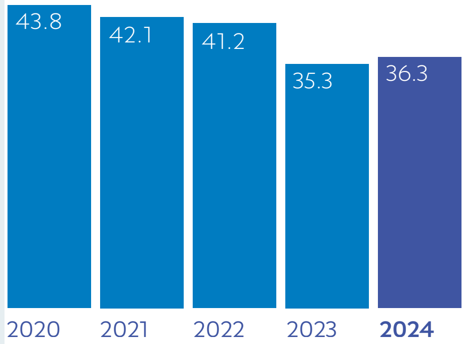


Rationale
An indicator of our ability to manage portfolios to maximise value is the level of realised assets for which the return is above the fund performance hurdle rate. This is the minimum return level clients expect and the point at which the Group earns performance fees.

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

UK senior management gender diversity %

36.3%



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

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

Finance review

LONG-TERM GROWTH CREATING VALUE

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

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

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

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

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

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

AUM and FY25 fundraising

AUM of $98bn

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

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

Finance review continued

AUM and FY25 fundraising continued

Fee-earning AUM of $70bn

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

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

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

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

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

FY25 fundraising

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

Group financial performance

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

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

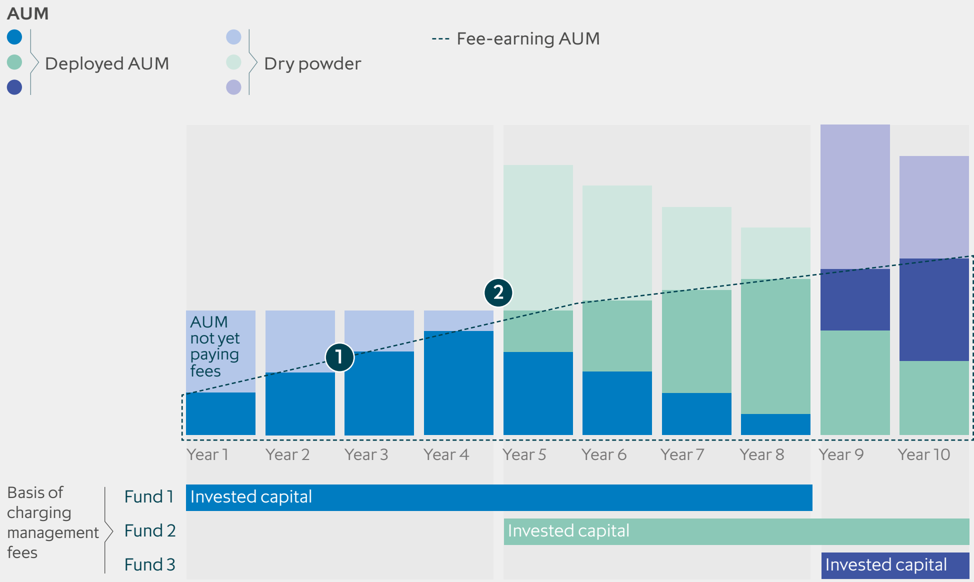
Finance review continued

How our fee-earning AUM develops

A strategy charging fees on committed capital USD billions

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

A strategy charging fees on invested capital USD billions



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

Finance review continued

Group financial performance continued

Structured and Private Equity

Overview

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

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

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

Performance of key funds

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

Key drivers

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

Finance review continued

Group financial performance continued

Private Debt

Overview

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

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

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

Performance of key funds

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

Key drivers

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

Finance review continued

Group financial performance continued

Real Assets

Overview

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

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

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

Performance of key funds

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

Key drivers

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

Finance review continued

Group financial performance continued

Credit
Overview

Flagship strategies	Scaling strategies	Seeding strategies
CLOs	Liquid Credit	-

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

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

Key drivers

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

Fund Management Company

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

Management fees

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

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

Performance fees

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

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

Fund Management Company continued

Recognition of performance fees

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

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

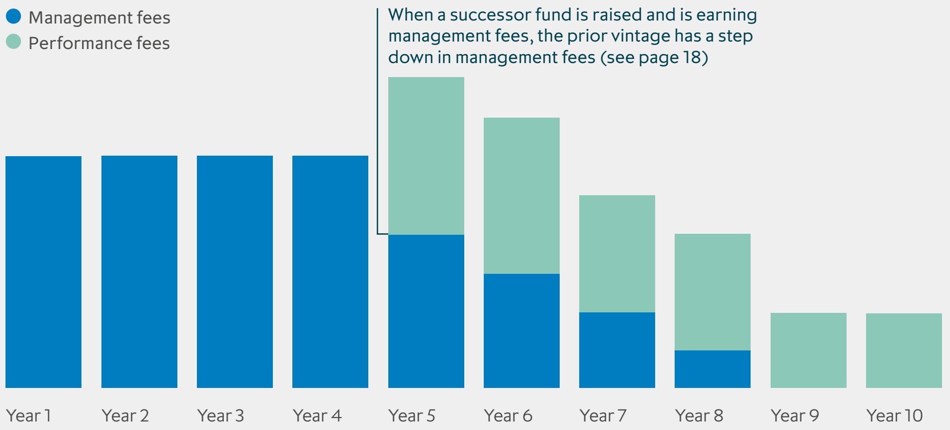
Over the medium term we expect performance fees to be ~10–15% of our total third-party fee income. Accrual of unrealised performance fees is a matter of judgement (see note 3 on page 134) and we take a conservative approach to minimise the possibility of any significant reversals.

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

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

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

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



Other income and movements in fair value of derivatives

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

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

Operating expenses and margin

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

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

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

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

Finance review continued

Investment Company

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

Balance sheet investment portfolio

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

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

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

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

Net Investment Returns

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

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

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

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

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

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

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

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

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

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

Finance review continued

Investment Company continued

Investment Company expenses

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

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

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

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

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

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

Group

Tax

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

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

Dividend and share count

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

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

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

Finance review continued

Group continued

Balance sheet and cash flow

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

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

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

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

Liquidity and net debt

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

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

The table below sets out movements in cash:

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

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

Finance review continued

Group continued

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

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

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

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

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

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

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

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

Net gearing

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

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

Foreign exchange rates

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

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

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

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

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

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

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

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

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

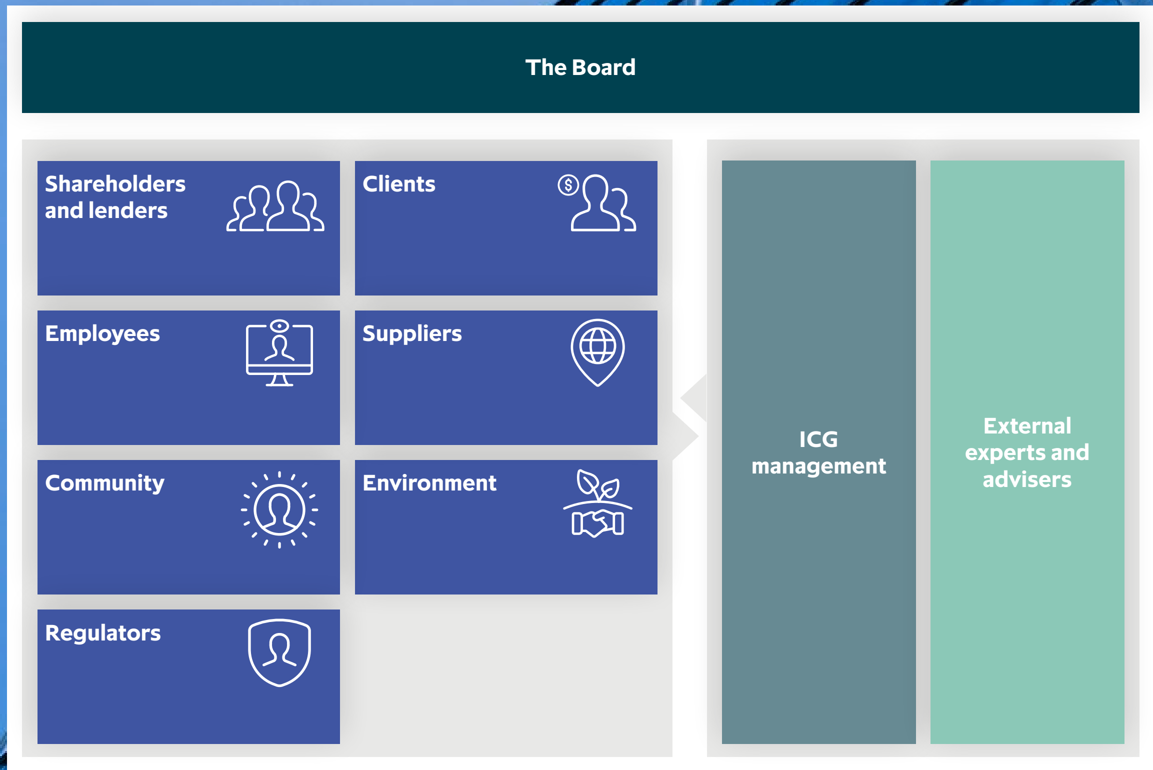
Stakeholder engagement

STAKEHOLDER DIALOGUE AND INSIGHT KEY TO OUR GOVERNANCE AND GROWTH

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

Our key stakeholder groups

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



Stakeholder engagement continued

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

Stakeholder engagement continued

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

Stakeholder engagement continued

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

Stakeholder engagement continued

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

Stakeholder engagement continued

Section 172 statement

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

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

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

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

Section 172(1) limbs

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

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

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Stakeholder engagement continued

CASE STUDY: Dividend policy review

DISTRIBUTIONS TO SHAREHOLDERS AND REINVESTING FOR FUTURE GROWTH

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

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

79.0p

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

77.5p

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

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

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

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

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

Our people

A GLOBAL PEOPLE BUSINESS DRIVING INNOVATION AND GROWTH

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

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

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

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

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

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

Diversity, equity and inclusion

Cultivating a diversity of perspectives, improving our teams' performance

Employee development

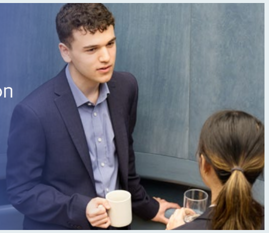
Helping our people reach their full potential and building the next generation of talent

Wellbeing and support

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

Engagement and voice

Effective communication to build and maintain engagement



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

Our people continued

Supporting ICG's evolution

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

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

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

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

1 Build connected and enhanced platforms

2 Centralised data

3 Standardise/simplify processes

4 Build-out strategic teams and locations

5 Invest in talent

Our progress on four areas of people initiatives

Diversity, equity and inclusion

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

Employee development

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

Wellbeing and support

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

Engagement and voice

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

Ranked (globally)

for the second year in a row

#1

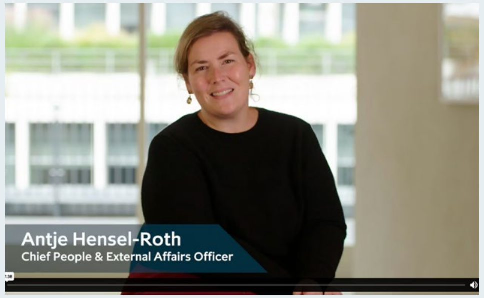
by Honordex Inclusive PE and VC Index 2024 for external transparency of DEI activity within the industry

Employee Engagement*

for July 2023

7.1/10

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



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

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

Antje Hensel-Roth
Chief People and External Affairs Officer

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

Our people continued

INVESTING FOR GROWTH

HOW WE ARE INVESTING IN OUR PEOPLE FOR GROWTH

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

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

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

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

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

Our employee networks

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

Diversity, Equity and Inclusion: Our Refreshed Strategy

Our People	Our Industry	Our Data and Insight	Our Responsible Investing

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

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

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

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

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

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

Our people continued

Key people metrics

All data is 31 March 2024 unless noted

General

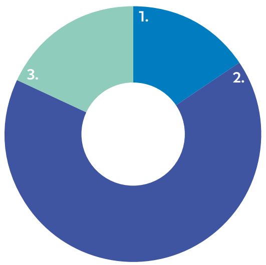
Number of permanent employees (total)
637
(2023: 582)

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

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

Age

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



Women

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

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

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

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

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

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

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

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

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

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

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

Ethnic minorities

Board
0%
(2023: 9% Asian)

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

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

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

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

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

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

Responsible investing

DELIVERING LONG-TERM VALUE CONTINUED PROGRESS ON SUSTAINABILITY

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

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

www.icgam.com/spr

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

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

UN PRI 2023 Assessment
Following rating per module

Policy, Governance and Strategy
★★★★★

Indirect – Private Equity
★★★★☆

Direct – Private Equity
★★★★★

Fixed Income – Corporate
★★★★★

Fixed Income – Private Debt
★★★★☆

Confidence Building Measures
★★★★☆

S&P Global Corporate Sustainability Assessment

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

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

Maintained Industry Leader rating of

AAA
(2022: AAA; 2021: AAA)

Sustainalytics ESG Risk Ratings

Maintained Low Risk rating – score of

14.9

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

CDP Climate Change

ICG retained CDP Climate Change Leadership score of

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

FTSE4Good Index

6th consecutive year
ICG retained membership

Managing risk

RISK DISCIPLINE FOR STRATEGIC GROWTH

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

Our approach

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

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

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

Managing risk

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

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

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

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

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

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

Risk appetite

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

Managing risk continued

Risk Appetite Level

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

Principal and emerging risks

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

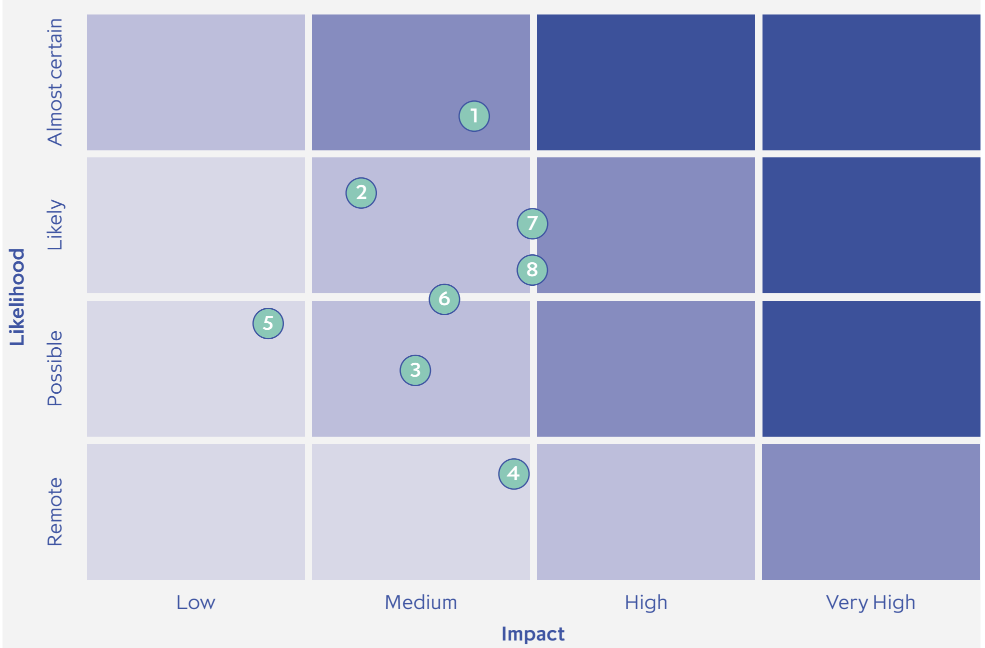
The Group uses a principal and emerging risks process to provide a forward-looking view of the potential risks that can threaten the execution of the Group's strategy or operations over the medium to long term. Emerging risks are identified through conversations and workshops with stakeholders throughout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

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

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

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

Risk profile



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

Financial	
3 Balance Sheet Risk	↓

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

Managing risk continued

Strategic alignment
1 Grow AUM 2 Invest 3 Manage and Realise

1 External Environment Risk

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

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

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

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

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

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

2 Fund Performance Risk

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

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

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

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

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

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

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

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

Managing risk continued

Strategic alignment
1 Grow AUM 2 Invest 3 Manage and Realise

3 Balance Sheet Risk

Strategic alignment: 1 2 3

Risk trend: ↓

Risk appetite: Moderate

Executive Director responsible: David Bicarregui

Risk Description

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

Key Controls and Mitigation

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

Trend and Outlook

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

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

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

4 Key Personnel Risk

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

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

Key Controls and Mitigation

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

Trend and Outlook

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

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

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

Read more about Our people on page 35.

Managing risk continued

Strategic alignment
1 Grow AUM 2 Invest 3 Manage and Realise

5 Legal, Regulatory and Tax Risk

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

Risk Description

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

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

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

Key Controls and Mitigation

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

Trend and Outlook

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

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

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

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

6 Operational Resilience Risk

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

Risk Description

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

Key Controls and Mitigation

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

Trend and Outlook

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

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

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

Managing risk continued

Strategic alignment
1 Grow AUM 2 Invest 3 Manage and Realise

7 Third-Party Provider Risk

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

Risk Description

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

Key Controls and Mitigation

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

Trend and Outlook

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

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

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

8 Key Business Process Risk

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

Risk Description

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

Key Controls and Mitigation

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

Trend and Outlook

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

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

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

Viability statement

A comprehensive and robust assessment

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

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

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

Period for assessing viability

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

Assessment of viability

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

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

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

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

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

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

Viability statement

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

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

CLIMATE-RELATED FINANCIAL DISCLOSURES

About this Report

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

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

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

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

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

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

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

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

Climate-related Financial Disclosures continued

Our commitments

Our investments

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

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

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

Long term goal:

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

Medium term targets:

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

Group operations

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

Long term goal:

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

Medium term target:

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

Transparency

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

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

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

Strategy

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

TCFD recommended disclosures:

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

Climate-related risks and opportunities

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

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

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

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

Climate-related Financial Disclosures continued

Strategy continued

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

Climate-related Financial Disclosures continued

Strategy continued

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

The Group business model is driven by management fee income, paid by our clients for managing our funds, and as such is long term and visible in nature. The fees are predominantly charged on the basis of invested or committed capital that is contractually locked in for a long term and largely not based on fund valuation. As such, any short-term increase or decrease in the valuation of individual investments or funds (including as a result of climate-related factors) would not immediately impact the Group's financial position. However, the impact of climate change on portfolio companies or real assets may impact the valuation of those investments in the short term, and the performance of funds in the medium term. Fund underperformance or a failure to develop funds that address our clients' preferences in respect of climate change is a potential medium-to-long-term risk to the Group.

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

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

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

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

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

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

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

Exposure of portfolios to climate-related risks

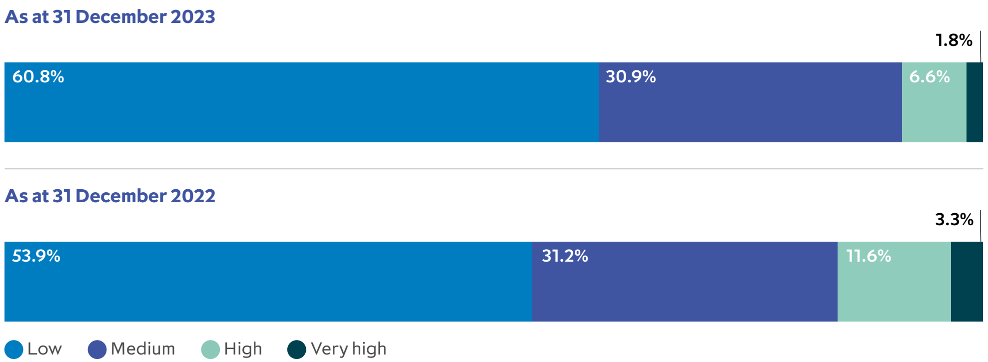
Before making a direct investment, ICG employs a proprietary climate risk exposure assessment. The methodology for the assessment is tailored to the nature of the investments, i.e. in a company versus in real estate. This methodology was developed in partnership with third-party subject matter experts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

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

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

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

Distribution of climate risk ratings for total assessed ICG portfolios



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

Climate-related Financial Disclosures continued

Strategy continued

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

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

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

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

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

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

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

Approach to scenario analysis

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

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

Transition risks

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

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

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

Climate-related Financial Disclosures continued

Strategy continued

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

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

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

Physical risks

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

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

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

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

Decarbonising our investment portfolios

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

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

Key information

23.2%*
of AUM, as at 31 March 2024

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

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

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

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

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

Key developments

As at 31 March 2024:,

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

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

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

Climate-related Financial Disclosures continued

Strategy continued

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

Key information

68.3%
of AUM, as at 31 March 2024

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

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

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

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

3. Real estate investments

Key information

8.5%
of AUM, as at 31 March 2024

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

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

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

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

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

The climate data challenge

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

GHG emissions data

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

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

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

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

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

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

Climate-related Financial Disclosures continued

Strategy continued

Developing our investment strategies

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

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

Key developments

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

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

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

Key developments

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

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

Fund-level sustainable financing

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

Group operations

The Group procures mainly professional and business services and does not have a complex supply chain, does not make capital investments in research and development, and is able to operate flexibly from a variety of locations. From a real estate perspective, the Group operates from leased offices, and our employees have the ability to work remotely.
The Group has assessed the physical-climate-risk exposure of its office locations using an established external physical-climate-risk assessment tool.
The results indicated that none of our key offices (London, New York, Warsaw and Paris) are likely to be materially exposed to physical climate-related risks in the short and medium term.

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

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

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

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

Climate-related Financial Disclosures continued

Strategy continued

Progress against ICG operational SBTi-validated target

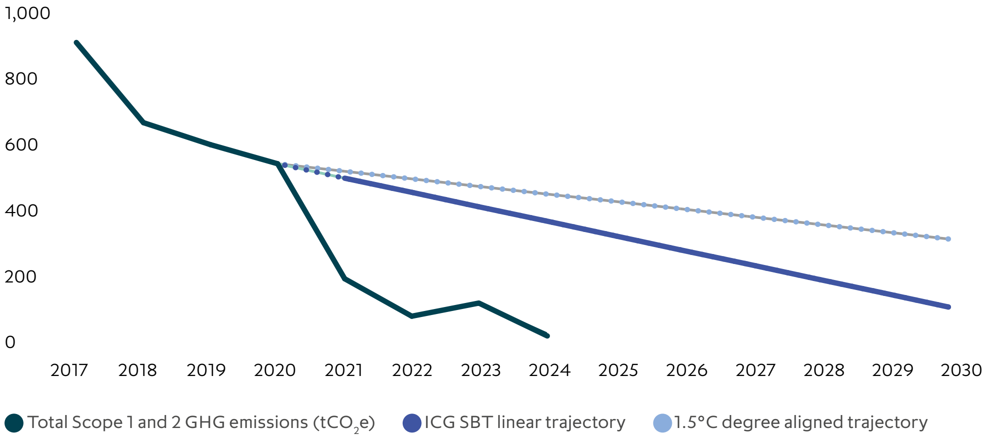
During the reporting period 1 April 2023 to 31 March 2024, our measured Scope 1 and Scope 2 (market-based) emissions totalled 28 tCO_2e, which represents 95% reduction compared to base year.

Key development

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

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

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



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

Governance

ICG's governance of climate-related risks and opportunities

TCFD recommended disclosures:

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

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

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

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

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

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

Climate-related Financial Disclosures continued

Governance continued

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

ICG plc Board of Directors

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

Executive Directors

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

Remuneration Committee

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

Risk Committee

- oversees the Group's RMF, compliance processes and procedures, and controls assurance to ensure that all risks, including ESG and climate-related risks, are identified, managed, and monitored and that the Group is compliant with all applicable legislation

Audit Committee

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

Sets direction and provides oversight

Inputs into climate strategy and reports on progress

Climate assessment and stewardship of investment portfolios

Investment Committees[1]

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

Investment teams

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

Responsible Investing Committee[2]

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

Sustainability & ESG team

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

Risk Oversight and Control functions[3]

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

Climate-related Financial Disclosures continued

Governance continued

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

Training and capacity building

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

Key development

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

Remuneration

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

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

Risk Management

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

TCFD recommended disclosures:

A Description of ICG's processes for identifying and assessing climate-related risks.

B Description of ICG's processes for managing climate-related risks.

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

Group Risk Management Framework

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

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

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

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

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

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

Climate-related Financial Disclosures continued

Risk Management continued

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

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

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

Key developments

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

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

Incorporating climate considerations into fund management

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

Group balance sheet investments

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

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

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

Climate-related Financial Disclosures continued

Risk Management continued

Identifying, assessing and managing climate-related risks

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

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

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

Exclusion List screening

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

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

Climate risk assessment

For each potential investment opportunity, we use a climate risk exposure assessment tool and methodology bespoke to the nature of the investment (in a company or real asset) to help us identify and assess whether there are any material climate-related risk exposures associated with an investment. As standard, these tools utilise established external and ICG proprietary sources of data to support the assessment of both physical climate risks and transitional climate risks. A climate risk scorecard is produced and additional analysis must be completed for investment opportunities identified as having a potentially heightened exposure to climate-related risks. In situations where we have sufficient influence, external ESG due diligence, including a specific analysis of climate-related risks and opportunities, is conducted as standard. The findings of the climate risk assessment are consolidated and included as standard in the investment proposal to the respective IC for most strategies. Where material climate-related issues are identified, the IC may decide not to proceed; may request further action is taken to ensure these issues are properly investigated; or may require further actions to be taken following the closing of an investment.

See more details on our approach and process on pages 50

Key developments

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

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

Monitoring

Following an investment, material climate-related risks and opportunities are monitored and reviewed as a standard part of the portfolio monitoring process. Depending on the nature of the issue and the level of influence, ICG may seek to better understand how these issues are managed either through ongoing dialogue or through our annual sustainability surveys. Climate change is an integral part of our annual sustainability surveys which monitor governance and management of climate change, as well as performance and decarbonisation plans. We publish summary results of our sustainability surveys in our annual Sustainability and People report.

Climate-related Financial Disclosures continued

Risk Management continued

Group operations – identifying and managing climate-related risks

Transition risks

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

Key development

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

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

Physical risks

Following our established RMF and associated procedures, we consider that the Group's direct operations are not materially exposed to physical climate risks because, among other factors, the Group does not have a complex supply chain, does not make capital investments in research and development, and is able to operate flexibly from a variety of locations. 100% of our IT infrastructure systems and data resides in the cloud and the Group leverages cloud services from multiple providers, further reducing concentration risk. From a real estate perspective, the Group operates from leased offices and our employees have the ability to work remotely. In the year ended 31 March 2023, the Group assessed the physical climate risk exposure of its office locations using an established external physical climate risk assessment tool. The results indicated that none of our key offices (London, New York, Warsaw and Paris) are likely to be materially exposed to physical climate risks.

Read more in our Sustainability and People Report 2023/2024

Metrics & Targets

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

TCFD recommended disclosures:

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

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

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

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

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

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

Climate-related Financial Disclosures continued

Metrics & Targets continued

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

Climate-related Financial Disclosures continued

Metrics & Targets continued

	Climate Metrics	Target and/or current activity[25]	Scope	Climate risk	Use and measurement	Ref
Investments continued						
Developing our strategies	Investment strategies with explicit engagement priority or formal framework that focuses on climate change within the investment process.	ICG has incorporated climate change considerations in the approval process for new funds or strategies. Since 2021, we have considered climate change in the launch of the latest vintages of European Corporate and Mid-Market, Strategic Equity, Infrastructure Equity, Strategic Real Estate and European Real Estate Debt investment strategies, which have explicit focus on engagement on climate change and decarbonisation.	Active funds across our Structured and Private Equity, Private Debt, Real Assets, and Credit asset classes.	Transition & Physical	Provides an indication for our ability to adapt our investment strategies to explicitly incorporate climate change considerations. Cumulative amount of capital raised since April 2021, expressed in USD billion; and AUM expressed in USD billion in such strategies.	5
	Investments in infrastructure and real estate targeting sustainability improvements.*	ICG has several strategies investing in infrastructure and real estate that have sustainability frameworks designed to deliver tangible, targeted improvements in the sustainability performance of assets.	Infrastructure Equity, European Real Estate Debt, and Sale and Leaseback.	Transition	Measures the proportion of Group's investments in infrastructure and real estate in strategies targeting tangible sustainability improvements, expressed as % of AUM in Real Assets. Monitored internally and publicly reported annually.	54
	Installed renewable energy generating capacity	ICG Infrastructure has made a number of investments to support the further growth and development of companies specialising in renewable energy generation across North America, Europe and Asia Pacific; which directly support the transition to a low-carbon economy.	Infrastructure Equity strategy and seed assets	Transition	Measures the aggregate and annual change in installed renewable energy generating capacity, expressed in GW. Monitored internally and publicly reported annually.	54
Our operations						
Our operations	Scope 1 and 2 absolute GHG emissions (market and location-based).*	Long-term goal: net zero GHG emissions across operations by 2040. Interim target (approved and validated by the SBTi): to reduce the Group's direct Scope 1 and Scope 2 GHG emissions by 80% by 2030 from a 2020 base year (market-based.)	Group operations: combustion of fuel, fugitive emissions, and purchased electricity and heat.	Transition	Measures the direct operational carbon footprint of the Group in line with the GHG Protocol, expressed in tCO_2e. Assessed annually and reported publicly, subject to independent limited assurance.	63 - 64
	Scope 1 and 2 GHG emissions intensity (market-based).*	ICG seeks to improve the GHG intensity of our operations, year-on-year.	Group operations: combustion of fuel, fugitive emissions, and purchased electricity and heat	Transition	Measures efficiency of the direct operational carbon footprint of the Group relative to its revenue, expressed in tCO_2e per £m revenue. Assessed annually and reported publicly, subject to independent limited assurance.	63 - 64
	Energy used from renewable sources.	ICG seeks to maximise the proportion of electricity consumption from renewable sources, and encourage landlords to provide low-carbon heating solutions, wherever feasible.	Group operations: purchased electricity and heat	Transition	Measures the proportion of electricity and heat from renewable sources. Assessed annually and reported publicly, subject to independent limited assurance	63 - 64
	Scope 3 absolute GHG emissions.*	The Group is establishing a complete baseline and assessing the tools and levers necessary to reduce its Scope 3 emissions.	Group operations: business travel, purchased goods and services, water supply and waste generation	Transition	Measures the indirect operational carbon footprint of the Group in line with the GHG Protocol, expressed in tCO_2e. Assessed annually and reported publicly, subject to independent limited assurance.	63 - 64

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

25. All references are to ICG financial years running from 1 April to 31 March.
26. Source ICG, the Heightened climate risk sectors categorisation is based on the latest TCFD Implementation Guidance (October 2021) which identifies the following sectors with the highest likelihood of climate-related financial impacts: Energy, Transport, Materials & Buildings, and Agriculture, Food & Forestry Products. ICG has adapted these to incorporate the framework provided by the Guidance on Use of Sectoral Pathways for Financial Institutions, produced by the Glasgow Financial Alliance for Net Zero in June 2022.
27. Active funds for this metric are those funds managed by ICG that principally focus on direct investments and that were either in fundraising or investing period or open-ended in nature, or were already measuring this metric at the start of FY22

Climate-related Financial Disclosures continued

Annual Group GHG emissions statement

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

Operational GHG emissions performance

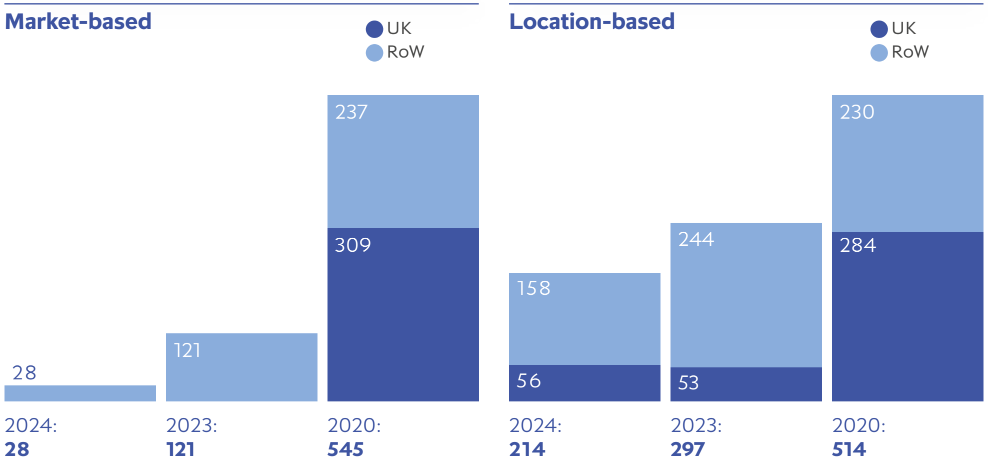
During the period 1 April 2023 to 31 March 2024 (the reporting period), our measured Scope 1 and Scope 2 (market-based) emissions totalled 28 metric tCO$_2$e compared to 121 metric tCO$_2$e in the 12-month period to 31 March 2023 (the prior period). The Scope 1 and 2 intensity[1] equated to 0.04* metric tCO$_2$e/FTE and 0.03* metric tCO$_2$e/£m revenue, compared to 0.21 metric tCO$_2$e/FTE and 0.19 metric tCO$_2$e/£m revenue in prior period.

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

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

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

Scope 1 and 2 emissions (mtCO$_2$e)[1]



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

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

	12-month period ending 31 March		
Metrics	**2024**	**2023**	**2020**
Scope 1 and 2 (market-based emissions) per FTE (mtC0$_2$e)[1]	**0.04**	0.2	1.07
Scope 1 and 2 (market-based emissions) per £m revenue (mtCO$_2$e)[1]	**0.03**	0.19	1.32

Scope 3 emissions performance

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

Climate-related Financial Disclosures continued

Annual Group GHG emissions statement continued

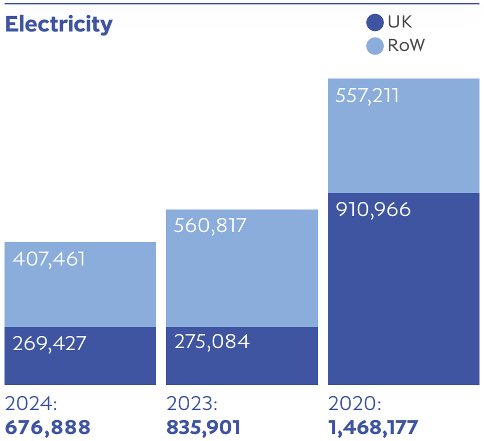
Energy consumption and efficiency

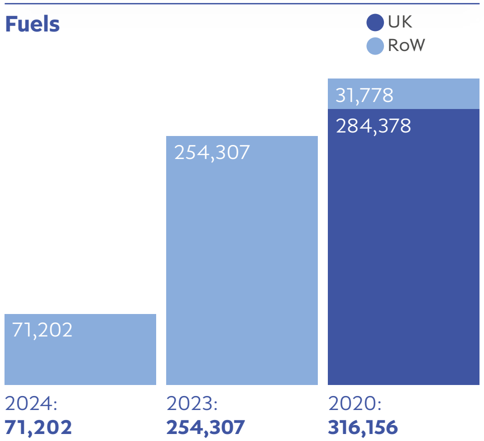
During the year, our total fuel and electricity consumption in our operations totalled 677 MWh. 40% of electricity was consumed in the UK, while the remaining 60% was consumed in 12 offices outside the UK which are predominantly serviced offices where ICG has limited control over energy provision. The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

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

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

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





GHG statement methodology

Reporting period: 1 April 2023 - 31 March 2024.

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

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

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

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

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

Consumption data has been converted into CO_2 equivalent using:

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

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

Non-financial information statement

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

Employee matters

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

Employee diversity

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

Board diversity

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

Measurement

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

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

Human rights and social matters

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

Policies and standards

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

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

Anti-bribery and corruption

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

Environmental matters

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

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

Governance report

IN THIS SECTION: HOW GOVERNANCE SUPPORTS INVESTING FOR GROWTH

Ensuring good governance requires us to have a clear eye on the long-term direction of the organisation in the context of the political, economic and social circumstances that are likely to impact its development, end markets and competitive positioning – focusing on robustness of governance, transparency and communication are critical to our growth journey.

Robust governance for responsible growth

See more information on page 67

The right team to drive growth responsibly

See more information on page 69

Transparency and integrity through the UK Corporate Governance Code 2018

See more information on page 74

Ensuring business continuity and a growth culture

See more information on page 83

Governance at a glance

ROBUST GOVERNANCE FOR RESPONSIBLE GROWTH

The work of the Board during the year was conducted through six formal meetings and regular informal engagement with executive management. The activity at formal meetings covered a wide range of strategic and operational themes.

Our highlights in FY24:

The Board regularly discussed shifting market conditions and possible impacts on, as well as opportunities for, the Group's strategies, while continuing to demonstrate a strong oversight of the use of the Group's balance sheet.

Deployment of balance sheet capital was a key topic for the Board as we considered our dividend level and our future investment programme.

During the year, the Board also devoted considerable time to debating how best to grow out nascent and existing strategies, and had a strong focus on a number of initiatives to scale up and scale out the Group's platform, with presentations from management considering in detail how to continue to invest in, and improve, our operating platform with this view in mind.

Oversight of the culture of the business included considering the effectiveness of Diversity, Equality and Inclusion (DEI) efforts and management's future plans.

Our priorities for FY25:

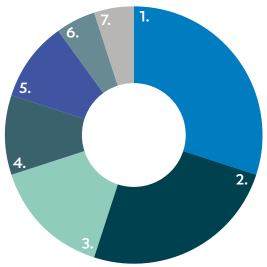
The Board has identified a number of priority areas for the coming year and will continue to keep these under review. The Board recognises the constant evolution of the business environment and remains ready to face new challenges and opportunities as they arise.

The Board will carefully consider the Group's strategic and geographic footprint in oversight of the investments we make to ensure continued growth of our business. We will continue our "scale up and scale out" mentality, seeking to ensure that our strategies continue to grow and that we further enhance our operating platform. Focus will also be dedicated to further embedding DEI initiatives in light of the recent "deep dive" review. In addition, the Board will be taking actions to implement recommendations coming out of the recent external board evaluation.

Governance at a glance continued

How the board spent its time:

1.	Financial performance and market outlook	30%
2.	Oversight of business units and operating platform enhancements	25%
3.	Employee development and engagement, DEI and Culture	15%
4.	Sustainability and Corporate Social Responsibility (CSR)	10%
5.	Allocation of balance sheet capital	10%
6.	Cyber and data	5%
7.	Other	5%



Financial performance and market outlook

The Board:

- regularly considered the challenging fundraising environment, noting the impact on current vintages of peers across the market and timing for future fundraising;
- reviewed levels deal flow, noting that equity-led strategies were finding it more challenging to deploy, but that debt focused funds were more active and noticeably benefiting from higher interest rates and demand for refinancing; and
- examined the Group's portfolios and received regular updates on investment performance.

Allocation of balance sheet capital

The Board:

- took a prudent approach to the deployment of balance sheet capital throughout the year;
- assessed a number of teams investing from the Group's balance sheet as they moved towards raising their first fund, which included a detailed review of current allocations in support of a range of established and new fund strategies; and
- focused on increasingly robust and systematic monitoring of the use of balance sheet capital once deployed.

Oversight of business units and operating platform enhancements

The Board:

- regularly reviewed the functionality and needs of the Group's business units, receiving detailed updates from senior investment executives and management;
- considered the Group's significant potential to develop an offering in the private wealth market;
- recognised the value in the continued expansion of the Group's offshore programme in India with The Centre of Excellence in Pune being created;
- received various reports on a dedicated project to effectively manage the complexity of Group and fund structures; and
- launched a number of material third-party supplier projects, to secure the services needed to facilitate the Group's scaling up and scaling out strategy.

Employees, DEI and Culture

The Board:

- determined that we should continue to invest in talent despite the macroeconomic climate, recognising the importance of talent retention and developing employees at all levels;
- discussed various key recruitment decisions, with strategic hires being made in investment teams, Marketing and Client Relations and the Group's central functions;
- regularly received a report from the NED designated as responsible for employee engagement;
- in March, welcomed the results of a DEI review on the effectiveness of efforts to date conducted by a specialist DEI consultant, which is shaping our forward-looking DEI strategy and action plans; and
- welcomed the Group being ranked #1 globally in the sector for the second year in a row by Honordex Inclusive PE and VC Index for external transparency of DEI activity within the industry.

Sustainability and Corporate Social Responsibility (CSR)

The Board:

- recognised the importance of providing appropriate sustainability-related disclosures and discussed how best these can be overseen;
- received regular reports on evolving investor attitudes globally;
- maintained an enhanced charitable budget of £2.5m for the year and continued supporting the Group's ongoing charitable activity, aimed at reducing inequality in education, entry into employment and addressing food poverty in the UK; and
- was pleased to report that the Group has seen a significant increase in volunteering activity and noted that volunteering by Executive Directors was setting the right tone for the Group.

Cyber and data

The Board:

- regularly considered the increased use of technology and data analytics within the investment industry, recognising the importance of having high quality data available;
- examined how the Group has historically sought to integrate data analysis into value improvement programmes within portfolio companies; and
- assessed the potential for use of artificial intelligence in the Group's business, recognising the potential of AI due to the significant processing power available but also highlighting a number of issues and concerns about relying on AI exclusively.

Board of Directors

Broad and diverse experience

In line with LR 9.8.6R (10), as at the reference date of 31 March 2024, the composition of the Board and executive management was as follows:

Board gender

	Number of Board members	Percentage of the Board	Number of senior positions on the Board[1]	Number in executive management	Percentage of executive management
Men	6	60%	4	2	66.67%
Women	4	40%	0	1	33.33%
Not specified/prefer not to say	N/A	N/A	N/A	N/A	N/A

Board ethnicity

	Number of Board members	Percentage of the Board	Number of senior positions on the Board[1]	Number in executive management	Percentage of executive management
White British or other White (including minority white groups)	10	100%	4	3	100%
Mixed/Multiple Ethnic Groups	N/A	N/A	N/A	N/A	N/A
Asian/Asian British	N/A	N/A	N/A	N/A	N/A
Black/African/Caribbean/Black British	N/A	N/A	N/A	N/A	N/A
Other ethnic group, including Arab	N/A	N/A	N/A	N/A	N/A
Not specified/ prefer not to say	N/A	N/A	N/A	N/A	N/A

1. Defined as Chair, Chief Executive Officer ('CEO'), Chief Financial Officer ('CFO') or Senior Independent Director.

Our approach to data collection for the purposes of collecting the data used in these tables can be found on page 94.

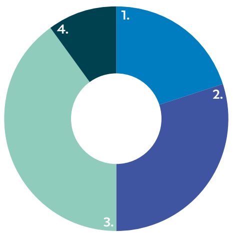
Board independence (as at 1 April 2024)

	Director	Independent
Chair	William Rucker	Yes
Executive	Benoît Durteste	No
	David Bicarregui	No
	Antje Hensel-Roth	No
Non Executive	Virginia Holmes	Yes
	Rosemary Leith	Yes
	Matthew Lester	Yes
	Amy Schioldager[1]	Yes
	Andrew Sykes	Yes
	Stephen Welton	Yes

1. Retiring from the Board on 16 July 2024.

Board tenure (as at 1 April 2024)

1. 0-3 years 20%
2. 3-6 years 30%
3. 6-9 years 40%
4. 10 years+ 10%



Non Executive Director area of expertise

Name	Asset Management	Investment	UK Corporate Governance	International	Risk Management	Financial
William Rucker (Chair)	●	●	●			●
Virginia Holmes	●	●	●	●	●	
Amy Schioldager[1]	●	●		●	●	
Andrew Sykes (SID)	●	●	●		●	●
Stephen Welton	●	●			●	●
Rosemary Leith			●	●	●	●
Matthew Lester	●	●	●		●	●

1. Retiring from the Board on 16 July 2024

Financial year ended 31 March 2024 Board and Committee meeting attendance[1]

Director	Board	Audit	Risk	Remuneration	Nominations
William Rucker	6/6	–	–	5/5	4/4
Andrew Sykes	6/6	5/5	–	5/5	4/4
Benoît Durteste	6/6	–	–	–	–
David Bicarregui	6/6	–	–	–	–
Antje Hensel-Roth	6/6	–	–	–	–
Virginia Holmes	6/6	–	4/4	5/5	4/4
Rosemary Leith	6/6	4/5[2]	4/4	5/5	–
Matthew Lester	6/6	5/5	4/4	–	4/4
Rusty Nelligan[3]	6/6	5/5	4/4	–	–
Amy Schioldager[4]	6/6	5/5	4/4	–	–
Stephen Welton	6/6	–	–	5/5	4/4
Secretary	6/6	5/5	4/4	5/5	4/4

1. Some non-members attended part or all of some or all Committee meetings at the invitation of the Committee Chair.
2. Owing to prior commitments, Rosemary Leith was unable to attend an additional Audit Committee meeting scheduled during the year. Rosemary attended a briefing meeting and provided comments to the Committee Chair prior to the meeting.
3. Retired from the Board on 31 March 2024.
4. Retiring from the Board on 16 July 2024.

Board of Directors continued

William Rucker
Chair

Joined Board: 2023

William Rucker joined the Board as Chair on 31 January 2023, following a successful career as an executive at Lazard.

William formerly acted as Chair of Lazard in the UK, an investment bank focused on asset management and financial advisory businesses. He joined Lazard in 1987 from Arthur Andersen where he qualified as a Chartered Accountant and retired from this position in September 2023.

William has extensive experience in the financial services sector as well as wide-ranging governance experience having served on, and been Chair of, the boards of a number of significant listed companies, charities and other bodies.

Other directorships
Marston's PLC (Chair)

William will become Chair of the British Land Company PLC on 9 July 2024 and will retire from his current role as Chair of Marston's PLC on the same date.

Benoît Durteste
Chief Executive Officer and Chief Investment Officer

Joined Board: 2012 (Chief Executive Officer since 2017)

Benoît Durteste has been ICG's Chief Executive Officer and Chief Investment Officer since 2017. He is an experienced investor with a strong understanding of the markets in which the Group operates. During his time on the Board he has been a strong leader of the Group's strategic development, significantly broadening our range of investment businesses. He contributes a thorough understanding of financial markets and the Group's investment portfolio to Board proceedings. Benoît joined ICG in September 2002 with previous experience at Swiss Re, GE Capital Private Equity and BNP Paribas Levfin.

Other directorships
ICG entities and Chair of the BVCA Alternative Lending Committee

David Bicarregui
Chief Financial Officer

Joined Board: 2023

David Bicarregui has significant experience in finance and operational leadership, transformation and business growth. He was elected by shareholders as a Director of the Company at the AGM in July 2023.

Prior to joining ICG, David spent 25 years with Goldman Sachs where he held various senior roles. Until 2022, he was Chief Financial Officer of Goldman Sachs International Bank and prior to that, Global-ex North America Treasurer. During his tenure, David led the growth of Goldman Sachs International Bank to become the largest of the firm's banks outside of North America.

David is responsible for the operating platform and corporate development with a particular focus on leading and managing the Group's financial affairs on a day-to-day basis and managing the Group with regard to prudent risk management measures.

Other directorships
ICG entities and Vice Chair of Governing body of St George's College

Antje Hensel-Roth
Chief People and External Affairs Officer

Joined Board: 2020

Antje Hensel-Roth has a wealth of experience in human capital management; prior to joining ICG she was Global Co-Head of the Investment Management Practice at Russell Reynolds Associates, during which time she acted as an adviser to the global alternative investment community. Since joining ICG in 2018, she has been a strong contributor to the strategic direction of the Group and has led a comprehensive drive for excellence in leadership, talent management and diversity and inclusion.

Antje is responsible for leading strategic human capital with a particular focus on business diversification strategies; she also leads communications and external affairs.

Other directorships
National Opera Studio

Virginia Holmes
Non Executive Director

Joined Board: 2017

Virginia Holmes brings to the Board an extensive knowledge of the financial services industry, including both investment management and banking. Her executive experience includes serving as Chief Executive of AXA Investment Managers in the UK and more than a decade with the Barclays Bank Group. She is an experienced director of a number of UK PLCs (including serving on remuneration committees), who enhances the corporate governance understanding of the Board and aids it in considering its relationships with stakeholders, as well as bringing an extensive knowledge of the pensions sector. She has served as Chair of the Remuneration Committee since April 2018.

Other directorships
Murray International Trust PLC and Syncona Limited

Board of Directors continued

Rosemary Leith
Non Executive Director

Joined Board: 2021

Rosemary Leith brings to the Board her deep expertise from 25 years in finance, principal investment, start-up creation and growth in Europe and North America. Rosemary is a Non-executive Director of Proton AG, provider of the world's most secure email. She is a Senior Advisor to SandboxAQ a Quantum and AI company. Rosemary was previously SID, Remuneration Committee Chair and a member of the Audit Committee of YouGov Plc, and was previously a Non-Executive Director of HSBC (UK) with responsibility for Digital and member of the Risk Committee. She is a Trustee of the National Gallery (London) and Chair of the Digital Advisory Board and a Fellow at Harvard University's Berkman Center for Internet & Society. She has extensive experience in the technology and digital fields, including as a co-founding Director of the World Wide Web Foundation, and advises and invests in several technology businesses. Rosemary became the Chair of the Risk Committee in April 2023.

Other directorships
Proton AG, World Wide Web Foundation, National Gallery and Bolon Management Limited

Matthew Lester
Non Executive Director

Joined Board: 2021

Matthew Lester has been Chair of the Audit Committee since July 2022. He is a senior finance leader with extensive public company experience, having previously served as Group Chief Financial Officer of both Royal Mail plc and ICAP plc. Matthew serves as Chair of Kier Group plc. He also previously served as a Non-Executive Director of a number of large UK plcs, including Man Group plc and Barclays Bank plc. He contributes a keen knowledge of finance matters to the Board.

Other directorships
Kier Group PLC

Amy Schioldager
Non Executive Director

Joined Board: 2018

Amy Schioldager was a senior executive at BlackRock where she was a member of the global executive committee and Head of Beta Strategies. She brings extensive knowledge of international investment markets and a track record of global expansion. She is based in the US, a region that is a key growth area for the Group. She was the Founder of BlackRock's Women's Initiative and Vice Chair of BlackRock's Corporate Governance Committee and brings valuable expertise to the Board in these areas. Amy acts as the Non Executive Director responsible for Employee Engagement, bringing forth employee views to the Board.

Amy will retire from the Board on 16 July 2024.

Other directorships
Boardspan, Inc. and Corebridge Financial, Inc.

Andrew Sykes
Non Executive Director

Joined Board: 2018
(Senior Independent Director)

Andrew Sykes has a wealth of financial services and non-executive experience. He was previously Chair of Smith & Williamson Holdings Ltd, and Chair of SVG Capital plc. Andrew spent 26 years of his executive career at Schroders PLC. He is an experienced director of UK-listed companies with a deep knowledge of the financial services sector and of corporate governance requirements, which, together with his background as a senior executive in the asset management sector, has proven to be invaluable in helping oversee the Group's continued growth. He served as Interim Chair of the Company from March 2022 to January 2023. Effective 16 July 2024, Andrew will act as the Non Executive Director responsible for Employee Engagement.

Other directorships
Alder Investment Management Limited, BBGI Global Infrastructure SA, Governor of Winchester College and member of Nuffield College Investment Committee

Stephen Welton CBE
Non Executive Director

Joined Board: 2017

Stephen Welton has over 25 years' experience in the development capital and private equity industry as well as angel investing. He was the Founder of the Business Growth Fund (BGF), the UK's largest growth capital investor, Chief Executive from its launch in 2011 until July 2020 and Chair from that date until July 2023. He became chair of the British Business Bank, the UK's economic development bank in 2023, and also serves as chair of the BGF Foundation. He previously spent over 10 years at CCMP Capital. He started his career in banking and has also worked as the Chair and Chief Executive Officer of various growth companies. His senior executive roles and deep investment experience mean that he is well placed to contribute to the Board on matters relating to strategy and business development.

Other directorships
Non-executive Chair of the British Business Bank

Corporate governance

Corporate governance framework

Our governance framework is predicated on effective decision making and appropriate accountability.

Board of Directors

– Comprises the Chairman, Executive and Non Executive Directors (NEDs)
– Has the authority to conduct the business of the Company in accordance with the Company's constitutional documents
– Runs the Group for the long-term benefit of shareholders and other stakeholders

Executive Directors

– Day-to-day authority (delegated from the Board) for the management of the Group and its business
General responsibility for:
The Group's resources / Executing the approved strategy / Financial and operational control / Managing the business worldwide

Audit Committee

Composed of NEDs

Oversees external and internal audit and the Group's financial reporting and disclosure

Committee liaises with:
– CFO
– Head of Finance
– Head of Investor Relations
– Head of Internal Audit

Read more on page 85

Risk Committee

Composed of NEDs

Oversees the Group's risk management framework and system of internal controls

Committee liaises with:
– Global Head of Compliance and Risk
– Head of Risk
– General Counsel and Company Secretary
– Head of Internal Audit

Read more on page 90

Remuneration Committee

Composed of NEDs

Determines the Group's Remuneration Policy

Reviews the remuneration of senior management

Committee liaises with:
– CPEAO
– Human Resources
– General Counsel and Company Secretary

Read more on page 95

Nominations and Governance Committee

Composed of NEDs

Evaluates the Board's composition, performance and succession planning

Oversees the Group's culture and diversity and inclusion initiatives

Considers candidates for Board positions

Committee liaises with:
– CPEAO
– Human Resources
– General Counsel and Company Secretary

Read more on page 93

Corporate governance continued

Corporate governance framework continued

Board roles

Chair

- William Rucker, who is responsible for:
  - Organising the business of the Board
  - Ensuring its effectiveness and setting its agenda
  - Effective communication with the Group's shareholders and other stakeholders

Read more in the Chair's letter to shareholders on page 6

Non Executive Directors

- Virginia Holmes, Rosemary Leith, Matthew Lester, Amy Schioldager, Andrew Sykes and Stephen Welton currently act as NEDs of the Company
- All NEDs are independent
- Responsible for providing independent oversight of, and challenge to, the Executive Directors

Read more on the Directors' profiles on pages 70 to 71

Chief Executive Officer and Chief Investment Officer (CEO/CIO)

- Benoît Durteste, who oversees the Group and is accountable to the Board for the Group's overall performance

Chief Financial Officer (CFO)

- David Bicarregui, who leads and manages the Group's financial affairs, corporate development and the operating platform of the Group

Chief People and External Affairs Officer (CPEAO)

- Antje Hensel-Roth, who has responsibility for strategic human capital management, communications and external affairs

Senior Independent Director

- Andrew Sykes, who acts as a sounding board for the Chair and, where necessary, acts as an intermediary for shareholders or other Directors if they feel issues raised have not been appropriately dealt with by the Chair

Key Board support roles

Company Secretary

- Responsible for advising on legal, governance and listing matters at Board level and across the Group
- Provides advice and support to the Board and its Committees
- Manages the Group's relationships with shareholder bodies

Committee Secretaries

- Each Committee's Secretary provides advice and support within the specialist remit of that Committee; they are responsible for ensuring that the Committee members receive relevant information and that appropriate matters are discussed
- Nominations and Governance Committee: Company Secretary
- Remuneration Committee: Company Secretary
- Audit Committee: Head of Finance
- Risk Committee: Head of Risk

Corporate governance continued

Transparency and integrity through the Corporate Governance Code 2018

The Directors present their Annual Report and the audited financial statements for the financial year ended 31 March 2024.

Throughout the year, the Board and its Committees carefully considered the Corporate Governance Code 2018 and, save for the slightly delayed Board evaluation (required by Code Provision 21) due to the timing of the change of Chair at the end of the prior financial year (so as to allow the Chair to take part in the process, given his importance to the oversight of the review and his critical role in assimilating and implementing relevant findings), continued to comply with the Code's recommendations for the year ending 31 March 2024. A copy of the Code (the Code) is available on the Financial Reporting Council's website: www.frc.org.uk.

The Governance section of this report (pages 66 to 116) set out how we have applied the Principles of the Code throughout the year.

Section 1:

Board leadership and Company purpose

A Effective and entrepreneurial Board to promote the long-term sustainable success of the Company, generating value for shareholders and contributing to wider society
B Purpose, values and strategy with alignment to culture
C Resources for the Company to meet its objectives and measure performance. Controls framework for management and assessment of risks
D Effective engagement with shareholders and stakeholders
E Consistency of workforce policies and practices to support long-term sustainable success

- Chair's letter, see page 6
- Strategic Report, see pages 1 to 65
- Board engagement with key stakeholders, see page 28
- Audit Committee report, see page 85
- Risk Committee report, see page 90
- Conflicts of interest, see page 70

Section 2:

Division of responsibilities

F Leadership of Board by chair
G Board composition and responsibilities
H Role of Non Executive Directors
I Company Secretary

- Board composition, see page 72
- Key roles and responsibilities, see page 73
- General qualifications required of all Directors, see page 69
- Information and training, see page 83
- Board appointments and succession planning, see page 93

Corporate governance continued

Transparency and integrity through the Corporate Governance Code 2018 continued

Section 3:

Composition, succession and evaluation

J Board appointments and succession plans for Board and senior management and promotion of diversity

K Skills, experience and knowledge of Board and length of service of Board as a whole

L Annual evaluation of Board and Directors and demonstration of whether each Director continues to contribute effectively

– Board composition, see page 70
– Diversity, tenure and experience, see page 69
– Board, committee and Director performance evaluation, see page 83
– Nominations and Governance Committee report, see page 93

Section 4:

Audit, risk and internal controls

M Independence and effectiveness of internal and external audit functions and integrity of financial and narrative statements

N Fair, balanced and understandable assessment of the Company's position and prospects

O Risk management and internal control framework and principal risks Company is willing to take to achieve its long-term objectives

– Audit Committee report, see page 85
– Risk Committee report, see page 90
– Strategic Report, Managing Risk, see page 40
– Fair, balanced and understandable Annual Report, see page 82
– Going concern basis of accounting, see pages 77 and 133
– Viability statement, see page 46

Section 5:

Remuneration

P Remuneration policies and practices to support strategy and promote long-term sustainable success with executive remuneration aligned to Company purpose and values

Q Procedure for Executive Director and senior management remuneration

R Authorisation of remuneration outcomes

– Remuneration Committee report, see pages 95 to 116

"It is a priority for us to ensure that we continue to meet our obligations to our stakeholders and provide clear and open communication in relation to our business".

William Rucker
Chair

Directors' Report

The Directors present their Annual Report and the audited financial statements for the financial year ended 31 March 2024. The risks to which the Group is subject, and the policies in respect of such risks, are set out on pages 42 to 45 and are incorporated into this report by reference. The Corporate Governance section set out on pages 66 to 116 is incorporated into this report by reference. The Strategic Report section set out on pages 1 to 65 is also incorporated by reference.

The Governance section of this report (page 66) sets out how we have applied the Code's Principles and provisions throughout the year (and offers explanation where we have not been able to comply). We note that the FRC published a revised code in 2024 that will apply to future reports, and in each year we will report against the Code as it is in force at that point.

The Directors' Report and Strategic Report together constitute the Management Report for the year ended 31 March 2024 for the purpose of Disclosure and Transparency Rule 4.1.8R.

Significant shareholdings

As at 22 May 2024 the Company had been notified or otherwise become aware of the following interests pursuant to the Disclosure Rules and the Transparency Rules representing 3% or more of the issued share capital of the Company.

Institution	Number of shares	Percentage of voting rights
BlackRock Inc	23,838,076	8.20%
Ameriprise/Threadneedle	13,683,890	4.71%
The Vanguard Group Inc	13,243,727	4.56%
Wellington Management Company	11,819,407	4.07%
abrdn Investment Management	11,468,302	3.95%
J.P. Morgan Asset Management	11,468,302	3.64%
Aviva Investors	10,591,434	3.29%

Directors' interests

The interests of Directors who held office at 31 March 2024 and their connected persons, as defined by the Companies Act 2006, are disclosed in the report of the Remuneration Committee on page 105.

During the financial year ended 31 March 2024, the Directors had no options over or other interests in the shares of any subsidiary company.

The roles of the Chair and Chief Executive

In accordance with the Code, the Board has adopted a formal division of responsibilities between the Chair and the CEO, so as to establish a clear division of responsibilities between the running of the Board and the executive responsibility for the running of the Company's business.

The Chair, William Rucker, was considered independent at the date of his appointment as Chair and continues to be considered as such.

The Board has delegated the following responsibilities to the Executive Directors:

- The development and recommendation of strategic plans for consideration by the Board
- Delivery of objectives and priorities determined by the Board
- Implementation of the strategies and policies of the Group as determined by the Board
- Monitoring of operating and financial results against plans and budgets
- Monitoring the quality of the investment process
- Developing and maintaining risk management systems

Directors

The profiles of the Directors currently serving are shown on pages 70 to 71; those details are incorporated into this report by reference. All of the Directors served throughout the year, except that David Bicarregui was elected by shareholders as a Director at the AGM on 20 July 2023 (following the retirement of Vijay Bharadia who served as a Director until that date) and Rusty Nelligan served as a Director until his retirement on 31 March 2024.

The composition of each of the Committees of the Board and the Chair of each Committee are detailed in the report of each Committee, found on pages 85 to 116.

Documents for public inspection

The terms of reference of each of the Board Committees, together with the Directors' service agreements, the terms and conditions of appointment of NEDs and Directors' deeds of indemnity, are available for inspection at the Company's registered office during normal business hours.

Committee proceedings

Each Committee has access to such external advice as it may consider appropriate. The terms of reference of each Committee are considered regularly by the respective Committee and referred to the Board for approval.

Directors' Report continued

Delegation to Executive Directors

The Company has three Executive Directors, each of whom has a specific area of responsibility. Benoît Durteste is Chief Executive Officer and, in addition to his strategic and operational remit, oversees the Group's Investment Committees in his role as the Chief Investment Officer.

David Bicarregui is Chief Financial Officer and is responsible for finance, treasury, tax, investor relations, legal, operations and IT, compliance and risk.

Antje Hensel-Roth is Chief People and External Affairs Officer and is responsible for human resources, communications and external affairs.

Board process

Each Board member receives a comprehensive Board pack at least five days prior to each meeting which incorporates a formal agenda together with supporting papers for items to be discussed at the meeting. Further information is obtained by the Board from the Executive Directors and other relevant members of senior management, as the Board, particularly its NEDs, consider appropriate. A similar process is followed for each Committee.

Advice for Directors

All Directors have access to the advice and services of the Company Secretary and the Secretaries to each of the Committees on which they serve and may take independent professional advice at the Group's expense in the furtherance of their duties. The appointment or removal of the Company Secretary would be a matter for the Board.

Meetings with the Chair

Time is allocated at the end of each Board meeting for the NEDs to hold meetings in the absence of Executive Directors. As appropriate, the NEDs will also hold sessions in the absence of the Chair.

In accordance with the Code, any shareholder concerns not resolved through the usual mechanisms for investor communication can be conveyed to the Senior Independent Director (SID). The SID acts as a sounding board for the Chair and also leads the annual appraisal of the Chair.

Directors' indemnity

Qualifying third-party indemnity provisions (as defined by Section 234 of the Companies Act 2006) were in force during the course of the financial year ended 31 March 2024 for the benefit of the then Directors of the Company and the then Directors of certain of the Company's subsidiaries and, at the date of this report, are in force for the benefit of the Directors of the Company and the directors of certain of the Company's subsidiaries in relation to certain losses and liabilities which they may incur in connection with their duties, powers or office. The Group also maintains Directors' and Officers' insurance which gives appropriate cover for legal action brought against its Directors.

Conflicts of interest

Directors have a statutory duty to avoid conflicts of interest with the Group. The Company's Articles of Association allow the Directors to authorise conflicts of interest and the Board has adopted a policy and effective procedures for managing and, where appropriate, approving potential conflicts of interest. No material conflicts of interest exist.

Internal control

The Board has overall responsibility for the Group's internal control system and monitoring of risk management, the effectiveness of which is reviewed at least annually. Internal controls include giving reasonable, but not absolute, assurance that assets are safeguarded, transactions are authorised and recorded properly, and that material errors and irregularities are prevented or detected within a timely period.

Through the regular meetings of the Board and the schedule of matters reserved to the Board or its duly authorised Committees, the Board aims to maintain full and effective control over appropriate strategic, financial, operational and compliance issues. For further details of the Group's Committees, please see pages 85 to 116 and for further details of the Board, page 69.

The Board has put in place an organisational structure with clearly defined lines of responsibility and delegation of authority.

The Board annually considers and approves a strategic plan and budget. In addition, there are established procedures and processes in place for the making and monitoring of investments and the planning and controlling of expenditure.

The Board also receives regular reports from the Executive Directors and other members of senior management on the Group's operational and financial performance, measured against the annual budget, as well as regulatory and compliance matters. For further details of the Group's Executive Directors, please see page 70.

The Group has in place arrangements whereby individuals may raise matters of concern in confidence about possible improprieties in matters of financial reporting or other matters.

The rationale for the system of internal control is to maximise effectiveness for the commercial management of the business and to provide the Board with regular and effective reporting on the identified significant risk factors. The Board is responsible for determining strategies and policies for risk control, and management is responsible for implementing such strategies and policies.

The Board confirms that an ongoing process for identifying, evaluating and managing the Group's significant risks has operated throughout the year and up to the date of the approval of the Directors' Report and financial statements. For further details of the risks relating to the Group, please see page 42 and the report of the Risk Committee on page 90.

Going concern statement

The Group's business activities, together with the factors likely to affect its future development, performance and position, are set out in the Strategic Report on pages 1 to 65. The financial position of the Group, its cash flows, liquidity position, and borrowing facilities are described in the Finance Review on page 16. In addition, the Directors have taken account of the Group's risk management process described on page 40. The Directors have made an assessment of going concern, taking into account both the Group's current performance and the Group's outlook, using the information available up to the date of issue of these financial statements.

The Directors have acknowledged their responsibilities in relation to the financial statements for the year to 31 March 2024 and considered it appropriate to prepare the financial statements on a going concern basis as detailed in Note 1 Basis of Preparation (page 132).

Accordingly, the Directors have a reasonable expectation the Group has resources to continue as a going concern to 30 November 2025, an 18 month period from the date of approval of the financial statements.

Directors' Report continued

Going concern statement continued

In preparing the Group financial statements, the Directors are required to:

- assess the Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern
- use the going concern basis of accounting unless they either intend to liquidate the Group or to cease operations, or have no realistic alternative but to do so.

Forward-looking statements

This Annual Report includes statements that are, or may be deemed to be, 'forward-looking statements'. These forward-looking statements can be identified by the use of forward-looking expressions, including the terms 'believes', 'estimates', 'anticipates', 'expects', 'intends', 'may', 'will' or 'should' or, in each case, their negative or other variations or similar expressions, or by discussions of strategy, plans, objectives, goals, future events or intentions.

These forward-looking statements include all matters that are not historical facts. They appear in a number of places throughout this Annual Report and include, but are not limited to, the following: statements regarding the intentions, beliefs or current expectations of the Directors, the Company and the Group concerning, among other things, the Group's results of operations, financial condition, liquidity, prospects, growth, strategies and the industries in which the Group operates.

By their nature, forward-looking statements involve risk and uncertainty because they relate to future events and circumstances. Forward-looking statements are not guarantees of future performance and the actual results of the Group's operations, financial condition and liquidity, and the development of the countries and the industries in which the Group operates may differ materially from those described in, or suggested by, the forward-looking statements contained in this Annual Report. In addition, even if the results of operations, financial condition and liquidity, and the development of the countries and the industries in which the Group operates, are consistent with the forward-looking statements contained in this Annual Report, those results or developments may not be indicative of results or developments in subsequent periods. Many of these factors are beyond the control of the Directors, the Company and the Group. Should one or more of these risks or uncertainties materialise, or should underlying assumptions on which the forward-looking statements are based prove incorrect, actual results may vary materially from those described in this Annual Report.

Except to the extent required by laws and regulations, the Directors, the Company and the Group do not intend, and do not assume any obligation, to update any forward-looking statements set out in this Annual Report.

Change of control agreements

There are no significant agreements to which the Group is a party that take effect, alter or terminate upon a change of control of the Group, other than:

1. The Private Placement arrangements of $80m and €44m dated 11 May 2015, $167m and €52m dated 29 September 2016, and $225m dated 26 March 2019 and $125m and €44m dated 24 April 2019, where a change of control of the Company gives rise to a prepayment offer, whereby the Company must make an offer to all holders of the Private Placement notes to prepay the entire unpaid principal amount of the Private Placement notes, together with accrued interest thereon.
2. The £550m committed syndicated Revolving Credit Facility agreement entered into on 22 January 2021 contains a change of control provision which provides, upon the occurrence of a change of control of the Company, for a 30-day negotiation period with the syndicate lenders to agree terms and conditions which are acceptable to syndicate lenders and the Company for continuing the facilities. If, at the end of the negotiation period, no such agreement is reached, the facilities agreement gives each lender the right, but not the obligation, upon applicable notice, to cancel their commitments under the facilities agreement and declare their participation in the loans then outstanding repayable immediately, together with accrued interest and all other amounts payable thereon.
3. The employee share schemes, details of which can be found in note 24 of the financial statements, and the SAYE Plan 2004, become exercisable for a limited period following a change of control. Awards and options under the Omnibus Plan and the BSC Plan vest immediately on a change of control.
4. Carried interest arrangements in respect of a number of funds vest fully in favour of the Company and certain of the Group's employees following a change of control event.

There are no agreements between the Group and its Directors or employees providing for compensation for loss of office or employment that occurs because of a takeover bid apart from those described above and the usual payment in lieu of notice.

Information included in the Strategic Report

In accordance with section 414 C (11) of the Companies Act 2006, the following information otherwise required to be set out in the Directors' Report has been included in the Strategic Report: risk management objectives and policies (page 40); hedging policies and exposures (page 43); engagement with employees (page 30); and engagement with suppliers and other stakeholders (pages 30).

Dividend

The Directors recommend a final net ordinary dividend payment in respect of the ordinary shares of the Company at a rate of 53.2 pence per share (2023: 52.2 pence per share), which when added to the interim net dividend of 25.8 pence per share (2023: 25.3 pence per share) gives a total net dividend for the year of 79.0 pence per share (2023: 77.5 pence per share). The recommendation is subject to the approval of shareholders at the Company's AGM in July 2024.

The amount of ordinary dividend paid in the year was £223.4m (2023: £236.4m).

Distributable reserves

The distributable reserves of the Parent Company at 31 March 2024 were £514.1m (£448.5m at 31 March 2023).

Political contributions

No contributions were made during the current and prior year for political purposes by the Company or any of its subsidiaries.

Greenhouse gas emissions

All disclosures required by the SECR requirements set out in the Companies Act 2006 (Strategic Report and Directors' Report) Regulations 2013 and the Companies (Directors' Report) and Limited Liability Partnerships (Energy and Carbon Report) Regulations 2018 have been complied with and are detailed on page 63 which forms part of the Directors' Report disclosures.

Research and development activities

Details of the research and development activities undertaken are set out in note 16.

Disclosures required under Listing Rule 9.8.4

The Group's Employee Benefit Trust (EBT) has lodged standing instructions to waive dividends on shares held by it. Dividend waivers have also been issued for shares held as treasury shares. The total amount of dividends waived during the year ended 31 March 2024 was £6.2m.

Other than this, there are no disclosures required to be made under UK Listing Rule 9.8.4.

Directors' Report continued

Compliance with climate-related disclosure requirements

The Group has complied with the requirements of LR 9.8.6R and sections 414CA and 414CB of the Companies Act 2006 by including climate-related financial disclosures consistent with the TCFD recommendations and recommended disclosures.

Disclosures can be found on the following pages:

Pillar	Disclosure	Page
Governance	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	55
Strategy	a. Describe the climate-related risks and opportunities the organization has identified over the short, medium, and long term b. Describe the impact of climate-related risks and opportunities on the organization's businesses, strategy, and financial planning climate-related risks c. Describe the resilience of the organisation's strategy, taking into consideration different climate-related scenarios, including a 2°C or lower scenario	48
Risk management	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	57
Metrics and targets	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 GHG emissions and the related risks c. Describe the targets used by the organization to manage climate-related risks and opportunities and performance against targets	60

Read more on our TCFD disclosures on pages 47 to 64

Non-UK branches

A subsidiary of the Company, Intermediate Capital Managers Limited, operates a branch in France. Another subsidiary of the Company, ICG Europe Sàrl, operates a branch in Italy.

Auditor

EY were the auditor for the financial year ended 31 March 2024. A resolution for the appointment of EY as the auditor was passed at the AGM held on 20 July 2023. Details of auditor's remuneration for audit and non-audit work are disclosed in note 11 to the accounts.

Further details are set out in the Audit Committee report on page 85

Complex supplier arrangements

The Group does not use supplier financing arrangements.

Disclosure of information to the auditor

Each of the persons who is a Director at the date of approval of this report confirms that:

- So far as the Director is aware, there is no relevant audit information of which the Company's auditor is unaware
- The Director has taken all reasonable steps that they ought to have taken as a Director in order to make themselves aware of any relevant audit information and to establish that the Company's auditor is aware of that information

This confirmation is given and should be interpreted in accordance with the provisions of section 418 of the Companies Act 2006.

Post balance sheet events

Material events since the balance sheet date are described in note 33 and form part of the Directors' Report disclosures.

Approach to discrimination and consideration of disabled employees

The Group is committed to creating an environment where all its employees are treated with dignity and respect at work and which is free from discrimination, victimisation, harassment and bullying. Such conduct is harmful to our employees and our business and we seek to address any form of discrimination, victimisation, harassment or bullying where it occurs in the workplace. All our employees and other third parties working for or with us, without exception, have a duty to comply with our policies to ensure that their colleagues are treated with dignity and respect and wherever possible to prevent discrimination, victimisation, harassment or bullying.

We aim to:

- ensure that all job applicants are treated fairly and judged on criteria relevant to a vacant position
- ensure that all employees are treated in a fair and equitable manner which allows each individual to reach their full potential
- ensure that decisions on recruitment, selection, training, promotion, career management, transfer, terms and conditions of employment and every other aspect of employment are based solely on objective and job-related criteria
- provide the Group with a workforce of the highest ability which reflects the population as a whole
- avoid any type of unlawful discrimination
- ensure all managers actively promote equal opportunities within the Group

Directors' Report continued

Diversity policy

We expect our people to treat each other with dignity and respect, creating a diverse, equitable and inclusive culture. We do not tolerate discrimination, bullying, harassment and victimisation on any ground, including age, race, ethnic or national origin, colour, mental or physical health conditions, disability, pregnancy, gender, gender expression, gender identity, sexual orientation, marital status or other domestic circumstances, employment status, working hours or other flexible working arrangements, or religion or belief. ICG takes any allegations of this nature extremely seriously and undertakes to thoroughly and fully investigate any complaints received.

The Group has adopted a DEI policy, as can be found on the Group's website, www.icgam.com.

Board and Executive Management Diversity disclosure 2023

In our annual report covering the financial year to 31 March 2023, we disclosed the gender and ethnicity of all members of our Board and Executive Management, but did not do so in the tabular format specified in the UK Listing Rules. For clarity, the disclosure of those details as at 31 March 2023 is set out below in the required tabular format. The details for 2024 are included in the tabular format on page 69.

Gender representation

	Number of Board members	Percentage of the Board	Number of senior positions on the Board[1]	Number in executive management	Percentage of executive management
Men	7	58.33%	4	2	66.67%
Women	5	41.67%	0	1	33.33%
Not specified/prefer not to say	N/A	N/A	N/A	N/A	N/A

Ethnicity representation

	Number of Board members	Percentage of the Board	Number of senior positions on the Board[1]	Number in executive management	Percentage of executive management
White British or other White (including minority white groups)	11	91.67%	3	2	66.67%
Mixed/Multiple Ethnic Groups	N/A	N/A	N/A	N/A	N/A
Asian/Asian British	1	8.33%	1	1	33.33%
Black/African/Caribbean/Black British	N/A	N/A	N/A	N/A	N/A
Other ethnic group, including Arab	N/A	N/A	N/A	N/A	N/A
Not specified/ prefer not to say	N/A	N/A	N/A	N/A	N/A

1. Defined as Chair, Chief Executive Officer ('CEO'), Chief Financial Officer ('CFO') or Senior Independent Director.

Employment of people with disabilities

We believe in providing equal opportunities for our employees. The employment and retention of people with a disability is included in this commitment, and we will provide reasonable adjustments to enable this. Arrangements are made as necessary to ensure support to and full and fair consideration of job applicants who happen to be disabled (and employees who become disabled during their employment) and who respond to requests to inform the Group of any requirements.

Financial support is also provided by the Group to support disabled employees who are unable to work, as appropriate to local market conditions.

ICG's firm principle is that each member of its Board and each Committee must have the skills, experience, knowledge and overall suitability that will enable each Director to contribute individually, and as part of the board team, to the effectiveness of the body on which they sit. Subject to that overriding principle, ICG believes that diversity of experience and approach, including background, gender, age and geographic provenance among Board members is of great value when considering overall board balance in making new appointments to the boards and its key Committees. ICG's priority is to ensure that the Board continues to have strong leadership and the right mix of skills to deliver the business strategy. Within this context, the composition of the Board and its Committees will necessarily vary from time to time. Currently 40% of the Board are women.

ICG was pleased to achieve its UK Women in Finance Charter commitment two years early in FY22. In FY24, the Group continues to exceed its commitment and currently 36% of senior employees with firm-wide leadership roles in the UK are women. ICG continues to make progress internally through recruitment, development and retention strategies, as well as externally through partnering with other organisations to help make successful and fulfilling careers in the investment industry accessible to a wide range of people irrespective of their ethnicity, gender, sexual orientation or socio-economic background.

Investing in our workforce

Please see page 35 for details of our approach to investing in and rewarding our workforce.

Acquisition of shares by EBT

Acquisitions of shares by the ICG Employee Benefit Trust 2015 purchased during the year are as described in note 23 to the financial statements.

Share capital and rights attaching to the Company's shares

As at 31 March 2024 the issued share capital of the Company was 294,365,326 ordinary shares of 26¼p each (including 3,733,333 shares held by the Company as treasury shares).

Certain key matters regarding the Company's share capital are noted below:

- Under the Company's Articles of Association, any share in the Company may be issued with such rights or restrictions, whether in regard to dividend, voting, transfer, return of capital or otherwise as the Company may from time to time by ordinary resolution determine or, in the absence of any such determination, as the Board may determine. All shares currently in issue are ordinary shares of 26¼p each carrying equal rights. The Articles of Association of the Company cannot be amended without shareholder approval
- At a General Meeting of the Company every member present in person or by a duly appointed proxy has one vote on a show of hands and on a poll one vote for each share held
- The ICG Employee Benefit Trust 2015 holds shares which may be used to satisfy options and awards granted under the Company's employee share schemes including its long-term incentive plans. The voting rights of these shares are exercisable by the trustees in accordance with their fiduciary duties
- The notice of any general meeting specifies deadlines for exercising voting rights either by proxy or present in person in relation to resolutions to be passed at a general meeting

Directors' Report continued

Share capital and rights attaching to the Company's shares continued

- No shareholder is, unless the Board decides otherwise, entitled to attend or vote either personally or by proxy at a general meeting or to exercise any other right conferred by being a shareholder if:
  - They or any person with an interest in shares have been sent a notice under section 793 of the Companies Act 2006 (section 793 notice) (which confers upon public companies the power to require information with respect to interests in their voting shares)
  - They or any interested person have failed to supply the Company with the information requested within 14 days where the shares subject to the notice (the 'default shares') represent at least 0.25% of their class or in any other case 28 days after delivery of the notice. Where the default shares represent 0.25% of their class, unless the Board decides otherwise, no dividend is payable in respect of those default shares and no transfer of any default shares shall be registered. These restrictions end seven days after receipt by the Company of a notice of an approved transfer of the shares or all the information required by the relevant section 793 notice, whichever is the earlier
- The Directors may refuse to register any transfer of any share which is not a fully paid share, although such discretion may not be exercised in a way which the Financial Conduct Authority regards as preventing dealings in the shares of the relevant class or classes from taking place on an open and proper basis. The Directors may likewise refuse to register any transfer of a share in favour of more than four persons jointly
- The Company is not aware of any other restrictions on the transfer of ordinary shares in the Company other than:
  - Certain restrictions that may from time to time be imposed by laws and regulations (for example, insider trading laws or the UK Takeover Code)
  - Pursuant to the Listing Rules of the Financial Conduct Authority whereby certain employees of the Company require approval of the Company to deal in the Company's shares

The Company is not aware of any agreements between shareholders that may result in restrictions on the transfer of securities or voting rights.

At the 2023 AGM the Directors were given the power to allot shares and grant rights to subscribe for, or convert any security into, shares: up to an aggregate nominal amount of £25,427,489 and, in the case of a fully pre-emptive rights issue only, up to a total amount of £50,845,978.

A resolution will be proposed to renew the Company's authority to allot further new shares at the forthcoming AGM. In accordance with applicable institutional guidelines, the proposed new authority will allow the Directors to allot ordinary shares equal to an amount of up to one-third of the Company's issued ordinary share capital as at 22 May 2024 plus, in the case of a fully pre-emptive rights issue only, a further amount of up to an additional one-third of the Company's issued share capital as at 22 May 2024. The authority for Directors to allot the Company's shares is renewed annually and approval will be sought at the forthcoming AGM for its renewal.

The Directors' authority to effect purchases of the Company's shares on the Company's behalf is conferred by resolution of shareholders. At the 2023 AGM the Company was granted authority to purchase its own shares up to an aggregate value of approximately 10% of the issued ordinary share capital of the Company as at 22 May 2023.

Issued share capital

During the year no shares were bought back. The authority to effect purchases of the Company's shares is renewed annually and approval will be sought at the forthcoming AGM for its renewal.

Powers and appointment of Directors

Subject to its Articles of Association and relevant statutory law and to such direction as may be given by the Company by special resolution, the business of the Company is managed by the Board, who may exercise all powers of the Company whether relating to the management of the business or not.

The Company's Articles of Association give power to the Board to appoint Directors. The Articles also require any Directors appointed by the Board to submit themselves for election at the first AGM following their appointment and for one-third of the Company's Directors to retire by rotation at each AGM. Directors may resign or be removed by an ordinary resolution of shareholders.

Notwithstanding the above, the Company has elected, in accordance with the UK Corporate Governance Code, to have all Directors reappointed on an annual basis (other than any who have decided to retire at the relevant AGM).

Except for Amy Schioldager who is retiring, all Directors are standing for re-election at the upcoming AGM on 16 July 2024. The Chair is satisfied that, following the conclusion of the external Board evaluation described on page 83, each of the other Directors continues to be effective and demonstrates commitment to their role. In the case of the Chair, the NEDs are satisfied that he is effective and demonstrates commitment to his role.

The issued share capital of the Company at the date of the 2023 Annual General Meeting was 290,612,940 ordinary shares of 26¼p each (excluding 3,733,333 treasury shares held by the Company).

2024 Annual General Meeting

The AGM of the Company is scheduled to take place at the Procession House Office of the Company on 16 July 2024 at 10:00am; the exact arrangements for the meeting will be subject to any restrictions on gatherings which may be in force. Details will be contained in the Notice of Meeting, and shareholders will be updated if arrangements change. Any shareholder who wishes to vote by proxy or raise a question to be answered in writing should refer to the Notice of Meeting for instructions on how to do so. Details of the resolutions to be proposed at the AGM along with explanatory notes are set out in the circular to be posted to shareholders in June 2024 convening the meeting. In line with market practice, if votes of more than 20% of those voting are cast against a resolution, the Company will make a statement when announcing the results of the vote to explain any actions it intends to take to understand the reasons behind the vote result.

This Directors' Report is approved by the Board and signed on its behalf by:

Andrew Lewis
Company Secretary
27 May 2024

Directors responsibilities

The Directors are responsible for preparing the Annual Report and Accounts in accordance with applicable law and regulations.

Company law requires the Directors to prepare financial statements for each financial year. Under that law the Directors are required to prepare the Group and Parent Company financial statements in accordance with UK-adopted international accounting standards (UK-adopted IAS) and, as regards the Parent Company financial statements, as applied in accordance with section 408 of the Companies Act 2006. Under company law the Directors must not approve the accounts unless they are satisfied that they give a true and fair view of the state of affairs of the Company and of the profit or loss of the Company for that period.

In preparing these financial statements, the Directors are required to:
- Select suitable accounting policies in accordance with IAS 8 Accounting Policies, Changes in Accounting Estimates and Errors and then apply them consistently
- Make judgements and accounting estimates that are reasonable and prudent
- Present information, including accounting policies, in a manner that provides relevant, reliable, comparable and understandable information
- Provide additional disclosures when compliance with the specific requirements of UK-adopted IAS are insufficient to enable users to understand the impact of particular transactions, other events and conditions on the Group and Company financial position and financial performance
- In respect of the Group and Parent financial statements, state whether UK-adopted IAS have been followed and, as regards the Parent Company financial statements, applied in accordance with the provisions of the Companies Act 2006, subject to any material departures disclosed and explained in the financial statements
- Prepare the financial statements on a going concern basis unless it is appropriate to presume that the Company and/or the Group will not continue in business

The Directors are responsible for keeping adequate accounting records that are sufficient to show and explain the Company's transactions and disclose with reasonable accuracy at any time the financial position of the Company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the Company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Under applicable law and regulations, the Directors are also responsible for preparing a Strategic Report, Directors' Report, Directors' Remuneration Policy and Corporate Governance statement that comply with that law and those regulations. The Directors are responsible for the maintenance and integrity of the corporate and financial information included on the Group's website.

The Directors confirm, to the best of their knowledge:
- That the consolidated financial statements, prepared in accordance with UK-adopted IAS, give a true and fair view of the assets, liabilities, financial position and profit or loss of the Company and the undertakings included in the consolidation taken as a whole
- That the Annual Report and Accounts, including the Strategic Report and the Directors' Report, which together constitute the management report, include a fair review of the development and performance of the business and the position of the Company and the undertakings included in the consolidation taken as a whole, together with a description of the principal risks and uncertainties that they face
- That they consider that this Annual Report and Accounts, taken as a whole, is fair, balanced and understandable and provides the information necessary for shareholders to assess the Company's and the Group's performance, business model and strategy.

Benoît Durteste
Chief Executive Officer and Chief Investment Officer

David Bicarregui
Chief Financial Officer

27 May 2024

Director induction and development

Board development and evaluation

Induction programme

A detailed and bespoke induction is conducted for every new Board member in order to give them a well-rounded view of the business and the markets they operate in. This takes place via a series of structured meetings over a two- to three-month period when the relevant Director is new to the Board.

Ongoing training and development

A regular programme has been established to ensure that all Board members remain up to date on both business specific and general industry matters. This is primarily done through the delivery of formal Board presentations from business unit heads – there is a detailed dive into one investment team's area at each Board meeting, while either the Board or its Committees receive detailed and operationally focused reviews from other areas. The Group's control functions also provide training on legislative and regulatory developments, and the training programme is supplemented by presentations from external advisers on matters such as takeover defence, Market Abuse Regulation matters, sustainability considerations and external market perceptions of the Company. In addition, the Group monitors other external training undertaken by the NEDs, often from leading global advisory companies.

The Executive Directors attend Board training and have also undertaken courses on compliance and operational matters such as anti-money laundering, anti-bribery and corruption and information security. Each also receives formal and ad hoc updates on statutory and regulatory developments, and leads presentations and other training sessions for other employees.

Board evaluation

The Board reviews its own performance annually, making an assessment of the effectiveness and performance of the Board as a whole, its Committees and each Director. Once every three years, this exercise is conducted as a formal external review led by independent experts.

The results of the most recent internal review were disclosed in full in the Annual Report for the year ending 31 March 2023, and during the year the Board has continued to progress the areas of refinement identified.

From January to March 2024, an external review was conducted by Raymond Dinkin of Consilium Board Review, an independent consultancy (neither Mr Dinklin or Consilium have any other connections with the Company or any individual director). Once completed, the results of the review were presented to the Board and relevant actions and development points were agreed. The lead evaluator received briefings from the Chairman and Company Secretary before reviewing all Board and Committee materials from the prior year. A detailed bespoke questionnaire was issued to each Director as well as a number of other senior executives who regularly present to, engage with or observe meetings of the Board or one or more Committee. Each participant then met privately with the evaluator to discuss the points raised in the questionnaire. The evaluator also attended a meeting of the Board and the Audit Committee. A formal written report was provided to the Board and the evaluator presented on his findings at the May meeting.

Director induction and development continued

Board development and evaluation continued

Board evaluation continued

The evaluation concluded that:

a. The Board, and each of its Committees, remain effective, and are generally improved since the last review in 2020.
b. The governance of the Group is in line with all applicable codes and regulations, and its execution is strong, while the control environment has improved.
c. The Group's business model has continued to evolve and the growth of the business continues to be rapid in terms of both scale and complexity; the Board is evolving its operations to match this.
d. The Board is managing the Group's culture and operational platform to navigate a balance between retaining entrepreneurialism and scaling its business.
e. The Board is seen as collegiate, respectful, inclusive, and informal. It focuses on what matters and is constructive while providing challenge to management.
f. The Board and management have a good and open relationship and benefit from regular communication, but at times have a different perspective on matters.
g. The priority for the Board in the next three years should be to provide the building blocks for sustaining long-term growth.

In addition, the evaluation recommended a number of points for the Board to focus on to improve its own performance or that of its Committees. These included the implementation of new programmes to deepen the Board's engagement with employees and understanding of the Group's culture, a suggestion that the Board receive greater insight and involvement in respect of ESG related matters and specific topics for Board debate and review. In addition, the Chair will meet with the Chair of each Committee to refine the focus of the Committee for the year ahead.

Board oversight of culture

The Board seeks to promote a strong and cohesive culture for our Group where high performance, open communication and integrity are key values. The tone from the top aims to reinforce our shared value and goals, and we monitor these in a number of ways, both formally and informally. Engagement with our employees gives key insights into the Group's culture; one method of achieving this is through the focus group work done by Amy Schioldager as the Designated NED for employee engagement. Amy (along with other NEDs as rotating guests) meets regularly with cross sections of employees to obtain their view on a range of matters, and reports back on this work to all Directors. We also regularly study the results of employee engagement "Pulse" surveys to obtain further insight into the culture. A number of other monitoring tools, including investment dashboards, risk management metrics and structured business unit reporting, provide further insight for the Board. This is supplemented by meetings and discussions between various NEDs and key team leaders within the business to obtain an ongoing picture of our institutional culture. This year's external Board evaluation also considered culture and confirmed that the Board is managing the Group's culture to navigate a balance between entrepreneurialism and scaling the business; this will continue to be a focus as we continue our growth journey.

Audit Committee Report

ENSURING INTEGRITY AS WE GROW RESPONSIBLY

Matthew Lester
Chair of the Audit Committee

"This Committee plays a key role in ensuring the Group's reporting is fair, balanced and understandable."

Dear shareholders

I am pleased to present the Committee's report for the year ended 31 March 2024. Separate sections on Committee governance, Review of the year, External audit, Internal controls and Internal audit follow.

As I reported to you last year, my focus is the effective oversight of the system of internal controls over financial reporting. The Committee works closely with the Risk Committee to assess any potential deficiencies identified, the remediation of any issues and the disclosure requirements of the Corporate Governance Code. During the current year we have also considered the impact of the increased volume and complexity of sustainability reporting, working closely with the Risk Committee to ensure clarity over responsibilities in this area.

The Group's activities, combined with its ongoing growth, have resulted in a complex operating environment with a number of manual processes. We were delighted to welcome David Bicarregui as CFO during the year, and the Committee has worked closely with him as they monitored management's progress in implementing new systems and processes. This has included executing the plans to transition to a new Enterprise Resource Planning system during the year ending 31 March 2025. The Committee is satisfied with the outcomes achieved. Continued progress to an integrated, consistent framework will deliver an enhanced control environment and I will continue to report on progress in future years.

In the coming year, our work will include considering any changes required to address the new requirements of the Corporate Governance Code and review of key APM metrics including AUM.

We have already worked closely with management and coordinated with the Risk Committee to update our processes for confirming the effectiveness of internal controls. This Committee continues to take responsibility for ensuring ICG has an appropriate and effective system of internal controls over financial reporting.

This Committee plays a key role in ensuring that the Group's reporting is fair, balanced and understandable, and complies with the requirements of UK-adopted IAS. We carefully consider the content of the Annual Report and Accounts, and other financial reports, to ensure that we are satisfied that all requirements are met.

The Audit Committee has continued to coordinate with the Risk Committee and the Remuneration Committee with the aim of effectively covering pertinent topics in the most suitable forum.

The Committee plays a vital role in assisting the Board in its oversight responsibilities for the integrity of financial reporting, effectiveness of internal controls, and assessment of quality of the assurance functions. I would therefore be pleased to discuss the Committee's work with any shareholder.

Matthew Lester
Chair of the Audit Committee

27 May 2024

Audit Committee Report continued

Committee roles and responsibilities

The Committee members have a wide range of business and financial experience, including accounting and auditing, risk management, asset management and investment, regulation and compliance, M&A, tax and international business practices. These skills ensure the Committee has the relevant sector competence to enable it to fulfil its terms of reference in a robust and independent manner. In particular, Matthew Lester has considerable experience as a CFO, Chair and Audit and Risk Committee Chair. The Board considers that he has recent and relevant financial experience.

Governance

- Committee governance
- Best practice developments
- People and business changes

Financial reporting

- Content and integrity of annual and other periodic financial reporting
- Application of Alternative Performance Measures and reconciliations to IFRS reported financials
- Annual Report presentation: fair, balanced and understandable

Accounting policies

- Key accounting judgements and estimates
- Going concern and viability

External audit

- Appointment and remuneration of external auditors
- Independence and objectivity
- Audit scope, quality and effectiveness
- Audit firm and leadership rotation and tender process

Internal controls and internal audit

- Financial operations: leadership, effectiveness
- Framework of internal controls over financial reporting
- Scope, planning, activities and resources of Internal Audit

Committee members

- Rosemary Leith
- Matthew Lester (Chair)
- Rusty Nelligan[1]
- Amy Schioldager[2]
- Andrew Sykes

1. Retired from the Board on 31 March 2024.
2. Will retire from the Board on 16 July 2024.

Committee governance

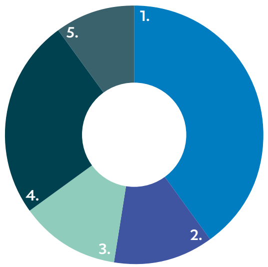
The Committee's terms of reference are approved and reviewed by the Board on a regular basis, most recently in May 2024. The terms of reference are available on the Group's website, www.icgam.com, or by contacting the Company Secretary.

The operations of the Committee were reviewed as part of the external Board evaluation in March 2024; the Committee was found to be operating effectively. For more details of this exercise, please see page 83.

The Committee held five meetings during the year. The Committee members attending each of the meetings can be found on page 69.

How the Committee spent its time

1. Financial and management reporting, including key management judgements	40%
2. Annual Report, including fair, balanced and understandable assessment	12.5%
3. External Audit	12.5%
4. Internal Audit	25%
5. Other	10%



Key Management Judgement: Alternative Performance Measures

Objective and significance

Alternative performance measures can add insight to the UK-adopted IAS reporting and help to give shareholders a fuller understanding of the performance of the business.

Progress

We discussed the use of alternative performance measures with the Executive Directors and reviewed their continued appropriateness and consistency with prior years.

Conclusion

We were satisfied that alternative performance measures, which are widely used in the asset management industry, can provide insight into performance from the perspective of our shareholders and other stakeholders.

A review of the alternative performance measures was undertaken and we were satisfied that they did not detract from UK-adopted IAS measures and were: sufficiently defined; consistently applied; and, where relevant, reconciled to UK-adopted IAS measures.

See KPIs on page 14 and the Finance review on page 16

Audit Committee Report continued

Key Accounting Judgements and Estimates: Consolidation of investment structures

Objective and significance

The Group holds investments in a number of structured entities which it manages. Judgement is required in assessing whether these entities, and their investments, are controlled by the Group and therefore need to be consolidated into the Group's financial statements.

Progress

We challenged the information analysed by management to assess which funds, carried interest partnerships, and portfolio companies are controlled by the Group or over which the Group exercises significant influence.

Conclusion

We concluded that the Group controlled 21 seed investment-related entities, 19 funds and three carried interest partnerships. The Group exercised significant influence over 35 other entities during the financial year. Accordingly, the controlled entities have been consolidated into the Group's financial statements.

Based on our inquiries of the Executive Directors and external auditors, we concluded our policies are being properly applied in areas such as assessing control and significant influence.

We concluded that the areas of judgement (see page 178) are properly explained.

See note 27 to the financial statements

Key Accounting Judgements and Estimates: Investment valuation

Objective and significance

Investments are mainly unquoted and illiquid, therefore considerable professional judgement is required in determining their valuation.

Progress

The Committee reviewed the conclusions of the Group Valuation Committee, carefully considering the impact of the current economic environment on the judgement required.

The Committee inquired into the progress of ongoing asset realisations after the year end as an indicator of the reliability of the valuation process.

Conclusion

In our review of the financial statements we were satisfied that sufficient disclosures had been provided on the estimates and judgements made in determining the value of the portfolio.

See notes 5 and 9 to the financial statements and the Auditor's Report on pages 119 to 120

Key Accounting Judgements and Estimates: Revenue recognition

Objective and significance

Revenue recognition involves certain estimates and judgements, particularly in respect of the timing of recognising performance fees, which are subject to performance conditions.

Progress

We reviewed the revenue recognition of performance fees and investment income to confirm that the treatments were consistent with the Group's accounting policies.

Conclusion

The Committee concluded that revenue has been properly recognised in the financial statements.

See note 3 to the financial statements and the Auditor's Report on page 121

Audit Committee Report continued

In addition to the significant matters detailed on pages 86 and 87 the Committee maintained a rolling agenda of items for its review including auditor independence and external audit effectiveness, internal audit, capital strategy, risk and treasury management capabilities, financial and management reporting (including any changes to the Group's accounting policies), accounting developments, relevant people changes, the going concern concept of accounting (see pages 77 and 133, the viability statement (see page 46), the Auditor's Report (see page 117), the Auditor's management letter and the fair, balanced and understandable assessment of the Annual Report. No issues of significance arose.

External audit

The Group complies with the UK Corporate Governance Code, the FRC Guidance on Audit Committees and the EU Regulation on Audit Reform. In addition, we comply with all aspects of the Competition and Markets Authority Statutory Audit Services Order.

Appointment and rotation

The Group's policy is to submit the external audit to tender every 10 years, as a fair balance between the costs and disruption of a tender and the benefits of a potential fresh pair of eyes and challenge, and for the external audit firm to be rotated at least every 20 years. EY were first appointed pursuant to a tender process for the financial year ended 31 March 2021. The next tender must be completed for the financial year ended 31 March 2031.

Execution, quality and effectiveness

The Committee discusses and agrees the scope of the audit prior to its commencement.

The Committee reviews with EY the risks of material misstatement of the financial statements and confirms a shared understanding of these risks. While planning the audit, EY sets out the key tests that they perform on the higher-risk areas, and the Committee provides input on areas that it wants to receive particular attention.

The Committee Chair meets the lead audit partner to review Group developments and audit progress. The Committee also discusses with EY, prior to recommendation of the financial statements to the Board, the audit findings, including audit differences, and observations on internal controls, operations and resources. This includes discussions in private sessions without the Executive Directors present.

In assessing the quality and effectiveness of the external audit, the Committee considers the audit team's demonstrated competence, experience, diligence, objectivity, professional scepticism, current knowledge and its relationship with the Executive Directors and senior management. In particular, the Committee assesses the depth of review and level of challenge provided by the external auditors over the significant judgements and estimates made by management.

The Committee observed healthy debate initiated by EY, and received high-quality reports with detailed information on the scope and results of their work, including challenge to management judgements, estimates and assumptions. The Committee gained valuable insight from EY on the nature of operations underlying the Group's production of financial information, and received a current assessment of internal controls over financial reporting, to the extent observed as a by-product of their audit of the consolidated financial statements.

The overall assessment of audit quality includes an annual evaluation of the independence and objectivity of the external auditor and the effectiveness of the audit process, taking into consideration relevant professional and regulatory requirements. This assessment is based in part on results of observation, inquiry and challenge, throughout the year, as well as periodic reflection and input collected separately from Committee members, Executive Directors and other relevant senior management. The annual evaluation of EY was undertaken by the Committee in September 2023.

In addition to the annual evaluation and regular review of reports and the working practices of the EY audit team, the Committee undertakes an ongoing assessment of external audit quality and effectiveness including, but not limited to, the following:

- The content of EY's annual Transparency Report which sets out their commitment to audit quality and governance
- Insights arising from the Audit Quality Review team (AQRt) of the Financial Reporting Council's annual audit of a sample of EY's audits. Following discussion with EY, insofar as any issues might be applicable, the Committee determines that EY has proper and adequate procedures in place for the audit
- The formal terms of engagement with the auditor, and the audit fee. The Committee determined that the Group audit fee of £2.1m (2023: £2.2m) appropriately reflected the scope and complexity of the work undertaken by EY

On the basis of this review and our ongoing interactions and observations, the Committee remains confident in EY's work and the Committee are satisfied that the audit is probing, challenging and effective and that the approach provides a reliable audit opinion with a reasonable expectation of detecting material errors, irregularities and fraud.

Audit Committee Report continued

Non-audit services

The Board has an established policy setting out what non-audit services can be purchased from the firm appointed as external auditors. A copy of the policy can be found on the Group's website, www.icgam.com. The Committee monitors non-audit services provided to the Group by EY to ensure there is no impairment to their independence or objectivity.

During the year, the Group paid £0.3m (2023: £0.3m) to EY for the provision of corporate non-audit services. Of these fees, £0.2m (2023: £0.3m) is in respect of services in their capacity as auditor. The ratio of non-audit services to 70% of audit fees on a three-year rolling basis was 0.16:1 (2023: 0.15:1). A detailed analysis of fees paid by the Group to EY is shown in note 11 on page 153.

During the year the Committee were advised that EY had identified a non-audit service related to the year ended 31 March 2022, approved by the Audit Committee, was prohibited under the FRC's Ethical Standard. The Committee was satisfied that the provision of this service did not impair the Auditor's independence (see page 117).

The Committee is satisfied that the services provided do not impair the independence of the external auditors.

Internal controls

Risk management and internal control matters are the responsibility of the Group's Risk Committee. Its report is set out on page 90.

The Group has an established control framework, designed to manage but not eliminate risks and provide reasonable but not absolute assurance against material losses or misstatements. Further detail is provided in the Risk Committee report on page 90.

Effectiveness of controls

The Committee reviews the effectiveness of the financial control environment, including controls over our financial reporting and the preparation of financial information included in the Annual Report, taking into consideration the reports from internal audit, any areas where there has been a reported breach of an internal control and input from external sources, in particular the auditors.

The Committee works closely with the Risk Committee to review the system of internal controls through its review of the system of internal controls over financial reporting (see page 90).

The Committee reviews the operation of the finance function to ensure it is sufficiently resourced and has the appropriate processes and controls over financial reporting to fulfil its duties.

Internal audit

The Group has an internal audit function led by an experienced Head of Internal Audit, reporting to the Chair of the Audit Committee. The Head of Internal Audit has access to external service providers with specialised skills, to augment internal resources as needed.

Approach

In conformity with the Financial Services Code (Guidance on effective internal audit in the financial services sector), a risk-based planning process is performed annually. This includes consideration of business objectives and a focus on those risks identified as being most likely to impact delivery of the Group's strategy.

The resulting plan is reviewed and approved by the Committee, with regular updates provided. This is kept under constant review, with any significant changes recommended to the Committee for approval.

The Group has a number of regulated entities that have specific requirements for internal audit activities. These requirements are taken into account in the planning process and, as appropriate, relevant reports on audit scope and findings are shared with the Boards of the regulated subsidiaries.

Execution

The Committee considered and approved the updated internal audit strategy and plan for financial years 2024 and 2025. Updates on delivery of this plan, together with related status of remedial actions, are reported at each meeting of the Committee.

During the year, in accordance with the plan, 22 risk-based reviews were completed, responded to by management and reviewed by the Committee. We pay particular attention to identified themes across the business, relative importance and relationship of findings, recommended and agreed remedial actions, and compliance with timescales for resolution and follow-up.

The Committee is satisfied that delivery of the approved internal audit strategy and plan is providing timely and appropriate assurance on the controls in place to feasibly manage the principal risks to the Group.

Effectiveness and independence

The Committee monitors the effectiveness of Internal Audit within the context of the function's charter and stakeholder expectations. The Committee will periodically request an independent part to perform and external quality assessment of Internal Audit.

In the current period, the Committee concluded that the Internal Audit function is operating effectively, at the present level of operations. We continue to monitor resourcing in view of regulatory development and business growth.

The Committee also reviewed the independence of the Internal Audit function and concluded that it remained so.

Risk Committee Report

SAFEGUARDING VALUE SUSTAINABLE GROWTH

Dear shareholders

I am pleased to present the Committee's report for the year ended 31 March 2024.

The Committee's purpose is to support the Group's Board in providing oversight and challenge of the Group's risk management processes and the internal control framework to ensure that we meet the expectations of our shareholders, regulators, and clients.

The Committee monitors the Group's risks on an on-going basis to ensure they are managed within the risk appetite set by the Board.

Using the information and assessments obtained from regular top-down and bottom-up reviews, alongside the evaluation of the Group's principal risk exposures, the Committee creates an effective framework for overseeing risks across the Group. The Committee works closely with senior management to oversee the ongoing improvement and refinement of the Group's internal controls in order that they remain effective for future growth. This has included the transition to a new Governance, Risk and Compliance System for FY25.

As a Committee we have closely monitored changes in the increasingly volatile macroeconomic environment and worked closely with management to monitor the potential impact on our investment strategies, clients, and portfolio companies, as well as the broader markets. The Group has proven expertise in navigating complex and uncertain market conditions, with our business model providing a high degree of stability through economic cycles.

The Committee has and continues to review the potential impacts of geopolitical events on the risk profile of the Group. The Group has not identified any material financial or operational exposures to current geopolitical events, however the Committee continues to monitor the complex and evolving global geopolitical landscape closely.

The Risk Committee has continued its coordination with the Audit Committee and the Remuneration Committee, aiming to effectively cover pertinent topics in the most suitable forum.

Looking ahead to the next financial year, it is anticipated that the Committee will continue to monitor the impacts and associated risks arising from the regulatory landscape, climate change and other sustainability-related matters, with a particular focus on consideration of emerging risks. The Group will continue to develop its cyber risk framework to ensure that the Group maintains robust procedures and controls that effectively mitigate cyber-related risks, this will include focusing on emerging Artificial Intelligence threats. There will also continue to be a focus on the continued evolution of the wider risk and control environment.

The Committee will continue to ensure that we are adopting a proactive response to the challenges, risks, and opportunities for the Group and our wider stakeholders.

I would be pleased to discuss the Committee's work with any shareholder.

Rosemary Leith
Chair of the Risk Committee

27 May 2024

Risk Committee Report continued

Committee roles and responsibilities

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

Principal and emerging risks

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

Governance

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

Risk management framework

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

Regulatory risks

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

Committee members

- Rosemary Leith (Chair)
- Rusty Nelligan[1]
- Virginia Holmes
- Amy Schioldager[2]
- Matthew Lester

1. Retired from the Board on 31 March 2024.
2. Will retire from the Board on 16 July 2024.

Committee governance

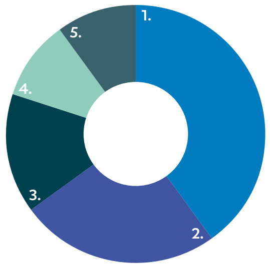
The Committee's terms of reference are approved and reviewed by the Board on a regular basis, most recently in May 2024. The terms of reference are available on the Group's website, www.icgam.com, or by contacting the Company Secretary.

The operations of the Committee were reviewed as part of the external Board evaluation in March 2024; the Committee was found to be operating effectively. For more details of this exercise, please see page 83.

The Committee held four meetings during the year. The Committee members attending each of the meetings can be found on page 69.

How the Committee spent its time

1.	Principal and emerging risks identification and management, including monitoring of risk appetite metrics	40%
2.	Internal Capital Adequacy and Risk Assessment	25%
3.	Assessment of the Group's control environment	15%
4.	Oversight of risk and compliance function initiatives	10%
5.	Other	10%



Governance of risk

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

Monitoring the effectiveness of controls

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

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

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

Risk Committee Report continued

Summary of meetings in the year

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

Over the course of the year the Committee considered and discussed the following significant matters:

- The Group's 2023 ICARA, on which the Committee carried out a detailed review and was satisfied that the operational risk and financial stress scenarios were appropriately calibrated and also stressed the particular vulnerabilities of the Group. The Committee's assessment was informed by a review of the ICARA by external consultants, which encompassed evolving regulatory expectations and industry practice.
- The annual Information Technology and Cyber update received from the Group's Cyber Security Lead, which covered the cyber security standards, security protection tools, ongoing detection, and monitoring of threats, and testing of cyber response and recovery procedures.
- The results of an external assurance review conducted in relation to the Group's Cyber and Cloud Infrastructure. The review concluded that there were no material gaps in the coverage provided by the Group's three external audit programmes with respect to Cloud hosting and data confidentiality however some minor enhancements were recommended.
- An update on the Group's outsourced service providers with the Committee satisfied with the approach taken by the business.
- An update on the Group's legal entity structures and governance processes.
- The continued efforts to enhance the Group's annual Material Controls Assessment, and Fraud Risk Assessment. The Committee discussed with the Head of Risk the positive work undertaken to increase the scope and assurance coverage of these important risk processes, which it considers will ensure the ongoing improvement of the Group's control environment.

Other matters considered

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

Internal Audit, Risk and Compliance monitoring

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

The Committee supported the Audit Committee in its oversight of the internal audit programme (see page 89), which is risk-based. It is designed to permit changes to the programme in the light of changed circumstances. In conjunction with the Audit Committee, the Committee reviews the proposed compliance monitoring to be undertaken during the following fiscal year and at each of its subsequent meetings receives any relevant output.

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

Nominations and Governance Committee Report

INVESTING IN OUR PEOPLE

Dear shareholders

I am pleased to present the Nominations and Governance Committee report for the financial year ending 31 March 2024.

Good governance requires the appropriate balance of skills, diversity of thought and experience, independence and knowledge, making the work of the Nominations and Governance Committee a key part of our oversight and effectiveness.

The Committee's main focus during the year was in respect of the search for a further NED to be appointed to the Board. The Committee has discussed the composition of the Board on a number of occasions and concluded that while the Board remained well balanced and of an appropriate size and diverse skillset, one or more further NED appointments are to be made to ensure adequate long-term succession planning and to enhance the diversity of the Board while expanding and diversifying its current skillset. During the year, we initiated a process to search for appropriate candidates to enhance the diversity of the Board. This search is ongoing. We are also mindful of the need to appoint a female director to a senior role on the Board; although there has not yet been a suitable candidate when these roles were open, this will be an important consideration the next time one of these roles is vacant.

The Committee has also continued to monitor feedback received from employees gained through focus group sessions led by Amy Schioldager, the NED responsible for liaising with employees in order to gain insight into the culture of the Company; we introduced a new process whereby other NEDs would also sit in on these meetings to hear employee views. Employee views are always important to Committee and Board discussions, and I look forward to hearing more insight from her as we work together in the coming years. In March, the Board received the results of a comprehensive DEI review looking at both our internal and external-facing activity conducted by a specialist consultant.
The DEI landscape continues to evolve at pace, and insights from the review are helping us to address our ongoing strategic ambitions in this space, with our DEI policy and Board Diversity policy having both been refreshed during the year.

During the year, the Committee also heard from management on the results of a detailed exercise on executive succession planning for key individuals and ensuring development and training opportunities for our key talent. NEDs have worked closely with the Chief People and External Affairs Officer with a focus on developing our employees, particular emphasis has been placed on enhancing bench strength across the organisation, including the development of targeted development programmes for leadership, newly promoted individuals and emerging future leaders. ICG is a people business and developing and retaining our talent is crucial in helping to deliver the Group's strategic objectives.

The output from the recent external Board evaluations is always front of mind for the Committee as we continue to consider the composition and cohesion of our Board in the context of our business and strategy. These results help to shape our thinking as we continue to plan for long-term succession for our Board.

I would be pleased to respond to any shareholder questions about the Committee's work either at the AGM or otherwise.

William Rucker
Chair of the Nominations and Governance Committee

27 May 2024

Nominations and Governance Committee Report continued

Committee roles and responsibilities

The role of the Committee is to oversee the membership of the Board to ensure a balance of skills, diversity and experience among the Directors, and to oversee senior management succession planning and the governance practices and processes of the Group. A sub-committee of the Committee also provides oversight of, and strategic views in respect of, the making of carried interest investment by the Group's employees in funds managed by the Group.

Culture, diversity and inclusion

Employee engagement and development

Board and senior employee diversity considerations

Succession planning

NED, Executive and senior management succession planning

Talent development

Director skills and experience

Director induction

Director training

Appointments

NED appointments

Board composition

Committee members

William Rucker (Chair)

Virginia Holmes

Matthew Lester

Andrew Sykes

Stephen Welton

Committee governance

The Committee's terms of reference are approved and reviewed by the Board on a regular basis, most recently in May 2024.

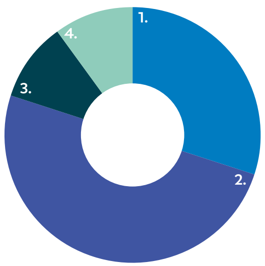
The terms of reference are available on the Group's website, www.icgam.com, or by contacting the Company Secretary.

The operations of the Committee were reviewed as part of the external Board evaluation conducted In March 2024; the Committee was found to be operating effectively. For more details of this exercise, please see page 83.

The Committee held four meetings during the year. The Committee members attending each of the meetings can be found on page 69.

How the Committee spent its time

1.	Assessing board/committee composition	30%
2.	Search progress	50%
3.	Consideration of directors for reappointment	10%
4.	Employee engagement	10%



Summary of meetings in the year

The Committee considered and discussed the following significant matters:

- Whether it may be appropriate to appoint further NEDs to the Board to supplement the existing skill-sets of the Board and to assist with long-term succession planning. It was concluded that an appointment should be made, and a search was launched.
- The Committee considered succession plans for the Board and senior management across the short, medium and long term relative to the Company's purpose, strategy and values, taking into account its DEI policy and the current skill-set of the Board, with a view to ensuring a diverse pipeline of talent.
- The search for, and appointment of, a further NED.
- The Committee held a joint session with the Board to hear the results of a DEI review conducted by an embedded specialist over several months considering all aspects of DEI across the Group. This review made a number of recommendations of how the Group can refine and enhance its DEI programme, as well as recommending a new Board Diversity Policy and targets for representation of women and ethnic minorities in senior management, all of which were adopted.
- A detailed review of succession planning in respect of senior positions, including each Executive Director and other key leadership personnel.
- The employee engagement NED, Amy Schioldager, provided insights on the culture of the Group and other feedback from the ongoing informal engagement programme. This was based on her engagement during the year with several groups and included the views of a wide range of employees drawn from a number of the different geographies in which the Group is active. She has regularly met employees virtually or in person in groups of 10-12 and sought their views on a range of issues; more details are provided on page 68.

Diversity

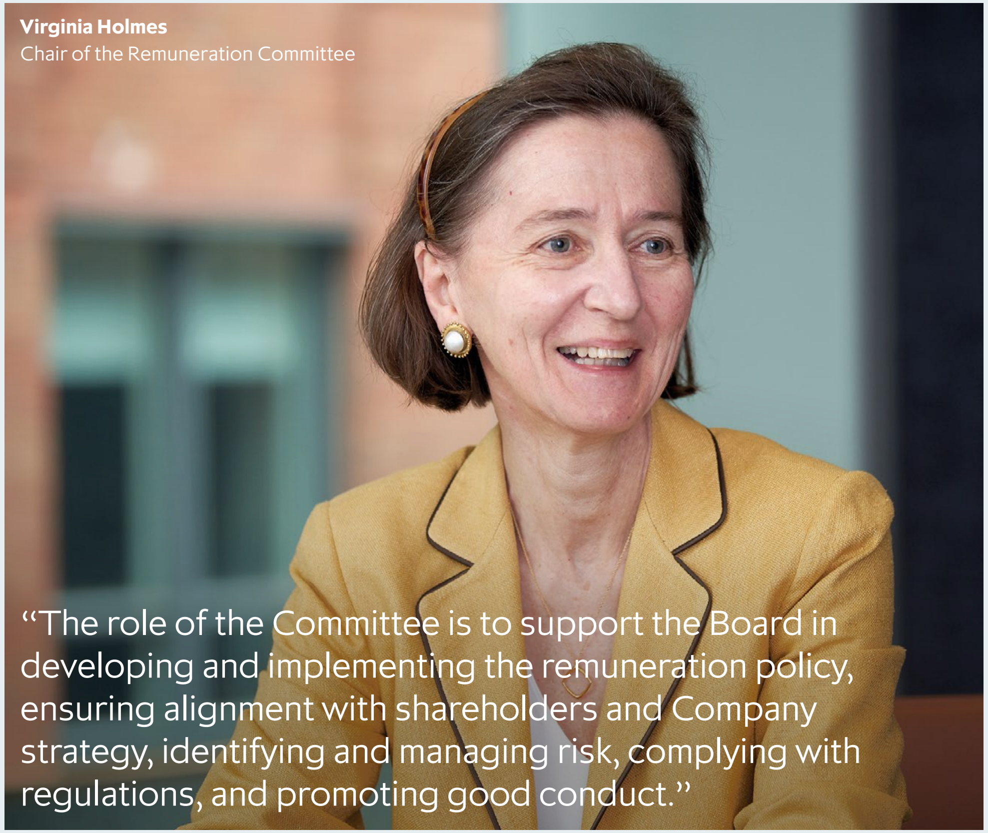
The Board updated its Board Diversity policy in March 2024 (which applies to the Board and its key committees) and this can be found at https://www.icgam.com/wp-content/uploads/2024/03/Board-Diversity-Policy-March-2024.pdf. This emphasised the importance of diversity of all types at Board level. At the Company's chosen reference date, 31 March 2024, and in line with FCA Listing Rule 9.8.6(9), ICG confirms that it has met the target of having at least 40% female membership on the Board. We are aware that we do not currently meet the recommendations of the Parker Review and the Listing Rules in respect of the ethnic diversity of Board members, and also that we have not yet appointed a female director to be Chair, SID, CEO or CFO. We anticipate that we will make an appointment shortly of a new NED who will increase the ethnic diversity of our Board, and will include gender diversity as a crucial consideration in considering all appointments to senior Board roles. Gender and ethnicity data relating to the Board was collected using a standardised process managed by the Company Secretary. Each Board member was requested to disclose information on a confidential and voluntary basis, through which the individual self-reports their ethnicity and gender identity (if they wish to).

Other matters considered

The Committee also conducted a review of the size and composition of the Board and its Committees, the skillset of all Directors, their ongoing training and development and the independence of NEDs. Subject to the recruitment mentioned above, no concerns were raised.

Remuneration Committee Report

DRIVING PERFORMANCE AND CONTINUED SUPPORT



Virginia Holmes
Chair of the Remuneration Committee

"The role of the Committee is to support the Board in developing and implementing the remuneration policy, ensuring alignment with shareholders and Company strategy, identifying and managing risk, complying with regulations, and promoting good conduct."

Dear shareholders

I am pleased to present the Committee's Report (the Report) for the year ended 31 March 2024.

The Report comprises three parts:

- This introductory statement, which explains the key decisions made by the Committee during, and in respect of, FY24;
- The Annual Report on Remuneration for FY24. This details the performance and remuneration outcomes, and the governance process. Together with my introductory statement and the 'at a glance section', it is subject to the usual advisory vote at the AGM; and
- The Directors' Remuneration Policy (the Policy) for the FY24 - FY26 period, which was approved at the July 2023 AGM.

Directors' Remuneration Policy and shareholder consultation

Having undertaken a thorough review of the Policy for the triennial vote at the AGM in July 2023 and consulted extensively with shareholders, our Directors' Remuneration Policy received overwhelming backing with 90.06% of votes in favour. We are grateful to our shareholders and voting agencies for their time, consideration and valuable input.

Last year's Directors' Remuneration Report also received very substantial support, with 83.96% of votes cast in favour. We are pleased that these results indicate strong and continued support from our shareholders for the Policy and its implementation.

Under the newly implemented Policy, the CEO/CIO's base salary, which had not increased substantively over a six-year period, and as a result had become far removed from companies similar to ICG in scale and complexity, is being repositioned on a phased basis over three steps as follows: to £500k for FY24 (already implemented); to £615k for FY25; and to £750k for FY26. The Policy also re-positions the base salary for the CPEAO, recognising the breadth and impact of this role, in two steps as follows: to £467,500 for FY24 (already implemented) and to £500,000 in FY25.

For the CFO role and CPEAO role, total variable pay maximum is expressed as a multiple of base salary rather than a monetary amount; multiple of salary is the norm for other UK-listed companies. The multiples approved in the Policy were 4x base salary for the CFO role and 3.5x base salary for the CPEAO role, which are in line with the effective multiple that applied for the CFOO and CPEAO roles when the Policy was last approved by shareholders in 2020. For the CEO/CIO, the approved Policy retains the current variable pay maximum of £6m for the Policy period FY24-26, but transitions to express this as a multiple of base salary from the start of FY26 once the phased base salary increases, described above, have been completed. The planned increases will take the base salary to £750k for FY26. Therefore, the total variable pay maximum is expressed as 8x base salary (i.e. £6m) for FY26.

Deferral levels remain unchanged at a minimum of 70% of total variable pay. Levels of pension allowance are set at 12.5% in line with the majority of the workforce.

We shall continue to monitor the effectiveness of the Policy in enabling ICG to compete effectively for talent and support the business strategy. We may need to reconsider the question of variable remuneration level for outstanding performance in the future.

Further details of our Policy can be found on page 111.

I would be pleased to respond to any shareholder questions about the Committee's work either at the AGM or otherwise.

Contents

Remuneration Committee Report continued

Corporate Governance Code remuneration requirements

Our remuneration policies and practices comply with the remuneration requirements of the Corporate Governance Code, including in the following areas:

Strategic rationale and remuneration levels

Remuneration policy and practice within ICG are designed to support the strategy of the business, with a clear emphasis on sustainable, profitable growth. The variable pay structure for Executive Directors, as approved in the Policy for the FY24-26 period, is simple, with a single performance scorecard containing clear financial and non-financial KPIs. The scorecard drives a single variable pay award of which at least 70% is deferred into ICG shares, vesting over a five-year period to promote long-term alignment. Executive Directors also have in-service and post-exit shareholding requirements. The policy aligns to our company culture of recognising and rewarding performance and delivering outstanding annual and long-term value for stakeholders.

Each Executive Director has a target and maximum variable pay level, providing clear remuneration levels based on performance. The quantum of total remuneration at 'threshold', 'target' and 'stretch' performance levels is set appropriately and proportionately to ensure that the quantum of total remuneration at each level corresponds with performance.

Payment of variable pay is also subject to maintaining robust risk and compliance controls, reinforced by malus and clawback provisions, with key 'triggers' as set out in the Directors' Remuneration Policy. The Committee also considers, prior to each year's award, whether discretion should be exercised to take account of wider performance or other relevant factors.

Engagement with shareholders and the workforce

The Committee closely monitors shareholder guidance and feedback on remuneration. Shareholder voting on AGM remuneration resolutions is reviewed annually, and major shareholders are directly consulted each year if they have indicated any disagreement with ICG's remuneration policy or practices. During annual engagement meetings, major shareholders have the opportunity to provide feedback to the Board and Remuneration Committee on ICG's remuneration approach.

There are a number of existing channels of communication with employees regarding ICG's remuneration policies, including executive remuneration and its alignment with wider company pay policy. Our company-wide employee engagement survey, which during this financial year was conducted in July, enables colleagues, on a confidential basis, to provide feedback on a full range of employment issues. The NED responsible for employee engagement also holds a number of formal and informal sessions with employees during the year in individual and group forums across various locations. During these sessions employees are invited to provide feedback and comments on any issues of importance to them, including remuneration policies.

The Committee also receives regular feedback on how employees perceive the Group's remuneration policies and practices, and how these have influenced recruitment, retention and motivation of colleagues. This information is used by the Committee in its monitoring and development of remuneration policies.

Variable pay: a focus on long-term performance and leadership

Our remuneration approach encourages and reflects sustained, long-term performance, which aligns our executives with the interests of our shareholders. We make a single variable pay award each year to Executive Directors, based on a balanced scorecard of key performance indicators (KPIs) and funded from our capped Group variable pay pool (the Annual Award Pool – 'AAP').

The AAP is funded from the cash profits which the Group realises from its fund management business and its investments. It is capped at 30% of realised profits, annualised over a five-year period. Furthermore, for Executive Directors, at least 70% of the variable pay award is deferred over five years into shares, with vesting in three equal tranches after the third, fourth and fifth anniversaries of award. Prior to setting targets for FY24, the Committee again completed a review of the quantitative KPIs and refined the deliverables for the qualitative KPIs to ensure both were appropriately stretching and linked to strategic priorities. The KPIs were tested robustly and continue to be fully aligned with shareholders' goals and our Group's Strategic Objectives of growing AUM, investing selectively, and managing portfolios to maximise value.

The KPIs reflect the Group's long-term strategic goals and near-term operational priorities against the backdrop of the Group's continued evolution and the excellent progress in scale and diversification, as well as leadership on Diversity, Equity & Inclusion and Sustainability. They also reflect our position in the alternative investment industry as a leader in sustainable, inclusive business practices.

Each Executive Director has a target variable pay level and a maximum cap, the latter payable for outstanding performance only, relative to the annual targets set in the context of the evolution of the firm and its market environment. The Committee also liaises closely with both the Audit and Risk Committees to ensure that risk and audit matters are taken into account in determining the remuneration levels for the Executive Directors.

Remuneration Committee Report continued

Business performance and remuneration for FY24

Against the backdrop of a complex and dynamic economic landscape and growing geopolitical and economic uncertainty, we are proud that business performance in the year ended 31 March 2024 continues to be very strong. ICG raised $15.3bn annualised over three years in new funds – the second highest fundraising year in the history of the firm (and exceeding the three-year stretch KPI target by $1.3bn). The FMC (Fund Management Company) operating margin was 57.4%, an excellent result especially given the investments the Group continues to make in its platform as it delivers on its growth strategy. And despite the pressures on deployment and exits across our industry, realised portfolio returns were 19.9%, strengthening our relationship with clients and laying the ground for future fundraises.

We have a long-standing policy of awarding variable pay across the workforce of not more than 30% of PICP (pre-incentive cash profits), measured on a five-year rolling basis. The Committee determined that £118.8m should be awarded to eligible employees under the AAP for the year ended 31 March 2024, compared with £110m in the prior year. This is the result of continued strong individual and corporate performance and also takes into account an increase in bonus-eligible staff of 11.2% year-on-year. Awards are made in the form of cash bonuses, deferred ICG share awards, and Deal Vintage Bonus (DVB) awards. DVB awards are a long-term incentive rewarding certain investment staff, excluding Executive Directors, for intra-year capital deployment.

The Committee has allocated 22.6% of PICP to the AAP on a five-year cumulative rolling percentage basis, which is 7.4 percentage points below the maximum 30% permitted under the Policy. This Policy provides a focus on long-term performance and only takes account of cash profits, thus aligning with shareholders' interests fully. It also allows us to even out some of the potential volatility in remuneration, where appropriate, and this, as well as the use of our Business Growth Pool (BGP), provides capacity to continue to develop the business through market cycles.

In addition to the AAP, and in accordance with the Policy, the Committee allocated £8.64m to the BGP to fund incentive awards during the year for teams developing new investment strategies which have not yet completed a fundraise. These include our Life Sciences, Infrastructure Equity Asia-Pacific, Real Estate Equity in both Europe and Asia-Pacific, LP Secondaries and US Mid-Market strategies. This pool excludes Executive Directors. This year's BGP award compares with £10.9m awarded in the prior year.

Executive Director variable remuneration for FY24

The total remuneration for the year for each Executive Director is shown in the table on page 104.

The variable pay awards reflect the very strong and continued performance across the Executive Director KPIs, as detailed in full in this Report. The targets and stretch levels for each KPI were set at a demanding level – especially in the more challenging fundraising and investment environment of FY24.

Consequently, the Committee made variable pay awards of £5,856,000, £1,627,329[1] and £1,596,980 respectively, to the CEO/CIO, CFO and CPEAO this year.

80% of the CEO's variable pay award and 70% of the CFO's and CPEAO's variable pay awards were deferred into ICG PLC shares vesting in equal tranches on the third, fourth and fifth anniversaries of award.

Board changes

As previously announced, Vijay Bharadia stepped down from the Board and his role of CFOO at the July 2023 AGM. His 12-month notice period commenced on the date of the announcement (21 February 2023) and he received contractual payment in lieu of notice paid in monthly instalments for the remainder of his 12-month period. The remuneration delivered upon departure was fully detailed in the FY23 Directors' Remuneration Report and the figures detailed in this report are for the period served as Director during this financial year only. He did not receive a variable pay award in respect of his work in FY24.

David Bicarregui joined ICG as CFO-elect in April 2023 and was elected to the Board at the July 2023 AGM.

Kathryn Purves stepped down from the Board and her role of Risk Committee Chair on 1 April 2023, with Rosemary Leith appointed as Risk Committee Chair from that date. In addition, Rusty Nelligan stepped down from the Board on 31 March 2024 and Amy Schioldager will step down from the Board on 16 July 2024. Full details of the Board Chair and Non-Executive Director fee rates are included in the report.

1. The variable compensation reported for the CFO is for the period of the FY24 year subsequent to the CFO's election to the Board at the July 2023 AGM. The variable compensation for the period prior to this election was earned on the same basis and same deferral arrangements as a Board Director.

NED fees

The Committee approved an increase to the Board Chair fee from £375k to £400k from FY25, noting no increase in the fee since appointment in January 2023 and taking into consideration benchmarking data of companies with median market capitalisation broadly in line with ICG.

The Board has considered fees for the other NED roles and approved an increase to the SID fee from £15.5k to £20k for FY25 based on relevant benchmarking data for companies similar to ICG.

Total Shareholder Return (TSR)

ICG has continued to deliver exceptional TSR performance. For the ten years to 31 March 2024, TSR was 640% versus 74% for the FTSE All Share Index.

Conclusion

Our Policy provides a clear, simple and predictable remuneration model, which helps drive and sustain the achievement of our corporate strategy as well as a prudent approach to risk. The implementation of that Policy in FY24 demonstrates a clear link to the performance of the Company, and alignment to the interests of our shareholders.

I hope you will provide your support for the Directors' Remuneration Report for FY24. On behalf of the Remuneration Committee, I would like to thank all of our shareholders for their continued support.

Virginia Holmes
Chair of the Remuneration Committee

27 May 2024

Remuneration at a glance

Executive Remuneration Framework and Policy Summary for FY24

	Purpose and link to strategy	Operation	Maximum opportunity	Outcomes for FY24
Base Salary	Appropriate to recruit and retain Executive Directors to deliver the strategic objectives of the Group	Normally reviewed annually with any changes generally applying from the start of the financial year	In considering increases, the Committee assesses the range of salary increases applying across the Group, and local market levels	For FY25, the CEO's salary is increased by 23% to £615,000 as outlined in the introduction to this Report. The CPEAO's salary is increased by 6.95% to £500,000. Both these increases were detailed in our shareholder-approved policy. The current CFO's salary remains unchanged.
Benefits	Appropriate to recruit and retain Executive Directors to deliver the strategic objectives of the Group	Benefits currently receivable by Executive Directors include life assurance, private medical insurance and income protection	Provision and level of benefits are competitive and appropriate in the context of the local market	There have been no changes to the Executive Directors' benefits provision this year
Pension	Appropriate to recruit and retain Executive Directors to deliver the strategic objectives of the Group	All Executive Directors are entitled to a pension allowance payable each month at the same time as their salary	A pension allowance of no more than the level available to the majority of the Group's workforce in the relevant location is provided	The Executive Directors' pension allowances have not changed this year and are set no higher than the majority of the Group's workforce at 12.5%
Total variable pay award	Appropriate to recruit and retain Executive Directors to deliver the strategic objectives of the Group Rewards achievement of business KPIs, cash profits and employing sound risk and business management	The total variable pay award consists of the Cash Bonus Award and ICG PLC Equity Award (see below)	Max variable pay awards to Executive Directors are £6m for the CEO/CIO, 4 x base salary for the CFO and 3.5 x base salary for the CPEAO	Variable pay awards for the CEO, CFO and CPEAO were £5.86m, £1.63m[1] and £1.60m respectively. 80% of the CEO's award and 70% of the awards for the other Executive Directors were deferred into shares, vesting over five years
ICG PLC Equity award	Aligns the interests of Executive Directors with those of shareholders	At least 70% of an Executive Director's total variable pay award shall be delivered in ICG PLC Equity Shares that normally vest by one third in each of the third, fourth and fifth years following the year of grant	See details above in relation to the overall annual variable award	80% of the CEO's variable pay award and 70% of the CFO's and CPEAO's variable pay awards were deferred into ICG PLC shares

Business performance

Profit Before Tax

£530.8m
(2023: £251.0m)

Assets under Management[2]

$98.4bn
(2023: $80.2bn)

Ordinary Dividend per Share

79.0p
(2023: 77.5p)

1. The variable compensation reported for the CFO is for the period of the FY24 year subsequent to the CFO's election to the Board at the July 2023 AGM. The variable compensation for the period prior to election was earned on the same basis and same deferral arrangements as a Board Director.
2. During the year, the Group updated its AUM measurement policy, see page 16.

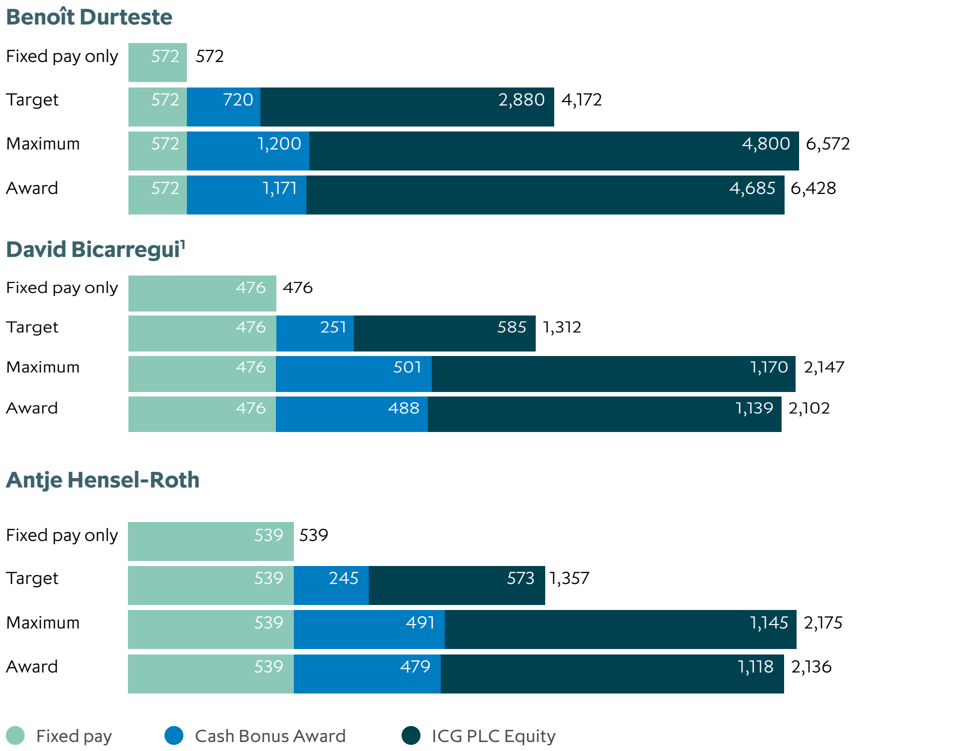
Remuneration at a glance continued

Five-year AAP overview

We have a long-standing policy of awarding variable pay across the workforce of not more than 30% of PICP measured on a five-year cumulative rolling basis. The Committee has determined that £118.8m should be awarded to eligible employees under the AAP for the year ended 31 March 2024, compared with £110m in the prior year. This brings the five year-rolling total to 22.6% of PICP, significantly below the 30% limit.

	FY20	FY21	FY22	FY23	FY24	Cumulative
Percentage of PICP over five years rolling	22.2	23.6	24.4	22.6	**22.6**	22.6
Spend on incentives (£m)	70.8	87.2	115.9	109.9	**118.8**	502.6
Number of employees	408	470	525	582	**637**	

FY24 Total remuneration (actual vs target) £k



1. The variable compensation reported for the CFO is for the period of the FY24 performance year subsequent to the CFO's election to the Board at the July 2023 AGM. The variable compensation earned for the period prior to election was earned on the same basis and same deferral arrangements as a Board Director.

KPI performance outcomes

Quantitative KPIs

	Link to strategic objective	Threshold	On-target	Out-performance	FY24 Outcome
Fundraising (three-year annualised)	1	$12.3bn	$13.1bn	$14bn	$15.3bn
Realised Portfolio Returns	2 3	5%	7%	9%	19.9%
FMC Operating Margin	1 2 3	45%	47%	51%	57.4%
Net Gearing	N/A		<0.75x		0.38x

Qualitative KPIs (% of max)

	Link to strategic objective	Threshold	On-target	Out-performance	FY24 Outcome
Strategic Development	1 2 3				94%
Culture, DEI and Sustainability	1 2 3				94%
Operating Platform & Risk Management	1 2 3				90%

Strategic alignment
1 Grow AUM 2 Invest 3 Manage and Realise

Annual report on remuneration

Executive Director performance

Awards in respect of annual performance[1]

Quantitative KPIs

	Link to strategic objective	Threshold	On-target	Out-performance	FY24 Outcome	CEO weighting	CFO weighting	CPEAO weighting
Fundraising (three-year annualised)	1	$12.3bn	$13.1bn	$14bn	$15.3bn	**27.5%**	**20%**	**27.5%**
Realised Portfolio Returns	2 3	5%	7%	9%	19.9%	**15%**	**10%**	**10%**
FMC Operating Margin	1 2 3	45%	47%	51%	57.4%	**20%**	**27.5%**	**25%**
Net Gearing[2]	N/A		<0.75x		0.38x	**2.5%**	**7.5%**	**2.5%**

Qualitative KPIs (% of max)

	Link to strategic objective	Threshold	On-target	Out-performance	FY24 Outcome	CEO weighting	CFO weighting	CPEAO weighting
Strategic Development	1 2 3				94%	**15%**	**10%**	**15%**
Culture, DEI and Sustainability	1 2 3				94%	**12.5%**	**12.5%**	**12.5%**
Operating Platform & Risk Management	1 2 3				90%	**7.5%**	**12.5%**	**7.5%**

Strategic alignment
1 Grow AUM 2 Invest selectively 3 Manage portfolios to maximise value

1. The on-target variable pay levels are 60% of maximum for the CEO and 50% of maximum for the CFO and CPEAO. 25% of maximum is payable for threshold performance, and 100% of maximum for performance at stretch level or above.
2. The Board did not set threshold and stretch targets for net gearing but a target of <0.75x, which was met.

Annual report on remuneration continued

Executive Director performance continued

At the outset of FY24, the Committee set stretching targets across all KPIs, commensurate with the continued growth and success of ICG. Market conditions continue to be challenging across both fundraising and dealmaking and results amongst the competitor group of listed and unlisted peers have been mixed as a result. Against this backdrop, ICG has had another excellent year relative to market expectations and relative to many peers – solidifying further its position as a leader in fundraising and deal excellence as well as running a disciplined platform with high margins.

After a very hard push over another challenging year, stretch targets for the financial KPIs have been exceeded and performance against quantitative KPIs, which we note are set to be both challenging and measurable, has been equally strong.

Financial KPIs:

1. Fundraising

How performance is measured

Given the accelerated guidance to the market in 2022 of US$40bn over three years with a minimum of US$7bn in any given year, we have increased the targets for our fundraising KPI over the past two years as follows:

- The threshold target was raised from $6bn annualised in FY22 to $12.4bn in FY23 and $12.3bn in FY24;
- The on-target was raised from $8bn annualised in FY22 to $13.2bn in FY23 and $13.1bn in FY24; and
- The stretch target was raised by more than 20% from $11.5bn annualised in FY22 to $14bn in FY23 and FY24.

Performance achieved this year

ICG has exceeded its annualised target of $13.1bn by 17%, reaching $15.3bn annualised over three years and $13.0bn intra-year. This exceeds the Executive Director KPI stretch target by $1.3bn /9.3%.

This very strong performance was achieved against the backdrop of this being the lowest Private Debt fundraising year in Europe since 2016 (down 23% yoy), Private Equity being down 5%, Real Estate down 38% and Infrastructure down 35% (source: Preqin). LPs' risk-off considerations in light of macroeconomic and geopolitical uncertainties, returned capital at a low given constraints to deal flow and a high saturation of funds competing for capital are all well documented.

Our flagship strategies have performed very well in fundraising and, of note, so have our younger strategies, European Mid-Market II raised $1.2bn in FY24 and our nascent LP Secondaries business was over-subscribed and closed at a hard cap of $1bn – a rare achievement in this environment in which most first-time funds have floundered, underlining ICG's success in both product and fundraising strategy.

2. Realised Portfolio Returns

How performance is measured

Realised Portfolio Returns measure the realised weighted investment returns in aggregate relative to the weighted average performance hurdle, which differs depending on the underlying investment strategy. As there is no recognised benchmark for the full suite of ICG's investment strategies, the Committee has opted for this measure as a clear expression of performance relative to the targets we agree with our clients for each investment strategy.

Despite the more difficult market context this year, the Committee increased last year's levels for threshold, target and stretch for FY24. Threshold for this year was set at 5% (up from 4%), on-target at 7% (up from previously 5.2%, which is the weighted average investment performance hurdle in aggregate across all funds) and the stretch target at 9%, up from 7% last year.

Performance achieved this year

Investment performance, which forms the basis of future fundraising, growth of fee income and therefore FMC profitability, continues to be exceptional, putting ICG in a strong position for continued success. Realised Portfolio Returns reached 19.9% vs. 18.7% last year.

The investment teams have effectively exited virtually all eligible transactions and returned material capital to LPs. Importantly, in the increasingly critical DPI measure of distributions vs. invested capital, all our relevant funds are in the top decile relative to peers for our LPs. Against the backdrop of peers struggling with exits and transaction volumes, this has continued to materially enhance ICG's reputation for delivering for LPs, laying the ground for strong fundraising in the future.

3. Operating Margin

How performance is measured

The Committee set the FY24 FMC Operating Margin KPI thresholds as follows:

- Threshold held at 45%;
- On-target held at 47%; and
- Stretch increased from 50% to 51%

Performance achieved this year

We consider these to be highly stretching, both relative to the wider UK market and our global competitors with a similar asset and fee base as well as given the continued need to invest in what is a high-growth business. Based on strong fundraising, significant revenue growth and a disciplined approach to cost management, the outperformance target was significantly exceeded with an FMC operating margin of 57.4%.

4. Net Gearing

How performance is measured and performance achieved this year

The Committee has retained this KPI at <0.75x for FY24. Net gearing as at the end of the fiscal year was 0.38x, demonstrating prudent balance sheet management.

Annual report on remuneration continued

Executive Director performance continued

Non-Financial KPIs:

5. Strategic Development

How performance is measured

Key elements of ICG's strategic evolution as a market-leading alternative investment firm include the refinement of our positioning through selective diversification and growth; enhancing our presence in key geographies and distribution channels; and furthering our bench strength capabilities across all areas of the firm. This year, the Committee has set an additional focus on managing deteriorating market conditions and future-proofing fundraising capabilities.

Performance achieved this year

As expected, subdued market conditions have persisted for another year and are likely to continue well into FY25. Against this, ICG has concluded another successful year, well surpassing its fundraising guidance and achieving its second highest fundraising outcome in the history of the firm despite LPs remaining cautious and a lack of exits limiting their ability to commit.

Despite LP preference for re-ups, ICG managed to further grow the investor base by almost 10% and flagship strategies have performed very well, with SDP V the first ICG fund to exceed $12bn in assets.

Newer strategies have shown exceptional strength in a difficult market, excelling in both fundraising as well as deployment from external capital as well as the balance sheet, thereby laying the foundations for continued growth across a well-diversified, resilient product base.

Comprehensive strategic work was done on channel penetration in Wealth, creating an actionable, pragmatic go-to-market approach, with a focus on the US. 11% of total fundraising in the year came from Wealth clients, laying the foundations for further growth.

ICG's employer brand continues to strengthen further and some excellent additions have been made to teams at all levels as well as existing hires made in the last couple of years making a difference even more fully over this year.

Bench strength continues to be a critical component of strategic planning. Succession planning has continued to make headway, with significant progress made on external hires who are settling well into their new roles, as well as, increasingly, internal step-up candidates coming into their own. We have seen successful succession outcomes in the European Corporate team, SDP, Real Estate, US CFM and MCR.

Comprehensive talent development programmes are now fully embedded. Pro-active engagement with external talent continues across all business units, with a view to selectively taking advantage of changing market conditions.

The Group also followed through on extensive watching briefs for critical investment roles and external benchmarking of future leaders, building pipeline for the near- as well as mid-and long-term.

6. Culture, DEI and Sustainability

How performance is measured

ICG's culture, inclusive environment and commitment to sustainability form key building blocks of our success. We set stretching targets to cement our position as a DEI leader within the alternative investment industry and uphold the significant progress made on diversity, including: having at least 30% of senior leadership roles held by women; further enhancing an environment in which inclusion thrives through employee engagement programmes; an impactful CSR agenda; as well as further establishing ICG as a leader in sustainability within our industry and making progress on the implementation of Science-based Targets.

Performance achieved this year

Culture

Engagement continues to be strong: our internal communication platform has an 82% participation rate across the firm and page views are up 78%; several staff roundtables were held with NEDs to share views with the Board; and our engagement pulse survey showed continuously good scores, in particular for Goal Setting, Management Support, Accomplishment and DEI. Over 1,700 individual feedback comments were received, providing rich data and underscoring staff's desire to contribute to the firm-wide dialogue.

We were especially pleased with the high uptake of cross-team charity work and network initiatives which have now developed into a vital pillar of engagement globally.

Employee networks play an integral part in ICG's culture and its success in integrating DEI fully and deeply in the firm. They are very well supported, visibly showcased and events are numerous and well-attended. This is complemented by a top-down approach which holds leaders at all levels to account culturally, financially and in career terms for their DEI efforts and outcomes.

Opportunities to participate financially in the success of the firm continue to be well received across both Sharesave (42% participation) and our fund co-investment programme is open to all permanent employees.

DEI

ICG was delighted to be ranked #1 globally for the second year in a row by Honordex, measuring DEI efforts and transparency in the Private Equity industry, with a score of 89/100 (up 3% vs. last year).

DEI reporting and external visibility continue to be positively reviewed and the extent of our disclosures has contributed to high external rankings as well as our employer brand. To raise awareness, seven external and almost 60 internal online campaigns were conducted.

Hiring of under-represented groups continues to be a focus: women accounted for 39% of new hires globally and ethnic minorities made up 38% of hires in the UK (the only geography in which this dimension is currently consistently measurable). ICG continues to fulfil its commitment to the Women in Finance Charter with 37% of UK senior management being female (global: 29%). Ethnic minority representation overall in the UK continues to outstrip underlying demographics.[1]

Promotion outcomes for women and ethnic minority staff have progressed overall and in all business units, despite deliberately not having formal targets in place - this reflects the quality of and support given to these groups as part of our wider culture:

- 17% of all women (ex EAs) globally vs. 11% of all men were promoted
- Ethnic minorities represented 25% of UK promotions vs. 52% white colleagues and 23% not specified
- 11% of all ethnic minority colleagues were promoted this year vs. 10% of all white colleagues and 27% of those note specified

DEI network events are numerous and very well attended, c. 50 over the year, including panel discussions focused on Women, Social Mobility, Ethnicity and Inclusion, and our flagship LGBT event in London which spans external parties as well as ICG participants.

1. 63% identify as white, 27% as from an ethnic minority, 10% do not specify.

Annual report on remuneration continued

Executive Director performance continued

Non-Financial KPIs: continued

Sustainability

Excellent progress has been made in further cementing ICG's position as a Sustainability leader, and we were delighted to further upscale and enhance the team under excellent leadership.

Progress towards Science-based Targets:
ICG now has 16 companies with SBTi-validated targets as at 31 March 2024, up from 6 in December 2022, representing 47% of Relevant Investments, and 26% of Invested Capital. An additional six companies, representing 18% of Relevant Investments and 38% of Invested Capital, are awaiting validation.

Thought leadership:
ICG maintained its leadership role in industry initiatives, joining the global Steering Committee of the iCI, the Private Debt Advisory Committee to the PRI, as well as numerous other roles in market-leading industry groups. Awards this year have included: Real Deals' ESG Large Cap House of the Year, FT's Climate Leader, and BVCA Excellence in ESG Special Recognition.

Transparency and disclosures:
ICG has retained top ratings by third-party agencies and frameworks, including UN PRI scores and membership in the Dow Jones Sustainability Europe Index. It maintained its MSCI industry leader rating of AAA; its CDP Climate Change Leadership score of A-; its FTSE4Good Index membership for the 6th consecutive year; and signatory status to the UK Stewardship Code. ICG's approach to sustainability reporting is following best-in-class guidance, with positive reviews for regulatory compliance and a market-leading approach.

Investments and financing:
ICG's new, bespoke materiality tool has significantly enhanced pre-investment assessment capabilities.

Curated, fund-level ESG reporting is now being produced for clients in all active funds. In fund financing, ICG achieved the maximum possible downward ratchet for the Europe VIII facility and a new facility was negotiated for the Mid-Market II Fund with substantive sustainability KPIs.

Charity

ICG's strategic focus on improving access to the alternative investment industry for under-represented groups continues to be reflected in its CSR programme. The Committee was especially pleased to see this focus continue in FY24, and CSR having evolved into a key pillar of employee engagement, run both top-down and bottom-up.

In total, ICG donated £2.6m globally in the year.

This included completing the third leg of a three-year commitment to deploy £3.75m on strategic partnerships to tackle social mobility: 4,800 young people were directly supported and even more reached indirectly through supported programmes with The Access Project, UpReach and SEO.

In addition, through its #MillionMeals initiative, ICG donated £555k to provide 1.1 million free meals to individuals and families in need in the UK, continental Europe, the US and Asia-Pacific, supported by over 130 staff volunteers who gave their time.

These initiatives were complemented by grass-roots efforts for local charities in local offices, individual donation matching and other ad hoc donations such as £150k to the Red Cross appeal for Israel and Gaza.

ICG commissioned and published its first externally validated impact measurement report to reflect on the achievements of its existing programmes and inform decision-making on the next phase of charitable giving.

7. Operating Platform and Risk Management

How performance is measured
One of the critical performance indicators for our successful growth is continuously refining our operating platform as a driver for scale and excellence while ensuring that we maintain very high standards for our risk management and control environment.

Performance achieved this year

Efficiency and Scalability
To future-proof and scale its operational infrastructure efficiently, ICG has rapidly built up its hub in India through an outsourcing partnership as well as strategic in-house teams in Warsaw. This has significantly enhanced efficiency in Finance and Operations, as well as increased output for data, analytics and reporting. In parallel, upskilling across corporate functions continues at pace.

Overall, complexity is being reduced and processes simplified across fund accounting, legal operational client services. Technology has notably improved through transformation in Finance as well as Operations, Risk, Compliance and Legal tracking.

Risk Management
Control functions were further enhanced in line with the firm's growth and complexity, while also reducing complexity in entity structures, Pillar 2 and EU marketing branches.

A new technology and workflow system was rolled out to facilitate tighter RCSA processes, owned by 1st, 2nd and 3rd lines of defence.

No material control breakdowns during FY24 were noted by Risk, Compliance or Internal Audit.

Executive Director remuneration

In considering the awards to be made to the Executive Directors, the Committee took into account overall performance as a leadership team as well as their individual contributions to the overall performance in relation to the quantitative and qualitative objectives.

Having considered his delivery across the range of KPIs, the Committee made a total variable pay award to Benoît Durteste of £5,856,000, comprising an annual Cash Bonus Award of £1,171,200 and a deferred PLC Equity Award of £4,684,800, reflecting his performance relative to the KPIs and targets set in his dual role as CEO and CIO of the Group.

For David Bicarregui, the Committee made a total variable pay award of £1,627,329. This comprises an annual Cash Bonus Award of £488,199 and a deferred PLC Equity Award of £1,139,130[1].

For Antje Hensel-Roth, the Committee determined that an award of £1,596,980 was appropriate, comprising an annual Cash Bonus Award of £479,094 and a deferred PLC Equity Award of £1,117,886.

Although Vijay Bharadia continued to perform the CFOO role during the period from 1 April 2023 to the AGM on 20 July 2023, he did not receive variable pay in respect of this period.

1. The variable compensation reported for the CFO is for the period of the FY24 year subsequent to the CFO's election to the Board at the July 2023 AGM. The variable compensation for the period prior to this election was earned on the same basis and same deferral arrangements as a Board Director.

Annual report on remuneration continued

Single total figure of remuneration table (audited)

The following table shows a single total figure of remuneration in respect of qualifying services for the financial year ended 31 March 2024 for each Executive Director who served during the year, together with comparative figures for the previous financial year:

Executive Directors	Salaries £000	Benefits[2] £000	Pension allowance £000	Fixed remuneration £000	Short-term incentives, available as cash[3] £000	Total emoluments £000	Short-term incentives, deferred[4] £000	Total variable remuneration £000	Total remuneration £000	Long-term Incentives[5,6] vested from prior years (legacy awards) £000	Single total figure of remuneration £000
Benoît Durteste											
2024	**500.0**	**16.1**	**56.1**	**572.2**	**1,171.2**	**1,743.4**	**4,684.8**	**5,856.0**	**6,428.2**	**180.3**	**6,608.5**
2023	410.0	14.8	45.3	470.1	1,170.0	1,640.1	4,680.0	5,850.0	6,320.1	947.5	7,267.6
David Bicarregui[1]											
2024	**417.7**	**11.5**	**46.7**	**475.9**	**488.2**	**964.1**	**1,139.1**	**1,627.3**	**2,103.3**	**0.0**	**2,103.3**
2023	–	–	–	–	–	–	–	–	–	–	–
Vijay Bharadia											
2024	**158**	**11.4**	**14.3**	**183.7**	**0.0**	**183.7**	**0.0**	**0.0**	**183.7**	**0.0**	**183.7**
2023	520	16.6	45.9	582.5	570	1,152.5	1,330.0	1,900.0	2,482.5	0.0	2,482.5
Antje Hensel-Roth											
2024	**467.5**	**18.5**	**52.6**	**538.6**	**479.1**	**1,017.7**	**1,117.9**	**1,597.0**	**2,135.6**	**0.0**	**2,135.6**
2023	442.0	15.8	48.8	506.6	427.5	934.1	997.5	1,425.0	1,931.6	0.0	1,931.6

See page 107 for details of payments to NEDs.

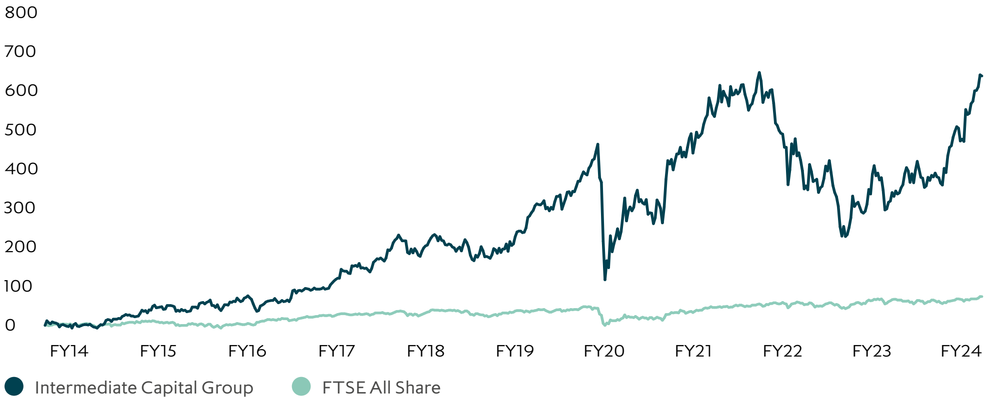
1. The variable compensation reported for the CFO is for the period of the FY24 performance year subsequent to the CFO's election to the Board at the July 2023 AGM. The variable compensation earned for the period prior to election was earned on the same basis and same deferral arrangements as a Board Director.
2. Each Executive Director's benefits include medical insurance, life insurance and income protection for the year ended 31 March 2024.
3. This represents the Cash Bonus Award element of the variable remuneration.
4. This represents the ICG PLC Equity Awards made for the year ended 31 March 2024 and deferred over five years vesting in years three, four and five following award.
5. The long-term incentive amounts are legacy award payments received during the year in respect of Deal Vintage Bonus and shadow carry. These awards were made in prior years and are no longer available to Executive Directors. FY12, FY14, FY15, FY16 and FY17 Deal Vintage Bonus awards were distributed in FY24.
6. Share price movements do not have any impact on the value of long-term incentives vesting during the current year (legacy awards).

Annual report on remuneration continued

Performance graph of Total Shareholder Return (ten years)

The graph below shows a comparison between the Group's total shareholder return (TSR) performance and the TSR for the FTSE All Share index. The graph compares the value at 31 March 2014 of £100 invested in Intermediate Capital Group plc with the FTSE All Share Index over the subsequent ten years. This index has been chosen to give a comparison with the average returns that shareholders could have received by investing in a range of other UK-listed companies. The TSR for the Company during this period has been 640%, compared to 74% for the Index.

Total shareholder return



Total remuneration of the Chief Executive Officer

The table below details the total remuneration of the CEO for the past ten years. The amounts are presented on the basis of the Single Total Figure of Remuneration Table (see page 104) and include some deferred compensation awarded in previous years but reported in the year received.

£000	Financial year	Total remuneration	Percentage of maximum opportunity of short-term incentives awarded	Percentage of maximum opportunity of long-term incentives awarded
Benoît Durteste	2024	6,608	97.6%	N/A
	2023	7,268	97.5%	N/A
	2022	7,851	98.0%	N/A
	2021	7,530	95.0%	N/A
	2020	5,886	84.0%	N/A
	2019	9,526	87.0%	N/A
	2018[1]	3,412	77.0%	N/A
Christophe Evain	2018[1]	183	–%	N/A
	2017	6,888	102.0%	160.0%
	2016	4,295	76.0%	98.0%
	2015	5,103	80.0%	98.0%

1. The amounts above have been pro-rated to reflect the transition of the CEO role from Christophe Evain to Benoît Durteste on 25 July 2017.

A comparison of the change of pay of the CEO and the other Directors to that of all employees of the Group is shown on page 107.

Relative importance of spend on pay

The table below illustrates the relative importance of spend on pay compared with other disbursements from profit (namely distributions to shareholders) for the financial year under review and the previous financial year.

	Year ended 31 March 2023	Year ended 31 March 2024	Percentage change
Ordinary dividend paid (£m)	236.4	**223.4**	(5.5%)
Permanent headcount at year end	582	**637**	9.5%
Employee costs (£m)	256.7	**294.3**	14.6%

Directors' interests in shares (audited)

The Directors and their connected persons held the following interests in shares of the Company:

		As at 31 March 2024			
Directors	Shares held outright as at 31 March 2023	Shares held outright as at 31 March 2024	Unvested ICG PLC Equity Award/DSA	Unvested or unexercised SAYE options	Shareholding requirement met?
Benoît Durteste	1,367,310	**1,569,416**	**1,357,413**	**Nil**	**Yes**
David Bicarregui	N/A	**12,500**	**Nil**	**Nil**	**Build-up period**
Vijay Bharadia	39,170	**56,032**	**304,903**	**Nil**	**Yes**
Antje Hensel-Roth	10,071	**9,826**	**194,022**	**1,719**	**Yes**
William Rucker	7,000	**7,000**	**N/A**	**N/A**	**N/A**
Virginia Holmes	10,000	**10,000**	**N/A**	**N/A**	**N/A**
Rosemary Leith	1,705	**1,705**	**N/A**	**N/A**	**N/A**
Matthew Lester	4,863	**4,863**	**N/A**	**N/A**	**N/A**
Rusty Nelligan	180,000	**180,000**	**N/A**	**N/A**	**N/A**
Amy Schioldager	30,000	**30,000**	**N/A**	**N/A**	**N/A**
Andrew Sykes	20,000	**20,000**	**N/A**	**N/A**	**N/A**
Stephen Welton	60,000	**60,000**	**N/A**	**N/A**	**N/A**

Under the Directors' Remuneration policy, the CEO is required to hold shares amounting to 300% of his annual salary and the other Executive Directors are each required to hold shares amounting to 200% of their annual salary, at the share price prevailing on 31 March 2024 with a build-up period for new Executive Directors. David Bicarregui is still within this build-up period. There are no set shareholding requirements for NEDs, although all are encouraged to purchase a holding to align themselves with shareholders.

As at 27 May 2024, there were no changes in the Directors' share interests from the figures set out in the tables above.

Annual report on remuneration continued

Total pension entitlements (audited)

No Executive Director had a prospective entitlement to a defined benefit pension by reason of qualifying services.

Executive Directors' co-investment in third-party funds

Fund investors expect the CEO/CIO to co-invest in funds to demonstrate his alignment, and as such he has made significant personal commitments from his own resources to 33 of the Group's closed-end strategies. At times, other Executive Directors may also make co-investments from their own resources to demonstrate alignment.

Carried interest on third-party funds

Certain professionals (including the Executive Directors) are expected to invest in carried interest arrangements under which a portion of the carried interest in respect of certain managed funds is available for allocation to those providing services to the funds. Individuals who participate in such arrangements pay full market value for the interests at the time of acquisition. Carried interest on third-party funds is an investment required by third-party fund clients to drive alignment and is not remuneration for services provided to the Group.

The current standard framework with third-party fund investors, which reflects industry standards in the UK and globally, meant that Executive Director carried interest commitments in the year ended 31 March 2024 have ranged between 0% and 15% per relevant fund. Further details of the funds managed by the Group (including an indication of those funds which have carried interest arrangements required by fund investors) can be found in the Data pack .

Scheme interests awarded during the financial year (audited)

The following table provides the details of scheme interests awarded to the Executive Directors during the year ended 31 March 2024:

Director	Award	Award date	Face value at grant (£000)	Number of shares awarded
Benoît Durteste	ICG PLC Equity Awards	25 May 2023	4,680.0	350,456
David Bicarregui	ICG PLC Equity Awards	N/A	N/A	N/A
Vijay Bharadia	ICG PLC Equity Awards	25 May 2023	1,330.0	99,595
Antje Hensel-Roth	ICG PLC Equity Awards	25 May 2023	997.5	74,696

On 25 May 2023, ICG PLC Equity awards were granted to Executive Directors who had served in the year ended 31 March 2023 in relation to their performance in that year. 80% of the variable pay awarded to Benoît Durteste and 70% of the variable pay awarded to Antje Hensel-Roth in respect of that year was granted in the form of ICG PLC Equity. Awards vest in tranches of one-third at the end of the third, fourth and fifth years following the year of grant. As awards are made on the basis of PICP generated and performance achieved, there are no further performance conditions. The share price on the date of award of ICG PLC Equity Awards was £13.354. This was the middle market quotation for the five dealing days prior to 25 May 2023.

CEO pay ratio

The table below compares the CEO's single total remuneration figure for FY24 to the remuneration of the Group's UK workforce as at 31 March 2024.

Director	Method	25th percentile pay ratio	Median pay ratio	75th percentile pay ratio
2024	Option A	48:1	29:1	18:1
2023	Option A	56:1	34:1	20:1
2022	Option A	66:1	42:1	21:1

Our ratio is lower than many FTSE companies due to a consistent remuneration approach. The median pay ratio has decreased from 34:1 to 29:1.

Consistent with our calculation methodology in prior years, employee pay is calculated on the basis of the CEO single figure, which is 'Option A' under the reporting requirements. Of the three possible methodologies which companies can adopt (Options A, B or C) we have chosen Option A which we consider the most robust. Option A requires the Group to calculate the pay and benefits of all its UK employees for the relevant financial year in order to identify the total remuneration at the 25th percentile, at the median and at the 75th percentile. Employee pay data are based on full-time equivalent pay for UK employees as at 31 March 2024, in line with the CEO single figure methodology. In calculating these ratios, we have annualised any part-time employees or new joiners to a full-time equivalent (where relevant).

Director	Employee at 25th percentile	Median Employee	Employee at 75th percentile
Salary	£85,000	£116,250	£167,250
Total pay and benefits	£136,321	£227,452	£370,880

Annual report on remuneration continued

Percentage change in remuneration of Directors

The table below details how changes to the Directors' pay compare with the change in the average pay across all employees of the Group. Each figure is a percentage change of the values between the previous financial year and the financial year under review. The total permanent workforce has been selected as the comparator for salaries and fees and short-term incentives. The comparison of the increase in taxable benefits has been made for UK permanent employees only as their remuneration packages are most directly comparable to that of the Chief Executive.

	FY21			FY22			FY23			FY24		
Percentage change	**Salaries/ fees**	**Taxable benefits**	**Short-term incentives**	**Salaries/ fees**	**Taxable benefits**	**Short-term incentives**	**Salaries/ fees**	**Taxable benefits[1]**	**Short-term incentives**	**Salaries/ fees[1]**	**Taxable benefits[3]**	**Short-term incentives[4]**
Benoît Durteste	0%	1.7%	22.9%	0.0%	-9.5%	3.2%	4.1%	20.4%	-0.5%	**22.0%**	**0.5%**	**0.1%**
David Bicarregui	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	**N/A**	**N/A**	**N/A**
Vijay Bharadia[2]	0%	52.3%	23%	0.0%	26.7%	15.0%	4.0%	6.3%	3.3%	**-69.6%**	**-72%**	**-100%**
Antje Hensel-Roth	N/A	N/A	N/A	0.0%	26.7%	22.7%	4.0%	6.3%	5.6%	**5.8%**	**0.8%**	**12.1%**
William Rucker	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	**486.9%**	**N/A**	**N/A**
Andrew Sykes	0%	N/A	N/A	0.0%	N/A	N/A	119.6%	N/A	N/A	**-58.7%**	**N/A**	**N/A**
Virginia Holmes	0%	N/A	N/A	4.1%	N/A	N/A	5.9%	N/A	N/A	**0%**	**N/A**	**N/A**
Rosemary Leith	N/A	N/A	N/A	N/A	N/A	N/A	12.7%	N/A	N/A	**18.1%**	**N/A**	**N/A**
Matthew Lester	N/A	N/A	N/A	N/A	N/A	N/A	15.2%	N/A	N/A	**3.4%**	**N/A**	**N/A**
Rusty Nelligan	0%	N/A	N/A	4.1%	N/A	N/A	-4.7%	N/A	N/A	**-3.7%**	**N/A**	**N/A**
Amy Schioldager	0%	N/A	N/A	0.0%	N/A	N/A	2.8%	N/A	N/A	**0%**	**N/A**	**N/A**
Stephen Welton	0%	N/A	N/A	0.0%	N/A	N/A	1.9%	N/A	N/A	**0%**	**N/A**	**N/A**
All employees	1.6%	27.4%	4.1%	4.3%	5.6%	18.8%	6.5%	12.5%	3.9%	**4.5%**	**-1.2%**	**-5%**

1. The year-on-year changes in fees for the NEDs reflects the movements in roles, in addition to any increase in underlying fee rates, and pro-rations for joiners/leavers during the financial year. Further details can be found in the Fees paid to NEDs table below.
2. Details for Vijay Bharadia included up to the date he stepped down from the Board.
3. Excludes taxable business expenses for the Directors and all employees.
4. The changes in short-term incentives for employees arise from changes in workforce composition.

Fees paid to NEDs (audited)[4,5]

In the financial year under review, NEDs' fees were as follows as shown below. The NEDs did not receive any other remuneration:

Non Executive Directors	**Date appointed**	**Board membership fees £000**	**Board and Committee Chair fees £000**	**Senior Independent Director fee £000**	**Audit Committee £000**	**Remuneration Committee £000**	**Risk Committee £000**	**Total for year ended 2023 £000**	**Total for year ended 2024 £000**
William Rucker[1]	January 2023		375					63.9	**375**
Andrew Sykes	March 2018	76.5		15.5	14	14		290.5	**120**
Virginia Holmes	March 2017	76.5	30				14	120.5	**120.5**
Rosemary Leith[2]	February 2021	76.5	30		14	14		113.9	**134.5**
Matthew Lester	April 2021	76.5	30				14	116.5	**120.5**
Rusty Nelligan	September 2016	76.5			14		14	108.5	**104.5**
Amy Schioldager	January 2018	76.5	20.5[3]		14		14	125	**125**
Stephen Welton	September 2017	76.5				14		90.5	**90.5**

1. The Board Chair does not receive a fee in respect of his membership of the Remuneration Committee.
2. Rosemary Leith was appointed as Chair of the Risk Committee effective 1 April 2023 following Kathryn Purves stepping down from the Board effective 1 April 2023.
3. This fee relates to Amy Schioldager's role as Board Director of Employee Engagement.
4. For the year ended 31 March 2024, there were £5,855 of taxable expenses paid to the NEDs.
5. NEDs do not have contracts of service and are not eligible to join the designated Group pension plan or receive payment for loss of office. All NEDs have a three-month notice period, are re-elected annually and were last re-elected in July 2023.

Annual report on remuneration continued

Benchmarking

Remuneration awards are benchmarked against the following peers in the major jurisdictions where the Group operates:

- Listed and unlisted alternative asset managers;
- Listed and unlisted asset managers;
- Investment banks;
- Listed financial services companies;
- Other organisations as appropriate for the individual role.

The Group carries out an extensive annual exercise to benchmark proposed salaries, bonuses and deferred awards for all employees globally.

Our Executive Directors are benchmarked against equivalent individuals at a range of relevant public and private companies globally. While it is very challenging to obtain data on many private companies, we are able to gain insight into this area by commissioning bespoke research by leading external compensation and recruitment consultants and other independent providers of compensation data.

Due to the unique nature of the Group's business as a UK-listed alternative asset manager, which competes for talent against other alternative asset managers which are not listed in the UK or indeed at all, it is imperative to obtain a wide range of benchmark data.

Hence, while we do consider other UK-listed financial services companies in our benchmarking, they can be a less relevant comparator.

Gender pay

We are required by law to publish data on the following:

- Gender pay gap (mean and median);
- Gender bonus gap (mean and median);
- Proportion of men and women in each quartile of the Group's pay structure;
- Proportion of men and women receiving bonuses.

The gender pay gap is a UK comparison across the pay of all men and all women regardless of their level or role. This is different from an equal pay gap, an individual measure comparing the pay of a man and a woman in the same or a similar role. Both the pay and bonus gaps have decreased marginally during the financial year. The mean pay gap is now 30.3% and the mean bonus gap is 70.2%.

There has been an increase in women in all parts of the Group and promotions as a percentage of the overall population have been higher for women. However, we note that given our relatively small headcount, small year-on-year changes in headcount at senior levels can have a significant impact on our gender pay gap.

We also note that the vast majority of high-paying awards are highly deferred in the form of DSA, PLC Equity Awards and DVB. Therefore, our year-on-year gender pay gap comparison can change significantly as a function of long-term incentives granted several years ago and only being paid out now. As a result, while the underlying make-up of the firm continues to evolve towards greater balance, this is not necessarily reflected in the gender pay gap.

	2020	2021	2022	2023	2024
Mean pay gap	26.2%	30.9%	35.7%	34.4%	30.3%
Mean bonus gap	66.6%	68.8%	77.2%	74.3%	70.2%

The Group is pleased with the overall progress which continues to be made and continues to be committed to addressing our gender balance with a number of initiatives which are now well established. It continues to increase talent diversity and foster a culture of inclusivity:

- ICG was delighted to be ranked #1 globally by Honordex for the second year in a row, measuring DEI efforts and transparency around them in the Private Equity industry
- In 2018, the Group committed to the Women in Finance Charter with a goal of having 30% of senior roles in the UK filled by women. Through our extensive work on diversity, we have reached and continue to exceed this target already and are pleased to report that 36% of our UK senior roles are currently filled by women
- Recruitment: improving hiring diversity through extending the reach of our search and selection activities; pressing for balanced candidate short lists for all roles; maximising diversity on our interview panels to moderate bias; continuously developing the interviewing skills of our staff; creating opportunities for returnships for women who had previously taken a break from the industry.
- Development: supporting individuals in their career progression through extensive mentoring and training; as well as holding managers accountable for the development and progression of their teams through dedicated KPIs
- Retention: creating a culture of inclusion driven from both the top-down and the bottom-up, through formal initiatives and informal networks; continuously developing our market-leading offering in terms of family benefits, mental and physical wellbeing, and career sustainability

Annual report on remuneration continued

Payments made to past directors (audited)

The following payments (in excess of £500), in respect of DVB awards made while they were Executive Directors, were made in the financial year ended 31 March 2024 to former directors. These are deferred awards for performance in previous years and were retained on leaving service.

Employee	£
Philip Keller	87,080
Christophe Evain	56,112

Statement of implementation of Remuneration Policy in following financial year

The NEDs' fees have been benchmarked against fees of NEDs in comparable companies of similar size and nature. The Board Chair's fee has been increased to £400k with effect from 1 April 2024, which takes account of market benchmarks for companies of ICG's size and scope. The SID fee has been increased to £20,000 to move more in line with market norms.

The salaries for the Executive Directors and fees for the NEDs for the coming year are set out below.

	Annual salaries and fees £000	
Role	Year ended 31 March 2024	Year ended 31 March 2025
CEO	500.0	**615.0**
CFO	600.0	**600.0**
CPEAO	467.5	**500.0**
Board Chair	375.0	**400.0**
Non-Executive Director base fee (other than Board Chair)	76.5	**76.5**
Senior Independent Director	15.5	**20.0**
Remuneration Committee Chair	30.0	**30.0**
Audit Committee Chair	30.0	**30.0**
Risk Committee Chair	30.0	**30.0**
Member of the Audit Committee, Risk Committee or Remuneration Committee	14.0	**14.0**
Board Director for Employee Engagement	20.5	**20.5**

Committee composition is set out on page 69 and in the relevant Committee reports on pages 85 to 94.

For the coming year, the AAP will be calculated as described in the Directors' Remuneration Policy. All incentives for qualifying services payable to Executive Directors and other employees of the Group will be funded out of the AAP. The Executive Directors' annual bonus and other incentives will be guided by their achievement of specific objectives.

The Executive Directors' annual variable pay awards will be based on a scorecard of KPIs, with an expected weighting of at least 65% on financial KPIs as for FY24. These KPIs take account of the key business priorities including, for example: fundraising, realised returns on investments and profitability. Part of the variable pay award will be based on strategic and operational KPIs, such as Culture, Diversity and Inclusion and Sustainability.

Statement of voting at Annual General Meeting

The table below sets out the votes cast on the Directors' Remuneration Report and the Directors' Remuneration Policy at the 2023 Annual General Meeting.

	Votes for	Votes against	Abstentions
Directors' Remuneration Report	83.96%	16.04%	8,930,445
Remuneration Policy	90.06%	9.94%	15,903

Payments for loss of office (audited)

Details of the leaving remuneration for Vijay Bharadia who stepped down from the Board in July 2023 were fully disclosed in the Directors' Remuneration Report for FY23.

Governance of Remuneration

Committee roles and responsibilities

The role of the Committee is to support the Board in developing and implementing the remuneration policy, ensuring alignment with shareholders and company strategy, identifying and managing risk, complying with regulations, and promoting good conduct.

Remuneration policy

- Continuous assessment of the effectiveness of the Group's remuneration policy
- Consideration of shareholder and representative shareholder bodies' feedback
- Consideration of business requirements and competitive landscape

Key performance indicators

- Setting of KPIs for the Executive Directors
- Monitoring performance against those KPIs

Governance, stakeholders and shareholders

- Consideration of feedback from shareholders
- Adherence to regulatory requirements

Executive remuneration

- Determination of Executive Directors' awards
- Review of awards payable to all material risk takers

Oversight of awards

- Determination of variable pay awards from the Annual Award Pool (AAP)
- Review of market data on award levels

Committee members

- Virginia Holmes (Chair)
- William Rucker
- Rosemary Leith
- Andrew Sykes
- Stephen Welton

Advisers to the committee

- Alvarez and Marsal (external advice)
- Allen & Overy and Slaughter & May (legal advice)
- PwC and Deloitte (taxation and other matters advice)

Committee governance

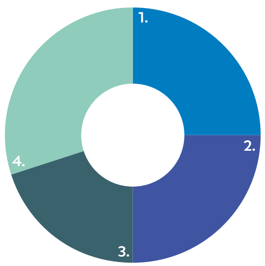
The Committee's terms of reference are approved and reviewed by the Board on a regular basis, most recently in May 2024. The terms of reference are available on the Group's website, www.icgam.com, or by contacting the Company Secretary.

The operations of the Committee were reviewed as part of the external Board evaluation completed in March 2024; the Committee was found to be operating effectively. For more details of this exercise, please see page 83.

The Committee held five meetings during the year. The Committee members attending each of the meetings can be found on page 69.

How the Committee spent its time

1.	Employee Compensation	25%
2.	Regulatory Compliance	25%
3.	DRR and Policy	20%
4.	Executive Remuneration	30%



Summary of meetings in the year

The Committee meets at least three times a year and more frequently if necessary. Executive Directors attend the meetings by invitation. The Committee consults the Executive Directors regarding its proposals and also has access to professional advice from outside the Group. The Head of Reward also attends meetings, and the Company Secretary attends as Secretary. No Director is involved in any decisions as to their own remuneration.

A table showing the number of Committee meetings held during the year and the attendance record of individual Directors can be found in the Corporate Governance section (see page 69).

Advisers to the Committee

Advisers are selected on the basis of their expertise in the area and with a view to ensuring independence from other advisers to the Group. Therefore, the Committee is confident that independent and objective advice is received from its advisers.

The fees charged for advice to the Committee were £88,288 payable to Alvarez and Marsal. Fees are charged on the basis of time spent.

This Annual Report on Remuneration is approved by the Board and signed on its behalf by

Virginia Holmes
Chair of the Remuneration Committee
27 May 2024

Directors' Remuneration Policy

This section describes the remuneration policy, which was approved by our shareholders at the 2023 AGM with a 90.06% vote in favour.

A copy of the previous Directors' Remuneration Policy approved by shareholders at the 2020 AGM is available in the shareholder centre on the ICG website at www.icgam.com.

Annual Award Pool (AAP) and Business Growth Pool (BGP)

A central feature of the Group's overall remuneration policy is the AAP. All incentives awarded across the Group are governed by an overall limit of 30% of Pre-Incentive Cash Profit (PICP) over a five-year period. This percentage may be exceeded in any single year but must not be exceeded on an average basis over five years. Managing the AAP by reference to a five-year rolling average ensures that variable awards to employees are made in a considered way with a long-term perspective rather than as a reaction to a single year's exceptional performance.

The AAP is funded by PICP, so that:

– Interest income and capital gains are only recognised on a cash basis
– Impairments on investment principal are included
– Fair value movement of derivatives is excluded

The holding period for investments is typically four to eight years and a significant portion of the Group's fund management fees arise from committed closed-end funds and are payable over the life of the fund which can be up to 12 years. This means that the AAP is long-term in nature as it includes realisations from a number of investment vintages. By generating the award pool in this way, we ensure that employees are only rewarded once returns have crystallised.

Allocation of the award pool

The AAP is based on cash profits the Group has already realised from its fund management business and its investments, and it is capped at 30% annualised over a five-year period. The Committee exercises discretion over the actual amount to be awarded in variable compensation each year, based on an assessment of market levels of pay, Group KPIs, and individual performance (subject to the overall cap on the AAP).

In a strong year that has generated high PICP, the Committee may choose not to distribute the full AAP but can instead retain some of it for potential use in future years. In years where PICP is low, the Committee may distribute some of the retained AAP from previous years, if appropriate. The Committee applies a prudent approach to setting the actual size of variable pay pool, within the overall limits described above.

The ongoing appropriateness of the 30% limit for the existing business is kept under review.

Business Growth Pool (BGP)

The BGP, which does not apply to Executive Directors, is capped at 3% of the five-year rolling average PICP and is designed to support the establishment of new investment strategies, commensurate with the overall business strategy. The BGP is used to fund the incentives of relevant teams involved in developing such new strategies, and is ring-fenced and limited in duration to the period when the new investment strategy is being developed. Any awards made from the BGP are overseen by the Committee, and Executive Directors do not participate in any such awards.

Awards falling within the AAP

All cash and share awards are distributed from the AAP. Historically, there have been two different award types to be made over ICG shares: Deferred Share Awards and ICG PLC Equity Awards. We have also introduced a new award type this year, "Growth Incentive Awards", delivered in the form of market value options to a small group of certain eligible employees which are satisfied using shares purchased in the market by our Employee Benefit Trust. Deferred Share Awards and Growth Incentive Awards are not made to Executive Directors.

Certain performance fees (funded by third-party investors) and other fund performance incentives funded by ICG are also included in the overall limits set for the AAP.

Carried interest on third-party funds and similar arrangements in respect of ICG direct investment funds or business acquisitions that do not give rise to a cost or liability to the Group are not remuneration and are outside the AAP.

Awards to the Executive Directors

Awards to the Executive Directors are funded from the AAP, but are subject to specific KPIs, with detailed targets set by the Committee. They are paid as a mix of cash and ICG PLC shares. A significant proportion of the variable pay is made in the form of deferred shares, with at least 70% of the total variable pay for each Executive Director awarded in the form of ICG PLC shares deferred over three, four and five years.

Malus and Clawback

The Company has Malus (forfeiture of unvested awards) and Clawback (recoupment of vested or paid awards) in place for its variable pay plans for Executive Directors. Malus and Clawback provisions also apply to other roles ("Material Risk Takers") as required by financial services regulations. Under the Malus and Clawback requirements, variable pay may be recouped in part or in full, if the Remuneration Committee determines that one or more specified events has occurred ("Triggers"). For Executive Directors, these Triggers include amongst other things: variable compensation was awarded based on erroneous or misleading information; a material misstatement of the Group accounts has occurred; gross misconduct or failure to meet appropriate standards of fitness or propriety; a material regulatory breach; severe negligence; a material failure of risk management; substantial reputational damage to the Company; or corporate failure. In considering whether and to what extent to apply Malus or Clawback, the Remuneration Committee would consider the seriousness of the Trigger event and the degree of responsibility of the Executive Director for the event through their actions or failure to act.

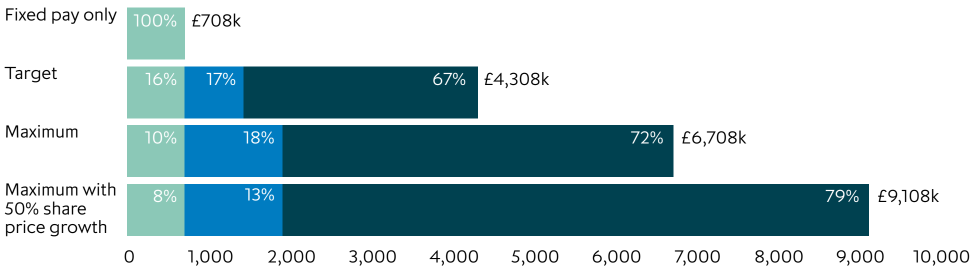
The Recovery Period during which Malus and Clawback may be applied to a variable compensation award varies depending on the award type but is a minimum of three years from the award date. For Executive Directors, the deferred equity portion of variable compensation awards (ICG PLC Equity Awards) is subject to Malus until vesting and Clawback which normally applies for up to five years from award, extendable (for example to seven years) to allow an investigation into a potential Trigger event to be concluded. The cash portion of variable compensation awards for Executive Directors is subject to Clawback which applies for three years from the award date. The Remuneration Committee considers these Recovery Periods to be appropriate taking account of the nature of ICG's business and to allow a reasonable maximum period for any information regarding a Trigger event to become known.

The Committee has not used the Malus or Clawback provisions to recoup any variable compensation from Executive Directors during the 2023 financial year, or in prior years.

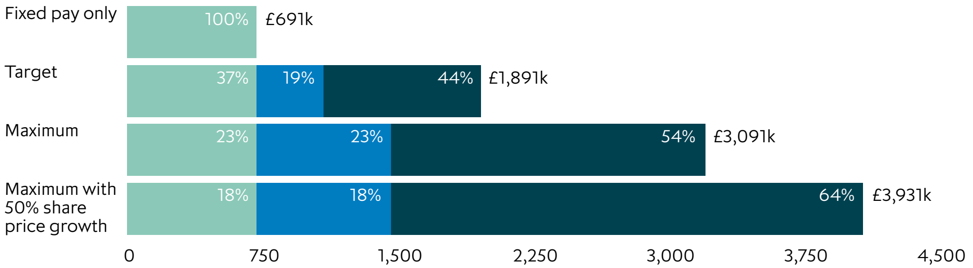
Directors' Remuneration Policy continued

The following charts show the key elements of our proposed Remuneration Policy which apply for FY25. Full details of the proposed Remuneration Policy are provided in the next section.

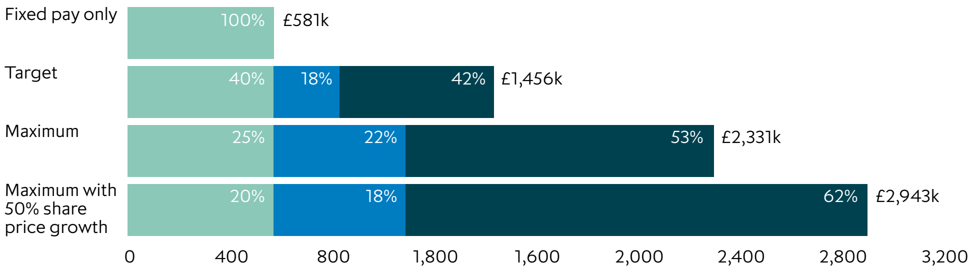
Benoît Durteste



David Bicarregui



Antje Hensel-Roth



Fixed pay | Cash Bonus Award | ICG PLC Equity Award

Illustration of application of Directors' Remuneration Policy

The total remuneration which could be awarded to each Executive Director under the remuneration policy for the year ended 31 March 2025 is shown in the charts under three different performance scenarios.

The annual variable award is split between the following elements:
- Cash Bonus Award
- ICG PLC Equity Award

The value of on-target variable remuneration for each Executive Director is based on the level which the Committee has agreed should be receivable to the extent to which the Group achieves its targets.

It remains possible that remuneration earned over more than one financial year will be disclosed in future years' single figure table for the CEO, emanating from previous awards of Deal Vintage Bonus (DVB), (formerly known as Balance Sheet Carry (BSC)) or Shadow Carry. Since the adoption of the Remuneration Policy in 2017, Executive Directors have not been eligible to participate in these plans.

The charts above incorporate the following assumptions:

Fixed pay – Includes base salary (for the financial year ended 31 March 2025, benefits and a pension allowance of 12.5% for Benoît Durteste, David Bicarregui and Antje Hensel-Roth. The benefits figure is based on the 2024 single figure total for all Executive Directors (excluding any future grant of SAYE options) and assuming a similar level of coverage for all Executive Directors in future years.

Target – Fixed pay plus the value that would arise from the incentives for achieving on-target performance (with an assumed deferral of 80% for Benoît Durteste and 70% for the other Executive Directors). The Target level of total variable pay for Benoît Durteste is unchanged from the current policy and practice, at £3.6m. The Target total variable pay for David Bicarregui is 2x base salary (or £1.2m) and the Target total variable pay for Antje Hensel-Roth is 1.75x base salary (or £875k).

Maximum – Fixed pay plus the value that would arise from the incentives for achieving maximum performance with an assumed deferral of 80% for Benoît Durteste and 70% for the other Executive Directors). The Maximum level of total variable pay for Benoît Durteste is unchanged from the current policy and practice, at £6m (this will transition to a multiple of 8x salary from FY26 onwards). The Maximum total variable pay for David Bicarregui is 4x base salary (or £2.4m) and the Maximum total variable pay for Antje Hensel-Roth is 3.5x base salary (or £1.75m).

Maximum with 50% share price growth – Maximum remuneration increased for the assumption that the share components of the package (ICG PLC Equity Award) increase in value by 50% from the share price at grant.

Directors' Remuneration Policy continued

Directors' Remuneration policy table

The table below outlines each element of the remuneration policy for the Directors of the Company.

Purpose and link to strategy	Operation	Maximum opportunity	Performance conditions
1. Base salary – Appropriate to recruit and retain Executive Directors to deliver the strategic objectives of the Group – Designed to be sufficient to ensure that Executive Directors do not become dependent on their variable remuneration – Reflects local competitive market levels	– Paid monthly – Typically reviewed annually with any changes generally applying from the start of the financial year	– In considering increases, the Committee considers the range of salary increases applying across the Group, and local market levels – Any increase in salary for an Executive Director will not normally exceed the average salary increase across the Group unless there are exceptional reasons such as, but not limited to, a change in the role or responsibilities of the Executive Director – The salary for the CEO/CIO will be increased in the following three steps: £500k for FY24; £615k for FY25; and £750k for FY26 – The salary for the new CFO has been set at £600k for FY24 – The salary for the CPEAO will be increased in the following two steps: £467.5k for FY24; and £500k for FY25	– None
2. Benefits – Appropriate to recruit and retain Executive Directors to deliver the strategic objectives of the Group – Reflects local competitive market levels	– Benefits currently receivable by Executive Directors include life assurance, private medical insurance and income protection – Additional benefits may be offered in line with market practice if considered appropriate by the Committee	– Provision and level of benefits are competitive and appropriate in the context of the local market – The maximum opportunity will depend on the type of benefit and cost of its provision, which will vary according to the market and individual circumstances	– None
3. Pension – Appropriate to recruit and retain Executive Directors to deliver the strategic objectives of the Group Purpose	– All Executive Directors are entitled to a pension allowance payable each month at the same time as their salary	– A pension allowance of no more than the level available to the majority of the Group's workforce in the relevant location is provided. The current level for majority of the UK workforce is up to 12.5% of base salary	– None
4. Total variable pay award – The Total Variable Pay Award is split between Cash Bonus Award (4a) and ICG PLC Equity Award (4b) (see below)	– The total variable pay award consists of the Cash Bonus Award and ICG PLC Equity Award	– An Executive Director's annual variable award is drawn from the AAP which is determined as described on page 111 – Total variable pay awards to Executive Directors are subject to a cap, payable for outstanding performance only. This is £6m for the CEO/ CIO (from FY26 onwards, this will be 8x base salary), 4x base salary for the CFO and 3.5x base salary for the CPEAO. – Target variable awards to Executive Directors are £3.6m for the CEO/ CIO, 2x base salary for the CFO and 1.75x base salary for the CPEAO	– An Executive Director's annual variable award is drawn from the AAP, and so is directly funded by reference to the Group's cash profit for the relevant financial year – Executive Director's annual variable award entitlement is determined by reference to performance against performance objectives, which are derived from the Group's KPIs
4a. Cash Bonus Award – Rewards achievement of business KPIs, cash profits and employing sound risk and business management	– Awards are made in cash after the end of the financial year – The maximum amount of an Executive Director's Total Variable Pay Award that can be paid as a Cash Bonus Award is 30% – Cash Bonus Awards are subject to clawback which applies for three years post award. Forfeiture of compensation may be triggered by, among other things, a misstatement of the accounts, regulatory breaches and serious breaches of contract	– See details above in relation to the overall annual variable award	– See details above in relation to the overall annual variable award

Directors' Remuneration Policy continued

Purpose and link to strategy	Operation	Maximum opportunity	Performance conditions
4b. ICG PLC Equity Award – Rewards achievement of business KPIs, cash profits and employing sound risk and business management – Aligns the interests of Executive Directors with those of shareholders	– Awards are made over shares in the Company after the end of the financial year – At least 70% of an Executive Director's Total Variable Pay Award shall be delivered in ICG PLC Equity – Shares normally vest by one-third in each of the third, fourth and fifth years following the year of grant unless the Executive leaves for cause or to join a competitor, in which case the awards lapse. The Committee has discretion to vary the date of vesting if necessary or desirable for regulatory or legislative reasons – In the event of a change in control (other than an internal reorganisation) shares vest in full – Dividend equivalents accrue to participants during the vesting period – PLC Equity Awards made are subject to both malus, until vesting, and clawback which will apply for up to seven years post grant. Forfeiture of compensation may be triggered by, among other things, a misstatement of the accounts, regulatory breaches and serious breaches of contract	– See details above in relation to the overall annual variable award	– See details above in relation to the overall annual variable award
5. Shareholding requirement – To align the interests of the Group's Executive Directors with those of shareholders – To further enhance long-term alignment with shareholders, a post-cessation shareholding requirement has been introduced	– Executive Directors are required to build ownership of a number of ordinary shares in the Group, normally over five years from appointment, with a market value equal to a multiple of the Director's annual base salary. This multiple is three times for the CEO and two times for the other Executive Directors – Executive Directors are normally required to maintain this level (or the level so far accrued at cessation, if lower) of holding for two years after they cease to be employed	– N/A	– N/A
6. The Intermediate Capital Group PLC SAYE Plan 2014 – Provides an opportunity for all employees to participate in the success of the Group	– All UK employees are offered the opportunity to save a regular amount each month over 36 months and may receive an uplift at the end of the saving contract (subject to HMRC legislation) – At maturity, employees can exercise their option to acquire and purchase shares in ICG PLC at the discounted price set at the award date or receive the accumulated cash	– Employees may save the maximum permitted by legislation each month	– The Plan is not subject to any performance conditions, as this is not permitted by the relevant legislation
7. Fees paid to Non Executive Directors – To facilitate the recruitment of Non Executive Directors who will oversee the development of strategy and monitor the Executive Directors' stewardship of the business	– Fees are payable to Non Executive Directors for their services in positions upon the Board and various Committees – Fees for the Board Chair are determined and reviewed annually by the Committee and fees for Non Executive Directors are determined by the Board Chair and the Executive Directors – The Committee refers to objective research on up-to-date, relevant benchmark information for similar companies – Non Executive Directors are reimbursed for expenses, such as travel and subsistence costs, incurred in connection with their duties. Any tax costs associated with these benefits are paid by the Group	– Non Executive Directors cannot participate in any of the Group's variable pay plans or share schemes and are not eligible to join the designated Group pension plan – Fees are set and reviewed in line with market rates. Supplementary fees may be paid to reflect additional time commitments required of Non Executive Directors. Aggregate annual fees do not exceed the limit set out in the Articles of Association – Any benefits receivable by Non Executive Directors will be in line with market practice	– None of the Non Executive Directors' remuneration is subject to performance conditions

Directors' Remuneration Policy continued

Performance measures and targets

The AAP is determined based on the Group's financial performance. The Group's PICP provides a link between income generation for shareholders and employee compensation (see page 111).

Once the AAP has been calculated, it is then allocated based on business performance and an individual's performance as determined by the annual appraisal process.

Executive Directors have performance objectives set and KPIs are set by the Committee. Details of these KPIs are set out on page 100. Further management information is provided to the Committee on performance to ensure that financial results are put into the context of wider performance factors, compliance and risk appetite.

Co-investment and carried interest in third-party funds

Executive Directors and certain professionals in the Group may be required to invest in third-party funds through co-investment and carried interest. Where this applies, the relevant employee pays full market value for these interests at the time of acquisition, and takes the investment risk. These are personal investments that are expected by third-party fund clients, to drive financial alignment with third-party fund performance, rather than remuneration provided by ICG for services to the Group.

Committee discretion

The Committee, consistent with market practice, retains discretion over a number of areas relating to the operation of the Policy. These include, but are not limited to, the following:
- the timing of awards or payments
- the size of awards (within the limits set out in the Policy table)
- the choice of weighting and assessment of performance metrics
- in exceptional circumstances, determining that a share-based award shall be settled (in full or in part) in cash
- the treatment of awards in the event of a change of control or restructuring
- determination of good leaver status, and treatment of awards for such leavers
- whether, and to what extent, malus and/or clawback should apply
- adjustments required in exceptional circumstances such as rights issues, corporate restructuring, or special dividends
- adjustments to performance criteria where there are exceptional events
- the size of annual salary increases, subject to the principles set out in the Policy table. In exceptional circumstances, the Committee may apply salary increases that are different from those set out in the table.

Service contracts and policy on payments for loss of office

Executive Directors

The Group's policy is for Executive Directors to have ongoing contracts which are deemed appropriate for the nature of the Group's business. Service contracts are held, and are available for inspection, at the Group's registered office. The details of the service contracts for Executive Directors serving during the year and the treatment of deferred share awards to Executive Directors are shown below.

Executive Director	Date of service contract	Last re-elected	Re-election frequency	Notice period	Non-compete provisions	Compensation on termination by the Company without notice or cause
Benoît Durteste	21 May 2012	July 2023	Annual	12 months	Restraint period of 12 months	The salary for any unexpired period of notice plus the cost to the Group (excluding National Insurance contributions) of providing insurance benefits for the same period. The Group may also make payments, where necessary, to mitigate any potential claims, and to compensate for legal fees or outplacement costs incurred
David Bicarregui	02 April 2023	July 2023	Annual	12 months	Restraint period of 9 months	
Antje Hensel-Roth	16 April 2020	July 2023	Annual	12 months	Restraint period of 9 months	

Deferred share award	Status	Death, disability, long-term ill health	Redundancy	Cause or competing	Any other reason
PLC Equity Award	Unvested	Retain with early vesting	Retain	Forfeit, subject to discretion	Retain, subject to discretion
Deferred Share Award	Unvested	Retain with early vesting	Retain	Forfeit, subject to discretion	Retain, subject to discretion

Directors' Remuneration Policy continued

Exercise of discretion

The discretion available to the Committee under the variable pay plans is intended to provide the Committee with flexibility to deal fairly with every eventuality. In exercising its discretion, the Committee will take into account the circumstances in which the individual has left the Group, their performance and the impact that this has had on the Group's overall performance. The Committee reserves discretion to make a variable pay award to an Executive Director in respect of the final year of service, taking into account the circumstances of the individual's termination of office, the portion of the year served, and performance for the financial year concerned.

Approach to recruitment remuneration

The Group operates in a highly specialised and competitive market, and hence competition for talent is intense. The Committee's approach to recruitment remuneration is to pay what is appropriate to attract candidates to a role.

New Executive Directors are offered a remuneration package similar to that of existing employees in the same role. All Executive Directors are offered an appropriate annual salary, benefits and pension allowance and all participate in the Annual Award Pool and are subject to an overall cap on variable reward.

However, it may be necessary to offer a new Executive Director a remuneration package that differs from that currently provided to the Executive Directors in order to attract the best recruit. This could include a higher base salary and relocation and/or housing benefits and higher total variable pay, but not more than the CEO/CIO base salary multiple level set out in the policy table, unless there are exceptional circumstances. Replacement of forfeited compensation such as deferred bonuses and long-term incentives is permitted.

This is subject to, as far as possible, the timing, delivery mechanism (i.e. shares or cash) and amounts paid out being set to reflect any former arrangement.

As far as possible, the value of any replacement awards will reflect the expected value of the forfeited awards. In the event of an internal promotion to the Board, the Committee reserves the right to allow any pre-existing awards or arrangements to be retained until their normal maturity date, notwithstanding that these may not be consistent with the approved policy.

Statement of consideration of shareholder views

The Committee is responsible for the overall remuneration policy for all the Group's employees and ensures that the remuneration arrangements should take into account the long-term interests of shareholders, clients and other stakeholders.

The Group recognises the importance of communication with its shareholders, particularly through interim and annual reports and the AGM.

The CEO, CFO and the Chairmen of the Board and each of its Committees will be available to answer shareholders' questions at the AGM. The CEO and the CFO meet institutional shareholders on a regular basis, and the Board Chair periodically contacts the Group's major shareholders and offers to meet with them. The Board is kept fully informed of the views and concerns of the major shareholders and relevant NEDs attend meetings with major shareholders and shareholder advisory groups when requested to do so.

Statement of consideration of employment conditions elsewhere in the Group and employee views

The Committee considers the employment conditions and the remuneration structures in place for all employees of the Group when setting the Directors' Remuneration Policy.

The Committee also reviews the remuneration arrangements of senior investment and marketing employees and senior management and control function employees and oversees the remuneration structure and market positioning for other roles. The overall and average salary increase across the Group is approved by the Committee each year. The Board has established a process which is used to seek the opinions of employees when setting the Directors' Remuneration Policy by seeking feedback through a designated NED.

In addition employees' views are represented at Committee meetings through the Chief People and External Affairs Officer, who is also an Executive Director, and the Head of Reward.

Independent auditor's report to the members of Intermediate Capital Group plc

Opinion

In our opinion:

- Intermediate Capital Group plc's financial statements and Parent Company financial statements (the 'financial statements') give a true and fair view of the state of the Group's and of the Parent Company's affairs as at 31 March 2024 and of the Group's profit for the year then ended;
- the Group financial statements have been properly prepared in accordance with UK-adopted international accounting standards;
- the Parent Company financial statements have been properly prepared in accordance with UK-adopted international accounting standards as applied in accordance with section 408 of the Companies Act 2006; and
- the financial statements have been prepared in accordance with the requirements of the Companies Act 2006.

We have audited the financial statements of Intermediate Capital Group plc (the 'Parent Company') and its subsidiaries (together the 'Group') for the year ended 31 March 2024 which comprise:

Group	Parent Company
Consolidated income statement for the year ended 31 March 2024	Parent Company statement of financial position as at 31 March 2024
Consolidated statement of comprehensive income for the year ended 31 March 2024	Parent Company statement of cash flows for the year ended 31 March 2024
Consolidated statement of financial position as at 31 March 2024	Parent Company statement of changes in equity for the year ended 31 March 2024
Consolidated statement of cash flows for the year ended 31 March 2024	
Consolidated statement of changes in equity for the year ended 31 March 2024	
Related notes 1 to 33 to the financial statements, including material accounting policy information	

The financial reporting framework that has been applied in their preparation is applicable law and UK-adopted international accounting standards and as regards the Parent Company financial statements, as applied in accordance with section 408 of the Companies Act 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) ('ISAs (UK)') and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Independence

We are independent of the Group and Parent Company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard as applied to listed public interest entities, and we have fulfilled our other ethical responsibilities in accordance with these requirements.

During the course of our independence procedures performed, it was identified that a non-audit service related to the year to 31 March 2022, approved by the Audit Committee, had been provided to an immaterial controlled undertaking of the Parent Company, by an overseas EY member firm. The service provided is prohibited under the FRC's Ethical Standard.

The service provided to the subsidiary related to the tagging of audited financial statements in XBRL format, rather than the review of tagging. The total fee for the service was £1,300 and this service has not been provided for any subsequent year end. The service was undertaken by a separate team from the audit team and does not present a self-review threat as this service does not form part of the financial statements. In addition, the work had no element of an advocacy threat.

We informed the Audit Committee following identification in November 2023. Although this is a breach of the FRC's Ethical Standard; we have concluded that an objective, reasonable and informed third party would not conclude that our independence was impaired, and that we remain independent of the Group and Parent Company in conducting the audit.

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the Directors' use of the going concern basis of accounting in the preparation of the financial statements is appropriate. Our evaluation of the Directors' assessment of the Group and Parent Company's ability to continue to adopt the going concern basis of accounting included:

- obtaining an understanding of management and the Directors' processes for determining the appropriateness of the use of the going concern basis. This included discussions with management, corroborating our understanding with the Audit Committee and obtaining management's going concern assessment covering the period to 30 November 2025, which is eighteen months from the date these financial statements were authorised for issue;
- reviewing the Group's cashflow forecasts, considering if the assumptions used in the models are appropriate to enable the Directors to make an assessment in respect of going concern, including the availability of existing and forecast cash resources and undrawn facilities;
- evaluating the regulatory capital and liquidity position of the Group, including reviewing the Internal Capital Adequacy and Risk Assessment ('ICARA'). This included verifying credit facilities available to the Group by obtaining third party confirmations;
- reviewing the appropriateness of the stress and reverse stress test scenarios, including assessing the completeness of the severe scenarios that consider the key risks identified by the Group, our understanding of the business and the external market environment. We also evaluated the analysis by testing the clerical accuracy and assessed the conclusions reached in the stress and reverse stress test scenarios;
- assessing the plausibility of available options to mitigate the impact of the key risks by comparing them to our understanding of the Group;
- performing enquires of management and those charged with governance to identify risks or events that may impact the Group's ability to continue as a going concern. We also reviewed management's going concern paper approved by the Board, minutes of meetings of the Board and the Audit Committee and made enquiries of management and the Board; and
- assessing the appropriateness of the going concern disclosures by comparing them with management's assessment for consistency and for compliance with the relevant reporting requirements.

Independent auditor's report to the members of Intermediate Capital Group plc continued

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the Group and Parent Company's ability to continue as a going concern for the period to 30 November 2025.

In relation to the Group and Parent Company's reporting on how they have applied the UK Corporate Governance Code, we have nothing material to add or draw attention to in relation to the Directors' statement in the financial statements about whether the Directors considered it appropriate to adopt the going concern basis of accounting.

Our responsibilities and the responsibilities of the Directors with respect to going concern are described in the relevant sections of this report. However, because not all future events or conditions can be predicted, this statement is not a guarantee as to the Group's ability to continue as a going concern.

Overview of our audit approach

Audit scope	– The Group is managed principally from one location, with core business functions, including finance and operations, located in London. All key accounting records are maintained in the UK. The Group operates international offices in Europe, Asia and North America, which are primarily responsible for deal origination, marketing and investment portfolio monitoring. – The Group comprises 215 consolidated subsidiaries, including 21 consolidated structured entities. – The Group audit team based in London performed audit procedures on all balances which are material to the Group and Parent Company financial statements.
Key audit matters	– Valuation of investments in portfolio companies, including investments valued with reference to net asset value ('NAV'), and real estate assets (including those held via fund structures and disposal groups held for sale) – Valuation of investments in Collateralised Loan Obligations ('CLOs'), including debt (senior) and equity (subordinated) tranches and collateral assets held and debt and equity tranches issued by consolidated CLOs – Calculation and recognition of management and performance fees
Materiality	– Overall Group materiality of £25.6m which represents 5% of normalised profit before tax. Normalised profit before tax is calculated as the sum of the 2024 Fund Management Company's ('FMC') profit before tax and an average of the Investment Company ('IC') profit/loss before tax for the past five financial years up to 31 March 2024. Our basis for calculating materiality reflects stakeholder focus on the Group as a fund management business and the year-on-year fluctuations within the IC's profit/loss before tax resulting from movements in investment valuation gains/losses.

An overview of the scope of the Parent Company and Group audits

Tailoring the scope

Our assessment of audit risk and our evaluation of materiality and our allocation of performance materiality determine our audit scope for the Group and Parent Company. Taken together, this enables us to form an opinion on the consolidated financial statements. We take into account size, risk profile, the organisation of the Group and effectiveness of Group-wide controls, changes in the business environment, the potential impact of climate change and other factors such as recent Internal Audit results when assessing the level of work to be performed for the Group.

In assessing the risk of material misstatement to the Group financial statements, and to ensure we had adequate quantitative coverage of significant accounts in the financial statements, we performed direct audit procedures on all items material to the Group and Parent Company financial statements. Our Group testing covered account balances material to the Group including balances of entities within Europe, Asia and North America. The audit scope of these legal entities may not have included testing of all significant accounts of the entity but will have contributed to the coverage of significant accounts tested for the Group.

As part of our Group audit procedures, we also perform analytical review procedures, testing of consolidation journals and intercompany eliminations, and foreign currency translation recalculations to respond to any potential risks of material misstatement to the Group financial statements.

Involvement with component teams

All audit work performed for the purposes of the Group audit was undertaken by the Group audit team.

Climate change

The Group has determined that the most significant future impacts from climate change on its operations will be from the adverse effects of the underlying portfolio investments. This is explained on pages 47-64 in the Task Force for Climate Related Financial Disclosures and on page 41 in the Managing Risk section. All of these disclosures form part of the 'Other information,' rather than the audited financial statements. Our procedures on these unaudited disclosures therefore consisted solely of considering whether they are materially inconsistent with the financial statements, or our knowledge obtained in the course of the audit or otherwise appear to be materially misstated, in line with our responsibilities on 'Other information'.

In planning and performing our audit we assessed the potential impacts of climate change on the Group's business and any consequential material impact on its financial statements.

The Group has explained in the General Information and basis of preparation section in Note 1 to the financial statements, on page 132, their articulation of how climate change has been reflected in the financial statements, and how they have reflected the impact of climate change in their financial statements.

Our audit effort in considering the impact of climate change on the financial statements was focused on assessing whether the effects of climate risks have been appropriately reflected by management in reaching their judgements and in relation to the assessment of the fair value of investments and the impact on performance fees. As part of this evaluation, we performed our own risk assessment, supported by our climate change internal specialists, to determine the risks of material misstatement in the financial statements from climate change which needed to be considered in our audit.

We also challenged the Directors' considerations of climate change risks in their assessment of going concern and viability, and associated disclosures. Where considerations of climate change were relevant to our assessment of going concern, these are described above.

Based on our work we have not identified the impact of climate change on the financial statements to be a key audit matter.

Independent auditor's report to the members of Intermediate Capital Group plc continued

Key audit matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current period and include the most significant assessed risks of material misstatement (whether or not due to fraud) that we identified. These matters included those which had the greatest effect on: the overall audit strategy, the allocation of resources in the audit; and directing the efforts of the engagement team. These matters were addressed in the context of our audit of the financial statements as a whole, and in our opinion thereon, and we do not provide a separate opinion on these matters.

Risk

Valuation of investments in portfolio companies, including investments valued with reference to NAV, and real estate assets (including those held via fund structures and disposal groups held for sale)

In the Consolidated and Parent Company statements of financial position, the Group's investments in portfolio companies (co-investments or alongside funds managed by ICG) of £1,964.9m (2023: £1,368.0m), investments valued with reference to NAV of £575.7m (2023: £633.7m) and real estate assets of £187.4m (2023: £192.1m) are included in Financial assets at fair value. Real estate assets of £82.7m (2023: £0.8m) are included in Investment property. Investments in portfolio companies and real estate assets of £0m (2023: £380.5m) are included in Disposal groups held for sale.

Refer to the Audit Committee Report (pages 85 - 89); Accounting policies (page 133); and Note 5 and 18 of the Financial Statements (page 141 and 164).

The Group's investment portfolio contains unquoted debt and equity securities, that are held either directly, including through joint ventures, or through funds managed by ICG. These investments are held at fair value through profit and loss or investments held for sale in accordance with International Financial Reporting Standards ('IFRS') 5 — Non-current Assets Held for Sale and Discontinued Operations ('IFRS 5').

For portfolio companies and investments valued with reference to NAV, the Group adopts a valuation methodology based on the International Private Equity and Venture Capital Valuation Guidelines 2022 ('IPEV guidelines'), and in conformity with IFRS 13 — Fair Value Measurements ('IFRS 13'). The Group predominantly applies either an earnings-based valuation technique or discounted cash flow model ('DCF') to value portfolio companies.

For real estate assets, the Group adopts a valuation methodology based on the Royal Institution of Chartered Surveyors ('RICS'), in conformity with IFRS 13 and IAS 40 — Investment Property ('IAS 40'). The Group values real estate assets using various techniques, including but not limited to, capitalisation rate to current net rent, hardcore, direct capitalisation, and income approach. For certain real estate assets, the Group engages external valuers to perform valuations.

Owing to the unquoted and illiquid nature of these investments, the assessment of fair valuation is subjective and requires several significant and complex judgements to be made by management. The exit value will be determined by the market at the time of realisation and therefore despite the valuation policy adopted and judgement made by management, the final sales value may differ materially from the valuation at the year end.

There is the risk that inaccurate judgement made in the assessment of fair value could lead to the incorrect valuation of investments in portfolio companies, investments valued with reference to NAV and real estate assets. In turn, this could materially misstate the financial assets at fair value in the Consolidated and Parent Company Statements of financial position, and the Net gains on investments in the Consolidated income statement.

There is also a risk that management may influence the judgement and estimation in respect of the portfolio companies, investments valued with reference to NAV and real estate asset valuations in order to meet market expectations of the Group.

Our response to the risk

We have:

- Obtained an understanding of management's processes and controls for the valuation of investments in portfolio companies, investments valued with reference to NAV, and real estate assets (including co-investments or alongside funds managed by ICG) by performing walkthrough procedures, in which we evaluated the design effectiveness and implementation of controls. This included discussing with management the valuation governance structure and protocols around their oversight of the valuation process, including the Group Valuation Committee, as well as reviewing the Group Valuation Committee papers and minutes.
- Compared management's valuation methodologies to IFRS and the relevant IPEV and RICS guidelines. We sought explanations from management where there were judgements applied in their application of the guidelines and assessed their appropriateness.
- On a sample basis, we agreed key inputs in the valuation models to source data, including portfolio company financial information. We also performed procedures on key judgements made by management in the calculation of fair value
  - performed calculations to assess the appropriateness of discount rates used in DCF valuations, with reference to relevant industry and market data;
  - assessed the suitability of the comparable companies used in the calculation of the earnings multiples;
  - challenged management on the applicability and completeness of adjustments made to earnings multiples by obtaining rationale and supporting evidence for adjustments made; and
  - assessed the appropriateness of the portfolio company financial information, including business plans, used in the valuation and any relevant adjustments made by obtaining rationale and supporting evidence.

- For a sample of investments valued with reference to NAV, we:
  - obtained the most recently available NAV statements from the general partner/administrator and compared the NAV of the investment attributable to the Group to the valuation per the accounting records;
  - where the most recently available capital allocation statements were non-coterminous with the reporting date, obtained details of any adjustments for cash flows and fair value made by management and corroborated these to call and distribution notices and bank statements;
  - where the general partner valuations as set out in the NAV statements had been overridden by management, engaged our valuation specialists to review the valuations of these investments;
  - obtained the underlying fund trial balances for each of the investments in our sample and tested those balances material to the Group and Parent Company in accordance with the relevant testing threshold (i.e. the underlying investment valuations and other material balances, e.g. cash);
  - obtained the most recent audited financial statements of the underlying fund and reviewed the Auditor's opinion to confirm that the underlying investment is held at fair value in a manner consistent with IFRS 13 and that there are no audit opinion modifications which would affect the fair value of the investments; and
  - inquired of management regarding any potential fair value adjustments as a result of updated information received or observable market movements and obtained evidence to confirm these were immaterial to the Group's financial statements.
- For a sample of real estate assets, obtained the external valuation reports, where an external valuer is engaged, and assessed their competence and objectivity.
- With the assistance of our valuations specialists, formed an independent view on the appropriateness of the key assumptions and inputs used in the valuation of a sample of portfolio companies, investments valued with reference to NAV, and real estate assets, with reference to relevant industry and market valuation considerations and data points. Through our analysis, including taking into account other qualitative risk factors, such as company-specific risk factors, we derived a range of acceptable fair values. We compared these ranges to management's fair values and discussed our results with both management and the Audit Committee.
- Checked the mathematical accuracy of the valuation models on a sample basis. We recalculated the unrealised gains/losses on revaluation of investments impacting the Net gains on investments in the Consolidated income statement.

Independent auditor's report to the members of Intermediate Capital Group plc continued

Risk	Our response to the risk
Valuation of investments in portfolio companies, including investments valued with reference to NAV, and real estate assets (including those held via fund structures and disposal groups held for sale) continued	– Considered the impact of climate change throughout our procedures performed on the valuation of portfolio companies, investments valued with reference to NAV and real estate assets, by challenging whether the valuation methodologies and assumptions used are appropriate. – Challenged management to understand the rationale for any material differences between the exit prices of investments realised during the year and the prior year fair value, to further verify the reasonableness of the current year valuation models and methodology adopted by management. – In order to address the residual risk of management override we have performed journal entry testing

Key observations communicated to the Audit Committee

The valuation of investments was found to be materially correct in accordance with UK-adopted international accounting standards and the IPEV or RICS guidelines, respectively.

Based on our procedures performed, we had no material matters to report the Audit Committee.

Risk

Valuation of investments in Collateralised Loan Obligations ('CLOs'), debt (senior) and equity (subordinated) tranches and collateral assets held and debt and equity tranches issued by consolidated CLOs

In the Consolidated and Parent Company Statements of financial position, the Group's investments in CLO debt (senior) of £105.9m (2023: £105.8m) and equity (subordinated debt) tranches of £19.7m (2023: £7.5m), and investments held by consolidated CLOs of £4,617.5m (2023: £4,669.1m) are included in Financial assets at fair value. The liabilities held by consolidated CLOs of £4,602.3m (2023: £4,572.7m) are included in Financial liabilities at fair value.

Refer to the Audit Committee Report (pages 85 - 89); Accounting policies (page 133); and Note 5 of the Financial Statements (page 141).

The Group holds investments in CLOs in both the debt and equity tranches. These investments are accounted for at fair value through profit or loss. The Group consolidates the CLOs where it is deemed to have control in accordance with IFRS 10 — Consolidated financial statements ('IFRS 10').

In particular, significant judgement was required where there is limited market activity to provide reliable observable inputs.

There is the risk that inaccurate judgement made in the assessment of fair value could lead to the incorrect valuation of investments in CLOs which could materially misstate the Financial assets and Financial Liabilities at fair value in the Consolidated and Parent Company Statements of financial position. In turn, this could materially misstate the Net gains on investments account in the Consolidated income statement.

There is also a risk that management may influence the judgements and estimations of the investments in CLO debt and equity tranches in order to meet market expectations of the Group.

Our response to the risk

Unconsolidated CLOs — Investments in CLO debt and equity

We have:

- Obtained an understanding of management's processes and controls for the valuation of CLOs by performing walkthrough procedures, in which we evaluated the design effectiveness and implementation of controls;
- Agreed each tranche size to observable market data (i.e., Fitch Ratings);
- Obtained the available observable market prices (i.e., Markit) and compared it to management's fair valuations for positions with observable inputs;
- Formed an independent range of fair values for a sample of the sub-investment grade debt and equity tranches with the assistance of our valuation specialists. This included:
  - projecting cash flows using a cash flow model and market-based assumptions such as default rates;
  - estimating a range of yields based on either recent trade data or comparable CLO securities;
  - performing independent comparative calculations using the cash flows and yields; and
  - recalculating the unrealised gain/loss on revaluation of investments impacting the Net gains on investments in the Consolidated income statement.
- Performed journal entry testing in order to address the residual risk of management override.

Consolidated CLOs – collateral assets and debt and equity tranches

We have:

- Obtained an understanding of management's processes and controls for the consolidation of CLOs by performing walkthrough procedures, in which we evaluated the design effectiveness and implementation of controls;
- Agreed consolidated balances in the financial statements to underlying financial records maintained by third-party administrators ('administrator accounts');
- Obtained trustee confirmations for all collateral assets and agreed information per the administrator accounts (par value and market value) to the confirmations;
- Obtained the available observable market prices (i.e., Markit) and compared it to management's fair valuations for a sample of collateral assets;
- Recalculated the accrued interest and fair value of a sample of collateral assets;
- Obtained the available observable market data (i.e., Markit or Refinitiv) to determine the appropriateness of management's fair value levelling for a sample of collateral assets;
- Agreed the par value of all debt and equity tranches to observable market data or underlying agreements;
- Recalculated the carrying value of debt tranches with reference to observable coupon rates and recalculated the carrying value of equity tranches in terms of the priority of payments; and
- Recalculated the accrued interest expense on debt tranches using market coupon rates (Refinitiv) and compared to the administrator's amounts.

Key observations communicated to the Audit Committee

The valuation of the CLOs was found to be materially correct in accordance with UK-adopted international accounting standards.

Based on our procedures performed we had no material matters to report to the Audit Committee.

Independent auditor's report to the members of Intermediate Capital Group plc continued

Risk	Our response to the risk
Calculation and recognition of management and performance fees *In the Consolidated income statement, management fees of £552.7m (2023: £481.6m), including performance fees of £76.2m (2023: £22.4m), are included in Fee and other operating income.* *Refer to the* Audit Committee Report (pages 85-89); Accounting policies (page 133); and Note 3 of the Financial Statements (page 134). The Group manages funds across numerous domiciles and investment strategies and receives management fees and performance fees from its performance of investment management services for third-party money it manages. Management fees are calculated based on an agreed percentage of either committed capital, invested capital or net asset value ('NAV'), depending on the contractual agreement of the underlying fund. The calculations are prepared by third-party administrators or ICG for some CLOs. Due to the manual nature of the process, there is a risk that management fees are incorrectly calculated. There is also a risk of manual override as processing of journal entries for management fees is performed by ICG. Performance fees are calculated as a contractual percentage of a fund's return, once a specified hurdle rate is expected to be met. These amounts are specified in the underlying contract between the fund and the Group in its capacity as investment manager. Performance fees are only received when a triggering event, such as a realisation or refinancing, occurs. In respect of performance fees, management must apply judgment in accordance with IFRS 15 – Revenue from contracts with customers ('IFRS 15') to determine whether it is highly probable that a significant reversal will not occur in the future. The following are identified as the key risks or judgement in respect of the recognition of performance fees: – inappropriate judgement is made by management in the process, including whether a constraint is applied and in determining the forecast exit dates of underlying investments; – errors are made in performing complex manual calculations within the model; and – inappropriate inputs are used by management in the calculations. The accuracy and recognition of revenue is important to the Group's financial statements. Stakeholder expectations may place pressure on management to influence the recognition of revenue. This may result in overstatement or deferral of revenue to assist in meeting current or future revenue targets or expectations.	We have obtained an understanding of management's processes and controls for the calculation and recognition of management fees and performance fees by performing walkthrough procedures, in which we evaluated the design effectiveness and implementation of controls. **Management fees** For a sample of funds, we have: – agreed the fee terms used in the calculation to the terms as specified in the relevant legal agreements, for example the investment management agreement or limited partnership agreement; – validated key inputs, such as committed capital, invested capital or NAV, to supporting evidence; – tested the arithmetical accuracy of the calculations prepared by ICG or the third-party administrators by performing independent recalculations; – traced management fees received during the year to bank statements; – reconciled the closing management fee debtor in the Consolidated statement of financial position; and – traced the year end debtor balance to post year end bank statements, where received in April 2024, to assess recoverability. – In order to address the residual risk of management override we have performed journal entry testing. **Performance fees** For a sample of funds, we have: – agreed contractual terms such as hurdle rates and percentage receivable to underlying legal agreements; – assessed that the relevant hurdles have been met or are expected to be met within 24 months of the year-end, where performance fees are being accrued; – determined the reasonableness of forecast exit dates with reference to our work performed over valuations of the investment portfolio and our understanding of the investment life cycle; – verified that the constraint applied to performance fee revenue to be recognised has been appropriately applied in accordance with management's IFRS 15 policy; – tested the arithmetical accuracy of the calculations by performing independent recalculations; – assessed whether each payment of performance fees was a result of a triggering event, such as a realisation or refinancing and verified cash flows to bank statements; and – reconciled the closing performance fee debtor in both the Parent Company and Consolidated statements of financial position, and evaluated the classification of performance fees as either current or non-current, aligning them with the respective hurdle dates for the funds; and – for funds sitting outside of the performance fee model which fell within our sample (ICG Alternative Credit and ICG Enterprise Trust) we have reconciled the performance fee revenue to the 31 December 2023 audited fund financial statements and recalculated any performance fee revenue recognised in the period from 1 January to 31 March 2024. ICG Australia Senior Loans also sits outside the model, we have recalculated the performance fee recognition on the fund to 31 March 2024. – We compared the performance of the underlying funds used in the performance fee calculations to our understanding of the performance of the relevant funds' underlying investments gained through our valuation work. – We challenged management to understand the rationale for any differences between the performance fee payments received during the year and the prior year estimates, to further assess the reasonableness of the current year performance fee models and methodology adopted by management. – We have considered the impact of climate change on performance fees by challenging the impact on the valuations as outlined in the key audit matters above. – In order to address the residual risk of management override we have performed journal entry testing.

Key observations communicated to the Audit Committee

Our procedures covered 83% of non-performance related management fees and 92% of performance-related management fees. Our audit procedures did not identify any material matters regarding the calculation and recognition of management fees and performance fees. Revenue has been recorded in accordance with UK-adopted international accounting standards.

Based on our procedures performed we had no material matters to report to the Audit Committee.

Independent auditor's report to the members of Intermediate Capital Group plc continued

Our application of materiality

We apply the concept of materiality in planning and performing the audit, in evaluating the effect of identified misstatements on the audit and in forming our audit opinion.

Materiality

The magnitude of an omission or misstatement that, individually or in the aggregate, could reasonably be expected to influence the economic decisions of the users of the financial statements. Materiality provides a basis for determining the nature and extent of our audit procedures.

We determined materiality for the Group to be £25.6m (2023: £21.3m), which is 5% (2023: 5%) of normalised profit before tax. Normalised profit before tax is calculated as the sum of the 2024 FMC profit before tax and an average of the IC profit/loss before tax for the past five financial years up to 31 March 2024. Our basis for calculating materiality reflects stakeholder focus on the Group as a fund management business and the year-on-year fluctuations within the IC's profit/loss before tax resulting from movements in investment valuation gains/losses. We believe that normalised profit before tax provides us with an appropriate basis for materiality due to stakeholder focus on the FMC and its contribution to business performance.

We determined materiality for the Parent Company to be £9.0m (2023: £7.8m), which is 1% (2023: 1%) of net assets.

During the course of our audit, we reassessed initial materiality based on 31 March 2024 normalised profit before tax, and net asset value in relation to the Parent Company and adjusted our audit procedures accordingly.

Performance materiality

The application of materiality at the individual account or balance level. It is set at an amount to reduce to an appropriately low level the probability that the aggregate of uncorrected and undetected misstatements exceeds materiality.

On the basis of our risk assessments, together with our assessment of the Group's overall control environment, our judgement was that performance materiality was 50% (2023: 50%) of our planning materiality, namely £12.8m (2023: £10.6m). We have set performance materiality at this percentage due to our observations of the control environment and the misstatements identified in the prior year. In determining performance materiality, we considered our risk assessments, together with our assessment of the Group's overall control environment.

Reporting threshold

An amount below which identified misstatements are considered as being clearly trivial.

We agreed with the Audit Committee that we would report to them all uncorrected audit differences in excess of £1.3 m (2023: £1.1m), which is set at 5% of planning materiality, as well as differences below that threshold that, in our view, warranted reporting on qualitative grounds.

We evaluate any uncorrected misstatements against both the quantitative measures of materiality discussed above and in light of other relevant qualitative considerations in forming our opinion.

Other information

The other information comprises the information included in the Annual Report other than the financial statements and our auditor's report thereon. The Directors are responsible for the other information contained within the Annual Report.

Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in this report, we do not express any form of assurance conclusion thereon.
Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit, or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of the other information, we are required to report that fact.

We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

In our opinion, the part of the Directors' Remuneration Report to be audited has been properly prepared in accordance with the Companies Act 2006.

In our opinion, based on the work undertaken in the course of the audit the information given in the Strategic Report and the Directors' Report for the financial year for which the financial statements are prepared is consistent with the financial statements and those reports have been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In light of the knowledge and understanding of the Group and the Parent Company and their environment obtained in the course of the audit, we have not identified material misstatements in the Strategic Report or the Directors' Report.

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept by the Parent Company, or returns adequate for our audit have not been received from branches not visited by us; or
- the Parent Company financial statements and the part of the Directors' Remuneration Report to be audited are not in agreement with the accounting records and returns; or
- certain disclosures of Directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

Independent auditor's report to the members of Intermediate Capital Group plc continued

Corporate Governance Statement

We have reviewed the Directors' statement in relation to going concern, longer-term viability and that part of the Corporate Governance Statement relating to the Group and Parent Company's compliance with the provisions of the UK Corporate Governance Code specified for our review by the Listing Rules.

Based on the work undertaken as part of our audit, we have concluded that each of the following elements of the Corporate Governance Statement is materially consistent with the financial statements or our knowledge obtained during the audit:

- Directors' statement with regards to the appropriateness of adopting the going concern basis of accounting and any material uncertainties identified set out on page 77;
- Directors' explanation as to its assessment of the Group's prospects, the period this assessment covers and why the period is appropriate set out on page 46;
- Directors' statement on whether it has a reasonable expectation that the Group will be able to continue in operation and meet its liabilities set out on page 77;
- Directors' statement on fair, balanced and understandable set out on page 82;
- Board's confirmation that it has carried out a robust assessment of the emerging and principal risks set out on page 41;
- The section of the Annual Report that describes the review of effectiveness of risk management and internal control systems set out on page 91;
- The section describing the work of the Audit Committee set out on pages 85 - 89.

Responsibilities of Directors

As explained more fully in the Directors' responsibilities statement set out on page 82, the Directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the Directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Directors are responsible for assessing the Group and Parent Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Directors either intend to liquidate the Group or the Parent Company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

Explanation as to what extent the audit was considered capable of detecting irregularities, including fraud

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect irregularities, including fraud. The risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery or intentional misrepresentations, or through collusion. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below.

However, the primary responsibility for the prevention and detection of fraud rests with both those charged with governance of the Parent Company and management.

- We obtained an understanding of the legal and regulatory frameworks that are applicable to the Group and determined that the most significant are those that relate to the reporting framework (UK-adopted international accounting standards, the Companies Act 2006 and UK Corporate Governance Code) and relevant tax compliance regulations. In addition, we concluded that there are certain significant laws and regulations which may have an effect on the determination of the amounts and disclosures in the financial statements, being the Listing Rules of the UK Listing Authority and relevant Financial Conduct Authority ('FCA') rules and regulations.
- We understood how the Group is complying with those frameworks by making enquiries of senior management, including the Chief Financial Officer, General Counsel and Company Secretary, Global Head of Compliance and Risk, Head of Internal Audit and the Chairman of the Audit Committee. We corroborated our understanding through our review of Board and Audit Committee meeting minutes, papers provided to the Audit Committee, and correspondence with regulatory bodies.
- We assessed the susceptibility of the Group's financial statements to material misstatement, including how fraud might occur by discussing with the Audit Committee and management to understand where they considered there was susceptibility to fraud. We considered performance targets and their potential influence on efforts made by management to manage or influence the perceptions of analysts. We considered the controls that the Group has established to address risks identified, or that otherwise prevent, deter and detect fraud, including in a hybrid working environment; and how senior management and those charged with governance monitor these controls. Where the risk was considered to be higher, we performed audit procedures to address each identified fraud risk.
- Based on this understanding we designed our audit procedures to identify non-compliance with such laws and regulations. Our procedures involved: inquiries of management, Internal Audit and those responsible for legal and compliance matters. In addition, we performed journal entry testing, with a focus on manual journals and journals indicating large or unusual transactions based on our understanding of the business; enquiries of senior management, and focused testing, as referred to in the Key Audit Matters section above.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at https://www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditor's report.

Independent auditor's report to the members of Intermediate Capital Group plc continued

Other matters we are required to address

- Following the recommendation from the Audit Committee, we were appointed by the Parent Company on 21 July 2020 to audit the financial statements for itself and on behalf of the Group for the year ending 31 March 2021 and subsequent financial periods. Our appointment as auditor was approved by shareholders at the Annual General Meeting on 21 July 2020.
- The period of total uninterrupted engagement including previous renewals and reappointments is four years, covering the years ended 31 March 2021 to 31 March 2024.
- The audit opinion is consistent with the additional report to the Audit Committee.

Use of our report

This report is made solely to the Parent Company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the Parent Company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Parent Company and the Parent Company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Ernst & Young LLP

Ashley Coups (Senior statutory auditor)
for and on behalf of Ernst & Young LLP, Statutory Auditor
London

27 May 2024

Consolidated income statement
For the year ended 31 March 2024

	Notes	Year ended 31 March 2024 £m	Year ended 31 March 2023 £m
Fee and other operating income	3	**554.8**	483.6
Finance loss	5	**(10.5)**	(17.1)
Net gains on investments	9	**405.3**	172.5
Total Revenue		**949.6**	639.0
Other income	8	**21.6**	15.5
Finance costs	10	**(49.5)**	(64.6)
Administrative expenses	11	**(390.5)**	(343.3)
Share of results of joint ventures accounted for using the equity method	29	**(0.4)**	4.4
Profit before tax from continuing operations		**530.8**	251.0
Tax charge	13	**(62.4)**	(29.4)
Profit after tax from continuing operations		**468.4**	221.6
Profit/ (loss) after tax on discontinued operations	28	**6.0**	56.8
Profit for the year		**474.4**	278.4
Attributable to:			
Equity holders of the parent		**473.4**	280.6
Non-controlling interests		**1.0**	(2.2)
		474.4	278.4
Earnings per share attributable to ordinary equity holders of the parent			
Basic (pence)	15	**165.5p**	98.2p
Diluted (pence)	15	**162.1p**	97.0p
Earnings per share for profit from continuing operations attributable to ordinary equity holders of the parent			
Basic (pence)	15	**163.4p**	77.6p
Diluted (pence)	15	**160.1p**	76.6p

The accompanying notes 1 to 33 are an integral part of these financial statements.

Consolidated statement of comprehensive income
For the year ended 31 March 2024

Group	Notes	Year ended 31 March 2024 £m	Year ended 31 March 2023 £m
Profit after tax		**474.4**	278.4
Items that may be subsequently reclassified to profit or loss if specific conditions are met			
Exchange differences on translation of foreign operations		**(4.6)**	19.5
Deferred tax on equity investments translation		**(0.2)**	3.9
Total comprehensive income for the year		**469.6**	301.8
Attributable to:			
Equity holders of the parent		**468.6**	304.0
Non-controlling interests		**1.0**	(2.2)
		469.6	301.8

Consolidated statement of financial position
As at 31 March 2024

	Notes	31 March 2024 Group £m	31 March 2023 Group £m
Non-current assets			
Intangible assets	16	**15.0**	14.9
Property, plant and equipment	17	**79.2**	88.2
Investment property	18	**82.7**	0.8
Investment in Joint Venture accounted for under the equity method	29	**–**	5.8
Trade and other receivables	19	**36.1**	37.1
Financial assets at fair value	5	**7,391.5**	7,036.6
Derivative financial assets	5	**4.9**	8.4
Deferred tax asset	13	**36.4**	17.6
		7,645.8	7,209.4
Current assets			
Trade and other receivables	19	**389.6**	232.0
Current tax debtor		**19.1**	57.0
Financial assets at fair value	5	**73.2**	4.7
Derivative financial assets	5	**4.4**	13.6
Cash and cash equivalents	6	**990.0**	957.5
		1,476.3	1,264.8
Assets of disposal groups held for sale	28	**–**	578.3
Total assets		**9,122.1**	9,052.5

	Notes	31 March 2024 Group £m	31 March 2023 Group £m
Non-current liabilities			
Trade and other payables	20	**66.0**	71.1
Financial liabilities at fair value	5, 7	**4,602.3**	4,572.7
Financial liabilities at amortised cost	7	**1,197.0**	1,478.2
Other financial liabilities	7	**99.2**	79.6
Derivative financial liabilities	5, 7	**–**	0.9
Deferred tax liabilities	13	**22.4**	35.5
		5,986.9	6,238.0
Current liabilities			
Trade and other payables	20	**529.2**	471.4
Current tax creditor		**37.8**	14.8
Financial liabilities at amortised cost	7	**250.4**	58.5
Other financial liabilities	7	**8.9**	5.8
Derivative financial liabilities	5, 7	**9.2**	14.8
		835.5	565.3
Liabilities of disposal groups held for sale	28	**–**	204.0
Total liabilities		**6,822.4**	7,007.3
Equity and reserves			
Called up share capital	22	**77.3**	77.3
Share premium account	22	**181.3**	180.9
Other reserves		**55.8**	19.0
Retained earnings		**1,987.5**	1,742.6
Equity attributable to owners of the Company		**2,301.9**	2,019.8
Non-controlling interest		**(2.2)**	25.4
Total equity		**2,299.7**	2,045.2
Total equity and liabilities		**9,122.1**	9,052.5

The accompanying notes 1 to 33 are an integral part of these financial statements.

The financial statements of Intermediate Capital Group plc (Company Registration Number: 02234775) were approved and authorised for issue by the Board of Directors on 27 May 2024 and were signed on its behalf by:

Benoît Durteste
Chief Executive Officer

David Bicarregui
Chief Financial Officer

Consolidated statement of cash flows
For the year ended 31 March 2024

	Notes	Year ended 31 March 2024 Group £m	Year ended 31 March 2023 Group £m
Cash flows generated from operations		**297.1**	324.0
Taxes paid		**(41.2)**	(32.4)
Net cash flows from operating activities	31	**255.9**	291.6
Investing activities			
Purchase of intangible assets	16	**(6.3)**	(4.7)
Purchase of property, plant and equipment	17	**(3.2)**	(6.5)
Net cash flow from derivative financial instruments		**31.5**	(58.8)
Cash flow as a result of change in control of subsidiary		**49.5**	200.8
Net cash flows from investing activities		**71.5**	130.8
Financing activities			
Purchase of own shares	23	**–**	(38.9)
Payment of principal portion of lease liabilities	7	**(8.4)**	(6.8)
Repayment of long-term borrowings		**(50.7)**	(194.6)
Dividends paid to equity holders of the parent	14	**(223.4)**	(236.4)
Net cash flows used in financing activities		**(282.5)**	(476.7)
Net increase/(decrease) in cash and cash equivalents		**44.9**	(54.3)
Effects of exchange rate differences on cash and cash equivalents		**(12.4)**	20.0
Cash and cash equivalents at 1 April	6	**957.5**	991.8
Cash and cash equivalents at 31 March	6	**990.0**	957.5

The Group's cash and cash equivalents include £362.6m (2023: £407.5m) of restricted cash held principally by structured entities controlled by the Group (see note 6).

The accompanying notes 1 to 33 are an integral part of these financial statements.

Consolidated statement of changes in equity
For the year ended 31 March 2024

Group	Share capital (note 22) £m	Share premium (note 22) £m	Other reserves				Retained earnings £m	Total £m	Non-controlling interest £m	Total equity £m
			Capital redemption reserve[1] £m	Share-based payments reserve (note 24) £m	Own shares[3] (note 23) £m	Foreign currency translation reserve2 £m				
Balance at 1 April 2023	**77.3**	**180.9**	**5.0**	**73.3**	**(103.4)**	**44.1**	**1,742.6**	**2,019.8**	**25.4**	**2,045.2**
Profit after tax	–	–	–	–	–	–	473.4	473.4	1.0	474.4
Exchange differences on translation of foreign operations	–	–	–	–	–	(4.6)	–	(4.6)	–	(4.6)
Deferred tax on equity investments translation	–	–	–	–	–	(0.2)	–	(0.2)	–	(0.2)
Total comprehensive income/(expense) for the year	**–**	**–**	**–**	**–**	**–**	**(4.8)**	**473.4**	**468.6**	**1.0**	**469.6**
Adjustment of non-controlling interest on disposal of subsidiary	–	–	–	–	–	–	–	–	(28.6)	(28.6)
Issue of share capital	0.0	–	–	–	–	–	–	0.0	–	0.0
Options/awards exercised[4]	–	0.4	–	(33.7)	24.2	–	(5.1)	(14.2)	–	(14.2)
Tax on options/awards exercised	–	–	–	7.2	–	–	–	7.2	–	7.2
Credit for equity settled share schemes	–	–	–	43.9	–	–	–	43.9	–	43.9
Dividends paid (note 14)	–	–	–	–	–	–	(223.4)	(223.4)	–	(223.4)
Balance at 31 March 2024	**77.3**	**181.3**	**5.0**	**90.7**	**(79.2)**	**39.3**	**1,987.5**	**2,301.9**	**(2.2)**	**2,299.7**

Group	Share capital (note 22) £m	Share premium (note 22) £m	Other reserves				Retained earnings £m	Total £m	Non-controlling interest £m	Total equity £m
			Capital redemption reserve[1] £m	Share-based payments reserve (note 24) £m	Own shares[3] (note 23) £m	Foreign currency translation reserve[2] £m				
Balance at 1 April 2022	**77.3**	**180.3**	**5.0**	**67.5**	**(93.0)**	**20.7**	**1,714.0**	**1,971.8**	**30.0**	**2,001.8**
Profit after tax	–	–	–	–	–	–	280.6	280.6	(2.2)	278.4
Exchange differences on translation of foreign operations	–	–	–	–	–	19.5	–	19.5	–	19.5
Deferred tax on equity investments translation	–	–	–	–	–	3.9	–	3.9	–	3.9
Total comprehensive income/(expense) for the year	**–**	**–**	**–**	**–**	**–**	**23.4**	**280.6**	**304.0**	**(2.2)**	**301.8**
Adjustment of non-controlling interest on disposal of subsidiary	–	–	–	–	–	–	(1.3)	(1.3)	(31.1)	(32.4)
Acquisition of non-controlling interest	–	–	–	–	–	–	–	–	28.7	28.7
Issue of share capital	0.0	–	–	–	–	–	–	0.0	–	0.0
Own shares acquired in the year	–	–	–	–	(38.9)	–	–	(38.9)	–	(38.9)
Options/awards exercised[4]	–	0.6	–	(31.3)	28.5	–	(14.3)	(16.5)	–	(16.5)
Tax on options/awards exercised	–	–	–	(2.4)	–	–	–	(2.4)	–	(2.4)
Credit for equity settled share schemes	–	–	–	39.5	–	–	–	39.5	–	39.5
Dividends paid (note 14)	–	–	–	–	–	–	(236.4)	(236.4)	–	(236.4)
Balance at 31 March 2023	**77.3**	**180.9**	**5.0**	**73.3**	**-103.4**	**44.1**	**1742.6**	**2019.8**	**25.4**	**2045.2**

1. The capital redemption reserve is a reserve created when a company buys its own shares which reduces its share capital. £1.4m of the balance relates to the conversion of ordinary shares and convertible shares into ordinary shares in 1994. The remaining £3.6m relates to the cancellation of treasury shares in 2015.
2. Other comprehensive income/(expense) reported in the foreign currency translation reserve represents foreign exchange gains and losses on the translation of subsidiaries reporting in currencies other than sterling.
3. The movement in the Group Own shares reserve in respect of Options/awards exercised, represents the employee shares vesting net of personal taxes and social security.
4. The associated personal taxes and social security liabilities are settled by the Group with the equivalent value of shares retained in the Own shares reserve.

The accompanying notes 1 to 33 are an integral part of these financial statements.

Parent company statement of financial position
For the year ended 31 March 2024

	Notes	31 March 2024 Company £m	31 March 2023 Company £m
Non-current assets			
Intangible assets	16	**9.7**	9.2
Property, plant and equipment	17	**39.0**	44.0
Investment in subsidiaries	27	**1,919.4**	1,868.9
Trade and other receivables	19	**758.7**	766.3
Financial assets at fair value	5	**243.0**	288.7
Derivative financial assets	5	**4.9**	8.4
		2,974.7	2,985.5
Current assets			
Trade and other receivables	19	**37.3**	210.5
Current tax debtor		**40.4**	35.3
Derivative financial assets	5	**4.4**	13.6
Cash and cash equivalents	6	**464.4**	409.8
		546.5	669.2
Total assets		**3,521.2**	3,654.7

	Notes	31 March 2024 Company £m	31 March 2023 Company £m
Non-current liabilities			
Trade and other payables	20	**0.3**	71.3
Financial liabilities at amortised cost	7	**1,197.0**	1,478.2
Other financial liabilities	7	**34.9**	39.3
Derivative financial liabilities	5, 7	**–**	0.9
Deferred tax liabilities	13	**7.7**	2.9
		1,239.9	1,592.6
Current liabilities			
Trade and other payables	20	**1,120.8**	1,158.7
Financial liabilities at amortised cost	7	**250.4**	58.5
Other financial liabilities	7	**4.4**	4.3
Derivative financial liabilities	5, 7	**9.2**	14.8
		1,384.8	1,236.3
Total liabilities		**2,624.7**	2,828.9
Equity and reserves			
Called up share capital	22	**77.3**	77.3
Share premium account	22	**181.3**	180.9
Other reserves		**54.7**	44.5
Retained earnings		**583.2**	523.1
Equity attributable to owners of the Company		**896.5**	825.8
Total equity		**896.5**	825.8
Total equity and liabilities		**3,521.2**	3,654.7

The Parent Company's total profit for the year was £283.5m (2023: Profit of £109.5m).
The accompanying notes 1 to 33 are an integral part of these financial statements.

The financial statements of Intermediate Capital Group plc (Company Registration Number: 02234775) were approved and authorised for issue by the Board of Directors on 27 May 2024 and were signed on its behalf by:

Benoît Durteste
Chief Executive Officer

David Bicarregui
Chief Financial Officer

Parent company statement of cash flows
For the year ended 31 March 2024

	Notes	Year ended 31 March 2024 Company £m	Year ended 31 March 2023 Company £m
Cash flows used in operations		**(136.8)**	(314.3)
Taxes paid		**(24.2)**	(20.8)
Net cash flows used in operating activities	31	**(161.0)**	(335.1)
Investing activities			
Purchase of intangible assets	16	**(6.2)**	(3.6)
Purchase of property, plant and equipment	17	**(0.6)**	(0.7)
Net cash flow from derivative financial instruments		**31.4**	(58.8)
Cash paid in respect of Group investing activities (acquisition of long-term assets)		**(369.1)**	(216.6)
Cash received in respect of Group investing activities (proceeds from long-term assets)		**505.2**	109.5
Advances to subsidiaries		**(7.2)**	(147.7)
Receipts from subsidiaries		**4.1**	–
Net cash flows from/(used) in investing activities		**157.6**	(317.9)
Financing activities			
Payment of principal portion of lease liabilities	7	**(5.8)**	(4.1)
Repayment of long-term borrowings		**(50.7)**	(194.6)
Dividends paid to equity holders of the parent	14	**(223.4)**	(236.4)
Advances received from subsidiaries		**560.9**	483.2
Repayment of amounts owed to subsidiaries		**(373.0)**	(239.7)
Advances received from subsidiaries (receipts of proceeds from long-term assets)		**149.3**	543.8
Net cash flows from financing activities		**57.3**	352.2
Net increase/(decrease) in cash and cash equivalents		**53.9**	(300.8)
Effects of exchange rate differences on cash and cash equivalents		**0.7**	3.5
Cash and cash equivalents at 1 April	6	**409.8**	707.1
Cash and cash equivalents at 31 March	6	**464.4**	409.8

The accompanying notes 1 to 33 are an integral part of these financial statements.

Parent company statement of changes in equity
For the year ended 31 March 2024

Company	Share capital (note 22) £m	Share premium (note 22) £m	Other reserves: Capital redemption reserve[1] £m	Other reserves: Share-based payments reserve (note 24) £m	Other reserves: Own shares (note 23) £m	Retained earnings £m	Total equity £m
Balance at 1 April 2023	**77.3**	**180.9**	**5.0**	**60.8**	**(21.3)**	**523.1**	**825.8**
Profit after tax	–	–	–	–	–	283.5	283.5
Total comprehensive income for the year						283.5	283.5
Issue of share capital	0.0	–	–	–	–	–	–
Options/awards exercised	–	0.4	–	(33.7)	–	–	(33.3)
Credit for equity settled share schemes	–	–	–	43.9	–	–	43.9
Dividends paid (note 14)	–	–	–	–	–	(223.4)	(223.4)
Balance at 31 March 2024	**77.3**	**181.3**	**5.0**	**71.0**	**(21.3)**	**583.2**	**896.5**

Company	Share capital (note 22) £m	Share premium (note 22) £m	Other reserves: Capital redemption reserve[1] £m	Other reserves: Share-based payments reserve (note 24) £m	Other reserves: Own shares (note 23) £m	Retained earnings £m	Total equity £m
Balance at 1 April 2022	**77.3**	**180.3**	**5.0**	**52.6**	**(21.3)**	**650.0**	**943.9**
Profit after tax	–	–	–	–	–	109.5	109.5
Total comprehensive income for the year						109.5	109.5
Issue of share capital	0.0	–	–	–	–	–	–
Options/awards exercised	–	0.6	–	(31.3)	–	–	(30.7)
Credit for equity settled share schemes	–	–	–	39.5	–	–	39.5
Dividends paid (note 14)	–	–	–	–	–	(236.4)	(236.4)
Balance at 31 March 2023	**77.3**	**180.9**	**5.0**	**60.8**	**(21.3)**	**523.1**	**825.8**

1. The capital redemption reserve is a reserve created when a company buys its own shares which reduces its share capital. This reserve is not distributable to shareholders. £1.4m of the balance relates to the conversion of ordinary shares and convertible shares into ordinary shares in 1994. The remaining £3.6m relates to the cancellation of treasury shares in 2015.

The accompanying notes 1 to 33 are an integral part of these financial statements.

Notes to the financial statements

1. General information and basis of preparation

General information

Intermediate Capital Group plc (the 'Parent Company', 'Company' or 'ICG plc') is a public company limited by shares, incorporated, domiciled and registered in England and Wales under the Companies Act, with the company registration number 02234775. The registered office is Procession House, 55 Ludgate Hill, New Bridge Street, London EC4M 7JW.

The consolidated financial statements for the year to 31 March 2024 comprise the financial statements of the Parent Company and its consolidated subsidiaries (collectively, the 'Group'). The nature of the Group's operations and its principal activities are detailed in the Strategic Report.

Basis of preparation

The consolidated financial statements of the Group and Company are prepared in accordance with UK-adopted international accounting standards ('UK-adopted IAS') and, as regards the Parent Company financial statements, as applied in accordance with the provisions of the Companies Act 2006. The Company has taken advantage of section 408 of the Companies Act 2006 not to present the Parent Company profit and loss account.

The financial statements have been prepared on a going concern basis and under the historical cost convention, except for financial instruments and investment property that are measured at fair value through profit and loss at the end of the reporting period, as detailed in note 5 and note 18, respectively, and certain investments in associates and joint ventures held for venture capital purposes, as detailed in note 29.

In the application of the Group's accounting policies, the Directors are required to make judgements, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The judgements, estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods. Details of the critical judgements made, and key sources of estimation uncertainty, are included in note 1 and in the note to which the critical judgement or source of estimation uncertainty relates.

In preparing the financial statements, the Directors have considered the impact of potential climate-related risks on a number of key estimates within the financial statements, including:

- the valuation of financial assets; and
- the application of the Group's revenue recognition policy, primarily the impact on the net asset value ('NAV') of funds on which performance-related fees are generated.

Overall, the Directors concluded that climate-related risks do not have a material impact on the financial reporting judgements and estimates in the current year. This reflects the conclusion that climate change is not expected to have a significant impact on the Group's short-term cash flows including those considered in the going concern and viability assessments.

The accounting policies as set out in the notes to the accounts have been applied consistently to all periods presented in these consolidated financial statements.

Basis of consolidation

The Group's financial statements consolidate the results of Intermediate Capital Group plc and entities controlled by the Company for the period to 31 March each year. Control is achieved when the Company has power over the relevant activities of the investee, exposure to variable returns from the investee, and the ability to affect those returns through its power over the investee.

The assessment of control is based on all relevant facts and circumstances and the Group reassesses its conclusion if there is an indication that there are changes in facts and circumstances. Subsidiaries are included in the consolidated financial statements from the date that control commences, until the date that control ceases. See note 27 which lists the Group's subsidiaries and controlled structured entities.

Each component of other comprehensive income and profit or loss is attributed to the owners of the Company and to the non-controlling interests.

Adjustments are made where required to the financial statements of subsidiaries for consistency with the accounting policies of the Group. All intra-group transactions, balances, unrealised income and expenses are eliminated on consolidation.

Notes to the financial statements continued

1. General information and basis of preparation continued

Key accounting judgements and estimates in the application of accounting policies

Key accounting judgements

In preparing the financial statements, apart from those involving estimations, two key accounting judgements have been made by the Directors in the application of the Group's accounting policies which have the most significant effect on the amounts recognised in the consolidated financial statements:

i. The Group's assessment as to whether it controls certain investee entities, including third-party funds and carried interest partnerships, and is therefore required to consolidate the investee, as detailed above. The Group's assessment of this critical judgement is discussed further in note 27.

ii. The application of the Group's revenue recognition policy in respect of the performance fee component of management fees. Judgement is primarily applied in considering the timings of when expected performance conditions will be met and the appropriate constraint to be applied. The Group's assessment of this key accounting judgement is discussed further in note 3.

Key sources of estimation uncertainty

The key sources of estimation uncertainty at the reporting date, that may have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, results from the Group's assessment of fair value of its financial assets and liabilities (discussed further in note 5 and note 7) and the impact of this assessment on trade and other payables related to the Deal Vintage Bonus ('DVB') – see notes 12 and 20.

Key accounting judgements and the Group's assessment of fair value of its financial assets and liabilities are reviewed by the Audit Committee during the year and its involvement in the process is included in its report on page 84.

Foreign currencies

The functional currency of the Company is sterling as the Company's shares are denominated in sterling and the Company's costs are primarily incurred in sterling. The Group has determined the presentational currency of the Group is the functional currency of the Company. Information is presented to the nearest million (£m).

Transactions denominated in foreign currencies are translated using the exchange rates prevailing at the date of the transactions. At each reporting date, monetary assets and liabilities denominated in a foreign currency are retranslated at the rates prevailing at the reporting date. Non-monetary assets and liabilities denominated in foreign currencies that are measured at fair value are translated at the rate prevailing at the date the fair value was determined. Non-monetary items that are measured at historical cost are translated using rates prevailing at the date of the transaction.

The assets and liabilities of the Group's foreign operations are translated using the exchange rates prevailing at the reporting date. Income and expense items are translated using the average exchange rates during the year. Exchange differences arising from the translation of foreign operations are taken directly to the foreign currency translation reserve. On disposal of a foreign operation, exchange differences previously recognised in other comprehensive income are reclassified to the income statement.

Going concern

The financial statements are prepared on a going concern basis, as the Board is satisfied that the Group have the resources to continue in business for a period of at least 18 months from approval of the financial statements.

In assessing the Group's ability to continue in its capacity as a going concern, the Board considered a wide range of information relating to present and future projections of profitability and liquidity. The assessment also incorporates internally generated stress tests, including reverse stress testing, on key areas including fund performance risk and external environmental risk. The stress tests used were based upon an assessment of reasonably possible downside economic scenarios that the Group could be exposed to. Further information can be found in the Viability Statement on page 46.

The review showed the Group has sufficient liquidity in place to support its business operations for the foreseeable future. Accordingly, the Directors have a reasonable expectation the Group has resources to continue as a going concern to 30 November 2025, an 18 month period from the date of approval of the financial statements.

2. Changes in accounting policies and disclosures

New and amended standards and interpretations

The new and amended standards and interpretations that are issued, but not yet effective, up to the date of issuance of the Group's financial statements are disclosed below. The Group intends to adopt these standards, if applicable, when they become effective. These new standards are not expected to have a material impact on the Group. No new standard implemented during the year had a material impact on the Group financial statements.

IFRS/IAS		Accounting periods commencing on or after
IAS 12	International Tax Reform - Pillar Two Model Rules	1 January 2024
IAS 1	Classification of Liabilities as Current or Non-current	1 January 2024
IAS 1	Non-current Liabilities with Covenants	1 January 2024
IFRS 16	Lease Liability in a Sale and Leaseback	1 January 2024
IAS 7 and IFRS 7	Supplier finance arrangements	1 January 2024

Changes in material accounting policy information

No changes to material accounting policies were implemented.

Notes to the financial statements continued

3. Revenue

Revenue and its related cash flows, within the scope of IFRS 15 'Revenue from Contracts with Customers', are derived from the Group's fund management company activities and are presented net of any consideration payable to a customer in the form of rebates. The significant components of the Group's fund management revenues are as follows:

Type of contract/service	Year ended 31 March 2024 £m	Year ended 31 March 2023 £m
Management fees[1]	552.7	481.6
Other income	2.1	2.0
Fee and other operating income	**554.8**	**483.6**

1. Included within management fees is £76.2m (2023: £22.4m) of performance related fees.

Management fees

The Group earns management fees from its investment management services. Management fees are charged on third-party capital managed by the Group and are based on an agreed percentage of either committed capital, invested capital or NAV, dependent on the fund. Management fees comprise both non-performance and performance-related fee elements related to one contract obligation. Non-performance-related management fees for the year of £476.5m (2023: £459.2m) are charged in arrears and are recognised in the period services are performed.

Performance-related management fees ('performance fees') are recognised only to the extent it is highly probable that there will not be a significant reversal of the revenue recognised in the future. This is generally towards the end of the contract period or upon early liquidation of a fund. The estimate of performance fees is made with reference to the liquidation profile of the fund, which factors in portfolio exits and timeframes. For certain funds the estimate of performance fees is made with reference to specific requirements. A constraint is applied to the estimate to reflect uncertainty of future fund performance. Performance fees of £76.2m (2023: £22.4m) have been recognised in the year. Performance fees will only be crystallised and received in cash when the relevant fund performance hurdle is met.

There are no other individually significant components of revenue from contracts with customers.

Key accounting judgement

A key judgement for the Group is whether performance fees will meet their expected performance conditions within the expected timeframes. The Group bases its assessment on the best available information pertaining to the funds and the activity of the underlying assets within that fund. The valuation of the underlying assets within a fund will be subject to fluctuations in the future, including the impact of macroeconomic factors outside the Group's control. The information on which this judgement is based is the liquidation NAV of the relevant funds (which are subject to annual audit).

The Directors base their projected views on a 24-month look-forward basis, the 'forecast period', from the year end. The Directors believe they have a reasonable basis on which to judge expected exits and value within a 24-month horizon, but not beyond that.

Within this forecast period, the Directors will consider funds that have either reached their hurdle rate or are expected to reach the hurdle rate in the forecast period. In determining whether a fund is expected to reach the hurdle rate, the key inputs are the latest expected repayment dates of the underlying assets and expected proceeds on realisation, as approved by the Fund Investment Committees.

Where the hurdle date is expected to be reached within 24 months of the year end but performance fees are not yet paid, a constraint will be applied within the determination of the performance fee receivable. Application of the constraint limits the revenue recognised. This is assessed on a case-by-case basis.

The weighted-average constraint at the reporting date is 56% (2023: 43%). If the average constraint were to increase by 10 percentage points to 66% (2023: 53%) this would result in a reduction in revenue of £15.88m (2023: £1.13m). Conversely, a 10% decrease in constraint would result in an increase in revenue of £15.88m (2023: £1.13m) being recognised in the income statement. In certain limited circumstances performance fees received may be subject to clawback provisions if the performance of the fund deteriorates materially following the receipt of performance fees.

Notes to the financial statements continued

4. Segmental reporting

For management purposes, the Group is organised into two operating segments, the Fund Management Company ('FMC') and the Investment Company ('IC') which are also reportable segments. In identifying the Group's reportable segments, management considered the basis of organisation of the Group's activities, the economic characteristics of the operating segments, and the type of products and services from which each reportable segment derives its revenues. Total reportable segment figures are alternative performance measures ('APM').

The Executive Directors, the chief operating decision makers, monitor the operating results of the FMC and the IC for the purpose of making decisions about resource allocation and performance assessment. The Group does not aggregate the FMC and IC as those segments do not have similar economic characteristics. Information about these segments is presented below.

The FMC earns fee income for the provision of investment management services and recognises the fair value movement on any associated hedging derivatives and incurs the majority of the Group's costs in delivering these services, including the cost of the investment teams and the cost of support functions, primarily marketing, operations, information technology and human resources.

The IC is charged a management fee of 1% of the carrying value of the average balance sheet investment portfolio by the FMC and this is shown below as the Inter-segmental fee. It also recognises the fair value movement on any hedging derivatives. The costs of finance, treasury and legal teams, and other Group costs primarily related to being a listed entity, are allocated to the IC. The remuneration of the Executive Directors is allocated equally to the FMC and the IC.

The amounts reported for management purposes in the tables below are reconciled to the UK-adopted IAS reported amounts on the following pages.

	Year ended 31 March 2024			Year ended 31 March 2023		
	FMC £m	IC £m	Reportable segments Total £m	FMC £m	IC £m	Reportable segments Total £m
External fee income	579.1	–	579.1	501.0	2.6	503.6
Inter-segmental fee	25.0	(25.0)	–	25.0	(25.0)	–
Other operating income	0.9	1.0	1.9	0.5	1.7	2.2
Fund management fee income	**605.0**	**(24.0)**	**581.0**	**526.5**	**(20.7)**	**505.8**
Net investment returns	–	379.3	379.3	–	102.3	102.3
Dividend income	47.0	–	47.0	40.2	–	40.2
Net fair value (loss)/gain on derivatives	–	(7.3)	(7.3)	(26.8)	16.8	(10.0)
Total revenue	**652.0**	**348.0**	**1,000.0**	**539.9**	**98.4**	**638.3**
Interest income	–	21.5	21.5	–	13.9	13.9
Interest expense	(2.2)	(45.8)	(48.0)	(2.2)	(61.8)	(64.0)
Staff costs	(101.0)	(21.4)	(122.4)	(85.0)	(20.0)	(105.0)
Incentive scheme costs	(113.3)	(58.6)	(171.9)	(92.2)	(59.6)	(151.8)
Other administrative expenses	(61.0)	(20.4)	(81.4)	(49.8)	(23.5)	(73.3)
Profit before tax and discontinued operations	**374.5**	**223.3**	**597.8**	**310.7**	**(52.6)**	**258.1**

Reconciliation of APM amounts reported for management purposes to the financial statements reported under UK-adopted IAS

Included in the following tables within Consolidated entities are statutory adjustments made to the following. The impact of these adjustments on profit before tax is shown in the table on the following page:

- All income generated from the balance sheet investment portfolio is presented as net investment returns for Reportable segments purposes, under UK-adopted IAS it is presented within gains on investments and other operating income.
- Structured entities controlled by the Group are presented as fair value investments for Reportable segments, these entities are consolidated under UK-adopted IAS within Consolidated entities.
- Seed investments are presented as current financial assets for Reportable segments, these assets are presented under UK-adopted IAS as current financial assets, non-current financial assets or investment property within Consolidated entities.
- Other adjustments necessary to comply with UK-adopted IAS, including in respect of a fair value gain of £60m recognised in FY23 within Consolidated entities and subsequently recognised in FY24 within Reportable segments as this asset is now expected to be sold to a third party and not transferred to a fund.

Notes to the financial statements continued

4. Segmental reporting continued

Consolidated income statement

	Year ended 31 March 2024			Year ended 31 March 2023		
	Reportable segments £m	Consolidated entities £m	Financial statements £m	Reportable segments £m	Consolidated entities £m	Financial statements £m
Fund management fee income	579.1	(26.4)	552.7	503.6	(22.0)	481.6
Other operating income	1.9	0.2	2.1	2.2	(0.2)	2.0
Fee and other income	**581.0**	**(26.2)**	**554.8**	**505.8**	**(22.2)**	**483.6**
Dividend income	47.0	(47.0)	–	40.2	(40.2)	–
Net fair value loss on derivatives	(7.3)	(3.2)	(10.5)	(10.0)	(7.1)	(17.1)
Finance income/(loss)	**39.7**	**(50.2)**	**(10.5)**	**30.2**	**(47.3)**	**(17.1)**
Net investment returns/gains on investments	**379.3**	**26.0**	**405.3**	**102.3**	**70.2**	**172.5**
Total revenue	**1,000.0**	**(50.4)**	**949.6**	**638.3**	**0.7**	**639.0**
Other income	**21.5**	**0.1**	**21.6**	**13.9**	**1.6**	**15.5**
Finance costs	**(48.0)**	**(1.5)**	**(49.5)**	**(64.0)**	**(0.6)**	**(64.6)**
Staff costs	(122.4)	–	(122.4)	(105.0)	(0.1)	(105.1)
Incentive scheme costs	(171.9)	–	(171.9)	(151.8)	0.2	(151.6)
Other administrative expenses	(81.4)	(14.8)	(96.2)	(73.3)	(13.3)	(86.6)
Administrative expenses	**(375.7)**	**(14.8)**	**(390.5)**	**(330.1)**	**(13.2)**	**(343.3)**
Share of results of joint ventures accounted for using equity method	**–**	**(0.4)**	**(0.4)**	**–**	**4.4**	**4.4**
Profit before tax and discontinued operations	**597.8**	**(67.0)**	**530.8**	**258.1**	**(7.1)**	**251.0**
Tax charge	(78.5)	16.1	(62.4)	(28.8)	(0.6)	(29.4)
Profit after tax from discontinued operations	**–**	**6.0**	**6.0**	**–**	**56.8**	**56.8**
Profit after tax and discontinued operations	**519.3**	**(44.9)**	**474.4**	**229.3**	**49.1**	**278.4**

Notes to the financial statements continued

4. Segmental reporting continued

Consolidated statement of financial position

	2024			2023		
Year ended 31 March 2024	Reportable segments £m	Consolidated entities £m	Financial statements £m	Reportable segments £m	Consolidated entities £m	Financial statements £m
Non-current financial assets	2,713.7	4,682.7	7,396.4	2,642.2	4,402.8	7,045.0
Other non-current assets	166.5	82.9	249.4	158.4	6.0	164.4
Cash	627.4	362.6	990.0	550.0	407.5	957.5
Current financial assets	366.6	(289.0)	77.6	282.4	(264.1)	18.3
Other current assets	299.1	109.6	408.7	243.7	623.6	867.3
Total assets	**4,173.3**	**4,948.8**	**9,122.1**	**3,876.7**	**5,175.8**	**9,052.5**
Non-current financial liabilities	1,266.4	4,632.1	5,898.5	1,558.0	4,573.4	6,131.4
Other non-current liabilities	87.3	1.1	88.4	104.5	2.1	106.6
Current financial liabilities	268.4	0.1	268.5	79.1	–	79.1
Other current liabilities	255.8	311.2	567.0	157.7	532.5	690.2
Total liabilities	**1,877.9**	**4,944.5**	**6,822.4**	**1,899.3**	**5,108.0**	**7,007.3**
Equity	2,295.4	4.3	2,299.7	1,977.4	67.8	2,045.2
Total equity and liabilities	**4,173.3**	**4,948.8**	**9,122.1**	**3,876.7**	**5,175.8**	**9,052.5**

Notes to the financial statements continued

4. Segmental reporting continued

Consolidated statement of cash flows

	2024		
	Reportable segments £m	Consolidated entities £m	Financial Statements £m
Profit/(loss) before tax from continuing operations	597.8	(67.0)	530.8
Adjustments for non-cash items:			
Fee and other operating (income)/expense	(581.0)	26.2	(554.8)
Net investment returns	(379.3)	(26.0)	(405.3)
Net fair value (gain)/loss on derivatives	(23.5)	0.7	(22.8)
Impact of movement in foreign exchange rates	30.9	2.4	33.3
Interest income	(68.5)	46.9	(21.6)
Interest expense	48.0	1.5	49.5
Depreciation, amortisation and impairment of property, plant, equipment and intangible assets	18.0	–	18.0
Share-based payment expense	43.9	–	43.9
Working capital changes:			
Increase in trade receivables	(8.5)	(80.2)	(88.7)
Increase/(decrease) in trade and other payables	50.5	(68.2)	(17.7)
	(271.7)	(163.7)	(435.4)
Proceeds from sale of current financial assets and disposal groups held for sale	319.2	–	319.2
Purchase of current financial assets and disposal groups held for sale	(312.1)	–	(312.1)
Purchase of investments	(322.5)	(1,407.2)	(1,729.7)
Proceeds from sales and maturities of investments	403.0	1,830.1	2,233.1
Redemption of CLO notes1	–	(389.1)	(389.1)
Interest and dividend income received	122.2	372.0	494.2
Fee and other operating income received	492.0	4.4	496.4
Interest paid	(49.3)	(330.2)	(379.5)
Cash flow generated from/(used in) operations	380.8	(83.7)	297.1
Taxes paid	(41.2)	–	(41.2)
Net cash flows from/(used in) operating activities	339.6	(83.7)	255.9

	2024		
	Reportable segments £m	Consolidated entities £m	Financial Statements £m
Investing activities			
Purchase of intangible assets	(6.3)	–	(6.3)
Purchase of property, plant and equipment	(3.2)	–	(3.2)
Net cash flow from derivative financial instruments	31.5	–	31.5
Cash flow as a result of acquisition of subsidiaries	–	49.5	49.5
Net cash flows from investing activities	22.0	49.5	71.5
Financing activities			
Payment of principal portion of lease liabilities	(8.4)	–	(8.4)
Repayment of long-term borrowings	(50.7)	–	(50.7)
Dividends paid to equity holders of the parent	(223.4)	–	(223.4)
Net cash flows used in financing activities	(282.5)	–	(282.5)
Net increase/decrease in cash and cash equivalents	79.1	(34.2)	44.9
Effects of exchange rate differences on cash and cash equivalents	(1.7)	(10.7)	(12.4)
Cash and cash equivalents at 1 April	550.0	407.5	957.5
Cash and cash equivalents at 31 March	627.4	362.6	990.0

1. The prior period has been re-presented to separately disclose the gross amounts of issuance and redemption of CLO notes, previously included within the "Purchase of Investment" and "Proceeds from sales and maturities of investments" lines respectively.

Notes to the financial statements continued

4. Segmental reporting continued

	2023 Reportable segments £m	2023 Consolidated entities £m	2023 Financial Statements £m
Profit/(loss) before tax from continuing operations	**258.1**	**(7.1)**	**251**
Adjustments for non-cash items:			
Fee and other operating (income)/expense	(505.8)	22.2	(483.6)
Net investment returns	(102.3)	(70.2)	(172.5)
Net fair value loss on derivatives	34.9	–	34.9
Impact of movement in foreign exchange rates	(24.9)	7.1	(17.8)
Interest income	(13.9)	(1.6)	(15.5)
Interest expense	64.0	0.6	64.6
Depreciation, amortisation and impairment of property, plant, equipment and intangible assets	18.2	–	18.2
Share-based payment expense	39.5	0	39.5
Change in disposal groups held for sale	–	(8.8)	(8.8)
Working capital changes:			
(Increase)/decrease in trade receivables	(48.3)	36.3	(12.0)
Decrease in trade and other payables	(41.3)	(155.6)	(196.9)
	(321.8)	**(177.1)**	**(498.9)**
Proceeds from sale of current financial assets and disposal groups held for sale	45.5	–	45.5
Purchase of current financial assets and disposal groups held for sale	(211.9)	–	(211.9)
Purchase of investments	(453.8)	(920.8)	(1,374.6)
Proceeds from sales and maturities of investments	689.4	1,032.4	1,721.8
Issuance of CLO notes1	–	0.4	0.4
Redemption of CLO notes1	–	(45.6)	(45.6)
Interest and dividend income received	106.8	256.0	362.8
Fee and other operating income received	573.3	14.6	587.9
Interest paid	(63.5)	(199.9)	(263.4)
Cash flow generated from/(used in) operations	**363.9**	**(39.9)**	**324.0**
Taxes paid	(32.4)	–	(32.4)
Net cash flows from/(used in) operating activities	**331.5**	**(39.9)**	**291.6**

	2023 Reportable segments £m	2023 Consolidated entities £m	2023 Financial Statements £m
Investing activities			
Purchase of intangible assets	(4.7)	–	(4.7)
Purchase of property, plant and equipment	(6.5)	–	(6.5)
Net cash flow from derivative financial instruments	(58.8)	–	(58.8)
Cash flow as a result of acquisition of subsidiaries	–	200.8	200.8
Net cash flows (used in)/from investing activities	**(70.0)**	**200.8**	**130.8**
Financing activities			
Purchase of Own Shares	(38.9)	–	(38.9)
Payment of principal portion of lease liabilities	(6.8)	–	(6.8)
Repayment of long-term borrowings	(194.6)	–	(194.6)
Dividends paid to equity holders of the parent	(236.4)	–	(236.4)
Net cash flows used in financing activities	**(476.7)**	**–**	**(476.7)**
Net (decrease)/increase in cash and cash equivalents	(215.2)	160.9	(54.3)
Effects of exchange rate differences on cash and cash equivalents	3.7	16.3	20.0
Cash and cash equivalents at 1 April	761.5	230.3	991.8
Cash and cash equivalents at 31 March	**550.0**	**407.5**	**957.5**

1. The prior period has been re-presented to separately disclose the gross amounts of issuance and redemption of CLO notes, previously included within the "Purchase of Investment" and "Proceeds from sales and maturities of investments" lines respectively.

Notes to the financial statements continued

4. Segmental reporting continued

Geographical analysis of non-current assets

Asset Analysis by Geography	Year ended 31 March 2024 £m	Year ended 31 March 2023 £m
Europe (including UK)	132.5	116.4
Asia Pacific	62.5	7.3
North America	54.4	40.7
Total	**249.4**	**164.4**

Geographical analysis of Group revenue

Income Analysis by Geography	Year ended 31 March 2024 £m	Year ended 31 March 2023 £m
Europe (including UK)	726.5	415.3
Asia Pacific	87.2	58.6
North America	135.9	165.1
Total	**949.6**	**639.0**

Notes to the financial statements continued

5. Financial assets and liabilities

Accounting policy

Financial assets

Financial assets can be classified into the following categories: Amortised Cost, Fair Value Through Profit and Loss ('FVTPL') and Fair Value Through Other Comprehensive Income ('FVOCI'). The Group has classified all invested financial assets as FVTPL.

Financial assets at FVTPL are initially recognised and subsequently measured at fair value. A valuation assessment is performed on a recurring basis with gains or losses arising from changes in fair value recognised through net gains on investments in the consolidated income statement. Dividends or interest earned on the financial assets are also included in the net gains on investments.

Where the Group holds investments in a number of financial instruments such as debt and equity in a portfolio company, the Group views their entire investment as a unit of account for valuation purposes. Industry standard valuation guidelines such as the International Private Equity and Venture Capital ('IPEV') Valuation Guidelines - December 2022, allow for a level of aggregation where there are a number of financial instruments held within a portfolio company.

Recognition of financial assets

When the Group invests in the capital structure of a portfolio company, these assets are initially recognised and subsequently measured at fair value, and transaction costs are recognised in the consolidated income statement immediately.

Derecognition of financial assets

The Group derecognises a financial asset when the contractual rights to the cash flows from the asset expire, or when substantially all the risks and rewards of ownership of the asset are transferred to another party. On derecognition of a financial asset in its entirety, the difference between the asset's carrying value amount and the sum of the consideration received and receivable, is recognised in profit or loss.

Key sources of estimation uncertainty on financial assets

Fair value is the amount for which an asset could be exchanged, or liability settled, between knowledgeable, willing parties in an arm's length transaction at the reporting date. The fair value of investments is based on quoted prices, where available. Where quoted prices are not available, the fair value is estimated in line with IFRS and industry standard valuation guidelines such as IPEV for direct investments in portfolio companies, and the Royal Institute of Chartered Surveyors Valuation – Global Standards 2020 for investment property. These valuation techniques can be subjective and include assumptions which are not supportable by observable data. Details of the valuation techniques and the associated sensitivities are further disclosed in this note on page 147.

Given the subjectivity of investments in private companies, senior and subordinated notes of Collateralised Loan Obligation vehicles and investments in investment property, these are key sources of estimation uncertainty, and as such the valuations are approved by the relevant Fund Investment Committees and Group Valuation Committee. The unobservable inputs relative to these investments are further detailed below.

Fair value measurements recognised in the statement of financial position

The information set out below provides information about how the Group and Company determines fair values of various financial assets and financial liabilities, grouped into Levels 1 to 3 based on the degree to which the fair value is observable.

- Level 1 fair value measurements are those derived from quoted prices (unadjusted) in active markets for identical assets or liabilities
- Level 2 fair value measurements are those derived from inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices)
- Level 3 fair value measurements are those derived from valuation techniques that include inputs for the asset or liability that are not based on observable market data (i.e. unobservable inputs)

Notes to the financial statements continued

5. Financial assets and liabilities continued

The following table summarises the valuation of the Group's financial assets and liabilities by fair value hierarchy:

Group	As at 31 March 2024 Level 1 £m	Level 2 £m	Level 3 £m	Total £m	As at 31 March 2023 Level 1 £m	Level 2 £m	Level 3 £m	Total £m
Financial assets								
Investment in or alongside managed funds[1]	5.7	3.6	2,300.7	2,310.0	7.2	1.8	2,144.3	2,153.3
Consolidated CLOs and credit funds	–	4,154.9	462.6	4,617.5	–	4,101.4	567.7	4,669.1
Derivative assets	–	9.3	–	9.3	–	22.0	–	22.0
Investment in private companies[2]	–	–	401.7	401.7	–	–	100.4	100.4
Investment in public companies	4.5	–	–	4.5	5.1	–	–	5.1
Non-consolidated CLOs and credit funds	–	111.3	19.7	131.0	–	105.8	7.5	113.3
Disposal groups held for sale	–	–	–	–	–	–	163.2	163.2
Total financial assets[3]	**10.2**	**4,279.1**	**3,184.7**	**7,474.0**	**12.3**	**4,231.0**	**2,983.1**	**7,226.4**
Financial liabilities								
Liabilities of consolidated CLOs and credit funds	–	(4,415.6)	(186.7)	(4,602.3)	–	(4,508.0)	(64.7)	(4,572.7)
Derivative liabilities	–	(9.2)	–	(9.2)	–	(15.7)	–	(15.7)
Disposal groups held for sale	–	–	–	–	–	–	–	–
Total financial liabilities	**–**	**(4,424.8)**	**(186.7)**	**(4,611.5)**	**–**	**(4,523.7)**	**(64.7)**	**(4,588.4)**

1. Level 3 investments in or alongside managed funds includes £1,212.3m Corporate Investments & US Mid Market, £517.9m Strategic Equity, LP Secondaries, Recovery Fund, Life Sciences, £58.2m Senior Debt Partners, £82.1m North America Credit Partners, £399.6m real estate funds, and £16.8m credit funds.
2. Level 3 Investment in private companies includes £359.9m subordinated debt and equity (2023: £91.3m) and £41.8m of real estate funds (2023: £9.1m), including assets reclassified from Disposal groups held for sale.
3. Total financial assets correspond to the sum of non-current and current financial assets at fair value and the sum of non-current and current financial derivatives on the face of the balance sheet.

Notes to the financial statements continued

5. Financial assets and liabilities continued

Fair value hierarchy

The following table summarises the valuation of the Company's financial assets and liabilities by fair value hierarchy.

Company	As at 31 March 2024 Level 1 £m	As at 31 March 2024 Level 2 £m	As at 31 March 2024 Level 3 £m	As at 31 March 2024 Total £m	As at 31 March 2023 Level 1 £m	As at 31 March 2023 Level 2 £m	As at 31 March 2023 Level 3 £m	As at 31 March 2023 Total £m
Financial Assets								
Investment in or alongside managed funds	5.8	–	128.3	134.1	7.2	–	171.6	178.8
Derivative assets	–	9.3	–	9.3	–	22.0	–	22.0
Investment in private companies	–	–	87.1	87.1	–	–	86.1	86.1
Senior and subordinated notes of CLO vehicles	–	–	21.8	21.8	–	–	23.8	23.8
Total assets	**5.8**	**9.3**	**237.2**	**252.3**	**7.2**	**22.0**	**281.5**	**310.7**
Financial Liabilities								
Derivative liabilities	–	9.2	–	9.2	–	15.7	–	15.7
Total liabilities	**–**	**9.2**	**–**	**9.2**	**–**	**15.7**	**–**	**15.7**

Valuations

Valuation process

The Group Valuation Committee ('GVC') is responsible for reviewing and concluding on the fair value of the Group's balance sheet investment positions in accordance with the Group's Valuation Policy. This includes consideration of the valuations received from the underlying funds. The GVC reviews its fair values on a quarterly basis and reports to the Audit Committee semi-annually. The GVC is independent of the boards of directors of the funds, and no member of the GVC is a member of either the Group's investment teams or fund Investment Committees ('ICs').

The ICs are responsible for the review, challenge, and approval of the underlying funds' valuations of their assets. Sources of the valuation reviewed by the ICs include the ICG investment team, third-party valuation services and third-party fund administrators as appropriate. The IC provides those valuations to the Group, as an investor in the fund assets. The IC is also responsible for escalating significant events regarding the valuation to the Group (as an investor in the fund assets), for example change in valuation methodologies, potential impairment events, or material judgements.

The table on page 147 outlines in more detail the range of valuation techniques, as well as the key unobservable inputs for each category of Level 3 assets and liabilities.

Investment in or alongside managed funds

When fair values of publicly traded closed-ended funds and open-ended funds are based on quoted market prices in an active market for identical assets without any adjustments, the instruments are included within Level 1 of the hierarchy. The Group values these investments at bid price for long positions and ask price for short positions.

The Group also co-invests with funds, including credit and private equity secondary funds, which are not quoted in an active market. The Group considers the valuation techniques and inputs used by these funds to ensure they are reasonable, appropriate and consistent with the principles of fair value. The latest available NAV of these funds are generally used as an input into measuring their fair value. The NAV of the funds are adjusted, as necessary, to reflect restrictions on redemptions, and other specific factors relevant to the funds. In measuring fair value, consideration is also given to any transactions in the interests of the funds. The Group classifies these funds as Level 3.

Notes to the financial statements continued

5. Financial assets and liabilities continued

Investment in private companies

The Group takes debt and equity stakes in private companies that are, other than on very rare occasions, not quoted in an active market and uses either a market-based valuation technique or a discounted cash flow technique to value these positions.

The Group's investments in private companies are held at fair value using the most appropriate valuation technique based on the nature, facts and circumstances of the private company. The first of two principal valuation techniques is a market comparable companies technique. The enterprise value ('EV') of the portfolio company is determined by applying an earnings multiple, taken from comparable companies, to the profits of the portfolio company. The Group determines comparable private and public companies, based on industry, size, location, leverage and strategy, and calculates an appropriate multiple for each comparable company identified. The second principal valuation technique is a discounted cash flow ('DCF') approach. Fair value is determined by discounting the expected future cash flows of the portfolio company to the present value. Various assumptions are utilised as inputs, such as terminal value and the appropriate discount rate to apply. Typically, the DCF is then calibrated alongside a market comparable companies approach. Alternate valuation techniques may be used where there is a recent offer or a recent comparable market transaction, which may provide an observable market price and an approximation to fair value of the private company. The Group classified these assets as Level 3.

Investment in public companies

Quoted investments are held at the last traded bid price on the reporting date. When a purchase or sale is made under contract, the terms of which require delivery within the timeframe of the relevant market, the contract is reflected on the trade date.

Investment in loans held in consolidated structured entities

The loan asset portfolios of the consolidated structured entities are valued using observable inputs such as recently executed transaction prices in securities of the issuer or comparable issuers and from independent loan pricing sources. To the extent that the significant inputs are observable the Group classifies these assets as Level 2 and other assets are classified as Level 3. Level 3 assets are valued using a discounted cash flow technique and the key inputs under this approach are detailed on page 147.

Derivative assets and liabilities

The Group uses market-standard valuation models for determining fair values of over-the-counter interest rate swaps, currency swaps and forward foreign exchange contracts. The most frequently applied valuation techniques include forward pricing and swap models, using present value calculations. The models incorporate various inputs including both credit and debit valuation adjustments for counterparty and own credit risk, foreign exchange spot and forward rates and interest rate curves. For these financial instruments, significant inputs into models are market observable and are included within Level 2.

Senior and subordinated notes of CLO vehicles

The Group holds investments in the senior and subordinated notes of the CLOs it manages, predominately driven by European Union risk-retention requirements. The Group employs DCF analysis to fair value these investments, using several inputs including constant annual default rates, prepayments rates, reinvestment rates, recovery rates and discount rates. The DCF analysis at the reporting date shows that the senior notes are typically expected to recover all contractual cash flows, including under stressed scenarios, over the life of the CLOs. Observable inputs are used in determining the fair value of senior notes and these instruments are therefore classified as Level 2. Unobservable inputs are used in determining the fair value of subordinated notes, which are therefore classified as Level 3 instruments.

Liabilities of consolidated CLO vehicles

Rated debt liabilities of consolidated CLOs are generally valued at par plus accrued interest, which we assess as fair value. Observable inputs are used in determining the fair value of these instruments, including the valuation of the CLO loan asset portfolio. As a result we deem these liabilities as Level 2.

Unrated/subordinated debt liabilities of consolidated CLOs are valued directly in line with the fair value of the CLO loan asset portfolios. These underlying assets mostly comprise observable loan securities traded in active markets. The underlying assets are reported in both Level 2 and Level 3. As a result of this methodology of deriving the valuation of unrated/subordinated debt liabilities from a combination of Level 2 and Level 3 asset values, we deem these liabilities to be Level 3.

Real estate assets

To the extent that the Group invests in real estate assets, whether through an investment in a managed fund or an investment in a private company, the underlying assets may be classified as either a financial asset or investment property in accordance with IAS 40 'Investment Property'. The fair values of the directly held material investment properties have been recorded based on independent valuations prepared by third-party real estate valuation specialists in line with the Royal Institution of Chartered Surveyors Valuation – Global Standards 2020. At the end of each reporting period, the Group reviews its assessment of the fair value of each property, taking into account the most recent independent valuations. The Directors determine a property value within a range of reasonable fair value estimates, based on information provided.
All resulting fair value estimates for properties are included in Level 3.

Notes to the financial statements continued

5. Financial assets and liabilities continued

Reconciliation of Level 3 fair value measurement of financial assets

The following tables set out the movements in recurring financial assets valued using the Level 3 basis of measurement in aggregate. Within the income statement, realised gains and fair value movements are included within gains on investments, and foreign exchange gains/(losses) are included within finance costs. Transfers between levels take place when there are changes to the observability of inputs used in the valuation of these assets. This is determined based on the year-end valuation and transfers therefore take place at the end of the reporting period.

Group	Investment in or alongside managed funds £m	Investment in loans held in consolidated entities £m	Investment in private companies £m	Subordinated notes of CLO vehicles £m	Disposal groups held for sale £m	Total £m
At 1 April 2023	2,144.3	567.7	100.4	7.5	163.2	2,983.1
Total gains or losses in the income statement						
– Net investment return[2]	284.0	11.5	14.4	2.9	63.3	376.1
– Foreign exchange	(50.7)	(14.0)	(4.3)	(0.4)	3.4	(66.0)
Purchases	301.8	234.2	74.5	9.7	213.1	833.3
Exit proceeds	(378.7)	(195.6)	(19.1)	–	(207.2)	(800.6)
Transfers in[1]	–	96.9	–	–	–	96.9
Transfers out[1]	–	(238.1)	–	–	–	(238.1)
Reclassification[3]	–	–	235.8	–	(235.8)	–
At 31 March 2024	**2,300.7**	**462.6**	**401.7**	**19.7**	**–**	**3,184.7**

1. During the year certain assets in Investments in loans held in consolidated entities were reassessed as Level 3 (from Level 2) or Level 2 (from Level 3) and these changes are reported as a transfers in or transfers out in the year.
2. Included within net investment returns are £345.1m of unrealised gains (which includes accrued interest).
3. During the year the group reclassified all its financial assets previously included in disposal groups held for sale into investments in private companies (see note 28).

Group	Investment in or alongside managed funds £m	Investment in loans held in consolidated entities £m	Investment in private companies £m	Subordinated notes of CLO vehicles £m	Disposal groups held for sale £m	Total £m
At 1 April 2022	2,112.9	145.2	122.7	9.1	89.2	2,479.1
Total gains or losses in the income statement						
– Net investment return[2]	172.9	(9.6)	(21.2)	(1.3)	(7.1)	133.7
– Foreign exchange	67.4	15.5	13.2	0.5	5.8	102.4
Purchases	416.2	60.2	6.7	–	158.7	641.8
Exit proceeds	(625.1)	(100.7)	(21.0)	(0.8)	(23.8)	(771.4)
Transfers in[1,3]	–	457.1	–	–	–	457.1
Transfers out[1,3]	–	–	–	–	(59.6)	(59.6)
At 31 March 2023	**2,144.3**	**567.7**	**100.4**	**7.5**	**163.2**	**2,983.1**

1. During the year certain assets in Investments in loans held in consolidated entities were reassessed as Level 3 (from Level 2) and these changes are reported as a transfer in the year. Transfers out of Disposal groups held for sale represented the re-designation of an asset as Investment Property (see note 28)
2. Included within net investment returns are £141.8m of unrealised gains (which includes accrued interest)
3. The prior period transfers between levels have been re-presented to separately disclose transfers in and transfers out of Level 3.

Notes to the financial statements continued

5. Financial assets and liabilities continued

	2024				2023			
Company	Investment in or alongside managed funds £m	Investment in private companies £m	Subordinated notes of CLO vehicles £m	Total £m	Investment in or alongside managed funds £m	Investment in private companies £m	Subordinated notes of CLO vehicles £m	Total £m
At 1 April	171.6	86.1	23.8	281.5	160.7	158.9	0.2	319.8
Total gains or losses in the income statement								
– Net investment return	(1.0)	4.6	(1.4)	2.2	3.1	10.1	(0.2)	13.0
– Foreign exchange	(2.7)	(3.0)	(0.6)	(6.3)	5.9	18.6	–	24.5
Purchases	27.4	–	–	27.4	49.8	120.9	23.8	194.5
Exit proceeds	(66.9)	(0.6)	–	(67.5)	(47.9)	(222.4)	–	(270.3)
At 31 March	**128.4**	**87.1**	**21.8**	**237.3**	**171.6**	**86.1**	**23.8**	**281.5**

Reconciliation of Level 3 fair value measurements of financial liabilities

The following tables sets out the movements in reoccurring financial liabilities valued using the Level 3 basis of measurement in aggregate. Within the income statement, realised gains and fair value movements are included within gains on investments, and foreign exchange gains/(losses) are included within finance costs. Transfers in and out of Level 3 financial liabilities were due to changes to the observability of inputs used in the valuation of these liabilities. During the year ended 31 March 2024 changes in the fair value of the assets of consolidated credit funds resulted in a reduction in the fair value of the financial liabilities of those consolidated credit funds, reported as a 'fair value gain' in the table below.

Group	2024 Financial liabilities designated as FVTPL £m	2023 Financial liabilities designated as FVTPL £m
At 1 April	64.7	239.6
Total gains or losses in the income statement		
– Fair value gains	102.3	(178.2)
– Foreign exchange losses	(1.7)	12.8
Purchases	21.4	23.8
Disposal groups held for sale	–	(5.0)
Transfer between levels	–	(28.3)
At 31 March	**186.7**	**64.7**

Notes to the financial statements continued

5. Financial assets and liabilities continued

Valuation inputs and sensitivity analysis

The following table summarises the inputs and estimates used for items categorised in Level 3 of the fair value hierarchy together with a quantitative sensitivity analysis:

Group assets	Fair Value As at 31 March 2024 £m	Fair Value As at 31 March 2023 £m	Primary Valuation Technique[1]	Key Unobservable Inputs	Range	Weighted Average/ Fair Value Inputs	Sensitivity/ Scenarios	Effect on Fair Value 31 March 2024 £m
Structured & Private Equity: Corporate Investments & US Mid-Market	**1,490.6**	1,341.3	Market comparable companies	Earnings multiple	5.0x – 29.0x	15.1x	'+10% Earnings multiple2	187.6
			Discounted cash flow	Discount rate	7.5% - 20.5%	11.2%	'-10% Earnings multiple2	(187.6)
				Earnings multiple	6.1x – 21.5x	11.8x		
Structured & Private Equity: Strategic Equity, LP Secondaries, Recovery Fund, Life Sciences	**589.9**	589.4	Third-party valuation / funding round value	N/A	N/A	N/A	+10% valuation	59.0
							-10% valuation	(59.0)
Private Debt: North American Credit Partners	**91.7**	120.7	Market comparable companies	Earnings multiple	5.5x – 29.0x	14.1x	'+10% Earnings multiple[2]	9.7
							'-10% Earnings multiple[2]	(9.7)
Private Debt: Senior Debt Partners	**58.2**	47.8	Discounted cash flow	Probability of default	1.0%-2.2%	1.0%	Upside case	–
				Loss given default	32.2%	32.2%	Downside case	(0.5)
				Maturity of loan	3 years	3 years		
				Effective interest rate	9.6%-11.5%	11.2%		
Real Assets	**441.4**	293.6	Third-party valuation	N/A	N/A	N/A	+10% Third-party valuation	44.1
			LTV-based impairment model	N/A	N/A	N/A	-10% Third-party valuation	(44.1)
Credit: Non-consolidated CLOs and credit funds	**19.7**	7.5	Discounted cash flow	Discount rate	15.0% - 15.5%	15.1%		
				Default rate	3% - 4.5%	3.3%	Upside case[3]	22.8
				Prepayment rate %	15% -20%	19.5%	Downside case[3]	(23.8)
				Recovery rate %	75.0%	75.0%		
				Reinvestment price	99.5%	99.5%		
Credit: Consolidated CLOs and credit funds	**462.6**	567.7	Third-party valuation	N/A	N/A	N/A	+10% Third-party valuation	46.3
							-10% Third-party valuation	(46.3)
Credit: Liquid Funds	**30.6**	15.1	Third-party valuation	N/A	N/A	N/A	+10% Third-party valuation	3.1
							-10% Third-party valuation	(3.1)
Total financial assets	**3,184.7**	2,983.1					**Total Upside sensitivity**	**372.5**
							Total Downside sensitivity	**(374.1)**
Liabilities of Consolidated CLOs and credit funds	**(186.7)**	(64.7)	Third-party valuation	N/A	N/A	N/A	+10% Third-party valuation	(18.7)
							-10% Third-party valuation	18.7
Total financial liabilities	**(186.7)**	**(64.7)**						

1. Where the Group has co-invested with its managed funds, it is the type of the underlying investment, and the valuation techniques used for these underlying investments, that is set out here.
2. Investments in the following strategies are sensitised using the actual or implied earnings multiple to provide a consistent, comparable basis for this analysis: Corporate Investments, US Mid-Market, North America Credit Partners.
3. The sensitivity analysis is performed on the entire portfolio of subordinated notes of CLO vehicles that the Group has invested in with total value of £187.7m (2023: £182.8m). The default rate applied was set at 4.5% until 2025, reducing by 0.5% semi-annually during 2025 and reverting to 3% in 2026. The upside case is based on the default rate being lowered to 2.5% p.a. for the next 21 months then to 2.0% for the 3 following months, keeping all other parameters consistent. The downside case is based on the default rate being increased over the next 21 months to 6.5% then to 6.0% for the 3 following months, keeping all other parameters consistent.

Notes to the financial statements continued

5. Financial assets and liabilities continued

Derivative financial instruments

Accounting policy

Derivative financial instruments for economic hedging

The Group holds derivative financial instruments to hedge foreign currency and interest rate exposures. Derivatives are recognised at fair value determined using independent third-party valuations or quoted market prices. Changes in fair values of derivatives are recognised immediately in Finance loss in the Income Statement.

A derivative with a positive fair value is recognised as a financial asset while a derivative with a negative fair value is recognised as a financial liability. A derivative is presented as a non-current asset or non-current liability if the remaining maturity of the instrument is more than 12 months from the reporting date, otherwise a derivative will be presented as a current asset or current liability.

	2024			2023		
	Contract or underlying principal amount	Fair values		Contract or underlying principal amount	Fair values	
Group	£m	Asset £m	Liability £m	£m	Asset £m	Liability £m
Cross currency swaps	118.8	6.2	(5.5)	121.6	7.5	(8.5)
Forward foreign exchange contracts	1,201.8	3.1	(3.7)	1,365.1	14.5	(7.2)
Total	**1,320.6**	**9.3**	**(9.2)**	**1,486.7**	**22.0**	**(15.7)**

	2024			2023		
	Contract or underlying principal amount	Fair values		Contract or underlying principal amount	Fair values	
Company	£m	Asset £m	Liability £m	£m	Asset £m	Liability £m
Cross currency swaps	118.8	6.2	(5.5)	121.6	7.5	(8.5)
Forward foreign exchange contracts	1,201.8	3.1	(3.7)	1,365.1	14.5	(7.2)
Total	**1,320.6**	**9.3**	**(9.2)**	**1,486.7**	**22.0**	**(15.7)**

The Group holds £5.5m of cash pledged as collateral by its counterparties as at 31 March 2024 (31 March 2023: £8.5m). All the Credit Support Annexes that have been agreed with our counterparties are fully compliant with European Market Infrastructure Regulation 'EMIR'.

The fair value movements in derivatives during the year is £(10.5)m (2023: £(17.1)m). There was no change in fair value related to credit risk in relation to derivatives as at 31 March 2024 (31 March 2023: £nil).

Within the International Swaps and Derivatives Association ('ISDA') Master Agreements in place with our counterparties, in the event of a default, the close-out netting provision would result in all obligations under a contract being terminated with a subsequent combining of positive and negative replacement values into a single net payable or receivable.

Notes to the financial statements

6. Cash and cash equivalents

	Group		Company	
	2024 £m	2023 £m	2024 £m	2023 £m
Cash and cash equivalents				
Cash at bank and in hand	**990.0**	957.5	**464.4**	409.8

Cash and cash equivalents comprise cash and short-term bank deposits with an original maturity of three months or less. The carrying amount of these assets approximates to their fair value. Cash and cash equivalents at the end of the reporting period as shown in the consolidated statement of cash flows can be reconciled to the related items in the consolidated statement of financial position as shown above.

The Group's cash and cash equivalents include £362.6m (2023: £407.5m) of restricted cash, held principally by structured entities controlled by the Group. The Group does not have legal recourse to these balances as their sole purpose is to service the interests of the investors in these structured entities.

In the prior year £5.5m of cash and cash equivalents were included in disposal groups held for sale (note 28).

7. Financial liabilities

Accounting policy

Financial liabilities, which include borrowings and listed notes and bonds (with the exception of financial liabilities designated as FVTPL), are initially recognised at fair value net of transaction costs and subsequently measured at amortised cost using the effective interest rate method. Arrangement and commitment fees are included within the carrying value of financial liabilities.

Lease liabilities are initially measured at the present value of all the future lease payments. The present value at the inception of the lease is determined by discounting all future lease payments at the Group's centrally determined incremental borrowing rate at the date of inception of the lease. In calculating the present value of lease payments, the Group uses its incremental borrowing rate because the interest rate implicit in the lease is not readily determinable. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made. In addition, the carrying amount of lease liabilities is remeasured if there is a modification, a change in the lease term, a change in the lease payments or a change in the assessment of an option to purchase the underlying asset.

Financial liabilities at FVTPL are initially recognised and subsequently measured at fair value on a recurring basis. Gains or losses arising from changes in fair value of derivative financial liabilities are recognised in Finance loss in the income statement. Gains or losses arising from changes in fair value of liabilities of Structured entities controlled by the Group recognised through gains on investments in the income statement. The Group has designated financial liabilities at fair value relating to consolidated structured entities as such liabilities are managed by the Group on a fair value basis.

The Group derecognises financial liabilities when, and only when, the Group's obligations are discharged, cancelled or expire.

Notes to the financial statements continued

7. Financial liabilities continued

Group	Interest rate %	Maturity	2024 Current £m	2024 Non-current £m	2023 Current £m	2023 Non-current £m
Liabilities held at amortised cost						
– Private placement	2.02% - 5.35%	2024 - 2029	248.7	346.4	56.8	604.8
– Listed notes and bonds	1.63% - 2.50%	2027 - 2030	2.5	851.3	2.5	874.9
– Unsecured bank debt[1]	SONIA +1.38%	2026	(0.8)	(0.7)	(0.8)	(1.5)
Total Liabilities held at amortised cost			250.4	1,197.0	58.5	1,478.2
Lease liabilities	2.85% - 7.09%	2024 - 2034	8.9	69.3	5.8	79.6
Other financial liabilities	1.34% - 6.20%	2024 - 2028	–	29.9	–	–
Liabilities held at FVTPL:						
– Derivative financial liabilities			9.2	–	14.8	0.9
– Structured entities controlled by the Group	0.60% - 10.90%	2030-2038	–	4,602.3	–	4,572.7
			268.5	**5,898.5**	**79.1**	**6,131.4**

1. Unsecured bank debt represents the value of associated fees which are amortised over the life of the facility.

Company	Interest rate %	Maturity	2024 Current £m	2024 Non-current £m	2023 Current £m	2023 Non-current £m
Liabilities held at amortised cost						
– Private placement	2.02% - 5.35%	2024 - 2029	248.7	346.4	56.8	604.8
– Listed notes and bonds	1.63% - 2.50%	2027 - 2030	2.5	851.3	2.5	874.9
– Unsecured bank debt[1]	SONIA +1.38%	2026	(0.8)	(0.7)	(0.8)	(1.5)
Total Liabilities held at amortised cost			250.4	1,197.0	58.5	1,478.2
Lease liabilities	2.85% - 7.09%	2024 - 2034	4.4	34.9	4.3	39.3
Liabilities held at FVTPL						
– Derivative financial liabilities			9.2	–	14.8	0.9
			264.0	**1,231.9**	**77.6**	**1,518.4**

1. Unsecured bank debt represents the value of associated fees which are amortised over the life of the facility.

The fair value of the Listed notes and bonds, being the market price of the outstanding bonds is £788.9m (2023: £613.1m).

Other financial liabilities are borrowings related to seed investments.

Details of the cash outflows related to leases are in the Consolidated statement of cash flows, interest expenses associated with lease liabilities are in note 10, the Right of Use ('ROU') assets and the income from subleasing ROU assets are in note 17 and the maturity analysis of the lease liabilities are in note 21 .

Notes to the financial statements continued

7. Financial liabilities continued

Movement in financial liabilities arising from financing activities

The following table sets out the movements in total liabilities held at amortised cost arising from financing activities undertaken during the year.

	Group		Company	
	2024 £m	2023 £m	2024 £m	2023 £m
At 1 April	1,622.1	1,712.1	1,580.3	1,701.3
Movement as a result of change in control of subsidiary	21.5	–	–	–
Repayment of long term borrowings	(50.7)	(194.6)	(50.7)	(194.6)
Reclassification1	7.7	–	–	–
Payment of principal portion of lease liabilities	(8.4)	(6.8)	(5.8)	(4.1)
Establishment of lease liability	1.2	33.0	–	–
Net interest movement	1.7	1.0	(0.9)	0.3
Foreign exchange movement	(39.6)	77.4	(36.2)	77.4
At 31 March	**1,555.5**	**1,622.1**	**1,486.7**	**1,580.3**

1. Borrowings related to seed investments acquired during the year.

8. Other income

Accounting policy

The Group earns interest on its cash balances, excluding balances within structured entities controlled by the Group. These amounts are recognised as income in the period in which it is earned.

	2024 £m	2023 £m
Interest income on bank deposits	21.6	15.5
	21.6	**15.5**

Notes to the financial statements continued

9. Net gains on investments

Accounting policy

The Group recognises net gains and losses on investments comprising realised and unrealised gains and losses from disposals and revaluations of financial assets and financial liabilities measured at fair value.

	2024 £m	2023 £m
Financial assets		
Change in fair value of financial instruments designated at FVTPL	933.5	167.6
Financial liabilities		
Change in fair value of financial instruments designated at FVTPL	(528.2)	4.9
Net gains arising on investments	**405.3**	**172.5**

10. Finance costs

Accounting policy

Interest expense on the Group's debt, excluding financial liabilities within structured entities controlled by the Group, is recognised using the effective interest rate method based on the expected future cash flows of the liabilities over their expected life. Financial liabilities within structured entities controlled by the Group are accounted for within Net gains and losses arising on investment (see note 9).

Interest expense associated with lease obligations represents the unwinding of the lease liability discount, are accounted for in accordance with IFRS 16 (see note 17).

Finance costs	2024 £m	2023 £m
Interest expense recognised on financial liabilities held at amortised cost	42.2	57.3
Arrangement and commitment fees	4.6	4.7
Interest expense associated with lease obligations	2.7	2.6
	49.5	**64.6**

Notes to the financial statements continued

11. Administrative expenses

Further detail in respect of material administrative expenses reported on the income statement is set out below:

	2024 £m	2023 £m
Staff costs	294.3	256.7
Amortisation and depreciation	17.9	18.2
Operating lease expenses	1.9	2.8
Auditor's remuneration	2.4	2.3

Auditor's remuneration includes fees for audit and non-audit services payable to the Group's auditor, Ernst and Young LLP, and are analysed as below.

	2024 £m	2023 £m
ICG Group		
Audit fees		
Group audit of the annual accounts	1.7	1.5
Audit of subsidiaries' annual accounts	0.3	0.3
Audit of controlled CLOs[1]	0.1	0.1
Total audit fees	**2.1**	**1.9**
Non audit fees		
Audit-related assurance services	0.2	0.3
Other assurance services	0.1	0.1
Total non audit fees	**0.3**	**0.4**
Total auditor's remuneration incurred by the Group	**2.4**	**2.3**

1. The 2023 fees relating to the audit of controlled CLOs have been updated for engagements agreed subsequent to the approval of the prior year financial statements.

Notes to the financial statements continued

12. Employees and Directors

Accounting policy

The Deal Vintage Bonus ('DVB') scheme forms part of the Group's Remuneration Policy for investment executives. DVB is reported within Wages and salaries.

Payments of DVB are made in respect of plan years, which are aligned to the Group's financial year. Payments of DVB are made only when the performance threshold for the plan year has been achieved on a cash basis and proceeds are received by the Group. An estimate of the DVB liability for a plan year is developed based on the following inputs: expected realisation proceeds; expected timing of realisations; and allocations of DVB to qualifying investment professionals. The Group accrues the estimated DVB cost associated with that plan year evenly over five years on average, reflecting the average holding period for the underlying investments and therefore the period over which services are provided by the scheme participants.

	2024 £m	2023 £m
Directors' emoluments	**5.1**	**4.9**
Employee costs during the year including Directors:		
Wages and salaries	253.4	228.7
Social security costs	30.7	20.5
Pension costs	10.2	7.5
Total employee costs (note 11)	**294.3**	**256.7**
The monthly average number of employees (including Executive Directors) was:		
Investment Executives	289	268
Marketing and support functions	350	293
Executive Directors	3	3
	642	**564**

ICG plc, the Company, does not have any employees but relies on the expertise and knowledge of employees of ICG FMC Limited, Intermediate Capital Group Inc., Intermediate Capital Group SAS, Intermediate Capital Asia Pacific Limited, ICG (Singapore) Pte Ltd, ICG Beratungsgesellschaft mbH, ICG Europe S.a.r.l, Intermediate Capital Managers (Aus) PTY Ltd and Intermediate Capital Group Polska Sp. z.o.o, subsidiaries of ICG plc. Contributions to the Group's defined contribution pension schemes are charged to the consolidated income statement as incurred.

The performance related element included in employee costs is £171.9m (2023: £151.6m) which represents the annual bonus scheme, Omnibus Scheme, the Growth Incentive Scheme and the DVB Scheme. Please refer to the report of the Remuneration Committee on page 95.

In addition, during the year, third-party funds have paid £43.7m (2023: £46.0m) to former employees and £46.0m (2023: £93.4m) to current employees, including Executive Directors, relating to distributions from investments in carried interest partnerships ('CIPs') made by these employees in prior periods. Such amounts become due over time if, and when, specified performance targets are ultimately realised in cash by the funds and paid by the carried interest partnerships of the funds (see note 27). As these funds and CIPs are not consolidated, these amounts are not included in the Group's consolidated income statement.

Notes to the financial statements continued

13. Tax expense

Accounting policy

The tax expense comprises current and deferred tax.

Current tax assets and liabilities comprise those obligations to, or claims from, tax authorities relating to the current or prior reporting periods, that are unpaid at the reporting date.

Deferred tax is provided in respect of temporary differences between the carrying amounts of assets and liabilities and their tax bases. Deferred tax liabilities are recognised for all taxable temporary differences. Deferred tax assets are recognised to the extent that it is probable that future taxable profits will be available against which the deferred tax assets can be utilised.

Deferred tax is not recognised if the temporary difference arises from the initial recognition of goodwill or from the initial recognition of other assets and liabilities in a transaction, other than a business combination, that affects neither the tax nor the accounting profit.

Deferred tax assets and liabilities are calculated at the tax rates that are expected to be applied to their respective period of realisation, provided they are enacted or substantively enacted at the reporting date.

Deferred tax assets and liabilities are offset when there is a legally enforceable right of set off, when they relate to income taxes levied by the same tax authority and the Group intends to settle on a net basis.

Changes in deferred tax assets or liabilities are recognised as a component of tax expense in the income statement, except where they relate to items that are charged or credited directly to equity, in which case the related deferred tax is also charged or credited directly to equity.

	2024 £m	2023 £m
Current tax:		
Current year	86.0	16.9
Prior year adjustment	15.4	(9.7)
	101.4	**7.2**
Deferred tax:		
Current year	(28.1)	14.1
Prior year adjustments	(10.9)	8.1
	(39.0)	**22.2**
Tax on profit on ordinary activities	**62.4**	**29.4**

Notes to the financial statements continued

13. Tax expense continued

The Group is an international business and operates across many different tax jurisdictions. Income and expenses are allocated to these jurisdictions based on transfer pricing methodologies set out both (i) in the laws of the jurisdictions in which the Group operates, and (ii) under guidelines set out by the Organisation for Economic Co-operation and Development ('OECD').

The effective tax rate reported by the Group for the period ended 31 March 2024 of 11.7% (2023: 11.7%) is lower than the statutory UK corporation tax rate of 25% (2023:19%).

The FMC activities are subject to tax at the relevant statutory rates ruling in the jurisdictions in which the income is earned. The lower effective tax rate compared to the statutory UK rate is largely driven by the IC activities. The IC benefits from statutory UK tax exemptions on certain forms of income arising from both foreign dividend receipts and gains from assets qualifying for the substantial shareholdings exemption. The effect of these exemptions means that the effective tax rate of the Group is highly sensitive to the relative mix of IC income, and composition of such income, in any one period.

Due to the application of tax law requiring a degree of judgement, the accounting thereon involves a level of estimation uncertainty which tax authorities may ultimately dispute. Tax liabilities are recognised based on the best estimates of probable outcomes and with regard to external advice where appropriate. The principal factors which may influence the Group's future tax rate are changes in tax legislation in the territories in which the Group operates, the relative mix of FMC and IC income, the mix of income and expenses earned and incurred by jurisdiction and the timing of recognition of available deferred tax assets and liabilities.

A reconciliation between the statutory UK corporation tax rate applied to the Group's profit before tax and the reported effective tax rate is provided below.

	2024 £m	2023 £m
Profit on ordinary activities before tax	**530.8**	**251.0**
Tax at 25% (2023:19%)	132.7	47.7
Effects of		
Prior year adjustment to current tax	15.4	(9.6)
Prior year adjustment to deferred tax	(10.9)	8.1
	137.2	**46.2**
Non-taxable and non-deductible items	1.7	(0.3)
Non-taxable investment company income	(59.9)	(22.5)
Trading income generated by overseas subsidiaries subject to different tax rates	(16.6)	4.0
Deferred tax adjustment	–	2.0
Tax charge for the period	**62.4**	**29.4**

Notes to the financial statements continued

13. Tax expense continued

Deferred tax

Deferred tax (asset)/liability Group	Investments £m	Share based payments and compensation deductible as paid £m	Tax losses carried forward £m	Other temporary differences £m	Total £m
As at 31 March 2022	36.1	(38.1)	(2.0)	(5.9)	(9.9)
Prior year adjustment	2.0	0.2	2.2	5.2	9.6
Impact of changes to statutory tax rates	0.3	(1.1)	(0.7)	1.1	0.6
Charge / (Credit) to equity	2.2	3.4	–	1.0	5.6
Charge / (Credit) to income	5.2	(0.7)	0.1	9.5	14.1
Movement in Foreign Exchange on retranslation	–	–	–	(0.4)	(0.4)
Reclassification to current tax	–	–	–	(1.7)	(1.7)
As at 31 March 2023	**45.8**	**(36.3)**	**(0.4)**	**8.8**	**17.9**
Reclassification between categories	2.7	1.7	–	(4.4)	–
Reclassification of deferred tax liability out of discontinued operations	14.0	–	–	–	14.0
Prior year adjustment	(4.1)	–	(1.6)	(5.2)	(10.9)
Charge / (Credit) to equity	0.2	(6.9)		–	(6.7)
Charge / (Credit) to income	(11.4)	(10.0)	(5.3)	(1.4)	(28.1)
Movement in foreign exchange on retranslation	–	–	–	(0.2)	(0.2)
As at 31 March 2024	**47.2**	**(51.5)**	**(7.3)**	**(2.4)**	**(14.0)**

Notes to the financial statements continued

13. Tax expense continued

Deferred tax (asset)/liability

Company	Investments £m	Share based payments and compensation deductible as paid £m	Derivatives £m	Other temporary differences £m	Total £m
As at 31 March 2022	8.6	(8.2)	(0.8)	(0.5)	(0.9)
Prior year adjustment	–	–	–	0.6	0.6
Impact of changes to statutory tax rates	0.2	(0.3)	0.4	0.5	0.8
Charge / (Credit) to income	(0.5)	0.2	1.6	1.1	2.4
As at 31 March 2023	**8.3**	**(8.3)**	**1.2**	**1.7**	**2.9**
Reclassification between categories	(0.4)	0.3	0.2	(0.1)	–
Transfer	–	8.0	–	–	8.0
Prior year adjustment	(1.0)	–	–	(1.7)	(2.7)
Charge / (Credit) to income	(0.6)	–	(0.5)	0.6	(0.5)
As at 31 March 2024	**6.3**	**–**	**0.9**	**0.5**	**7.7**

During the year deferred tax assets that reversed, due to timing differences, were mainly due to the utilisation of tax losses and unpaid interest expense in the Group's US business. As set out in the table above in column 'Share based payments and compensation deductible as paid', deferred tax assets at the reporting date were solely due to employee remuneration schemes in the UK and US.

The Group has undertaken a review of the level of recognition of deferred tax assets and is satisfied they are recoverable and therefore have been recognised in full. There are no deferred tax assets recognised on the basis of losses.

In its March 2021 Budget, the UK Government announced that the UK rate of corporation tax would increase from 19% to 25% from 1 April 2023 . This legislative change has been substantively enacted, and has been considered when calculating the closing deferred tax balances at the reporting date.

The mandatory IAS 12 temporary exception from the recognition and disclosure of deferred taxes arising from implementation of the OECD's Pillar Two model rules has been applied. The OECD's Pillar II model rules, which establish a global minimum tax rate of 15% apply for financial years beginning on or after 31 December 2023. The first period the rules are implemented for the Group are from 1 April 2024 (financial year ending 31 March 2025). The Group has performed an impact analysis and does not expect the implementation to be significant.

Notes to the financial statements continued

14. Dividends

Accounting policy

Dividends are distributions of profit to holders of Intermediate Capital Group plc's share capital and as a result are recognised as a deduction in equity. Final dividends are announced with the Annual Report and Accounts and are recognised when they have been approved by shareholders. Interim dividends are announced with the Half Year Results and are recognised when they are paid.

	2024		2023	
	Per share pence	£m	Per share pence	£m
Ordinary dividends paid				
Final	52.2	149.5	57.3	164.4
Interim	25.8	73.9	25.3	72.0
	78.0	223.4	82.6	236.4
Proposed final dividend	**53.2**	**152.6**	**52.2**	**148.8**

Of the £223.4m (2023: £236.4m) of ordinary dividends paid during the year, £1.8m (2023: £4.3m) were reinvested under the dividend reinvestment plan offered to shareholders.

15. Earnings per share

Earnings	Year ended 31 March 2024 £m	Year ended 31 March 2023 £m
Earnings for the purposes of basic and diluted earnings per share being net profit attributable to equity holders of the Parent		
Continuing operations	467.4	221.6
Discontinued operations	6.0	59.0
	473.4	**280.6**
Number of shares		
Weighted average number of ordinary shares for the purposes of basic earnings per share	286,123,236	285,613,961
Effect of dilutive potential ordinary share options	5,888,040	3,698,954
Weighted average number of ordinary shares for the purposes of diluted earnings per share	**292,011,276**	**289,312,915**
Earnings per share for continuing operations[1]		
Basic, profit from continuing operations attributable to equity holders of the parent (pence)	163.4p	77.6p
Diluted, profit from continuing operations attributable to equity holders of the parent (pence)	160.1p	76.6p
Earnings per share for discontinued operations[1]		
Basic, profit from discontinued operations attributable to equity holders of the parent (pence)	2.1p	20.6p
Diluted, profit from discontinued operations attributable to equity holders of the parent (pence)	2.0p	20.4p

1. The prior period has been re-presented to separately disclose Earnings per share for continuing operations and Earnings per share for discontinued operations.

Notes to the financial statements continued

16. Intangible assets

Accounting policy

Business combinations

Business combinations are accounted for using the acquisition method. The acquisition method involves the recognition of all assets, liabilities and contingent liabilities of the acquired business at their fair value at the acquisition date.

The excess of the fair value at the date of acquisition of the cost of investments in subsidiaries over the fair value of the net assets acquired which is not allocated to individual assets and liabilities is determined to be goodwill. Goodwill is reviewed at least annually for impairment.

Investment management contracts

Intangible assets with finite useful lives that are acquired separately, including investment management contracts, are carried at cost less accumulated depreciation and impairment losses. These are measured at cost and are amortised on a straight line basis over the expected life of the contract (eight years).

Computer software

Research costs associated with computer software are expensed as they are incurred.

Other expenditure incurred in developing computer software is capitalised only if all of the following criteria are demonstrated:
- An asset is created that can be separately identified;
- It is probable that the asset created will generate future economic benefits; and
- The development cost of the asset can be measured reliably.

Following the initial recognition of development expenditure, the cost is amortised over the estimated useful life of the asset created, which is determined as three years. Amortisation commences on the date that the asset is brought into use. Work-in-progress assets are not amortised until they are brought into use and transferred to the appropriate category of intangible assets. Amortisation of intangible assets is included in administrative expenses in the income statement and detailed in note 11.

Impairment of non-financial assets and goodwill

The Group assesses, at each reporting date, whether there is an indication that an asset may be impaired. If any indication exists, or when annual impairment testing for an asset is required, the Group estimates the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's fair value less costs of disposal and its value in use. The recoverable amount is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or groups of assets. When the carrying amount of an asset exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount.

Notes to the financial statements continued

16. Intangible assets continued

Group	Computer software 2024 £m	Computer software 2023 £m	Goodwill[1] 2024 £m	Goodwill[1] 2023 £m	Investment management contracts 2024 £m	Investment management contracts 2023 £m	Total 2024 £m	Total 2023 £m
Cost								
At 1 April	25.0	20.5	4.3	4.3	19.1	26.3	48.4	51.1
Reclassified[3]	(0.8)	–	–	–	–	–	(0.8)	–
Additions	6.3	4.7	–	–	–	–	6.3	4.7
Derecognised[2]	(12.5)	(0.3)	–	–	(18.3)	(7.1)	(30.8)	(7.4)
Exchange differences	(0.1)	0.1	–	–	0.3	(0.1)	0.2	–
At 31 March	**17.9**	**25.0**	**4.3**	**4.3**	**1.1**	**19.1**	**23.3**	**48.4**
Amortisation								
At 1 April	16.4	12.4	–	–	17.1	21.6	33.5	34.0
Charge for the year	3.4	4.0	–	–	2.2	2.7	5.6	6.7
Derecognised[2]	(12.5)	–		–	(18.3)	(7.2)	(30.8)	(7.2)
At 31 March	**7.3**	**16.4**	**–**	**–**	**1.0**	**17.1**	**8.3**	**33.5**
Net book value	**10.6**	**8.6**	**4.3**	**4.3**	**0.1**	**2.0**	**15.0**	**14.9**

1. Goodwill was acquired in the ICG-Longbow Real Estate Capital LLP business combination and represents a single cash generating unit. The recoverable amount of the real estate cash generating unit is based on fair value less costs to sell where the fair value equates to a multiple of adjusted net income, in line with the original consideration methodology. The significant headroom on the recoverable amount is not sensitive to any individual assumption.
2. Investment management contracts and Computer Software derecognised represented fully amortised balances.
3. During the year, assets previously classified as computer software were determined to relate to leasehold improvements. These assets were transferred at book value and there was no profit or loss arising on transfer.

Company	Computer software 2024 £m	Computer software 2023 £m	Investment management contracts 2024 £m	Investment management contracts 2023 £m	Total 2024 £m	Total 2023 £m
Cost						
At 1 April	23.8	20.4	18.3	19.9	42.1	40.3
Additions	6.2	3.6	–	–	6.2	3.6
Derecognised[1]	(12.9)	(0.2)	(18.3)	(1.6)	(31.2)	(1.8)
At 31 March	**17.1**	**23.8**	**–**	**18.3**	**17.1**	**42.1**
Amortisation						
At 1 April	16.5	12.5	16.4	15.7	32.9	28.2
Charge for the year	3.4	4.0	1.9	2.3	5.3	6.3
Derecognised[1]	(12.5)	–	(18.3)	(1.6)	(30.8)	(1.6)
At 31 March	**7.4**	**16.5**	**–**	**16.4**	**7.4**	**32.9**
Net book value	**9.7**	**7.3**	**–**	**1.9**	**9.7**	**9.2**

1. Investment management contracts derecognised represented fully amortised balances.

During the financial year ended 31 March 2024, the Group recognised an expense of £0.1m (2023: £0.5m) in respect of research and development expenditure.

Notes to the financial statements continued

17. Property, plant and equipment

Accounting policy

The Group's property, plant and equipment provide the infrastructure to enable the Group to operate. Assets are initially stated at cost, which includes expenditure associated with acquisition. The cost of the asset is recognised in the income statement as an amortisation charge on a straight line basis over the estimated useful life, determined as three years for furniture and equipment and five years for short leasehold premises. Right of Use ('ROU') assets and associated leasehold improvements are amortised over the full contractual lease term.

Group as a lessee

Included within the Group's property, plant and equipment are its ROU assets. ROU assets are the present value of the Group's global leases and comprise all future lease payments, and all expenditure associated with acquiring the lease. The Group's leases are primarily made up of its global offices. The Group has elected to capitalise initial costs associated with acquiring a lease before commencement as a ROU asset. The cost of the ROU asset is recognised in the income statement as an amortisation charge on a straight line basis over the life of the lease term.

Short-term leases and leases of low value assets

The Group applies the short-term lease recognition exemption to its short-term leases (those that have a lease term of 12 months or less from the commencement date which do not contain a purchase option). The Group also applies the recognition exemption to leases that are considered to be low value. Lease payments on short-term leases and leases of low-value assets are recognised as administrative expenses on a straight line basis over the lease term.

	Furniture and equipment		ROU asset		Leasehold improvements		Total	
Group	**2024 £m**	**2023 £m**	**2024 £m**	**2023 £m**	**2024 £m**	**2023 £m**	**2024 £m**	**2023 £m**
Cost								
At 1 April	7.5	4.5	90.0	67.7	14.7	11.3	112.2	83.5
Reclassified[1]	–	–	–	–	0.8	–	0.8	–
Additions	1.3	3.1	1.2	33.8	1.9	3.4	4.4	40.3
Disposals	(2.9)	(0.4)	(1.2)	(11.7)	(0.6)	–	(4.7)	(12.1)
Exchange differences	–	0.3	(0.9)	0.2	–	–	(0.9)	0.5
At 31 March	**5.9**	**7.5**	**89.1**	**90.0**	**16.8**	**14.7**	**111.8**	**112.2**
Depreciation								
At 1 April	4.2	2.9	16.8	18.2	3.0	2.0	24.0	23.1
Charge for the year	1.7	1.4	9.2	9.1	1.5	1.0	12.4	11.5
Disposals	(3.1)	(0.1)	(0.3)	(10.5)	(0.4)	–	(3.8)	(10.6)
At 31 March	**2.8**	**4.2**	**25.7**	**16.8**	**4.1**	**3.0**	**32.6**	**24.0**
Net book value	**3.1**	**3.3**	**63.4**	**73.2**	**12.7**	**11.7**	**79.2**	**88.2**

1. During the year, assets previously classified as computer software were determined to relate to leasehold improvements. These assets were transferred at book value and there was no profit or loss arising on transfer.

Notes to the financial statements continued

17. Property, plant and equipment continued

Company	Furniture and equipment 2024 £m	2023 £m	ROU asset 2024 £m	2023 £m	Leasehold improvements 2024 £m	2023 £m	Total 2024 £m	2023 £m
Cost								
At 1 April	3.1	2.8	47.5	50.1	9.9	9.5	60.5	62.4
Additions	0.3	0.3	–	–	0.3	0.4	0.6	0.7
Disposals	(2.3)	–	–	(2.6)	–	–	(2.3)	(2.6)
At 31 March	**1.1**	**3.1**	**47.5**	**47.5**	**10.2**	**9.9**	**58.8**	**60.5**
Depreciation								
At 1 April	2.4	1.6	12.2	9.8	1.9	1.1	16.5	12.5
Charge for the year	0.4	0.8	4.2	4.0	1.0	0.8	5.6	5.6
Disposals	(2.3)	–	–	(1.6)	–	–	(2.3)	(1.6)
At 31 March	**0.5**	**2.4**	**16.4**	**12.2**	**2.9**	**1.9**	**19.8**	**16.5**
Net book value	**0.6**	**0.7**	**31.1**	**35.3**	**7.3**	**8.0**	**39.0**	**44.0**

Group as Lessor

Accounting policy

Leases in which the Group does not transfer substantially all the risks and rewards incidental to ownership of an asset are classified as operating leases. Rental income arising is accounted for on a straight-line basis over the lease term and is included in other income in the consolidated income statement due to its operating nature. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and amortised over the lease term on the same basis as rental income. Contingent rents are recognised as revenue in the period in which they are earned.

The Group has entered into sub-lease agreements of certain office buildings (see note 17 above). These leases have terms of between two and five years. Rental income recognised by the Group during the year was £0.4m (2023: £0.4m). Future minimum rentals receivable under non-cancellable operating leases as at 31 March are as follows:

Group	2024 £m	2023 £m
Within one year	0.4	0.4
After one year but not more than five years	0.4	0.8
At 31 March	**0.8**	**1.2**

Notes to the financial statements continued

18. Investment property

Accounting policy

The Group holds investment property for the development of the Group's long-term real assets strategy. Properties are being held with a purpose to earn rental income and/or for capital appreciation and are not occupied by the Group. IAS 40 Investment Property requires that the property be measured initially at cost, including transaction costs, and subsequently measured at fair value. Gains or losses from changes in the fair values of investment properties are included in the profit or loss in the period in which they arise. The fair value of the investment properties (Level 3) has been recorded based on independent valuations prepared by Knight Frank, third-party real estate valuation specialists in line with the Royal Institution of Chartered Surveyors Valuation – Global Standards 2020. A market and income approach was performed to estimate the fair value of the Group's investments. These valuation techniques can be subjective and include assumptions which are not supportable by observable data. Details of the valuation techniques and the associated sensitivities are further disclosed in note 5.

Group	2024 £m	2023 £m
Investment property at fair value		
At 1 April	0.8	1.5
Additions	51.9	–
Reclassified[1]	54.5	–
Fair value loss	(24.5)	(0.7)
At 31 March	**82.7**	**0.8**

1. Prior to the financial year end, the Group reclassified £54.5m of disposal groups held for sale to investment property.

During the year, the Group held £0.0m (2023: £284.0m) of investment property within discontinued operations (see note 28).

The losses arising from investment properties carried at fair value is £(24.5)m (2023: £(0.7)m).

The Group has no restrictions on the realisability of its investment properties and no contractual obligations to purchase, construct or develop investment properties or for repairs, maintenance and enhancements.

Notes to the financial statements continued

19. Trade and other receivables

Accounting policy

Trade and other receivables represent amounts the Group is due to receive in the normal course of business and are held at amortised cost. Trade and other receivables excluding those held in structured entities controlled by the Group include performance fees, which are considered contract assets under IFRS 15 and will only be received after realisation of the underlying assets, see note 3 and note 30. Trade and other receivables within structured entities controlled by the Group relate principally to unsettled trades on the sale of financial assets.

Amounts owed by Group companies are repayable on demand. To the extent that amounts are owed by Group companies engaged in investment activities the Company has assessed these receivables as non-current, reflecting the illiquidity of the underlying investments. Trade and other receivables from Group entities are considered related party transactions as stated in note 26.

The carrying value of trade and other receivables reported within current assets approximates fair value as these are short term and do not contain any significant financing components. The carrying value of trade and other receivables reported within non-current assets approximates fair value as these do not contain any significant financing components.

The Company has adopted the simplified approach to measuring the loss allowance as lifetime Expected Credit Loss ('ECL'), as permitted under IFRS 9. The ECL of trade and other receivables arising from transactions with Group entities or its affiliates are expected to be nil or close to nil. The assets do not contain any significant financing components, therefore the simplified approach is deemed most appropriate.

	Group		Company	
	2024 £m	2023 £m	2024 £m	2023 £m
Trade and other receivables within structured entities controlled by the Group	107.6	43.7	–	–
Trade and other receivables excluding those held in structured entities controlled by the Group	240.2	178.3	27.8	33.2
Amount owed by Group companies	–	–	0.9	169.2
Prepayments	41.8	10.0	8.6	8.1
Total current assets	**389.6**	**232.0**	**37.3**	**210.5**
Non-current assets				
Trade and other receivables excluding those held in structured entities controlled by the Group	36.1	37.1	24.3	7.6
Amounts owed by Group companies	–	–	734.4	758.7
Total non-current assets	**36.1**	**37.1**	**758.7**	**766.3**

Non-current trade and other receivables excluding those held in structured entities controlled by the Group comprises performance-related fees (see note 3).

Notes to the financial statements continued

20. Trade and other payables

Accounting policy

Trade and other payables within structured entities controlled by the Group relate principally to unsettled trades on the purchase of financial assets within structured entities controlled by the Group. Trade and other payables excluding those held in structured entities controlled by the Group are held at amortised cost and represent amounts the Group is due to pay in the normal course of business. Amounts owed to Group companies are repayable on demand. The carrying value of trade and other payables approximates fair value as these are short term and do not contain any significant financing components.

Trade and other payables from Group entities are considered related party transactions as stated in note 26.

Key sources of estimation uncertainty on trade and other payables excluding those held in structured entities controlled by the Group.

Payables related to the DVB scheme are key estimates based on the inputs described in note 12. The sensitivity of the DVB to a 10% increase in the fair value of the underlying investments is an increase of £13.13m (2023: £10.25m) and to a decrease of 10% is a decrease of £13.13m (2023: £10.25m).

	Group		Company	
	2024 £m	2023 £m	2024 £m	2023 £m
Trade and other payables within structured entities controlled by the Group	316.3	328.1		–
Trade and other payables excluding those held in structured entities controlled by the Group	209.6	140.2	19.5	121.2
Amounts owed to Group companies	–	–	1,098.9	1,035.0
Social security tax	3.3	3.1	2.4	2.5
Total current trade and other payables	**529.2**	**471.4**	**1,120.8**	**1,158.7**
Non-current liabilities				
Trade and other payables excluding those held in structured entities controlled by the Group	66.0	71.1	0.3	71.3
Total non-current trade and other payables	**66.0**	**71.1**	**0.3**	**71.3**

Current trade and other payables excluding those held in structured entities controlled by the Group includes £78.0m (2023: £67.5m) in respect of other compensation costs and £65.3m (2023: £31.4m) in respect of DVB, (see note 12) and non-current Trade and other payables excluding those held in structured entities controlled by the Group is entirely comprised of amounts payable in respect of DVB (2023: all DVB).

21. Financial risk management

The Group has identified financial risk, comprising market and liquidity risk, as a principal risk. Further details are set out on page 43. The Group has exposure to market risk (including exposure to interest rates and foreign currency), liquidity risk and credit risk arising from financial instruments.

Interest rate risk

The Group's assets include both fixed and floating rate loans.

The Group's operations are financed with a combination of its shareholders' funds, bank borrowings, private placement notes, public bonds, and fixed and floating rate notes. The Group manages its exposure to market interest rate movements by matching, to the extent possible, the interest rate profiles of assets and liabilities and by using derivative financial instruments.

The sensitivity of floating rate financial assets to a 100 basis points interest rate increase is £56.0m (2023: £56.5m) and to a decrease is £56.0m (2023: £(56.5)m). The sensitivity of financial liabilities to a 100 basis point interest rate increase is £46.9m (2023: £47.1m) and to a decrease is £46.9m (2023: £(47.1)m). These amounts would be reported within Net gains on investments. There is an indirect exposure to interest rate risk through the impact on the performance of the portfolio companies of the funds that the Group has invested in, and therefore the fair valuations. There is no interest rate risk exposure on fixed rate financial assets or liabilities.

Notes to the financial statements continued

21. Financial risk management continued

Exposure to interest rate risk

Group	2024 Floating £m	2024 Fixed £m	2024 Total £m	2023 Floating £m	2023 Fixed £m	2023 Total £m
Financial assets (excluding investments in loans held in consolidated entities)	839.5	3,023.4	3,862.9	744.4	3,049.1	3,793.5
Investments in loans held in consolidated entities	4,762.4	319.9	5,082.3	4,901.1	253.9	5,155.0
Financial liabilities (excluding borrowings and loans held in consolidated entities)	–	(1,734.6)	(1,734.6)	–	(1,929.2)	(1,929.2)
Borrowings and loans held in consolidated entities	(4,688.9)	(391.2)	(5,080.1)	(4,706.6)	(371.5)	(5,078.1)
	913.0	**1,217.5**	**2,130.5**	**938.9**	**1,002.3**	**1,941.2**

Foreign exchange risk

The Group is exposed to currency risk in relation to non-sterling currency transactions and the translation of non-sterling net assets. The Group's most significant exposures are to the euro and the US dollar. Exposure to currency risk is managed by matching assets with liabilities to the extent possible and through the use of derivative instruments.

The Group regards its interest in overseas subsidiaries as long-term investments. Consequently, it does not hedge the translation effect of exchange rate movements on the financial statements of these businesses. The Group is also exposed to currency risk arising on the translation of fund management fee income receipts, which are primarily denominated in euro and US dollar.

The effect of fluctuations in other currencies is considered by the Directors to be insignificant in the current and prior year. The net assets/(liabilities) by currency and the sensitivity of the balances to a strengthening of foreign currencies against sterling are shown below:

Market risk - Foreign exchange risk	2024 Net statement of financial Position exposure £m	Forward exchange contracts £m	Net exposure £m	Sensitivity to strengthening %	Increase in net assets £m
Sterling	401.7	1,121.1	1,522.8	–	–
Euro	804.0	(450.7)	353.3	15%	53.0
US dollar	710.3	(492.1)	218.2	20%	43.6
Other currencies	206.7	(178.2)	28.5	10-25%	–
	2,122.7	0.1	2,122.8	–	96.6

	2023 Net statement of financial Position exposure £m	Forward exchange contracts £m	Net exposure £m	Sensitivity to strengthening %	Increase in net assets £m
Sterling	726.8	772.7	1,499.5	–	–
Euro	552.0	(259.3)	292.7	15%	43.9
US dollar	564.5	(324.9)	239.6	20%	47.9
Other currencies	195.6	(182.2)	13.4	10-25%	–
	2,038.9	6.3	2,045.2	–	91.8

The weakening of the above currencies would have resulted in an equal but opposite impact, being a decrease in net assets.

Notes to the financial statements continued

21. Financial risk management continued

Liquidity risk

The Group makes commitments to its managed funds in advance of that capital being invested. These commitments are typically drawn over a five-year investment period (see note 25 for outstanding commitments). Funds typically have a 10-year contractual life. The Group manages its liquidity risk by maintaining headroom on its financing facilities.

The table below shows the liquidity profile of the Group's financial liabilities, based on contractual repayment dates of principal and interest payments. Future interest and principal cash flows have been calculated based on exchange rates and floating rate interest rates as at 31 March 2024. It is assumed that Group borrowings under its senior debt facilities remain at the same level as at 31 March 2024 until contractual maturity. Included in financial liabilities are contractual interest payments. All financial liabilities, excluding structured entities controlled by the Group, are held by the Company.

Liquidity profile

	Contractual maturity analysis				
As at 31 March 2024	Less than one year £m	One to two years £m	Two to five y ears £m	More than five years £m	Total £m
Financial liabilities					
Private placements	267.0	194.7	185.2	–	646.9
Listed notes and bonds	17.6	17.6	466.5	438.1	939.8
Debt issued by controlled structured entities	576.8	262.6	2,065.3	4,362.8	7,267.5
Derivative financial instruments	0.9	(4.8)	–	–	(3.9)
Lease liabilities	10.8	10.4	30.1	34.6	85.9
Other financial liabilities	9.2	1.4	23.2	0.0	33.8
	882.3	**481.9**	**2,770.3**	**4,835.5**	**8,970.0**

As at 31 March 2024 the Group has liquidity of £1,177.4m (2023: £1,099.9m) which consists of undrawn debt facility of £550m (2023: £550m) and £627.4m (2023: £549.9m) of unencumbered cash. Unencumbered cash excludes £362.6m (2023: £407.6m) of restricted cash held principally by structured entities controlled by the Group.

	Contractual maturity analysis				
As at 31 March 2023	Less than one year £m	One to two years £m	Two to five years £m	More than five years £m	Total £m
Financial liabilities					
Private placements	78.2	273.5	282.2	106.7	740.6
Listed notes and bonds	18.1	18.1	486.8	461.5	984.5
Debt issued by controlled structured entities	176.3	204.6	2,430.4	3,748.0	6,559.3
Derivative financial instruments	(1.6)	(3.1)	(4.4)	–	(9.1)
Lease liabilities	8.5	11.3	32.0	46.1	97.9
	279.5	**504.4**	**3,227.0**	**4,362.3**	**8,373.2**

The Group's policy is to maintain continuity of funding. Due to the long-term nature of the Group's assets, the Group seeks to ensure that the maturity of its debt instruments is matched to the expected maturity of its assets.

Notes to the financial statements continued

21. Financial risk management continued

Credit risk

Credit risk is the risk of financial loss to the Group as a result of a counterparty failing to meet its contractual obligations. This risk is principally in connection with the Group's investments.

This risk is mitigated by the disciplined credit procedures that the relevant Fund Investment Committees have in place prior to making an investment and the ongoing monitoring of investments throughout the ownership period. In addition, the risk of significant credit loss is further mitigated by the Group's diversified investment portfolio in terms of geography and industry sector. The Group is exposed to credit risk through its financial assets (see note 5) and investment in joint ventures reported at fair value.

Exposure to credit risk

	Group		Company	
	2024 £m	2023 £m	2024 £m	2023 £m
Investment in private and public companies	406.2	267.3	87.1	86.1
Investment in managed funds	2,310.0	2,153.4	134.2	178.8
Non-consolidated CLOs and credit funds	131.0	113.3	21.8	23.8
Consolidated CLOs and credit funds	4,617.5	4,669.1	–	–
Derivatives assets	9.3	22.0	9.3	22.0
Investment in joint venture	–	5.8	–	–
Total financial assets at fair value	**7,474.0**	**7,230.9**	**252.4**	**310.7**

The Group manages its operational cash balance by the regular forecasting of cash flow requirements, debt management and cash pooling arrangements. Credit risk exposure on cash and derivative instruments is managed in accordance with the Group's treasury policy which provides limits on exposures with any single financial institution. The majority of the Group's surplus cash is held in AAA rated Money Market funds. Other credit exposures arise from outstanding derivatives with financial institutions rated from A- to A+.

The Group is exposed to credit risk as a result of financing guarantees provided. The maximum exposure to guarantees is £7.3m (2023: £7.9m). No liability has been recognised in respect of these guarantees. The Directors consider the Group's credit exposure to trade and other receivables to be low and as such no further analysis has been presented. The Directors consider the credit risk of consolidated CLOs and credit funds to be low.

The Group's investments in consolidated CLOs and credit funds controlled by the Group principally comprise senior loans. The Group's exposure to the credit risk of this collateral, in these consolidated entities, is limited to its investment into these entities, which at 31 March 2024 was £297.8m (2023: £339.4m).

The carrying amount of financial assets at fair value through profit and loss represents the Directors' assessment of the maximum credit risk exposure of the Group and Company at the balance sheet date.

Other than the Group investments in non-consolidated CLOs and consolidated CLOs, the Group has no direct exposure to defaulted and past due financial assets.

Capital management

Managing capital is the ongoing process of determining and maintaining the quantity and quality of capital appropriate for the Group and ensuring capital is deployed in a manner consistent with the expectations of our stakeholders. The primary objectives of the Group's capital management are (i) align the Group's interests with its clients, (ii) grow third-party fee income in the FMC and (iii) maintain robust capitalisation, including ensuring that the Group complies with externally imposed capital requirements by the Financial Conduct Authority (the FCA). The Group's strategy has remained unchanged from the year ended 31 March 2024.

(i) Regulatory capital requirements

The Group is required to hold capital resources to cover its regulatory capital requirements. The Group's capital for regulatory purposes comprises the capital and reserves of the Company, comprising called up share capital, reserves and retained earnings as disclosed in the Statement of Changes in Equity (see page 128). The full Pillar 3 disclosures are available on the Group's website: www.icgam.com.

Notes to the financial statements continued

21. Financial risk management continued

(ii) Capital and risk management policies

The formal procedures for identifying and assessing risks that could affect the capital position of the Group are described in the Strategic Report on page 40. The capital structure of the Group under UK-adopted IAS consists of cash and cash equivalents, £990m (2023: £957.5m) (see note 6); debt, which includes borrowings, £1,447.4m, (2023: £1,536.7m) (see note 7) and the capital and reserves of the Company, comprising called up share capital, reserves and retained earnings as disclosed in the Statement of Changes in Equity, £896.5m (2023: £825.8m). Details of the Reportable segment capital structure are set out in note 4.

22. Called up share capital and share premium

Share capital represents the number of issued ordinary shares in Intermediate Capital Group plc multiplied by their nominal value of 26¼p each.

Under the Company's Articles of Association, any share in the Company may be issued with such rights or restrictions, whether in regard to dividend, voting, transfer, return of capital or otherwise as the Company may from time to time by ordinary resolution determine or, in the absence of any such determination, as the Board may determine. All shares currently in issue are ordinary shares of 26¼p each carrying equal rights. The Articles of Association of the Company cannot be amended without shareholder approval.

The Directors may refuse to register any transfer of any share which is not a fully paid share, although such discretion may not be exercised in a way which the Financial Conduct Authority regards as preventing dealings in the shares of the relevant class or classes from taking place on an open and proper basis. The Directors may likewise refuse to register any transfer of a share in favour of more than four persons jointly.

The Company is not aware of any other restrictions on the transfer of ordinary shares in the Company other than:
- Certain restrictions that may from time to time be imposed by laws and regulations (for example, insider trading laws or the UK Takeover Code)
- Pursuant to the Listing Rules of the Financial Conduct Authority whereby certain employees of the Company require approval of the Company to deal in the Company's shares

The Company has the authority limited by shareholder resolution to issue, buy back, or cancel ordinary shares in issue (including those held in trust, described below). New shares are issued when share options are exercised by employees. The Company has 294,365,326 authorised shares (2023: 294,332,182)

Group and Company	Number of ordinary shares of 26¼p allotted, called up and fully paid	Share Capital £m	Share Premium £m
1 April 2023	294,332,182	77.3	180.9
Shares issued	33,144	–	0.4
31 March 2024	**294,365,326**	**77.3**	**181.3**

Group and Company	Number of ordinary shares of 26¼p allotted, called up and fully paid	Share Capital £m	Share Premium £m
1 April 2022	294,285,804	77.3	180.3
Shares issued	46,378	–	0.6
31 March 2023	**294,332,182**	**77.3**	**180.9**

Notes to the financial statements continued

23. Own shares reserve

Accounting policy

Own shares are recorded by the Group when ordinary shares are purchased in the market by ICG plc or through the ICG Employee Benefit Trust 2015 ('EBT').

The EBT is a special purpose vehicle, with the purpose of purchasing and holding shares of the Company for the hedging of future liabilities arising as a result of the employee share-based compensation schemes (see note 24), in a way that does not dilute the percentage holdings of existing shareholders.

Own shares are held at cost and their purchase reduces the Group's net assets by the amount spent. When shares vest or are cancelled, they are transferred from own shares to the retained earnings reserve at their weighted average cost. No gain or loss is recognised on the purchase, sale, issue or cancellation of the Company's own shares.

The movement in the year is as follows:

	2024 £m	2023 £m	2024 Number	2023 Number
1 April	103.4	93	9,249,895	7,734,849
Purchased (ordinary shares of 26¼p)	–	38.9	–	3,000,000
Options/awards exercised	(24.2)	(28.5)	(1,583,032)	(1,484,954)
As at 31 March	**79.2**	**103.4**	**7,666,863**	**9,249,895**

Of the total shares held by the Group, 3,733,333 shares were held by the Company in the Own Share Reserve at 31 March 2024 and 31 March 2023 at a cost of £21.3m. These shares were purchased through a share buy back programme in prior years.

The number of shares held by the Group at the balance sheet date represented 2.6% (2023: 3.1%) of the Parent Company's allotted, called up and fully paid share capital.

24. Share-based payments

Accounting policy

The Group issues compensation to its employees under both equity-settled and cash-settled share-based payment plans.

Equity-settled share-based payments are measured at the fair value of the awards at grant date. The fair value includes the effect of non-market-based vesting conditions. The fair value determined at the date of grant is expensed on a straight-line basis over the vesting period.

At each reporting date, the Group revises its estimate of the number of equity instruments expected to vest as a result of non-market-based vesting conditions. The impact of the revision of the original estimates, if any, is recognised in the income statement with a corresponding adjustment to equity.

The total charge to the income statement for the year was £43.9m (2023: £39.5m) and this was credited to the share-based payments reserve. Details of the different types of awards are as follows:

Intermediate Capital Group plc Omnibus Plan

The Omnibus Plan provides for three different award types: Deferred Share Awards, PLC Equity Awards and Special Recognition Awards.

Deferred Share Awards

Awards are made after the end of the financial year (and in a small number of cases during the year) to reward employees for delivering cash profits, managing the cost base, and employing sound risk and business management. These share awards typically vest one-third at the end of the first, second and third years following the year of grant, unless the individual leaves for cause or to join a competitor. Dividend equivalents accrue to participants during the vesting period and are paid at the vesting date. Awards are based on performance against the individual's objectives. There are no further performance conditions.

Notes to the financial statements continued

24. Share-based payments continued

PLC Equity Awards

Awards are made after the end of the financial year to reward employees, including Executive Directors, for increasing long-term shareholder value. These share awards typically vest one-third at the end of the third, fourth and fifth years following the year of grant, unless the individual leaves for cause or to join a competitor. Dividend equivalents accrue to participants during the vesting period and are paid at the vesting date. Awards are based on performance against the individual's objectives. There are no further performance conditions.

Special Recognition Awards

Awards are made after the end of the financial year to reward employees for delivering cash profits, managing the cost base, and employing sound risk and business management. These share awards vest at the end of the first year following the year of grant, unless the individual leaves for cause or to join a competitor. Dividend equivalents accrue to participants during the vesting period and are paid at the vesting date. Awards are based on performance against the individual's objectives. There are no further performance conditions.

Share awards outstanding under the Omnibus Plan were as follows:

	Number		Weighted average fair value	
Deferred share awards	**2024**	**2023**	**2024**	**2023**
Outstanding at 1 April	**2,964,516**	2,470,280	**15.75**	16.52
Granted	**2,316,207**	1,811,061	**13.35**	14.27
Vested	**(1,476,697)**	(1,316,825)	**15.62**	15.00
Outstanding as at 31 March	**3,804,026**	2,964,516	**14.35**	15.75

	Number		Weighted average fair value	
PLC Equity awards	**2024**	**2023**	**2024**	**2023**
Outstanding at 1 April	**2,142,252**	2,139,210	**12.2**	10.3
Granted	**982,261**	777,577	**13.4**	14.3
Vested	**471,806**	(774,535)	**12.2**	9.8
Outstanding as at 31 March	**3,596,319**	2,142,252	**14.7**	12.2

	Number		Weighted average fair value	
Special Recognition Awards	**2024**	**2023**	**2024**	**2023**
Outstanding as at 1 April	**46,154**	–	**14.27**	–
Granted	**–**	46,154	**0.00**	14.27
Vesting	**(46,154)**	–	**14.27**	–
Outstanding as at 31 March	**–**	46,154	**–**	14.27

The fair values of awards granted under the ICG plc Omnibus Plan are determined by the average share price for the five business days prior to grant

Notes to the financial statements continued

24. Share-based payments continued

Intermediate Capital Group plc Buy Out Awards

Buy Out Awards are shares awarded to new employees in lieu of prior awards forfeited. These share awards shall vest or be forfeited according to the schedule and terms of the forfeited awards, and any performance conditions detailed in the individual's employment contract. Buy Out Awards may be cash settled. Buy Out Awards outstanding were as follows:

	Number		Weighted average fair value	
Buy Out Awards	**2024**	**2023**	**2024**	**2023**
Outstanding as at 1 April	1,097,088	155,940	12.96	12.85
Granted	180,336	1,307,916	14.46	12.68
Vesting	(468,121)	(366,768)	13.55	13.35
Outstanding as at 31 March	**809,303**	**1,097,088**	**13.41**	**12.96**

The fair values of the Buy Out Awards granted are determined by the average share price for the five business days prior to grant.

Save As You Earn

The Group offers a Sharesave Scheme ('SAYE') to its UK employees. Options are granted at a 20% discount to the prevailing market price at the date of issue. Options to this equity-settled scheme are exercisable at the end of a three-year savings contract. Participants are not entitled to dividends prior to the exercise of the options. The maximum amount that can be saved by a participant in this way is £6,000 in any tax year.

Fair value is measured using the Black–Scholes valuation model, which considers the current share price of the Group, the risk-free interest rate and the expected volatility of the share price over the life of the award. The expected volatility was calculated by analysing three years of historic share price data of the Group.

The total amount to be expensed over the vesting period is determined by reference to the fair value of the share awards and options at grant date, which is remeasured at each reporting date. The total amount to be expensed during the year is £169,587 (2023: £210,031).

	Number		Weighted average fair value	
Save As You Earn	**2024**	**2023**	**2024**	**2023**
Outstanding as at 1 April	103,818	199,737	5.0	4.5
Granted	197,452	–	4.0	–
Vesting	(32,851)	(46,378)	3.3	3.3
Forfeited	(46,298)	(49,541)	5.5	4.3
Outstanding as at 31 March	**222,121**	**103,818**	**4.3**	**5.0**

Growth Incentive Award

The Growth Incentive Award ('GIA') is a market-value share option. Grants of options are made following the end of the financial year to reward employees for performance and to enhance alignment of interests. The GIA is a right to acquire shares during the exercise period (seven years following the vesting date) for a price equal to the market value of those shares on the grant date. These options vest at the end of the third year following the year of grant, unless the individual leaves for cause or to join a competitor. Awards are based on performance against the individual's objectives.

	Number		Weighted average fair value	
Growth Incentive Award	**2024**	**2023**	**2024**	**2023**
Outstanding as at 1 April	463,000	–	3.13	–
Granted	–	480,000	–	3.13
Vesting	–	–	–	–
Forfeited	(52,000)	(17,000)	3.13	–
Outstanding as at 31 March	**411,000**	**463,000**	**3.13**	**3.13**

Notes to the financial statements continued

25. Financial commitments

As described in the Strategic Report, the Group invests balance sheet capital alongside the funds it manages to grow the business and create long-term shareholder value. Commitments are made at the time of a fund's launch and are drawn down with the fund as it invests (typically over five years). Commitments may increase where distributions made are recallable. Commitments are irrevocable. At the balance sheet date the Group had undrawn commitments, which can be called on over the commitment period, as follows:

	2024 £m	2023 £m
ICG Europe Fund V	24.2	29.9
ICG Europe Fund VI	79.8	82.0
ICG Europe Fund VII	105.2	111.7
ICG Europe Fund VIII	192.4	185.5
ICG Mid-Market Fund	14.3	25.1
ICG Mid-Market Fund II	64.1	–
Intermediate Capital Asia Pacific Fund III	60.7	45.4
ICG Asia Pacific Fund IV	52.3	93.5
ICG Strategic Secondaries Fund II	32.1	33.1
ICG Strategic Equity Fund III	95.9	72.3
ICG Strategic Equity Fund IV	35.6	38.8
ICG Strategic Equity Fund V	79.2	–
ICG Recovery Fund II	40.8	34.3
LP Secondaries	20.8	47.4
ICG Senior Debt Partners II	4.0	3.8
ICG Senior Debt Partners III	5.1	5.8
ICG Senior Debt Partners IV	6.7	7.3
Senior Debt Partners V	26.6	42.3
Senior Debt Partners NYCERS	1.6	–
ICG North American Private Debt Fund	26.9	27.5
ICG North American Private Debt Fund II	24.6	27.9
ICG North American Credit Partners III	79.2	38.1
ICG-Longbow UK Real Estate Debt Investments V	0.2	0.2
ICG-Longbow UK Real Estate Debt Investments VI	12.4	13.9
ICG-Longbow Development Fund	6.8	6.8
ICG Living	20.9	21.8
ICG Infrastructure Equity Fund I	31.7	59.8
ICG Infrastructure Equity Fund II	10.1	–
ICG Private Markets Pooling - Sale and Leaseback	18.4	35.9
ICG Sale & Leaseback II	16.5	17.00
ICG Metropolitan 2	36.8	–
	1,225.9	**1,107.1**

Notes to the financial statements continued

26. Related party transactions

Subsidiaries

The Group is not deemed to be controlled or jointly controlled by any party directly or through intermediaries. The Group consists of the Parent Company, Intermediate Capital Group plc, incorporated in the UK, and its subsidiaries listed in note 27. All entities meeting the definition of a controlled entity as set out in IFRS 10 are consolidated within the results of the Group. All transactions between the Parent Company and its subsidiary undertakings are classified as related party transactions for the Parent Company financial statements and are eliminated on consolidation. Significant transactions with subsidiary undertakings relate to dividends received, the aggregate amount received during the year is £240.0m (2023: £386.6m) and recharge of costs to a subsidiary of £93.2m (2023: £168.5m)

Associates and joint ventures

An associate is an entity over which the Group has significant influence, but not control, over the financial and operating policy decisions of the entity. As the investments in associates are held for venture capital purposes they are designated at fair value through profit or loss. A joint venture is an arrangement whereby the parties have joint control over the arrangements, see note 29. Where the investment is held for venture capital purposes they are designated as fair value through profit or loss. These entities are related parties and the significant transactions with associates and joint ventures are as follows:

	2024 £m	2023 £m
Income statement		
Net gains/(losses) on investments	84.5	(17.2)
	84.5	**(17.2)**

	2024 £m	2023 £m
Statement of financial position		
Trade and other receivables	179.2	66.8
Trade and other payables	(155.0)	(52.3)
	24.2	**14.5**

Notes to the financial statements continued

26. Related party transactions continued

Unconsolidated structured entities

The Group has determined that, where the Group holds an investment, loan, fee receivable, guarantee or commitment with an investment fund, carried interest partnership or CLO, this represents an interest in a structured entity in accordance with IFRS 12 Disclosure of Interest in Other Entities (see note 30). The Group provides investment management services and receives management fees (including performance-related fees) and dividend income from these structured entities, which are related parties. Amounts receivable and payable from these structured entities arising in the normal course of business remain outstanding. At 31 March 2023, the Group's interest in and exposure to unconsolidated structured entities are as follows:

	2024 £m	2023 £m
Income statement		
Management fees	502.5	473.5
Performance fees	75.7	19.4
Dividend income	–	0.1
	578.2	**493.0**

	2024 £m	2023 £m
Statement of financial position		
Performance fees receivable	83.7	37.5
Trade and other receivables	848.1	781.9
Trade and other payables	(807.4)	(718.3)
	124.4	**101.1**

Key management personnel

Key management personnel are defined as the Executive Directors. The Executive Directors of the Group are Benoît Durteste , David Bicarregui and Antje Hensel-Roth.

The compensation of key management personnel during the year was as follows:

	2024 £m	2023 £m
Short-term employee benefits	3.7	3.7
Post-employment benefits	0.2	0.1
Other long-term benefits	0.2	0.9
Share-based payment benefits	6.9	7.0
	11.0	**11.7**

Notes to the financial statements continued

26. Related party transactions continued

Fees paid to Non-Executive Directors were as follows:

	2024 £000	2023 £000
William Rucker	**375.0**	63.9
Andrew Sykes	**120.0**	290.5
Rosemary Leith	**134.5**	113.9
Matthew Lester	**120.5**	116.5
Virginia Holmes	**120.5**	120.5
Stephen Welton	**90.5**	90.5
Amy Schioldager	**125.0**	125.0
Rusty Nelligan	**104.5**	108.5
Kathryn Purves	**–**	134.5

The remuneration of Directors and key executives and Non-Executive Directors is determined by the Remuneration Committee having regard to the performance of individuals and market rates. The Remuneration Policy is described in more detail in the Remuneration Committee Report on page 95.

Notes to the financial statements continued

27. Subsidiaries

Accounting policy

Investment in subsidiaries

The Group consists of the Parent Company, Intermediate Capital Group plc, and its subsidiaries, described collectively herein as 'ICG' or the 'Group'. Investments in subsidiaries in the Parent Company statement of financial position are recorded at cost less provision for impairments or at fair value through profit or loss.

Key accounting judgement

A key judgement for the Group is whether the Group controls an investee or fund and is required to consolidate the investee or fund into the results of the Group. Control is determined by the Directors' assessment of decision making authority, rights held by other parties, remuneration and exposure to returns.

When assessing whether the Group controls any fund it manages (or any entity associated with a fund) it is necessary to determine whether the Group acts in the capacity of principal or agent for the third-party investor. An agent is a party primarily engaged to act on behalf and for the benefit of another party or parties, whereas a principal is primarily engaged to act for its own benefit.

A key judgement when determining that the Group acts in the capacity of principal or agent is the kick-out rights of the third-party fund investors. We have reviewed these kick-out rights, across each of the entities where the Group has an interest. Where fund investors have substantive rights to remove the Group as the investment manager it has been concluded that the Group is an agent to the fund and thus the fund does not require consolidation into the Group. We consider if the Group has significant influence over these entities and, where we conclude it does, we recognise them as associates. Where the conclusion is that the Group acts in the capacity of principal the fund has been consolidated into the Group's results.

Where the Group has Trust entities in investment deals or fund structures, a key judgement is whether the Trust is acting on behalf of the Group or another third party. Where the Trust is considered to act as an agent of the Group, the Trust and its related subsidiaries have been consolidated into the Group.

As a fund manager ICG participates in carried interest partnerships (CIPs), the participants of which are the Group, certain of the Group's employees and others connected to the underlying fund. These vehicles have two purposes: 1) to facilitate payments of carried interest from the fund to carried interest participants, and 2) to facilitate individual co-investment into the funds. The Directors have undertaken a control assessment of each CIP in accordance with IFRS10 and have considered whether the CIP participants were providing a service for the benefit of the Group. In undertaking this assessment the Directors took account of the following key considerations:
– the Group's exposure to the variable returns of the CIP is limited to the amounts allocated to the Group (see 'Other information'). Such allocations are typically 20% or less of total returns realised by the CIP with the balance attributable to other participants
– CIPs are used to facilitate substantial co-investment by individuals in the underlying funds. These individuals are exposed to the risk of personal financial loss
– fund investors can, in certain conditions, veto changes in the key persons managing the fund

The Directors have assessed that certain CIPs are controlled, and they are included within the list of controlled structured entities below. The Directors conclude that other CIPs are not controlled by the Group.

The Group consists of a Parent Company, Intermediate Capital Group plc, incorporated in the UK, and a number of subsidiaries held directly or indirectly by ICG plc, which operate and are incorporated around the world. The subsidiary undertakings of the Group are shown below. All are wholly owned, and the Group's holding is in the ordinary share class, except where stated. The Companies Act 2006 requires disclosure of certain information about the Group's related undertakings. Related undertakings are subsidiaries, joint ventures and associates.

The registered office of all related undertakings at 31 March 2024 was Procession House, 55 Ludgate Hill, New Bridge Street, London EC4M 7JW, unless otherwise stated.

The financial year end of all related undertakings is 31 March, unless otherwise stated.

All entities are consolidated as at 31 March.

Notes to the financial statements continued

27. Subsidiaries continued

Directly held subsidiaries

Name	Ref[1]	Country of incorporation	Principal activity	Share class	% Voting rights held
ICG Asset Management Limited		United Kingdom	Holding company	Ordinary shares	100%
ICG FMC Limited		England & Wales	Holding company	Ordinary shares	100%
Intermediate Capital Investments Limited		England & Wales	Investment company	Ordinary shares	100%
ICG Global Investment UK Limited		England & Wales	Holding company	Ordinary shares	100%
ICG Carbon Funding Limited		England & Wales	Investment company	Ordinary shares	100%
ICG Longbow Richmond Limited		England & Wales	Holding company	Ordinary shares	100%
ICG-Longbow BTR Limited		England & Wales	Holding company	Ordinary shares	100%
ICG Japan (Funding 2) Limited		England & Wales	Holding company	Ordinary shares	100%
ICG Longbow Development (Brighton) Limited		England & Wales	Holding company	Ordinary shares	100%
LREC Partners Investments No. 2 Limited		England & Wales	Investment company	Ordinary shares	55%
ICG Longbow Senior Debt I GP Limited		England & Wales	General partner	Ordinary shares	100%
ICG Debt Advisors (Cayman) Ltd	4	Cayman Islands	Advisory company	Ordinary shares	100%
ICG Re Holding (Germany) GmbH	9	Germany	Special purpose vehicle	Ordinary shares	100%
ICG Watch Jersey GP Limited	19	Jersey	General partner	Ordinary shares	100%
Intermediate Investments Jersey Limited	19	Jersey	Investment company	Ordinary shares	100%
Intermediate Capital Group Espana SL	33	Spain	Advisory company	Ordinary shares	100%

1. Registered addresses are disclosed in pages 186.

Notes to the financial statements continued

27. Subsidiaries continued

Indirectly held subsidiaries

Name	Ref[1]	Country of incorporation	Principal activity	Share class	% Voting rights held
ICG Alternative Investment Limited		England & Wales	Advisory company	Ordinary shares	100%
Intermediate Capital Managers Limited		England & Wales	Advisory company	Ordinary shares	100%
Intermediate Capital Asia Pacific Limited	12	Hong Kong	Advisory company	Ordinary shares	100%
ICG Europe S.à r.l.	23	Luxembourg	Advisory company	Ordinary shares	100%
ICG Enterprise Co-Investment GP Limited		England & Wales	General Partner	Ordinary shares	100%
ICG-Longbow B Investments L.P.		England & Wales	Investment company	N/A	50%
ICG-Longbow Development GP LLP		England & Wales	General Partner	N/A	–%
Longbow Real Estate Capital LLP		England & Wales	Advisory company	N/A	–%
ICG Senior Debt Partners UK GP Limited		England & Wales	General Partner	Ordinary shares	100%
Intermediate Capital Group SAS	8	France	Advisory company	Ordinary shares	100%
ICG Nordic AB	34	Sweden	Advisory company	Ordinary shares	100%
Intermediate Capital Group Dienstleistungsgesellschaft mbH	9	Germany	Service company	Ordinary shares	100%
Intermediate Capital Group Benelux B.V.	30	Netherlands	Advisory company	Ordinary shares	100%
Intermediate Capital Group Inc.	17	United States	Advisory company	Ordinary shares	100%
Intermediate Capital GP 2003 Limited	19	Jersey	General Partner	Ordinary shares	100%
Intermediate Capital GP 2003 No.1 Limited	19	Jersey	General Partner	Ordinary shares	100%
Intermediate Capital Asia Pacific Mezzanine 2005 GP Limited	19	Jersey	General Partner	Ordinary shares	100%
Intermediate Capital Asia Pacific Mezzanine Opportunity 2005 GP Limited	19	Jersey	General Partner	Ordinary shares	100%
Intermediate Capital Asia Pacific 2008 GP Limited	19	Jersey	General Partner	Ordinary shares	100%
ICG Europe Fund V GP Limited	18	Jersey	General Partner	Ordinary shares	100%
Intermediate Capital Group Beratungsgesellschaft GmbH	9	Germany	Advisory company	Ordinary shares	100%
Intermediate Capital Group (Singapore) Pte. Limited	32	Singapore	Advisory company	Ordinary shares	100%
ICG North America Associates LLC	17	Delaware	General Partner	Ordinary shares	100%
ICG Japan KK	14	Japan	Advisory company	Ordinary shares	100%
ICG Asia Pacific Fund III GP Limited	19	Jersey	General Partner	Ordinary shares	100%
ICG Alternative Credit (Luxembourg) GP S.A.	25	Luxembourg	General Partner	Ordinary shares	100%
ICG Alternative Credit (Cayman) GP Limited	5	Cayman Islands	General Partner	Ordinary shares	100%
ICG Senior Debt Partners	28	Luxembourg	General Partner	Ordinary shares	100%
ICG Strategic Secondaries Carbon Associates LLC	17	Delaware	General Partner	Ordinary shares	100%
ICG European Fund 2006 B GP Limited	19	Jersey	General Partner	Ordinary shares	100%
ICG Europe Fund VI GP Limited	18	Jersey	General Partner	Ordinary shares	100%
ICG Total Credit (Global) GP, S.à r.l.	24	Luxembourg	General Partner	Ordinary shares	100%

1. Registered addresses are disclosed in page 186.

Notes to the financial statements continued

27. Subsidiaries continued

Indirectly held subsidiaries continued

Name	Ref[1]	Country of incorporation	Principal activity	Share class	% Voting rights held
ICG EFV MLP Limited	18	Jersey	General Partner	Ordinary shares	100%
ICG-Longbow IV GP S.à r.l.	20	Luxembourg	General Partner	Ordinary shares	100%
ICG Europe Fund VI Lux GP S.à r.l.	20	Luxembourg	General Partner	Ordinary shares	100%
ICG Centre Street Partnership GP Limited	18	Jersey	General Partner	Ordinary shares	100%
Intermediate Capital Group Polska Sp. z.o.o	31	Poland	Service company	Ordinary shares	100%
ICG Recovery Fund 2008 B GP Limited	19	Jersey	General Partner	Ordinary shares	100%
ICG Europe Fund VII GP S.à r.l.	28	Luxembourg	General Partner	Ordinary shares	100%
ICG - Longbow Fund V GP S.à r.l.	22	Luxembourg	General Partner	Ordinary shares	100%
ICG Private Markets GP S.à r.l.	27	Luxembourg	General Partner	Ordinary shares	100%
ICG Europe Mid-Market Fund GP S.à r.l.	28	Luxembourg	General Partner	Ordinary shares	100%
Intermediate Capital Inc	17	Delaware	Dormant	Ordinary shares	100%
ICG MF 2003 No.1 EGP 1 Limited		England & Wales	General Partner	Ordinary shares	100%
ICG MF 2003 No.1 EGP 2 Limited		England & Wales	General Partner	Ordinary shares	100%
ICG MF 2003 No. 3 EGP 1 Limited		England & Wales	General Partner	Ordinary shares	100%
ICG MF 2003 No.3 EGP 2 Limited		England & Wales	General Partner	Ordinary shares	100%
ICG Private Credit GP S.à r.l.	28	Luxembourg	General Partner	Ordinary shares	100%
Intermediate Capital Group (Italy) S.r.l	13	Italy	Advisory company	Ordinary shares	100%
ICG-LONGBOW SENIOR GP LLP		England & Wales	General Partner	N/A	–%
ICG Alternative Credit Warehouse Fund I GP, LLC	17	Delaware	General Partner	Ordinary shares	100%
ICG Alternative Credit (Jersey) GP Limited	19	Jersey	General Partner	Ordinary shares	100%
ICG Enterprise Carry GP Limited	19	Jersey	General Partner	Ordinary shares	100%
ICG Senior Debt Partners Performance GP Limited	19	Jersey	General Partner	Ordinary shares	100%
ICG Structured Special Opportunities GP Limited	5	Cayman Islands	General Partner	Ordinary shares	100%
ICG Asia Pacific Fund IV GP S.à r.l.	27	Luxembourg	General Partner	Ordinary shares	100%
ICG European Credit Mandate GP S.à r.l.	28	Luxembourg	General Partner	Ordinary shares	100%
ICG Infrastructure Equity Fund I GP S.a.r.l	29	Luxembourg	General Partner	Ordinary shares	100%
ICG LP Secondaries Fund Associates I S.a. r.l.	29	Luxembourg	General Partner	Ordinary shares	100%
ICG US Senior Loan Fund GP Ltd	5	Cayman Islands	General Partner	Ordinary shares	100%
ICG Recovery Fund II GP S.à r.l.	29	Luxembourg	General Partner	Ordinary shares	100%
ICG Strategic Equity IV GP LP	16	Delaware	Limited Partner	N/A	–%
ICG North American Private Debt (Offshore) GP Limited Partnership	5	Cayman Islands	Limited Partner	N/A	–%
ICG Europe Fund VI GP Limited Partnership	18	Jersey	Limited Partner	N/A	–%

1. Registered addresses are disclosed in page 186.

Notes to the financial statements continued

27. Subsidiaries continued

Indirectly held subsidiaries continued

Name	Ref[1]	Country of incorporation	Principal activity	Share class	% Voting rights held
ICG Strategic Secondaries Carbon (Offshore) GP LP	5	Cayman Islands	Limited Partner	N/A	–%
ICG Strategic Secondaries II (Offshore) GP LP	5	Cayman Islands	Limited Partner	N/A	–%
ICG Strategic Secondaries II GP LP	16	Delaware	Limited Partner	N/A	–%
ICG North American Private Debt II GP LP	17	Delaware	Limited Partner	N/A	–%
ICG North American Private Debt II (Offshore) GP LP	5	Cayman Islands	Limited Partner	N/A	–%
ICG Japan Cayman Performance GP Limited	5	Cayman Islands	General Partner	Ordinary shares	100%
ICG Strategic Equity Side Car GP LP	5	Cayman Islands	Limited Partner	N/A	–%
ICG Strategic Equity III (Offshore) GP LP	5	Cayman Islands	Limited Partner	N/A	–%
ICG Australian Senior Debt GP Limited	5	Cayman Islands	General Partner	Ordinary shares	100%
ICG Strategic Equity Side Car (Onshore) GP LP	16	Delaware	Limited Partner	N/A	–%
ICG Europe Fund VIII GP S.à r.l.	29	Luxembourg	General Partner	Ordinary shares	100%
ICG North American Private Equity I GP LP	21	Delaware	Limited Partner	N/A	–%
ICG Real Estate Debt VI GP S.à r.l.	27	Luxembourg	General Partner	Ordinary shares	100%
ICG Excelsior GP S.à r.l.	29	Luxembourg	General Partner	Ordinary shares	100%
ICG Life Sciences GP S.à r.l.	27	Luxembourg	General Partner	Ordinary shares	100%
ICG Strategic Equity Associates IV S.à r.l	29	Luxembourg	General Partner	Ordinary shares	100%
ICG Strategic Equity IV GP LP SCSp	29	Luxembourg	Limited Partner	N/A	–%
ICG RE AUSTRALIA GROUP PTY LTD	3	Australia	Service company	Ordinary shares	100%
ICG (DIFC) Limited	26	United Arab Emirates	Service company	Ordinary shares	100%
ICG Metropolitan GP S.à r.l.	22	Luxembourg	General Partner	Ordinary shares	100%
ICG Senior Debt Partners GP S.à r.l.	27	Luxembourg	General Partner	Ordinary shares	100%
ICG Real Estate Senior Debt V GP S.à r.l.	27	Luxembourg	General Partner	Ordinary shares	100%
ICG SRE GP II S.à r.l.	22	Luxembourg	General Partner	Ordinary shares	100%
ICG Living GP S.a r.l.	22	Luxembourg	General Partner	Ordinary shares	100%
ICG Europe Mid-Market Fund II GP S.à r.l.	29	Luxembourg	General Partner	Ordinary shares	100%
ICG Infrastructure Fund II GP S.à r.l	29	Luxembourg	General Partner	Ordinary shares	100%
ICG Strategic Equity GP V S.à r.l.	29	Luxembourg	General Partner	Ordinary shares	100%
ICG Fund Advisors LLC	17	Delaware	Advisory company	Ordinary shares	100%
ICG Alternative Credit LLC	17	Delaware	Advisory company	Ordinary shares	100%
ICG Strategic Equity Advisors LLC	17	Delaware	Advisory company	Ordinary shares	100%
ICG Debt Administration LLC	17	Delaware	Service company	Ordinary shares	100%
ICG Strategic Equity Associates II LLC	16	Delaware	General Partner	Ordinary shares	100%

1. Registered addresses are disclosed in page 186.

Notes to the financial statements continued

27. Subsidiaries continued

Indirectly held subsidiaries continued

Name	Ref[1]	Country of incorporation	Principal activity	Share class	% Voting rights held
ICG Velocity Co-Investor Associates LLC	16	Delaware	General Partner	Ordinary shares	100%
ICG Debt Advisors LLC - Manager Series	17	Delaware	Advisory company	Ordinary shares	100%
ICG North America Associates II LLC	17	Delaware	General Partner	Ordinary shares	100%
ICG Strategic Equity Associates III LLC	16	Delaware	General Partner	Ordinary shares	100%
ICG Augusta Associates LLC	16	Delaware	General Partner	Ordinary shares	100%
ICG STRATEGIC EQUITY ASSOCIATES IV LLC	16	Delaware	General Partner	Ordinary shares	100%
ICG LP Secondaries Associates I LLC	16	Delaware	General Partner	Ordinary shares	100%
ICG North America Associates III LLC	17	United States	General Partner	Ordinary shares	100%
ICG Global Investment Jersey Limited	18	Jersey	Investment company	Ordinary shares	100%
ICG North America Holdings Limited	5	Cayman Islands	Investment company	Ordinary shares	100%
ICG Global Nominee Jersey Limited	18	Jersey	Special purpose vehicle	Ordinary shares	100%
ICG Global Nominee Jersey 2 Limited	18	Jersey	Special purpose vehicle	Ordinary shares	100%
ICG RE CORPORATE AUSTRALIA PTY LTD	3	Australia	Service company	Ordinary shares	100%
ICG RE CAPITAL PARTNERS AUSTRALIA PTY LTD	3	Australia	Advisory company	Ordinary shares	100%
ICG RE FUNDS MANAGEMENT AUSTRALIA PTY LTD	3	Australia	Service company	Ordinary shares	100%
Intermediate Capital Managers (Australia) PTY Limited	2	Australia	Advisory company	Ordinary shares	100%
Intermediate Capital Australia PTY Limited	1	Australia	Advisory company	Ordinary shares	100%
ICG Alternative Investment (Netherlands) B.V.	30	Netherlands	Advisory company	Ordinary shares	100%
ICG Asia Pacific Fund IV GP LP SCSp	27	Luxembourg	Limited Partner	N/A	–%
ICG Augusta GP LP	5	Cayman Islands	Limited Partner	N/A	–%
ICG NA Debt Co-Invest Limited	15	England & Wales	Investment company	Ordinary shares	100%
ICG Debt Advisors LLC – Holdings Series	17	Delaware	Investment company	Ordinary shares	100%
ICG EFV MLP GP LIMITED		England & Wales	General Partner	Ordinary shares	100%
ICG Europe Fund VII GP LP SCSp	28	Luxembourg	Limited Partner	N/A	–%
ICG Europe Fund VIII GP LP SCSp	29	Luxembourg	Limited Partner	N/A	–%
ICG Europe Mid-Market Fund GP LP SCSp	28	Luxembourg	Limited Partner	N/A	–%
ICG European Credit Mandate GP LP SCSp	28	Luxembourg	Limited Partner	N/A	–%
ICG EXCELSIOR GP LP SCSp	29	Luxembourg	Limited Partner	N/A	–%
ICG Executive Financing Limited	19	Jersey	Service company	Ordinary shares	100%
ICG Infrastructure Equity Fund I GP LP SCSp	29	Luxembourg	Limited Partner	N/A	–%
ICG Life Sciences GP LP SCSp	27	Luxembourg	Limited Partner	N/A	–%
Avanton Richmond Developments Limited	7	England & Wales	Special purpose vehicle	Ordinary shares	70%

1. Registered addresses are disclosed in page 186.

Notes to the financial statements continued

27. Subsidiaries continued

Indirectly held subsidiaries continued

Name	Ref[1]	Country of incorporation	Principal activity	Share class	% Voting rights held
ICG LP Secondaries I GP LP SCSp	29	Luxembourg	Limited Partner	N/A	–%
ICG Employee Benefit Trust 2015	11	Guernsey	N/A	Ordinary shares	100%
ICG Private Markets General Partner SCSp	27	Luxembourg	General Partner	N/A	–%
ICG Real Estate Debt VI GP LP SCSp	27	Luxembourg	Limited Partner	N/A	–%
ICG Recovery Fund II GP LP SCSp	29	Luxembourg	Limited Partner	N/A	–%
ICG Strategic Equity Side Car II GP LP	5	Cayman Islands	Limited Partner	N/A	–%
ICG Strategic Equity Side Car II (Onshore) GP LP	16	Delaware	Limited Partner	N/A	–%
ICG Velocity GP LP	16	Delaware	Limited Partner	N/A	–%
ICG Velocity Co-Investor GP LP	16	Delaware	Limited Partner	N/A	–%
ICG Velocity Co-Investor (Offshore) GP LP	5	Cayman Islands	Limited Partner	N/A	–%
Wise Living Homes Limited	6	England & Wales	Special purpose vehicle	Ordinary shares	83%
Wise Limited Amber Langley Mill Limited	6	United Kingdom	Special purpose vehicle	Ordinary shares	83%
ICG Longbow Development Debt Limited		England & Wales	Investment company	Ordinary shares	100%
ICG-Longbow Investment 3 LLP		England & Wales	Special purpose vehicle	N/A	–%
ICG Asia Pacific Fund III GP Limited Partnership	19	Jersey	Limited Partner	N/A	–%
ICG Europe Fund V GP Limited Partnership	18	Jersey	Limited Partner	N/A	–%
ICG Europe Copenhagen, filial af ICG Europe S.à r.l.	35	Denmark	Branch	N/A	100%
ICG Europe SARL - Frankfurt Branch	36	Germany	Branch	N/A	100%
ICG Europe SARL - Milan Branch	37	Italy	Branch	N/A	100%
ICG Europe SARL - Paris Branch	38	France	Branch	N/A	100%
ICG North America Associates III S.à r.l.	27	Luxembourg	General Partner	Ordinary shares	100%
ICG North American Private Debt GP LP	17	Delaware	Limited Partner	N/A	–%
ICG Real Estate Opportunities APAC GP S.à r.l.	22	Luxembourg	General Partner	Ordinary shares	100%
ICG Strategic Equity GP V LLC	16	Delaware	General Partner	Ordinary shares	100%
Intermediate Capital Managers Limited (France Branch)	38	France	Branch	N/A	100%
ICG Infrastructure APAC I GP S.à r.l.	22	Luxembourg	General Partner	Ordinary shares	100%
Rock Investments GP S.à r.l.	27	Luxembourg	General Partner	Ordinary shares	100%
ICG Real Estate Debt VII GP Sarl	22	Luxembourg	General Partner	Ordinary shares	100%
ICG Seed Asset Founder LP Limited	19	Jersey	Special purpose vehicle	Ordinary shares	100%
ICG North American Private Equity Debt Limited	19	Jersey	Special purpose vehicle	Ordinary shares	100%
ICG Real Estate E Debt Limited	19	Jersey	Special purpose vehicle	Ordinary shares	100%
ICG Life Sciences Debt Limited	19	Jersey	Special purpose vehicle	Ordinary shares	100%

1. Registered addresses are disclosed in page 186.

Notes to the financial statements continued

27. Subsidiaries continued

Indirectly held subsidiaries continued

Name	Ref[1]	Country of incorporation	Principal activity	Share class	% Voting rights held
ICG North American Private Equity Associates I LLC	21	Delaware	General Partner	Ordinary shares	100%
ICG North American Private Equity Fund I LP	21	Delaware	Special purpose vehicle	N/A	–%
ICG Life Sciences SCSp	27	Luxembourg	Limited Partner	N/A	–%
ICG Life Sciences Feeder SCSp	27	Luxembourg	Special purpose vehicle	N/A	–%
ICG Funding Lux S.à r.l.	22	Luxembourg	Special purpose vehicle	Ordinary shares	100%
Atlanta Investment PTE. Limited	10	Singapore	Special purpose vehicle	Ordinary shares	100%
ICG Infrastructure APAC Fund SCSp	22	Luxembourg	Special purpose vehicle	N/A	–%
ICG Infrastructure APAC Investment PTE. Limited	10	Singapore	Special purpose vehicle	Ordinary shares	100%
Montero PTE Ltd	10	Singapore	Special purpose vehicle	Ordinary shares	100%
ICG Real Estate Opportunities APAC Fund SCSP	22	Luxembourg	Special purpose vehicle	N/A	–%
Yangju Investment PTE. LTD.	10	Singapore	Special purpose vehicle	Ordinary shares	100%
Montero Japan Master Pte. Ltd	10	Singapore	Special purpose vehicle	Ordinary shares	100%
Montero Cruise JP 1 Pte. Ltd	10	Singapore	Special purpose vehicle	Ordinary shares	100%
Montero Cruise JP 2 Pte. Ltd	10	Singapore	Special purpose vehicle	Ordinary shares	100%
Capstone Living and Stay General Private Investment Company No. 1	0	South Korea	Portfolio Company	Ordinary shares	100%
Capstone Living and Stay General Private Investment Company No. 2	0	South Korea	Portfolio Company	Ordinary shares	100%
Rifa Private Real Estate Trust No. 24	0	South Korea	Portfolio Company	Ordinary shares	100%

1. Registered addresses are disclosed in page 186.

Notes to the financial statements continued

27. Subsidiaries continued

	Registered offices
1	Level 18, 88 Phillip Street, Sydney, NSW 2000, Australia
2	Level 31, 88 Phillip Street, Sydney, NSW 2000, Australia
3	Level 9, 88 Phillip Street, Sydney, NSW 2000, Australia
4	75 Fort Street, Clifton House, c/o Estera Trust (Cayman) Limited, PO Box 1350, Grand Cayman, KY1-1108, Cayman Islands
5	PO Box 309, Ugland House, C/o Maples Corporate Services Limited, Grand Cayman, KY1-1104, Cayman Islands
6	17 Regan Way, Chetwynd Business Park, Chilwell, Nottingham, NG9 6RZ, England & Wales
7	Brock House, 19 Langham Street, London, England, W1W 6BP
8	1 rue de la Paix, Paris, 75002, France
9	12th Floor, An der Welle 5, Frankfurt, 60322, Germany
10	9 Temasek Boulevard, #12-01/02. Suntec Tower Two, 038989, Singapore
11	c/o Zedra Trust Company (Guernsey) Limited, 3rd Floor, Cambridge House, Le Truchot, St Peter Port, GY1 1WD, Guernsey
12	Suites 1301-02, 13/F, AIA Central, 1 Connaught Road Central, Hong Kong
13	Corso Giacomo Matteotti 3, Milan, 20121, Italy
14	Level 23, Otemachi Nomura Building, 2-1-1 Otemachi, Chiyoda-ku, Tokyo, 100-0004, Japan
15	25 Farringdon Street, London, EC4A 4AB
16	c/o Maples Fiduciary Services (Delaware) Inc., Suite 302, 4001 Kennett Pike, Wilmington, DE, 19807, United States
17	c/o The Corporation Trust Company, 1209 Orange Street, Wilmington, DE, 19801, United States
18	IFC 1, The Esplanade, St. Helier, JE1 4BP, Jersey
19	Ogier House,44 The Esplanade, St. Helier, JE4 9WG, Jersey
20	12E, rue Guillaume Kroll, L - 1882 Luxembourg
21	c/o Intertrust Corporate Services Delaware LTD, Suite 210, 200 Bellevue Parkway, Wilmington, DE, 19809, United States
22	3, rue Gabriel Lippmann, L - 5365 Munsbach, Luxembourg
23	32-36, boulevard d'Avranches L - 1160 Luxembourg, 1160, Luxembourg
24	49 Avenue John F. Kennedy, Luxembourg, L-1855, Luxembourg
25	5 Allée Scheffer, Luxembourg, L-2520, Luxembourg
26	Index Tower, Floor 4, Unit 404, Dubai International Financial Centre, Dubai, United Arab Emirates
27	6, rue Eugene Ruppert, Luxembourg, L-2453, Luxembourg
28	60, Avenue J.F. Kennedy, Luxembourg, L-1855, Luxembourg
29	6H Route de Trèves, Senningerberg, L-2633, Luxembourg
30	Paulus Potterstraat 20, 2hg., Amsterdam, 1071 DA, Netherlands
31	Spark B, Aleja Solidarnośći 171, Warsaw, 00-877, Poland
32	8 Marina View, #32-06. Asia Square Tower 1, 018960, Singapore
33	Serrano 30-3º, 28001 Madrid, Spain
34	David Bagares Gata 3, 111 38 Stockholm
35	Female Founders House Bredgade 45B, 3., kontor, Copenhagen, 607 1260, Denmark
36	12th Floor, Stockwerk, An der Welle 5, Frankfurt, 60322, Germany
37	Corso Giacomo Matteotti 3, Milan, 20121, Italy
38	1 rue de la Paix, Paris, 75002, France

Notes to the financial statements continued

27. Subsidiaries continued

The table below shows details of structured entities that the Group is deemed to control:

Name of subsidiary	Country of incorporation	% of ownership interests and voting rights
ICG US CLO 2014-1, Ltd.	Cayman Islands	50%
ICG US CLO 2014-2, Ltd.	Cayman Islands	72%
ICG US CLO 2014-3, Ltd.	Cayman Islands	51%
ICG US CLO 2015-1, Ltd.	Cayman Islands	50%
ICG US CLO 2015-2R, Ltd.	Cayman Islands	83%
ICG US CLO 2016-1, Ltd.	Cayman Islands	63%
ICG US CLO 2017-1, Ltd.	Cayman Islands	60%
ICG US CLO 2020-1, Ltd.	Cayman Islands	52%
ICG EURO CLO 2021-1 DAC	Ireland	67%
ICG EURO CLO 2023-2 DAC	Ireland	100%
St. Paul's CLO II DAC	Ireland	85%
St. Paul's CLO III-R DAC	Ireland	62%
St. Paul's CLO VI DAC	Ireland	53%
St. Paul's CLO VIII DAC	Ireland	53%
St. Paul's CLO XI DAC	Ireland	57%
ICG Euro CLO 2023-1 DAC	Ireland	100%
ICG Enterprise Carry (1) LP	Jersey	100%
ICG Enterprise Carry (2) LP	Jersey	50%
ICG US Senior Loan Fund	Cayman Islands	100%
ICG Total Credit (Global) SCA	Luxembourg	100%
ICG Newground RE Finance Trust 1	Australia	100%

The structured entities controlled by the Group include £5,089.7m (2023: £5,160.8m) of assets and £5,087.7m (2023: £5,109.2m) of liabilities within 21 funds listed above. These assets are restricted in their use to being the sole means by which the related fund liabilities can be settled. All other assets can be accessed or used to settle the other liabilities of the Group without significant restrictions.
The Group has not provided contractual or non-contractual financial or other support to a consolidated structured entity during the period. It is not the current intention to provide such support, including the intention to assist the structured entity in obtaining financial support.

Notes to the financial statements continued

27. Subsidiaries continued

Subsidiary audit exemption

For the period ended 31 March 2024, the following companies were entitled to exemption from audit under section 479A of the Companies Act 2006 relating to subsidiary companies. The member(s)[1] of the following companies have not required them to obtain an audit of their financial statements for the period ended 31 March 2024.

Company	Registered number	Member(s)
ICG FMC Limited	7266173	Intermediate Capital Group plc
ICG Global Investment UK Limited	7647419	Intermediate Capital Group plc
ICG Japan (Funding 2) Limited	9125779	Intermediate Capital Group plc
ICG Longbow Development (Brighton) Limited	8802752	Intermediate Capital Group plc
ICG Longbow Richmond Limited	11210259	Intermediate Capital Group plc
ICG Longbow BTR Limited	11177993	Intermediate Capital Group plc
ICG Longbow Senior Debt I GP Limited	2276839	Intermediate Capital Group plc
Intermediate Capital Investments Limited	2327070	Intermediate Capital Group plc
LREC Partners Investments No. 2 Limited	7428335	Intermediate Capital Group plc
ICG Longbow Development Debt Limited	9907841	ICG-Longbow Development GP LLP
ICG IC Holdco Limited	14542130	Intermediate Capital Group plc
ICG-Longbow Development GP LLP	OC396833	Intermediate Capital Group plc, ICG FMC Limited
ICG-Longbow Investment 3 LLP	OC395389	ICG FMC Limited, Intermediate Capital Managers Limited
ICG-Longbow Senior GP LLP	OC427634	Intermediate Capital Group plc, ICG FMC Limited

1. Shareholders or Partners, as appropriate.

Notes to the financial statements continued

28. Disposal groups held for sale and discontinued operations

Accounting policy

Non-current financial assets held for sale and disposal groups

The Group may make an investment and hold the asset on its balance sheet prior to it being transferred into a fund or sold to third-party investors. When assets are expected to be held for a period for up to a year, these assets may be classified as held for sale. Where the investment is held through a controlled investee the investee entity is classified as a disposal group held for sale.

The conditions for disposal groups held for sale are regarded as met only when the asset is available for immediate sale, the Directors are committed to the sale, and the sale is expected to be completed within one year from the date of classification.

Assets within disposal groups held for sale are recognised at the lower of fair value less cost to sell and their carrying amount as required by IFRS 5 Non-Current Assets Held for Sale and Discontinued Operations, except where the asset is a financial instrument or investment property. The measurement of these assets is determined by IFRS 9 Financial Instruments and IAS 40 Investment Property respectively. The Group's measurement of these assets is detailed in note 5.

Subsidiaries within disposal groups held for sale which were acquired with a view to resale are assessed as discontinued operations.

Financial year ended 31 March 2024

As at 31 March 2024, management have assessed that it is no longer highly probable that the remaining assets classified as disposal groups held for sale at the prior reporting date will be disposed of in the next 12 months and therefore have ceased to classify these assets as held for sale.

As at 31 March 2024 these assets are now classified either as financial assets at fair value through profit and loss in accordance with IFRS 9 (see note 5) or investment properties at fair value through profit and loss in accordance with IAS 40 (see note 18). Assets were reclassified at fair value.

During the year the majority of discontinued operations were derecognised following the sale of controlling interests in the subsidiaries to third-party investors (see note 31 for details of full realisations). A loss on disposal of £9.3m was recognised in respect of a full disposal of a discontinued operation and a loss of £3.9m was recognised in respect of a partial disposal of a discontinued operation, both to third parties. The retained interests do not meet the definition of held for sale and are classified as continuing operations. Prior year profit after tax of those discontinued operations not disposed during the year is immaterial and have not been re-presented to continuing operations.

Notes to the financial statements continued

29. Associates and joint ventures

Accounting policy

Investment in associates

An associate is an entity over which the Group has significant influence, but no control, over the financial and operating policy decisions of the entity. As the investments in associates are held for venture capital purposes they are designated at fair value through profit or loss.

Investment in joint ventures

A joint venture is a joint arrangement whereby the parties that have joint control over the arrangement have rights to the net assets of the arrangements. The results and assets and liabilities of joint ventures are incorporated in these financial statements using the equity method of accounting from the date on which the investee becomes a joint venture, except when the investment is held for venture capital purposes in which case they are designated as fair value through profit and loss. Under the equity method, an investment in a joint venture is initially recognised in the consolidated statement of financial position at cost, and adjusted thereafter to recognise the Group's share of the joint venture's profit or loss.

The nature of some of the activities of the Group associates and joint ventures are investment related which are seen as complementing the Group's operations and contributing to achieving the Group's overall strategy. The remaining associates and joint ventures are portfolio companies not involved in investment activities.

Details of associates and joint ventures

Details of each of the Group's associates at the end of the reporting period are as follows:

Name of associate	Principal activity	Country of incorporation	Proportion of ownership interest/voting rights held by the Group 2024	Income distributions received from associate 2024	Proportion of ownership interest/voting rights held by the Group 2023	Income distributions received from associate 2023
ICG Europe Fund V Jersey Limited[1]	Investment company	Jersey	20%	4.5	20%	11.0
ICG Europe Fund VI Jersey Limited[1]	Investment company	Jersey	17%	(3)	17%	24.7
ICG North American Private Debt Fund[2]	Investment company	United States of America	20%	1.1	20%	5.5
ICG Asia Pacific Fund III Singapore Pte. Limited[3]	Investment company	Singapore	20%	4.1	20%	(1.2)
Ambient Enterprises LLC[2]	Investment company	United States of America	43%	–	50%	–
KIK Equity Co-invest LLC[2]	Investment company	United States of America	25%	–	25%	–
Seaway Topco, LP[2]	Investment company	United States of America	49%	–	–%	–

1. The registered address for this entity is IFC 1 – The Esplanade, St Helier, Jersey JE1 4BP.
2. The registered address for this entity is c/o The Corporation Trust Company, 1209 Orange Street, Wilmington, DE, 19801, United States
3. The registered address for this entity is 9 Raffles Place. #26-01. Republic Plaza, 048619, Singapore

During the year the Group's investments in Seaway Topco, LP was assessed as an associate. All associates are accounted for at fair value.

The Group has a shareholding in each of ICG Europe Fund V Jersey Limited, ICG Europe Fund VI Jersey Limited, ICG North American Private Debt Fund, ICG Asia Pacific Fund III Singapore Pte. Limited and KIK Equity Co-invest LLC arising from its co-investment with a fund. The Group appoints the General Partner (GP) to each of these funds. The investors have substantive rights to remove the GP without cause. The Funds also each have an Advisory Council, nominated by the investors, whose function is to ensure that the GP is acting in the interest of investors. As the Group has a 17%–25% holding, and therefore significant influence in each entity, they have been considered as associates

The proportion of ownership interest in this Ambient Enterprises LLC has reduced in the year as a result of dilution.

Notes to the financial statements continued

29. Associates and joint ventures continued

Details of each of the Group's joint ventures at the end of the reporting period are as follows:

Name of joint venture	Accounting method	Principal activity	Country of incorporation	Proportion of ownership interest held by the Group 2024	Proportion of voting rights held by the Group 2024
Nomura ICG KK	Equity	Advisory company	Japan	–%	–%
Brighton Marina Group Limited	Fair value	Investment company	United Kingdom	70%	70%

Brighton Marina Group Limited is accounted for at fair value in accordance with IAS28 and IFRS9 and the Group's accounting policy in note 5 to the financial statements.

The Group holds 70% of the ordinary shares of Brighton Marina Group Limited and the management of this entity is jointly controlled with a third party who the Group does not control and therefore the Group is unable to execute decisions without the consent of the third party.

Summarised financial information for equity accounted joint ventures

During the year the Group disposed of its interest in Nomura ICG KK. Nomura ICG KK made no profit from continuing operations and total comprehensive income for the year ended 31 March 2024 (2023: £8.8m), of which the Group's share of results accounted for using the equity method is (£0.4m) for the year ended 31 March 2024 (2023: £4.4m).

Significant restriction

There are no significant restrictions on the ability of associates and joint ventures to transfer funds to the Group other than having sufficient distributable reserves.

Summarised financial information for associates material to the reporting entity

The Group's only material associate is ICG Europe Fund VI Jersey Limited which is an associate measured at fair value through profit and loss. The information below is derived from the IFRS financial statements of the entities. Materiality has been determined by the carrying value of the associate as a percentage of total Group assets.

The entity allows the Group to co-invest with ICG Europe Fund VI, aligning interests with other investors. In addition to the returns on its co-investment the Group receives performance-related fee income from the funds (see note 3). This is industry standard and is in line with other funds in the industry.

	ICG Fund VI Jersey Limited	
	2024 £m	2023 £m
Current assets	0.6	8.1
Non-current assets	975.4	1,023.9
Current liabilities	–	(55.8)
	976.0	976.2
Revenue	185.0	47.3
Expenses	(0.2)	(24.1)
Total comprehensive income	184.8	23.2

Notes to the financial statements continued

30. Unconsolidated structured entities

A structured entity is an entity that has been designed so that voting or similar rights are not the dominant factor in deciding who controls the entity, such as when any voting rights relate to administrative tasks only and the relevant activities are directed by means of contractual arrangements. The Group has determined that it has an interest in a structured entity where the Group holds an investment, loan, fee receivable or commitment with an investment fund or CLO. Where the Group does not hold an investment in the structured entity, management has determined that the characteristics of control, in accordance with IFRS 10, are not met.

The Group, as fund manager, acts in accordance with the pre-defined parameters set out in various agreements. The decision-making authority of the Group and the rights of third parties are documented. These agreements include management fees that are commensurate with the services provided and performance fee arrangements that are industry standard. As such, the Group is acting as agent on behalf of these investors and therefore these entities are not consolidated into the Group's results. Consolidated structured entities are detailed in note 27.

At 31 March 2024, the Group's interest in and exposure to unconsolidated structured entities including outstanding management and performance fees are detailed in the table below, and recognised within financial assets at FVTPL and trade and other receivables in the statement of financial position:

	2024					
Funds	Investment in Fund £m	Management fees receivable £m	Management fee rates %	Performance fees receivable £m	Performance fee rates %	Maximum exposure to loss £m
CLOs	295.9	4.2	0.19% to 0.50%	–	0.05% to 0.20%	300.1
Credit Funds	22.1	9.3	0.29% to 1.50%	13.0	20% of returns in excess of 0% for Alternative Credit Fund only	44.4
Corporate Investment Funds	1,402.7	61.6	0.43% to 1.50%	66.4	20%–25% of total performance fee of 10%–20% of profit over the threshold	1,530.7
Real Asset Funds	401.6	17.7	0.30% to 1.24%	–	20% of total performance fee of 15%–20% of profit over the threshold	419.3
Secondaries Funds	455.8	38.5	0.75% to 1.37%	4.3	20% of total performance fee of 12.5%–20% of profit over the threshold	498.6
Total	**2,578.1**	**131.3**		**83.7**		**2,793.1**

						2023
Funds	Investment in Fund £m	Management fees receivable £m	Management fee rates %	Performance fees receivable £m	Performance fee rates %	Maximum exposure to loss £m
CLOs	298.3	4.1	0.19% to 0.50%	–	0.05% to 0.20%	302.4
Credit Funds	65.9	8.6	0.29% to 1.50%	(0.3)	20% of returns in excess of 0% for Alternative Credit Fund only	74.2
Corporate Investment Funds	1,341.5	55.9	0.43% to 1.50%	37.6	20%–25% of total performance fee of 20% of profit over the threshold	1,435.0
Real Asset Funds	288.5	12.0	0.30% to 1.24%	–	20% of returns in excess of 9% IRR	300.5
Secondaries Funds	441.1	20.2	0.75% to 1.37%	0.2	10%–20% of total performance fee of 8%–20% of profit over the threshold	461.5
Total	**2,435.3**	**100.8**		**37.5**		**2,573.6**

The Group's maximum exposure to loss is equal to the value of any investments held and unpaid management fees and performance fees.

The Group has not provided non-contractual financial or other support to the unconsolidated structured entities during the year. It is not the current intention to provide such support, including the intention to assist the structured entity in obtaining financial support.

Notes to the financial statements continued

31. Net cash flows from operating activities

Accounting policy
Cash flows arising from the acquisition and disposal of assets to seed new investment strategies are classified as operating, as this activity is undertaken to establish new sources of fund management fee income, growing the operating activities of the Group.

	Notes	Year ended 31 March 2024 Group £m	Year ended 31 March 2023 Group £m
Profit before tax from continuing operations		**530.8**	**251.0**
Adjustments for non-cash items:			
Fee and other operating income	3	(554.8)	(483.6)
Net investment returns	9	(405.3)	(172.5)
Interest income	8	(21.6)	(15.5)
Net fair value (gain)/loss on derivatives		(22.8)	34.9
Impact of movement in foreign exchange rates		33.3	(17.8)
Interest expense	10	49.5	64.6
Depreciation, amortisation and impairment of property, plant, equipment and intangible assets	16, 17	18.0	18.2
Share-based payment expense		43.9	39.5
Change in disposal groups held for sale		–	(8.8)
Working capital changes:			
Increase in trade and other receivables		(88.7)	(12.0)
Decrease in trade and other payables		(17.7)	(196.9)
		(435.4)	**(498.9)**
Proceeds from sale of current financial assets and disposal groups held for sale		319.2	45.5
Purchase of current financial assets and disposal groups held for sale		(312.1)	(211.9)
Purchase of investments		(1,729.7)	(1,374.6)
Proceeds from sales and maturities of investments		2,233.1	1,721.8
Issuance of CLO notes[1]		–	0.4
Redemption of CLO notes[1]		(389.1)	(45.6)
Interest received[2]		447.2	322.6
Dividends received[2]		47.0	40.2
Fee and other operating income received		496.4	587.9
Interest paid		(379.5)	(263.4)
Cash flows generated from operations		**297.1**	**324.0**
Taxes paid		(41.2)	(32.4)
Net cash flows from operating activities		**255.9**	**291.6**

1. The prior period has been re-presented to separately disclose the gross amounts of issuance and redemption of CLO notes, previously included within the "Purchase of Investment" and "Proceeds from sales and maturities of investments" lines respectively.
2. The prior period has been re-presented to separately disclose Interest received and Dividends received, previously disclosed as "Interest and dividend income received".

Notes to the financial statements continued

31. Net cash flows from operating activities continued

Included within Proceeds from sale of current financial assets and disposal groups held for sale is i) cash consideration received of £240.0m in respect of the disposals of the Group's real estate seed investments in Metropolitan SCSp and Metropolitan 2 SCSp resulting in a loss of control by the Group in those entities. Immediately prior to the disposal the net asset value of these interests was £247.1m, predominantly comprised of investment property; ii) cash consideration received of £44.8m in respect of the disposal of the Group's interest in an LP Secondaries transaction, resulting in a loss of control by the Group in that entity. Immediately prior to the disposal the net asset value of this interest was £26.6m, comprised of interests in private equity funds; and iii) cash consideration of £1.7m and non-cash consideration of £15.2m in respect of the partial disposal of the Group's seed investment in Seaway Topco LP resulting in a loss of control by the Group. Immediately prior to the disposal the net asset value of this interest was £40.1m, predominantly comprised of goodwill (see note 28).

Purchase of current financial assets and disposal groups held for sale includes £123.1m (FY23: £56.4m) of financial assets and £169.5m (FY23: £100.6m) of investment property held by controlled subsidiaries.

	Notes	Year ended 31 March 2024 Company £m	Year ended 31 March 2023 Company £m
Profit before tax from continuing operations		**298.2**	**51.5**
Adjustments for non-cash items:			
Fee and other operating income		(16.3)	(3.9)
Dividend income		(240.0)	(386.6)
Interest income		(75.1)	(53.7)
Net investment returns		(8.9)	(0.7)
Net fair value (gain)/loss on derivatives		(23.5)	7.5
Impact of movement in foreign exchange rates		(99.7)	141.1
Interest expense		124.4	124.9
Depreciation, amortisation and impairment of property, equipment and intangible assets	16, 17	10.9	12.0
Write-down of intercompany loan balance		12.2	12.7
Share-based payment expense		43.9	39.5
Intragroup reallocation of incurred costs		(80.6)	(152.0)
Working capital changes:			
Decrease in trade and other receivables		7.3	4.5
Decrease in trade and other payables		(118.0)	(15.8)
		(165.2)	**(219.0)**
Proceeds from sale of current financial assets		–	34.2
Purchase of current financial assets		–	(134.6)
Purchase of investments		(28.0)	(73.1)
Proceeds from sales and maturities of investments		70.1	127.5
Interest received		21.4	6.0
Fee and other operating income received		11.7	5.0
Interest paid		(46.8)	(60.3)
Cash flows used in operations		**(136.8)**	**(314.3)**
Taxes paid		(24.2)	(20.8)
Net cash flows used in operating activities		**(161.0)**	**(335.1)**

Notes to the financial statements continued

32. Contingent liabilities

The Parent Company and its subsidiaries may be party to legal claims arising in the course of business. The Directors do not anticipate that the outcome of any such potential proceedings and claims will have a material adverse effect on the Group's financial position and at present there are no such claims where their financial impact can be reasonably estimated. The Parent Company and its subsidiaries may be able to recover any monies paid out in settlement of claims from third parties.

There are no other material contingent liabilities.

33. Post balance sheet events

There have been no material events since the balance sheet date.

Glossary

Non-IFRS alternative performance measures (APM) are defined below:

Term	Short Form	Definition			
APM cash		Total cash excluding balances within consolidated structured entities.			
APM earnings per share	EPS	APM profit after tax (annualised when reporting a six-month period's results) divided by the weighted average number of ordinary shares as detailed in note 15.			
APM Group profit before tax		Group profit before tax adjusted for the impact of the consolidated structured entities (see note 4). As at 31 March, this is calculated as follows:			
				2024	**2023**
		Profit before tax		**£530.80**	£251.0m
		Plus/Less consolidated structured entities		**£67.0m**	£7.1m
		APM Group profit/(loss) before tax		**£597.8m**	£258.1m
Assets under management	AUM	Value of all funds and assets managed by the Group. AUM is calculated by adding third-party AUM and the value of the Balance Sheet Investment Portfolio.			
				2024	**2023**
		Third Party AUM		**$94.5bn**	$77.0bn
		Balance Sheet Investment Portfolio		**$3.9bn**	$3.2bn
		Total AUM		**$98.4bn**	$80.2bn
Available cash		Total available cash comprises APM cash less regulatory liquidity requirements.			
				2024	**2023**
		APM cash		**£627.4m**	£550.0m
		Regulatory liquidity requirement		**(£53.0)m**	(£44.0)m
		Available cash		**£574.4m**	£506.0m
Balance sheet investment portfolio		The balance sheet investment portfolio represents financial assets from the statement of financial position, adjusted for the impact of the consolidated structured entities and excluding derivatives.			
				2024	**2023**
		Total non current and current financial assets	Note 4	**£3,080.3m**	£2,924.6m
		Derivative (assets)		**(£10.3)m**	(£22.6)m
		Total balance sheet investment portfolio		**£3,070.0m**	£2,902m
Cash profit	PICP	Cash profit is defined as internally reported profit before tax and incentive schemes, adjusted for non-cash items			
				2024	**2023**
		APM profit before tax		**£597.8m**	£258.1m
		Add back incentive schemes		**£171.9m**	£151.8m
		Other adjustments		**(£258.8)m**	£121.9m
		Cash profit		**£510.9m**	£531.8m
Earnings per share	EPS	Profit after tax (annualised when reporting a six-month period's results) divided by the weighted average number of ordinary shares as detailed in note 15.			
EBITDA		Earnings before interest, tax, depreciation and amortisation.			
Equalisation		When new third-party clients subscribe to a closed-end fund after the first close, they pay a pre-agreed return to clients who subscribed to the fund at an earlier close. This compensates those clients for their capital being tied up for longer. This is referred to as 'equalisation' and can result in gain or loss for earlier investors compared to the latest fund valuation.			
Group cashflows from operating activities- APM		Group cashflows from operating activities – APM is net cash flows from operating activities adjusted for interest paid			
				2024	**2023**
		Group cashflows from operating activities- APM		**£388.9m**	£395.0m
		Interest paid		**(£49.3)m**	(£63.5)m
		Net cash flows from/(used in) operating activities	Note 4	**£339.6m**	£331.5m

Glossary continued

Term	Short Form	Definition			
Group cashflows from financing activities - APM		Group cashflows from financing activities – APM is net cash flows from financing activities adjusted for interest paid and the payment of principal portion of lease liabilities			
				2024	**2023**
		Group cashflows from financing activities - APM		**£241.6m**	(£533.4)m
		Interest paid		**£49.3m**	£63.5m
		Payment of principal portion of lease liabilities		**(£8.4)m**	(£6.8)m
		Net cash flows from/(used in) financing activities	Note 4	**(£282.5)m**	(£476.7)m
Net cash flows used in investing activities		Other operating cashflows is net cash flows from investing activities adjusted for the payment of principal portion of lease liabilities			
				2024	**2023**
		Net cash flows used in investing activities		**£22.0m**	(£70.0)m
		Payment of principal portion of lease liabilities		**(£8.4)m**	(£6.8)m
		Other operating cashflows		**£13.6m**	(£76.8)m
Interest expense		Interest expense excludes the cost of financing associated with the consolidated structured entities. See note 10 for a full reconciliation.			
Net asset value per share		Total equity from the statement of financial position adjusted for the impact of the consolidated structured entities divided by the closing number of ordinary shares. As at 31 March, this is calculated as follows:			
				2024	**2023**
		Total equity (See note 4)		**£2,295.4m**	£1,977.4m
		Closing number of ordinary shares		**286,699,346**	285,082,287
		Net asset value per share		**801p**	694p
		On an IFRS basis Net Asset Value as follows:			
				2024	**2023**
		Total equity (See note 4)		**£2,299.7m**	£2,045.2m
		Closing number of ordinary shares		**286,699,346**	285,082,287
		Net asset value per share		**802p**	717p

Glossary continued

Term	Short Form	Definition
Net current assets		The total of cash, plus current financial assets, plus other current assets, less current liabilities as internally reported. This excludes the consolidated structured entities. As at 31 March, this is calculated as follows:

	2024	2023
Cash	**£627.4m**	£550.0m
Current financial assets	**£366.6m**	£282.4m
Other current assets	**£299.1m**	£243.7m
Current financial liabilities	**(£268.4)m**	(£79.1)m
Other current liabilities	**(£255.8)m**	(£157.7)m
Net current assets	**£768.9m**	£839.3m

On an IFRS basis net current assets are as follows:

	2024	2023
Cash	**£990.0m**	£957.5m
Current financial assets	**–**	–
Other current assets	**£486.3m**	£307.3m
Disposal groups held for sale	**0**	£578.3m
Current financial liabilities	**(£259.3)m**	(£64.3)m
Other current liabilities	**(£576.2)m**	(£501.0)m
Liabilities directly associated with disposal groups held for sale	**0**	(£204.0)m
Net current assets	**£640.8m**	£1,073.8m

Term	Short Form	Definition
Net financial debt		Net financial debt includes available cash whereas gearing uses gross borrowings and is therefore not impacted by movements in cash balances. Gross drawn debt less available cash of the Group, as at 31 March, is calculated as follows:

	2024	2023
Total liabilities held at unamortised cost	**£1447.4m**	£1653.4m
Impact of upfront fees/unamortised discount	**£0.6m**	£1.6m
Gross drawn debt (see page 64)	**£1,538.0m**	£1,538.0m
Less available cash	**(£574.4)m**	(£506.0)m
Net debt	**£873.6m**	£1,032.0m

Glossary continued

Term	Short Form	Definition
Net gearing		Net debt, excluding the consolidated structured entities, divided by total equity from the statement of financial position adjusted for the impact of the consolidated structured entities. As at 31 March, this is calculated as follows:

	2024	2023
Net debt	**£874m**	£1,032m
Shareholders' equity	**£2,295.4m**	£1,977.4m
Net gearing	**0.38x**	0.52x

Term	Short Form	Definition
Net Investment Returns		Net Investment Returns is the total of interest income, capital gains, dividend and other income generated by the balance sheet investment portfolio less asset impairments.
Operating cashflow		Operating cashflow represents the cash generated from operating activities from the statement of cashflows, adjusted for the impact of the consolidated structured entities. See note 4 for a full reconciliation.
Operating profit margin		Fund Management Company profit before tax divided by Fund Management Company total revenue. As at 31 March this is calculated as follows:

	2024	2023
Fund Management Company profit before tax	**£374.4m**	£310.7m
Fund Management Company total revenue	**£652.0m**	£539.9m
Operating profit margin	**57.4%**	57.5%

Term	Short Form	Definition
Third Party Fee Earning AUM		AUM for which the Group is paid a management fee or performance fee. Fee-earning AUM is determined by the fee basis on which the fund earns fees, either commitments or investments.
Total available liquidity		Total available liquidity comprises available cash and undrawn debt facilities.
Total fund size		Total fund size is the sum of third-party AUM and ICG plc's commitment to that fund.
Weighted-average fee rate		An average fee rate across all strategies based on fee earning AUM in which the fees earned are weighted based on the relative AUM.

Glossary continued

Other definitions which have not been identified as non-IFRS GAAP alternative performance measures are as follows:

Term	Short Form	Definition
Additions (of AUM)		Within AUM: New commitments of capital by clients including recycled AUM. Within third-party fee-earning AUM: the aggregate of new commitments of capital by clients that pay fees on committed capital, and deployment of capital that charges fees on invested capital.
AIFMD		The EU Alternative Investment Fund Managers Directive.
Alternative performance measure	APM	These are non-IFRS financial measures.
CAGR		Compound Annual Growth Rate.
Catch-up fees		Fees charged to investors who commit to a fund charging fees on commitments after its first close. This has the impact of backdating their commitment thereby aligning all investors in the fund.
Client base		Client base includes all direct investment fund and liquid credit fund investors.
Closed-end fund		A fund where investor's commitments are fixed for the duration of the fund and the fund has a defined investment period.
Co-investment	Co-invest	A direct investment made alongside or in a fund taking a pro-rata share of all instruments.
Collateralised Loan Obligation	CLO	CLO is a type of investment grade security backed by a pool of loans.
Close		A stage in fundraising whereby a fund is able to release or draw down the capital contractually committed at that date.
Default		An 'event of default' is defined as: A company fails to make timely payment of principal and/or interest under the contractual terms of any financial obligation by the required payment date A restructuring of the company's obligations as a result of distressed circumstances A company enters into bankruptcy or receivership
Deal Vintage Bonus		DVB awards are a long-term employee incentive, enabling certain investment teams, excluding Executive Directors, to share in the future realised profits from certain investments within the Group's balance sheet portfolio.
Direct investment funds		Funds which invest in self-originated transactions for which there is a low volume, illiquid secondary market.
DPI		Distributed to Paid-In Capital
Employee Benefit Trust	EBT	Special purpose vehicle used to purchase ICG plc shares which are used to satisfy share options and awards granted under the Group's employee share schemes.
Environmental, Social and Governance	ESG	Environmental, social and governance (ESG) criteria are a set of standards for a company's operations that socially conscious investors use to screen potential investments.
Financial Conduct Authority	FCA	Regulates conduct by both retail and wholesale financial service companies in provision of services to consumers.
Financial Reporting Council	FRC	The UK's independent regulator responsible for promoting high quality corporate governance and reporting.
Fund		A pool of third-party capital allocated to a specific investment strategy or strategies, managed by ICG plc or its affiliates.
Fund Management Company	FMC	The Group's fund management business, which sources and manages investments on behalf of the IC and third-party funds.
Fund level leverage		Debt facilities utilised by funds to finance assets.
Gross money on invested capital	Gross MOIC	Total realised and unrealised value of investments (before deduction of any fees), divided by the total invested cost.
HMRC		HM Revenue & Customs, the UK tax authority.
IAS		International Accounting Standards.
IFRS		International Financial Reporting Standards as adopted by the United Kingdom.
Illiquid assets		Asset classes which are not actively traded.
Internal Rate of Return	IRR	The annualised return received by an investor in a fund. It is calculated from cash drawn from and returned to the investor together with the residual value of the asset.

Glossary continued

Term	Short Form	Definition
Investment Company	IC	The Investment Company invests the Group's balance sheet to seed and accelerate emerging strategies, and invests alongside the Group's more established funds to align interests between the Group's client, employees and shareholders. It also supports a number of costs including for certain central functions, a part of the Executive Directors' compensation and the portion of the investment teams' compensation linked to the returns of the balance sheet investment portfolio.
Key Person		Certain funds have a designated Key Person. The departure of a Key Person without adequate replacement triggers a contractual right for investors to cancel their commitments or kick-out of the Group as fund manager.
Key performance indicator	KPI	A business metric used to evaluate factors that are crucial to the success of an organisation.
Key risk indicator	KRI	A measure used to indicate how risky an activity is. It is an indicator of the possibility of future adverse impact.
Liquid assets		Asset classes with an active, established market in which assets may be readily bought and sold.
LTM EBITDA		Last twelve month's earning before interest, tax, depreciation and amortisation.
Market movements		Market movements of AUM comprises revaluation of non-USD denominated funds and changes in net asset value for funds where the measurement of AUM is based on the fund net asset value.
Money multiple	MOIC or MM	Cumulative returns divided by original capital invested.
Net currency assets		Net assets excluding certain items including; trade and other receivables, trade and other payables, property plant and equipment, cash balances held by the Group's fund management entities and current and deferred tax assets and liabilities.
Open-ended fund		A fund which remains open to new commitments and where an investor's commitment may be redeemed with appropriate notice.
Performance fees	Carried interest or Carry	Share of profits that the fund manager is due once it has returned the cost of investment and agreed preferred return to investors.
Realisation		The return of invested capital in the form of principal, rolled-up interest and/or capital gain.
Realisations (of AUM)		Reductions in AUM due to capital being returned to investors and/or no longer able to be called by the fund, and the reduction in AUM due to step-downs.
Recycle (of AUM)		Where the fund is able to re-invest capital that has previously been invested and then realised. This is typically only within a defined period during the fund's investment period and is generally subject to certain requirements.
Relevant investments		Relevant investments include all direct investments within ICG's Structured and Private Equity asset class and Infrastructure Equity strategy, 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.
RCF		Revolving credit facility
Seed investments		Investments within the balance sheet investment portfolio that the Group anticipates transferring to a fund in due course, typically made where the Group is seeding new strategies in anticipation of raising a fund.
Step-down		A reduction in AUM resulting from the end of the investment period in an existing fund or when a subsequent fund starts to invest. Funds that charge fees on committed capital during the investment period will normally shift to charging fees on net invested capital post step-down. There is generally the ability to continue to call further capital from funds that have had a step-down in certain circumstances.
Separately Managed Account	SMA	Third-party capital committed by a single investor allocated to a specific investment strategy or strategies, managed by ICG plc or its affiliates.
Science-based target	SBT	A decarbonisation target independently validated by the Science Based Targets initiative (SBTi) which defines and promotes best practice in science-based target setting in line with the latest climate science.
Structured entities		Entities which are classified as investment funds, credit funds or CLOs and are deemed to be controlled by the Group, through its interests in either an investment, loan, fee receivable, guarantee or commitment.
Task Force on Climate-related Financial Disclosures		The TCFD was created by the Financial Stability Board to develop recommendations on the types of information that companies should disclose to support investors, lenders, and insurance underwriters in appropriately assessing and pricing a specific set of risks related to climate change.
Total AUM		The aggregate of the Third Party AUM and the Balance Sheet investment portfolio.
UK Corporate Governance Code	The Code	Sets out standards of good practice in relation to board leadership and effectiveness, remuneration, accountability and relations with shareholders.
Principles for Responsible Investment	UN PRI	The Principles for Responsible Investment is an independent association promoting responsible investment to its network in order to enhance returns and better manage risks of investments.

Basis of preparation for GHG emissions statement

The Greenhouse gas emissions (GHG) of the Group and Company are prepared in accordance with the GHG Protocol Corporate Accounting and Reporting Standard, aligned with the Scope 2 Guidance, and Corporate Value Chain (Scope 3) Standard. ICG has attempted to use as much actual data to calculate its GHG emissions as possible, but there are circumstances where data has been estimated through a variety of methods according to the emissions source and the data available. The information below provides further detail into the calculations, estimation approaches and limitations of data we had to calculate our operational CO_2e.

Reporting Period

ICG's GHG emissions reporting period of 1 April to 31 March is in line with our Annual Report and Accounts, however the GHG emissions footprint was completed prior to 31 March for the purpose of timely disclosure in the Annual Report and Accounts 2024. To align the periods, ICG calculated the footprint by utilising actual data across the determined GHG emissions sources for the calendar year (1 January – 31 December 2023). The January – March 2023 data was then used as a proxy for the January – March 2024 period. This method was conducted in line with previous ICG GHG emissions calculations and therefore provides comparability between years.

The exception to this rule was the old USA office. This office was closed on 31 January 2023. However all energy consumption for this office was attributed to the prior reporting period rather than using proxy data.

There are instances where some serviced offices are unable to obtain data for the period requested. In this situation, we obtain data for the closest possible period which acts as a proxy for the year. This is evident in one small office where the landlord only releases service charge data one year in arrears.

The main change in the site list for the current reporting period is only one site being operational in the US, where for the prior reporting period there were two. A smaller amendment for the current reporting period is the removal of the Amsterdam office from the site list, due to the site now falling under the threshold of five employees.

Scope 1 and Scope 2 emissions, waste generated in operations, and fuel and energy related activities

For all sites we used actual data from periodic utility bills, and secondary data provided by landlords for service charge costs that were split by floor space rented. In periods where we were unable to obtain actual data covering the whole year, we utilised an extrapolation method which calculated the average daily use from actual data and extrapolated it to replace missing data to ensure a full 365 days of readings. This approach was used for gas heating (when present), electricity, water and waste (when available) and Scope 3 Fuel-related energy activities. Serviced offices unable to obtain waste and water data from landlords were not included in this statement and are insignificant to the footprint.

F-Gas use is based on air-conditioning units only. However, for our global offices where this often falls under the operational control of the landlord, it can be hard to obtain this information. Due to the sporadic nature of top ups to air conditioning units, and the minimal effect that top-ups will have on the carbon footprint of our small offices, unless we receive the data from the landlord, this is assumed to be zero. For the larger offices, we make a concerted effort to obtain this information and in the case of the UK, we have control over the maintenance of these units and can obtain this information.

Renewable energy certificates are provided by energy suppliers in differing quality of presentation. This often depends on the maturity of the renewable energy market in the specific country. ICG seeks the form of Guarantee of origin/REGO certificates or power purchase agreements from the local supplier or renewable energy tariffs. ICG requests 100% renewable energy tariffs from its suppliers if available, however where the supplied certificate does not state this explicitly, it is assumed that this is the case for the market-based GHG emissions. In some cases energy is not procured by ICG but the landlord/property agent, and therefore ICG has less control over the electricity purchased.

Changes from the previous inventory

District heating related GHG emissions were added to the Scope 2 purchased heat category. This was not previously known until the reporting period. Landlords have provided this extra level of information this year. There are two facilities with district heating. Emissions are calculated based on the supplier emissions factors. Where the supplier emissions factors are not available (due to the landlord purchasing the energy, the DEFRA factors have been used because the offices that use district heating are small, and the consumption is a minor element of the carbon footprint.

During the move to the new US office in the prior reporting period, the energy consumption and sources were not known. Taking a conservative approach, it was assumed that gas is consumed and the calculation in the prior reporting period was done on this basis. However, through further engagement in the current reporting period, it was confirmed that no gas is used on-site. This led to a minor reduction of approximately 25 $tC0_2e$ from the GHG emissions statement.

Business Travel

Business travel data is split into five groups – air, rail, taxis, car rental, and hotels. At ICG, air, rail, car rental and hotel bookings (but not taxis) are booked through the company's central business travel booking agent providers who provide ICG with all necessary data as an output (individual trips, distance travelled, days rented, stays in hotels, and hotel locations) for calculating emissions. During this reporting period, the booking systems have become the primary platform for booking air, rail, car rental, and hotels at ICG. The booking system provides data on distances and origins, as opposed to only the amount spent on the travel. This has meant a higher proportion of GHG emissions calculations using distance and location based emissions factors in line with the requirements of the GHG protocol Corporate Value Chain (Scope 3) Standard. Note that taxis continue to be measured through expense claims.

Air Travel

Data such as the flight origin and destination, distance travelled, and class of travel were provided by the booking agent via the travel booking systems.

ICG sourced the relevant emissions factors from the UK Government, DEFRA (a UK government department responsible for environmental protection) – GHG Conversion Factors for Company Reporting – Business travel – Air 2023. Flights were organised by haul length (domestic, short, long and international), along with the relevant class of travel. As per DEFRA guidance, short-haul emissions factors were used for flights from the UK to other countries that had a distance of less than 3,700km. Long haul emissions factors were used for flights from the UK to other countries which had a distance greater than 3,700km. For travel between other countries the international flights DEFRA factors were used. The class of travel was also used to associate the correct emissions factor. If DEFRA did not hold a seat class specific factor (for example, there is no class of travel factor for Domestic UK flights), then the average flight factor was used for the haul length.

Basis of preparation for GHG emissions statement continued

There were limitations on data quality from one of the central booking systems. The booking system output cannot differentiate which flights were upgraded and which flights were exchanged for new flights or had amended dates (but kept the same travel class). Therefore, an assumption was made, on the advice of the provider, that cabin class upgrades would cost £500 or more; any entries labelled as 'upgrade/ exchange/reissue''were then filtered based on this assumption and manually checked by the provider so that the correct cabin classes could be assigned. There were also limitations regarding the classification of 'miscellaneous''costs from the data provider which could not be associated with additional travel beyond the current list of flights. These 'miscellaneous''data points were excluded from the inventory as the provider stated that they were not related to travel but were additional costs associated with prior bookings.

Rail Travel

Data utilised from booking providers included travel origin and destination, and distance travelled. In previous GHG emissions statements, GHG emissions for rail travel was calculated by converting $ spend on rail travel into CO_2 equivalent using a general inland travel emission factor. As the centralised booking system became the primary platform for booking trains in 2022 for rail travel in the USA, a more accurate distance-based carbon emissions factor was used instead of the spend-based approach. For USA-specific rail travel the EPA emissions factors for the Amtrak Intercity rail – National average Northeast corridor were used. This was the case because the ICG office is located in New York and rail travel is focused within this region. For EU-related travel, the NTM for EU average rail emissions factors were used instead of spend based factors as European staff also have migrated to the central booking platform. The NTM emissions factor is more accurate than using spend factors or DEFRA factor international rail travel as it is focused on EU travel and electricity grids, while it also incorporates well to wheel emissions. For rail travel in the UK, Eurostar rail travel, and any rail travel between UK and EU, the UK government DEFRA emissions factors were used. Where distance travelled data was not available we estimated the distance travelled by the amount spent using an average of the data points that had both spend and related distance travelled. For cases where there was an error in the recording of origin/ destination locations, an attempt was made to manually assign locations and distances to the entry; where this wasn't possible the UK rail factor was used as it is higher than the European rail factor and overestimation is preferred to underestimation.

Hotel Stays

GHG emissions from hotel stays are included in the business travel activities. The travel bookings agent provided booking data that consisted of the country of the hotel, the number of nights stayed and the number of rooms used. DEFRA sourced factors for hotel stays in specific countries were aligned with the country data. For countries that did not have a DEFRA sourced emissions factor, we sourced an emissions factor from The Hotel Footprinting tool (https://www.hotelfootprints.org/), using the four star hotel option. All countries of hotel stay for year ended 31 March 2024 are covered by this approach. In a small number of cases a hotel name/ address was not provided, but a country of hotel was. This country was assumed to be correct and allocated a country factor as per above. While no circumstances occurred where we could not allocate a country, a default factor would be used which consisted of an average calculation of all factors used from the year.

Taxi Travel

Travel by taxi was calculated differently to other business travel due to the limited availability of data. For taxi use we were unable to collect information on the distance travelled, origin to destination or type of vehicle data to estimate the emissions. Taxi travel is claimed by staff through the expenses system as well as occasionally being registered as a procurement spend. Therefore, the total spend on taxi travel from countries around the world was used as the basis for calculation. This spend on taxi travel was converted to GBP using YTD average FX rates for 31 December 2023, then converted to CO2e using the exiobase spend base carbon emissions factor for land-based travel.

Car Rental

The data available for car rental was limited and is being included in the inventory for the first time this reporting period. There was no way to know the distance travelled in each rental car as it was only known how many days they were rented for. To estimate distance travelled, an assumption was applied, from an average figure provided in a report from the Transport Research Laboratory, stating that rental vehicles are driven for at least 50 miles a day. A DEFRA emissions factor, for average vehicles with unknown fuel type, was then applied to this distance to estimate emissions from rental cars. For one office where days rented was not available the fuel consumption method was used to calculate emissions from car rental.

Purchased Goods and Services

The baseline for GHG emissions stemming from purchased goods and services has shifted since the prior reporting period. In the current reporting period GHG emissions were calculated using mostly a spend-based approach, while, for a small number of large spend suppliers we have for the first time integrated actual corporate level data. The addition of actual data has been conducted in line with the recommendations from the GHG Protocol Scope 3 Corporate value-chain guidance. For 11 large suppliers, ICG sourced total Scope 1, Scope 2 (market-based) and Scope 3 (category 1 to 7 emissions only if available) GHG emissions from the relevant disclosures of these suppliers (public sources). If market-based data was not available, then location based data was used for Scope 2 GHG emissions. The reporting periods used were for the closest available reporting 12-month periods to ICG's, though sometimes these did not align perfectly. ICG then sourced the total revenue of these companies in the same period and calculated an emissions per $ spend. Then using the total value of the amount ICG spent with that supplier, ICG allocated a proportion of emissions to itself from the supplier.

The remaining spend-related data (for all spend outside of the 11 large suppliers) was provided by the ICG procurement team for the period 1 January – 31 December 2023. This includes spend on capital goods. Purchased Good and Services emissions are calculated using identifiable vendors and their related industry. We are excluding expenditure where we can not clearly identify the vendor's industry or emissions for the purposes of our Purchased Goods and Services calculation. This constitutes a very small part of the overall population; approx. 1% of expenditure after removal of intercompany transactions. Therefore, GHG emissions represent an estimate based on the industry in which the supplier operates. The ICG suppliers were categorised based on the SICS industry classification on a best effort basis using the largest spend per individual supplier and were then mapped against BEIS/DEFRA emissions factors which are based on the UK carbon footprint from 2020. Approximately 97% of supplier spend was categorised to a SIC code. However, the 3% of small spend that was uncategorised was allocated an #office admin/ business support' emissions factor in the absence of further information because the majority of ICG suppliers are business support service providers.

Outstanding debt facilities

	Currency	Drawn £m	Undrawn £m	Total £m	Interest rate	Maturity
ESG-linked RCF	GBP	–	550.0	550.0	SONIA +1.375%	January-26
Eurobond 2020	EUR	427.0	–	427.0	1.60%	February-27
ESG Linked Bond	EUR	427.0	–	427.0	2.50%	January-30
Total bonds		**854.0**	**–**	**854.0**		
PP 2015 – Class C	USD	63.0	–	63.0	5.20%	May-25
PP 2015 – Class F	EUR	38.0	–	38.0	3.40%	May-25
Private Placement 2015		**101.0**	**–**	**101.0**		
PP 2016 – Class B	USD	90.0	–	90.0	4.70%	September-24
PP 2016 – Class C	USD	43.0	–	43.0	5.00%	September-26
PP 2016 – Class E	EUR	19.0	–	19.0	3.00%	January-27
PP 2016 – Class F	EUR	26.0	–	26.0	2.70%	January-25
Private Placement 2016		**178.0**	**–**	**178.0**		
PP 2019 – Class A	USD	99.0	–	99.0	4.80%	April-24
PP 2019 – Class B	USD	79.0	–	79.0	5.00%	March-26
PP 2019 – Class C	USD	99.0	–	99.0	5.40%	March-29
PP 2019 – Class D	EUR	38.0	–	38.0	2.00%	April-24
Private Placement 2019		**315.0**	**–**	**315.0**		
Total Private Placements		**594.0**	**–**	**594.0**		
Total		**1,448.0**	**550.0**	**1,998.0**		

Shareholder and Company information

Event	Date
– Ex-dividend date	– 13 June 2024
– Record date	– 14 June 2024
– Last date for dividend reinvestment election	– 12 July 2024
– Last date and time for submitting Forms of Proxy	– 10.00am, 12 July 2024
– AGM and Trading statement	– 16 July 2024
– Payment of ordinary dividend	– 2 August 2024
– Half year results announcement	– 13 November 2024

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