

Key performance indicators

# HOW WE MEASURE OUR SUCCESS

**A 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	<b>A</b>
Weighted-average fee rate	<b>A</b>
Fund Management Company operating margin	<b>A</b>
Deployment of direct investment funds	
Percentage of realised assets exceeding performance hurdle	
UK senior management diversity	

**P See more on our strategic objectives on page 12**



**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.



**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

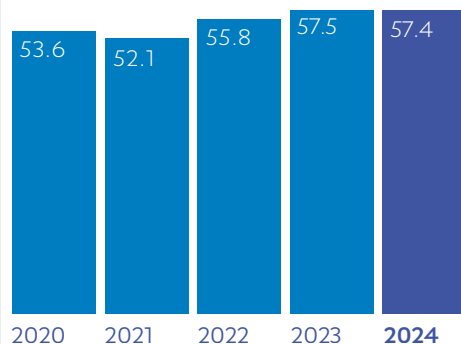
- ① Europe VIII
- ② Asia Pacific IV
- ③ LP Secondaries I
- ④ Recovery Fund II
- ⑤ RE Partnership VI

[Read more on our Executive Director KPIs on page 100](#)

## FMC operating margin %

A

57.4%



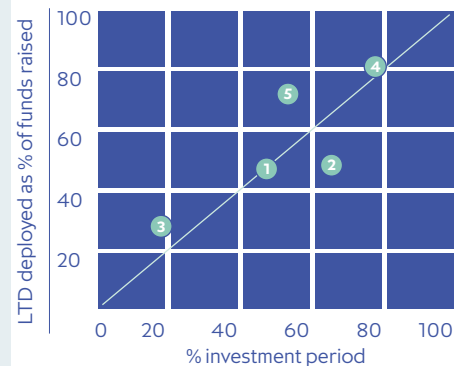
## Rationale

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

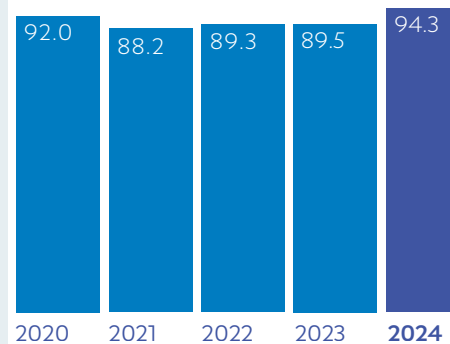
Direct investment funds have a defined investment period. We monitor progress against a straight-line deployment basis as an indicator of timing for subsequent fund raising.

## 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

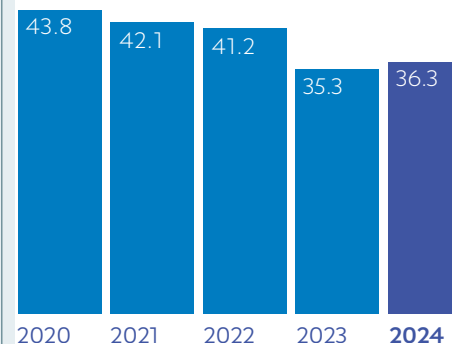
An indicator of our ability to manage portfolios to maximise value is the level of realised assets for which the return is above the fund performance hurdle rate. This is the minimum return level clients expect and the point at which the Group earns performance fees.

## 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.