



# Improving transparency and disclosure: Good practice reporting by portfolio companies

**Private Equity Reporting Group**

The Guidelines for Disclosure and  
Transparency in Private Equity

December 2025



<b>01</b>	Introduction	03
<b>02</b>	Executive summary	04
<b>04</b>	Applying the Guidelines – Guiding principles	06
<b>05</b>	Appendices	23
<b>06</b>	Contacts	26

# Table of contents

# Introduction

**The objective of this guide is to support private equity-owned portfolio companies in enhancing the transparency and disclosure of both financial and narrative reporting by showcasing examples of good practice.**

The Private Equity Reporting Group (the ‘Group’) was established to monitor the UK private equity industry’s adherence to the Guidelines for Disclosure and Transparency in Private Equity (the ‘Guidelines’). The Guidelines originated from an independent review of the adequacy of disclosure and transparency of reporting by private equity owned companies undertaken by Sir David Walker at the request of the British Private Equity and Venture Capital Association (‘BVCA’).

The Group is also responsible for making recommendations to the BVCA for changes to the Guidelines as needed. Following consultation with stakeholders, the Guidelines were refreshed in December 2024, incorporating feedback from the industry and reflecting developments in corporate reporting, including sustainability and ESG disclosures.

In setting out the Guidelines for Disclosure and Transparency in Private Equity revised December 2024 (‘the Guidelines’) we have continued to make it clear which areas are specific to the Guidelines due to private equity ownership, which would be required by large private companies in any case, and which areas are incremental due to our aspiration of matching the standard of quoted company reporting. This Good Practice Guide has been published alongside our eighteenth report on compliance with the Guidelines.

The Group has commissioned PwC to produce this guide to illustrate how the Guidelines should be implemented and to share examples of good practice to encourage the adoption of good practice across all aspects of reporting. They are not a comprehensive analysis of how any individual company complied with any particular Guideline, but to illustrate different attributes and styles of reporting that have been determined to have at least some of the good practice qualities. Importantly, where a portfolio company is seeking to comply with the Guidelines they should include a clear statement of compliance within their annual report to demonstrate active adherence.

We note that a “glossy” annual report isn’t always a prerequisite to meet good practice and that some of our good practice examples come from growing businesses that were previously privately owned, who have produced succinct and good quality disclosures.

Overall, many metrics have improved this year, reflecting the continued progress and commitment of portfolio companies to transparency and reporting quality. At the same time, we are mindful that the bar for what is expected has shifted upwards as a result of evolving regulatory requirements and broader changes in the reporting landscape, making ongoing improvement even more important.

We remain disappointed that there are common areas for improvement across the population, with many still failing to provide clear, quantified non-financial KPIs and to link these metrics explicitly to strategy and remuneration. We also see that discussion on factors affecting future performance often lack detail on the macro-economic, competitive or regulatory trends, and that gender diversity reporting is still varied, with gaps in definitions and broader targets.

The Group would like to thank PwC and the BVCA for their continued efforts in assisting the Group with the review of the portfolio companies and the production of this guide.



**Nick Land**

Chairman  
Private Equity Reporting Group

# Executive summary

**The purpose of this report is to provide guidance for those individuals at portfolio companies who are responsible for preparing the Annual Report and financial statements, and to provide some examples of good and excellent practice for each of the Walker Guidelines.**

Non-financial reporting is an increasingly important element of the Annual Report and statutory and regulatory changes are bringing more companies into scope for enhanced disclosure. More recent changes impacting large private companies, which will likely include a number of portfolio companies reflect the stakeholder focus on the impact that companies have on the wider communities they operate in. Portfolio companies have the opportunity to be ahead of the game through making a more full-hearted attempt to comply with the Walker Guidelines, which provide a strong foundation for the increased disclosures required.

As a first point of reference, each of the Guidelines has been broken down into specific requirements which must be addressed in order to achieve ‘basic’, ‘good’ or ‘excellent’ practice. For each, we have included an example that meets ‘good’ or ‘excellent’ practice.

## Objectives of the Guidelines

- 01** To demonstrate the private equity industry’s commitment to transparency of its activities.
- 02** To provide data to support the private equity industry’s contribution to the UK economy.

## The Revised Guidelines (December 2024)

In December 2024, the PERG conducted a full root and branch review which identified several areas of the Guidelines requiring updates to reflect significant changes in disclosure requirements since the 2014 criteria were developed. The increasing importance of disclosures around environmental matters, gender & diversity, employees and principal risks and uncertainties to key stakeholders have been considered in these updated Guidelines.

The main principles of the Guidelines remain consistent: focusing on providing transparency and accountability, addressing the needs of a wide range of stakeholders, with an emphasis on meaningful, company-specific disclosures being made.

The main updates in the Revised Guidelines are:

- **Risks (including financial):** A stronger emphasis on risk management objectives, policies, and principal financial risks, including leverage, with links to financial statement footnotes. Requirement to explain how the board identifies opportunities, creates and preserves value, and oversees risk mitigation.
- **Environmental reporting:** Expanded requirements for environmental disclosures, including energy and carbon reporting (in line with SECR), Scope 3 emissions, and climate-related financial disclosures (aligned with TCFD and other frameworks). Encouragement to use robust frameworks for transition plans (e.g., Transition Plan Taskforce).
- **Gender, diversity, equity and inclusion:** Mandatory disclosure of diversity, equity, and inclusion (DEI) policies, with measurable objectives and progress reporting. Encouragement to align with government and industry DEI initiatives (e.g., Investing in Women Code, FTSE Women Leaders Review).

It is anticipated that there will be some flexibility in the first year of adoption, however any areas of non-compliance must be clearly explained, with good reasoning and plans for future disclosure provided alongside related disclosures. Portfolio companies are encouraged to cross-reference where disclosures are made under other frameworks, to avoid duplication.

As part of the revision to the Guidelines, the definition of a portfolio company to be covered by the enhanced reporting requirements was also amended.

Further details of the full Revised Guidelines are available on the Private Equity Reporting Group website.

# Executive summary

Those examples that met and/or exceeded the requirements typically followed a process that started with clear articulation of the strategy. We have illustrated this process as follows:



In addition to the points referenced above, preparers should ensure that those Guidelines which are more prescriptive in nature are addressed by including specific headings and/or signposts to the information. This includes the identity of the Private Equity house (Guideline 1), the composition of the board (Guideline 2), social, community and human rights issues (Guideline 14), and gender diversity (Guideline 15). The annual report should also include an explicit statement of compliance with the Guidelines.

# Applying the Guidelines

## Guiding principles

**The Guidelines requirements are split into fifteen sections in three broad areas. However, when determining what to include in the annual report and constructing its look and feel, in addition to compliance with the individual criteria, the annual report should be fair, balanced and understandable to a user of the accounts.**

Good annual reports:

- Are tailored to the business and avoid boilerplate language.
- Provide useful and specific information, avoiding generic terms and superficial references.
- Are not cluttered with erroneous or repeated information and help the reader focus on and understand the key relevant information.
- Are consistent throughout and demonstrate linkage between each area.

No two annual reports will look the same, as no two businesses are the same but these principles, along with the specific criteria in the Guidelines will enhance understanding and comparability of annual reports. The examples highlighted in this guide are indicative of good practice and represent some of the attributes of the requirements, rather than the full disclosure being included, however each company should determine the most appropriate format and content for their relevant circumstances.

Excellent practice disclosures are achieved where they stand out over and above the requirements of the Guidelines, akin to examples of transparency and disclosure in the higher end of the listed reporting space. A company would be expected to include all relevant attributes listed in the Guidelines and go beyond this in order to achieve this classification.

The Guidelines are summarised below and set out in more detail on the following pages where examples of good reporting are included:

## 01

### Guidelines specific

Disclosures focused on the features that occur from being under private equity ownership:

- Identity of the private equity firm – page 8.
- Details on board composition – page 9.
- Financial review – position – page 10.
- Financial review – financial risks – page 11.

## 02

### Strategic report

Disclosures similar to those required for all large private companies and quoted companies in order to comply with the Strategic Report Regulations and included in the Guidelines to offer comparability to those disclosures often seen in large and listed company reports:

- Balanced and comprehensive analysis of development and performance during the year and position at the year end – page 12.
- Principal risks and uncertainties facing the company – page 13.
- Key performance indicators – financial – page 14.
- Key performance indicators – non-financial including environmental matters and employees – page 15.
- Strategy – page 16.
- Business model – page 17.
- Trends and factors affecting future development, performance or position – page 18.
- Environmental matters – page 19.
- Employees – page 20.
- Social, community and human rights issues – page 21.
- Gender diversity information – page 22.



# Applying the Guidelines (continued)

## 03

### Statement of compliance

- A statement of compliance with the Guidelines should be presented in the annual report to demonstrate the Guidelines have been addressed. This does not need to be substantial and can be presented wherever seems most relevant.
- A suggestion for this statement would be 'The Directors consider the annual report and financial statements to comply with all aspects of the Guidelines for Disclosure and Transparency in Private Equity.'
- Where the annual report does not fully comply with the Guidelines this should be referenced.

## 04

### Comply or explain requirement

The extracts of 'Good Practice' shown through this guide are examples of disclosures that we see as being consistent with that standard. Where elements of the requirements are not applicable to the specifics of that company, our view is that the Guidelines encourage explanation as to why they are not relevant and why the disclosure may be omitted, under the 'comply or explain' philosophy.

## 05

### Disclosure placement

Compliance with the Guidelines should be addressed in the audited annual report and financial statements and should not rely on other website or review documents for compliance. Most companies will find they include these requirements within their strategic report. Where there is any crossover between the director's report and other areas of the annual report, appropriate cross references may be used to ensure compliance whilst optimising the most appropriate and clear structure for the accounts.

There is also a growing trend to include environmental or employee data in a separate report. We consider information reported in these separate reports only where they are clearly cross-referenced in the annual report and is publicly available on the portfolio company's website.

# 1. Identity of private equity firm



## Requirement

The report should identify the private equity fund or funds that own the company and the senior executives or advisers of the equity firm in the UK who have oversight of the company on behalf of the fund or funds.



## Examples of good practice

- Name of the fund as well as the name of the private equity firm.
- Background on the private equity firm and explanation of its role.
- History of the ownership of the company, including that of previous equity owners.



## Examples of non-compliance to avoid

- Identity of the private equity firm and the relevant senior executives of the firm omitted.

## Inizio – 31 December 2024 (Excellent practice)

### Ownership

The Group was formed as a result of private equity firm Clayton, Dubilier & Rice (**CD&R**) acquiring (i) Huntsworth Limited (formerly Huntsworth plc) on 1 May 2020 and subsequently, (ii) UDG Healthcare Limited (formerly UDG Healthcare plc) on 16 August 2021. A corporate reorganisation took place on 16 August 2021 to bring Huntsworth and UDG together into one corporate group.

Founded in 1978, CD&R is one of the oldest private equity firms and is based in North America. CD&R has a history of working with management teams to grow companies and build stronger, more profitable businesses. Value is created by collaborating with management to spur operational performance improvements, by accelerating growth strategies, injecting new talent and boosting productivity. CD&R executes a consistent investment strategy across North America and Europe, focusing on market-leading businesses in the consumer/retail, healthcare, industrial, and services sectors. CD&R's investors include leading financial institutions, university endowments and corporate and public pension funds.

The Group is owned by certain CD&R managed investment fund vehicles (and certain affiliated vehicles thereof), including:

- Clayton, Dubilier & Rice Fund X, L.P.; Clayton, Dubilier & Rice Fund X-A, L.P.; CD&R Advisor Fund X, L.P. and CD&R Ulysses Equity Holdings, L.P., (collectively, **Fund X**); and
- Clayton, Dubilier & Rice Fund XI, L.P.; Clayton, Dubilier & Rice Fund XI-A, L.P.; CD&R Advisor Fund XI, L.P. (collectively, **Cayman Fund XI Partnerships**) and Clayton, Dubilier & Rice XI (Scotland), L.P. (**Scotland Fund XI Partnership**), (Cayman Fund XI Partnerships and Scotland Fund XI Partnership collectively, **Fund XI**).

The ultimate controlling party of Fund X and Fund XI is Clayton, Dubilier & Rice Holdings, LLC.

In this example private equity firm's identity along with the funds involved is clearly disclosed and there is good detail of background of the private equity firm. Further the ownership history is well documented, with a clear timeline.



## 2. Details on board composition



### Requirement

The report should give detail on the composition of the board, identifying separately executives of the company, directors who are executives or representatives of the private equity firm and directors brought in from outside to add relevant industry or other experience.



### Examples of good practice

- Additional explanations of the industry and other relevant experience that external directors bring to the company.
- Disclosure of other appointments.



### Examples of non-compliance to avoid

- The Companies Act requirement of the disclosure of the directors of the company is not, by itself, sufficient to meet this requirement of the Guidelines. Additional disclosures are required to highlight which of the directors are also directors of, or had been appointed by, the private equity firm.

### The Restaurant Group – 31 December 2024 (Excellent practice)

#### Introduction/background

During the reporting year, the Company's Board consisted of five Directors, comprising two Executive Directors – the Chief Executive Officer and the Chief Financial Officer – and three Non-Executive Directors representing the Company's only shareholder, Rock Bidco Ltd, a vehicle indirectly owned by the Apollo Funds and managed by affiliates of Apollo Global Management, Inc. Apollo acquired the business in December 2023 – prior to that, the Company held a premium listing on the London Stock Exchange.

During the reporting year, the Company's Board was the central strategic decision-making forum for all subsidiary entities and business divisions within The Restaurant Group. Following the refinancing and corporate restructuring that completed in January 2025, the Group was reorganised into separate divisional silos for each constituent business with their own separate UK holding companies. The Company now acts as the holding company solely for the Concessions silo, with Rock Bidco Ltd taking over as the main strategic decision-making entity for the wider Group. For upcoming financial years, the individual silo holding companies will report on a consolidated basis for each division separately. The new group governance structure, where appropriate, devolves relevant strategic decisions to those individual Boards.

#### Alex van Hoek

Alex, a partner at Apollo, was appointed a Director following the Apollo acquisition and acts as Chair of the Board. Alex joined Apollo in New York in 2010. Since 2021, he has been based in London and oversees the firm's efforts in various sectors in Europe, including consumer, retail, and transportation and logistics. Alex has been involved in multiple private equity transactions and currently serves as a director at The Restaurant Group, Great Canadian Gaming and Evri. Prior to joining Apollo, Alex was an analyst at Deutsche Bank.

#### Andy Hornby (CEO)

Andy is an experienced CEO with strong consumer and digital credentials, having previously worked for companies including Ladbrokes Coral and Alliance Boots. He has been CEO at TRG since August 2019. Andy is also Non-Executive Chair of Sharps Bedrooms and a Trustee of the charity Only A Pavement Away.

#### Mark Chambers (CFO)

Mark has extensive experience in finance and the hospitality sector, including as CEO of TRG's Leisure division prior to his appointment as Group CFO from September 2023. He previously worked as managing director, retail, at GVC Holdings plc (now Entain plc), as well as holding senior finance positions at Giles Insurance and Norman Broadbent.

This example identifies all directors, including those appointed by the private equity firm, and provides additional details on their relevant experiences, skills, and other appointments.

# 3. Financial review – Position



## Requirement

The review of financial position should include an explanation of the year end debt and capital structure of the company and its funding requirements. This should be linked into the financial statements and notes through appropriate cross referencing.



## Examples of good practice

- An analysis of the components of debt and the repayment schedule.
- Discussion and quantification of debt covenants.
- A discussion of gearing and leverage.
- A reconciliation of the year end net debt position to the prior year (or to free cash flow).
- Where non-GAAP measures (for example, net debt and free cash flow) are used to support the discussion in the financial review these are appropriately reconciled to the financial statements.
- Proforma information, where appropriate, to enable meaningful comparatives to be provided (for example where the portfolio company is a NewCo acquisition vehicle in its first years of reporting).



## Examples of non-compliance to avoid

- Failure to specifically cross-reference to notes to the financial statements where further detail is provided on the debt structure, where applicable.

## M Group Services – 31 March 2025 (Excellent practice)

### Bank financing and interest

Total bank loans as at 31 March 2025 were £520.0m (2024: £520.0m). The net finance cost in the year amounted to £91.9m (2024: £93.0m).

The Group is financed by equity and bank debt (senior debt). The Group successfully up-sized the Revolving Credit Facility (RCF) on 23 September 2024 to £139.5m (2024: £103.0m). This was undrawn at the balance sheet date (2024: undrawn). Details of maturity dates can be found in note 21. The only financial covenant associated with the senior debt is a gearing covenant which is monitored monthly to ensure there is adequate covenant headroom over the life of the facilities. As at 31 March 2025 the covenant is x2.5. Interest on the senior debt is settled in cash.

### Liquidity

The Group has access to significant liquidity, allowing flexibility in managing cash flow and making strategic investment decisions. The total available liquidity as at 31 March 2025 was £320.9m (FY24: £279.1m). This comprises cash and cash equivalents of £110.1m (FY: £104.8m), undrawn RCF of £110.8m (FY24: £74.3m) and a Committed Acquisition Facility (CAF) of £100.0m (FY24: £100.0m). As detailed in note 36, the RCF was further increased to £185.0m post year-end and the CAF was increased to £340.0m total across two lenders, giving a total liquidity of over £500m.

### Financial instruments

The Group has mitigated its interest rate risk through entering into SONIA interest rate hedging arrangements to its senior debt facility, which run to November 2026. These hedging instruments mitigate interest rate risk by swapping variable interest rates for fixed interest rates. As at 31 March 2025, the Group is 90% hedged (2024: nil %) on the Senior Facility Loan of £520.0m. During the year the group recognised £2.1m of interest income as a result of the hedging arrangements (2024: £nil), on top of £3.6m interest income on cash deposits (2024: £2.6m).

### Maturity analysis of financial liabilities

The maturity profile of the carrying amount of the Group's liabilities was as follows:

	At 31 March 2025				At 31 March 2024			
	Senior loans	Finance leases and other loans	Shareholder loan notes	Total	Senior loans	Finance leases and other loans	Shareholder loan notes	Total
	£m	£m	£m	£m	£m	£m	£m	£m
Less than one year	-	(5.6)	-	(5.6)	-	(3.2)	-	(3.2)
Between one and two years	-	(5.6)	-	(5.6)	-	(3.0)	-	(3.0)
Between two and five years	-	(11.4)	-	(11.4)	-	(7.0)	(245.5)	(252.5)
After five years	(520.0)	(0.3)	(285.8)	(806.1)	(520.0)	(0.7)	-	(520.7)
Total gross payments	(520.0)	(22.9)	(285.8)	(828.7)	(520.0)	(13.9)	(245.5)	(779.4)

This example includes a detailed discussion of the capital structure, including a breakdown of the components of debt, repayment dates, related covenants and reconciliation of net debt, with appropriate cross-referencing to the notes to the financial statements.

## 4. Financial review – Financial risks



### Requirement

The financial review should cover risk management objectives and policies in the light of the principal financial risks and uncertainties facing the company, including those relating to leverage, with links to appropriate detail in the footnotes to the balance sheet and cash flow section of the financial statements.



### Examples of good practice

- Discussion in the financial statements of the overall risk management objectives and policies of the company.
- Discussion of the risk management policies relating to the company's leverage and other financial risks such as liquidity and cash flow, credit, interest rate risk.
- Quantitative information is included to support the discussion on risks.
- Disclosure of the likelihood and impact of these risks and clear linkage to how they are managed and monitored.



### Examples of non-compliance to avoid

- Failure to specifically cross-reference to notes to the financial statements where further detail is provided on financial risks, where applicable.

### Clarion Events – Comet Bidco Limited – 31 January 2025 (Excellent practice)

#### Interest-rate risk

The Group is exposed to interest-rate risk through its long-term debt obligations which have floating interest rates.

The Group's sterling-denominated term loan and revolving credit facility attract interest at the Sterling Overnight Index Average rate (SONIA) plus a margin and a fixed credit adjustment spread.

As of 26<sup>th</sup> June 2023, the Group's US dollar term loan transitioned from using USD LIBOR to Term Secured Overnight Financing Rate (SOFR). This is in line with the discontinuation of US dollar LIBOR as part of the interest rate benchmark reform Phase 2. A Credit Adjustment Spread was also included for the existing USD term loan set at 0.1%. It was agreed with the lender group that Term SOFR plus 0.1% was a direct and commercially equivalent of the previous USD LIBOR.

The Group continues to manage its interest-rate risk by closely monitoring sensitivities around rate changes.

The sensitivity of the Group's and the company's loans to a +/-1% and +/- 0.5% in interest rate is as shown in the table below.

Group	Impact of 1.0% on profit/(loss)		Impact of 0.5% on profit/(loss)	
	Increase in interest rates	Decrease in interest rates	Increase in interest rates	Decrease in interest rates
	£000	£000	£000	£000
Year ended				
31 <sup>st</sup> January 2025	(7,726)	7,726	(3,863)	3,863
31 <sup>st</sup> January 2024	(7,119)	7,119	(3,559)	3,559
Company				
Year ended	Impact of 1.0% on profit/(loss)		Impact of 0.5% on profit/(loss)	
	Increase in interest rates	Decrease in interest rates	Increase in interest rates	Decrease in interest rates
	£000	£000	£000	£000
31 <sup>st</sup> January 2025	(7,361)	7,361	(3,681)	3,681
31 <sup>st</sup> January 2024	(7,683)	7,683	(3,842)	3,842

This example provides a comprehensive discussion of the key financial risks facing the company and how these are managed, supported by detailed quantitative information, including sensitivity and maturity analysis as applicable.

# 5. Balanced and comprehensive analysis of development and performance during the year and position at the year end



## Requirement

The strategic report must contain a balanced and comprehensive analysis of development and performance of the company’s business during the year and position at the end. The purpose of this is to inform the members of the company and help them assess how the directors have performed their duty.



## Examples of good practice

- Strategy used to structure the content of the discussion to provide a clear alignment of strategic priorities, development and performance.
- Explanation of the performance in the wider market context.
- Discussion at an appropriate divisional level to demonstrate how different parts of the business are performing.



## Examples of non-compliance to avoid

- Lack of detail to provide sufficient insight and a fair reflection of a company’s development and performance during the year and its position at the end of the year.

### Infinis Group– 31 December 2024 (Excellent practice)

## The Infinis strategy of delivering low carbon and renewable diversification is clear

Against the backdrop of a notably calmer energy market over the last twelve months, the focus of the Board has been on supporting management to accelerate the growth elements of the business.

With over 100MWs of operational solar, and the first BESS project being energised shortly after the year end, the Infinis strategy of delivering low carbon and renewable diversification is clear.

- The management team have developed a pipeline of over 1.0GW of solar and BESS projects and have a clear plan to scale up operational solar to more than 400MW over the next four years.
- Our Lenders have both extended the existing financing through to March 2029, and provided an additional £60m.
- Our shareholder, 3i Infrastructure, continues to encourage a high proportion of profits and cashflows to be re-invested over the coming years.

With a projected £300m of capital to be deployed on identified projects and nearly 1TWh of existing renewable generation, Infinis is a meaningful contributor to the energy transition. However, energy and broader government policy must continue to support investment in the sector both for new renewable sites and for maintenance and repowering of existing renewable generation.

As I finalise this Statement, a General Election has been held and there is a new Labour government, with a substantial majority. It is very encouraging to hear the Labour Party’s commitment to making Britain a clean energy superpower with zero-carbon electricity by 2030, and to read some of the specific policy aims and themes.

### Segment performance

	2024	2023	Variance	%
Exported power (GWh)				
Captured Methane	929	998	(69)	(6.9%)
Flexible Generation	126	200	(74)	(37.0%)
Solar	35	7	28	400.0%
Total	1,090	1,205	(115)	(9.5%)
Revenue (£'000)				
Captured Methane	129,308	133,488	(4,180)	(3.1%)
Flexible Generation	10,406	25,799	(15,393)	(59.7%)
Solar	4,628	424	4,204	991.5%
Total	144,342	159,711	(15,369)	(9.6%)
Gross Profit (£'000)				
Captured Methane	75,622	74,831	791	1.1%
Flexible Generation	3,589	17,807	(14,418)	(81.0%)
Solar	4,192	377	3,815	1011.9%
Total*	83,203	93,015	(9,812)	(10.5%)

This example includes a good level of performance discussion, including at a segmental level and providing a discussion in the wider market context. Further there is a clear alignment between strategy and the performance discussion.



# 6. Principal risks and uncertainties facing the company



## Requirement

The strategic report must contain a description of the principal risks and uncertainties facing the company.



## Examples of good practice

- Clear alignment between strategy and risks.
- Explanation of how each risk is managed.
- Assessment of the risk profile – the likelihood versus the impact of each risk – and an explanation of how the profile has changed during the year.



## Examples of non-compliance to avoid

- Lack of explicit identification of the principal risks and uncertainties facing the company.
- Boilerplate list of risks that are not unique to the business.

## Shawbrook – 31 December 2024 (Excellent practice)

### Approach to risk management

Shawbrook Group plc and its subsidiaries (together, the 'Group') seek to manage the risks inherent in its business activities and operations through close and disciplined risk management. This aims to quantify the risks taken, manage and mitigate them as far as possible and price for them in order to produce an appropriate commercial return through the cycle.

The Group's approach to risk management continues to evolve in response to changes in the business model and the products offered and changes in the way customers want to engage with the Group, as well as external changes and developments such as ongoing challenges resulting from the elevated interest rates and the impact on cost of living through refinancing risk.

Throughout 2024, further investment was made in key areas of risk management. Notable activities and changes include the following:

- The annual and interim review of the Group's Risk Management Framework (RMF) and risk appetite were approved in April 2024 and December 2024, respectively. In December 2024 the Group promoted Transformation Risk to a Principal Risk, to reflect the focus on further digital innovation across the Group to support how customers want to engage with us.
- The Group has continued to evolve its sustainability strategy, focusing on those areas in which it can deliver the greatest impact. This includes its climate strategy where the Group has continued to invest in climate data to improve data quality and transform this into actionable insights to support with physical and transition risk assessments and opportunities across its portfolios.
- Enhancements to the Group's financial crime control environment have continued with all originations continuing to pass through a financial crime and compliance platform together with sanctions screening taking place for all inbound and outbound payments.
- The Group has implemented a new unified and connected risk, control, and assurance system and throughout 2024 has implemented the risk taxonomy covering c.80 risks and has embedded its key controls, all of which were tested for design and operating effectiveness where the key controls have operated. The new system provides real-time updates on risks, controls and assurance actions.

- The Group does not have an Internal Ratings Based (IRB) permission to use its own models for regulatory capital purposes but has continued to implement SS1/23 'Model risk principles for banks' in line with best practice given the growth in size and complexity of the Group. This included the development of a new digital Model Vault to manage the development, monitoring, and validation of its new and existing models. The Group has also started to use its new cloud native analytical platform to drive efficiency through 'always on' monitoring and has developed its first closed loop machine learning test application which is being tested in parallel against an existing application. The Group understands the potential opportunities and risks attached to Artificial Intelligence (AI) and has developed and implemented an AI use case policy. The Group has also implemented a first joint Python and SAS application demonstrating the capability and strengths of its new cloud-based analytical platform.
- The Group completed the acquisition of JBR Auto Holdings Ltd (JBR), a UK specialist motor finance lender focused on high-end vehicles in September 2024. JBR is a wholly owned subsidiary of Shawbrook Bank Limited within the Retail franchise.
- The Group appointed a new Chief Credit Officer in January 2024 as part of its planning for the retirement of the existing role holder in May 2024 to ensure consistency of credit risk leadership.
- In its Commercial franchise, the Group has continued to invest in its credit risk capability. This has included a portfolio management team to oversee the management of Real Estate exposures above an internal risk guided threshold. The Group has built risk distribution solutions to help SME customers continue to grow with a transaction to transfer some of the risk to a rated third party completed in November 2024. The Group has also signed up to the Enable Guarantee programme to support its Development Finance customers.
- In response to the ongoing changes in the economic environment, the Group continues to maintain a focus on affordability, ensuring its models and policies remain appropriate and closely aligned to customer behaviour. The Group has continued to conduct regular portfolio reviews, with the benefit of external information to ensure that its risk appetite remains appropriate.

Principal risk	Definition	Principal sources of exposure
<b>Credit risk (Audited)</b> See pages 104 to 131	<p>The risk that a borrowing client or treasury counterparty fails to repay some, or all, of the capital or interest advanced to them, due to lack of willingness to pay and/or lack of ability to pay. This can include credit risks that materialise during the life of the asset such as refinancing risk or elevate due to deteriorating security/collateral value.</p> <p>Credit risk can be further divided into customer credit risk (from core lending activity) and treasury credit risk (from treasury activity).</p> <p>Credit risk also includes credit concentration risk, which is the risk of exposure to particular groups of customers, sectors or geographies that, uncontrolled, may lead to additional losses that the Shareholder or the market may not expect.</p>	<p>The principal source of customer credit risk is the Group's loans and advances to customers.</p> <p>Treasury credit risk exposure is limited to short-term deposits placed with leading UK banks, repo and reverse repo exposures and high-quality liquid assets purchased for inclusion in the Group's liquidity buffer.</p>

This example details key risks, defining each and linking them to their respective sources of exposure. It further explains how these risks are monitored and mitigated, highlights significant changes, and includes assessments of emerging threats.

# 7. Key performance indicators – Financial



## Requirement

The strategic report must, to the extent necessary for an understanding of the development, performance or position of the company’s business, include analysis using financial key performance indicators. ‘Key performance indicators’ means factors by reference to which the development, performance or position of the company’s business can be measured effectively.



## Examples of good practice

- A clear alignment of KPIs to the company’s strategic priorities and remuneration policies so that their relevance as a basis for management’s assessment of strategic success is clear.
- An explanation of why each KPI has been included – it should be clear why this would be considered ‘key’.
- A definition of how they have been calculated.
- Quantified trend data.
- Targets or milestones, whether qualitative or quantitative.



## Examples of non-compliance to avoid

- Failure to explicitly define measures as KPIs, as such leaving it up to the reader to infer which measures are key to the business.

## ESP Utilities– 31 December 2024 (Good practice)

### KEY PERFORMANCE INDICATORS

We use Key Performance Indicators to measure success of the Group:

Strategy & Objective	KPI & calculation	KPI		Commentary
 <b>Strong financial performance</b> Operate a profitable business, with year-on-year turnover and operating profit growth	Turnover	£159.2m (2023: £123.3m)		Turnover growth has been driven by both increased connection numbers across all utilities and increases in regulated tariffs. The consistency of growth highlights the resilient business model of the Group.
	Operating profit	£52.3m (2023: £36.3m)		Turnover growth has been translated into increased operating profit. Prior year investment in our I&C and water teams has delivered increased operating profitability in 2024.
 <b>Sustained growth</b> Grow the Group’s share of network coverage through year-on-year connection growth	Connections – number of new gas, electricity and water connections live at year end	1,057,019 connections (2023: 1,004,605)		Despite a challenging housebuilding market, new connections live higher than previous year for both electricity and water.
	Orderbook – number of gas, electricity and water connections won, yet to be connected	302,264 connections (2023: 272,127)		Maintaining a strong connection orderbook, that will be realised over a number of future years, underlines the strength of the business.

This example clearly and explicitly presents financial KPIs explaining the context of the performance, the discussion is supported by quantified multi-year trend data.

Across the full sample of companies which have been reviewed in 2025, there were none which were noted to be excellent practice therefore the above meets the requirement for “good practice”.



# 8. Key performance indicators – Non-financial



## Requirement

The strategic report must, to the extent necessary for an understanding of the development, performance or position of the company’s business, include, where appropriate, analysis using other key performance indicators, including information relating to environmental matters and employee matters.

‘Key performance indicators’ means factors by reference to which the development, performance or position of the company’s business can be measured effectively.



## Examples of good practice

- Clear alignment of strategic priorities and non-financial KPIs.
- An explanation of why each KPI has been included and a definition of how they have been calculated.
- Quantified trend data, targets and milestones, whether qualitative or quantitative.



## Examples of non-compliance to avoid

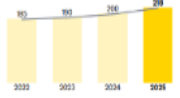

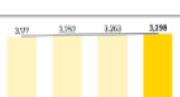
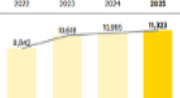
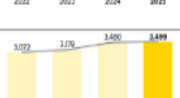
- Failure to define non-financial measures as KPIs, as such leaving it up to the reader to infer which measures are key to the business.
- Inclusion of financial measures (e.g. revenue by region/division) under non-financial KPIs headings.
- Lack of quantified data to give context to the measures disclosed.

## AA Limited– 31 January 2025 (Good practice)



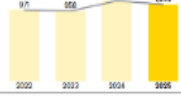
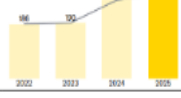
### Growth in average income and meaningful deleveraging

Our key performance indicators (KPIs) measure progress against our strategy. Further details can be found in the Financial review section.

#### Roadside

KPI	Definition	Performance	Relevance for The AA
<b>Average income per member (£)</b>	Average income per paid personal member including insurance motor members		This measures the average income we generate from our personal member base as a proportion of the average paid personal membership holdings. We will continue to drive increases in the average income per customer through the quality of service, the brand and our distribution channels paired with digital capability.
<b>Average income per business holding (£)</b>	Average income per business holding		This measures the average income we generate from our business holdings. Alongside growing the business customer base, we are targeting a growth in the average income per business holding through the launch of new services, such as onward mobility solutions through our agile platform.
<b>Paid personal holdings (thousands)</b>	Number of personal members excluding free memberships at the period end		This demonstrates our ability to build on our market-leading position in the consumer market. Our strategy to innovate and differentiate our core Roadside proposition will enable us to grow our paid personal membership base in the long term.
<b>Business holdings (thousands)</b>	Number of business holdings at the period end		We are market leaders in the business-to-business (B2B) market, with c.11m business holdings. A key tenet of our strategy in B2B is defending our core base as well as growing that base through new contract wins and generating new sources of income that improve the average income per business holding.
<b>Breakdowns attended (thousands)</b>	Number of breakdowns attended		This is a key driver of our cost base and also demonstrates utilisation of our service by our members and customers.

#### Insurance

KPI	Definition	Performance	Relevance for The AA
<b>Average income per policy (£)</b>	Average income per insurance policy for motor and home		This figure shows the average income generated by our insurance broking business and includes the revenue from our underwriter and Accident Assist business, which we expect to increase longer term as we continue to grow and invest in new business.
<b>Insurance policies (thousands)</b>	Total motor and home policies in force as at the year end		For our insurance strategy we place a focus on the value and number of policies.
<b>Underwritten insurance policies (thousands)</b>	Total motor and home policies in force as at the year end with our in-house insurance underwriter		A key tenet of growing our insurance business is growing our in-house underwriting business. Our goal is to increase our penetration levels within the non-member and existing member base.
<b>Gross written premium (£ millions)</b>	The total value of all insurance policies written by our in-house underwriter in the period.		We utilise our proprietary member data and adding value through this integrated model allows us to price more competitively.

The non-financial KPIs are presented, under a dedicated section. Each KPI is clearly named, defined, and accompanied by multi-year trend data. Further, there is valuable insights into why each KPI is considered key, with several metrics linked to strategic priorities.

## 9. Strategy



### Requirement

The strategic report must clearly articulate how the business intends to achieve its objectives.



### Examples of good practice

- A clear statement of the strategy and how this is used to underpin the remainder of the report.
- A clear articulation of the company's strategy to explain the strategic themes, targets, time frames and add further clarity to the reporting.



### Examples of non-compliance to avoid

- Avoid strategic statements set in isolation from the rest of the company reporting as these can appear as hollow statements of intent.

## Motor Fuel Group– 31 December 2024 (Excellent practice)

### MFG Strategy

The Group's strategic goal continues to be to develop the business to sustain a position as the most dynamic and profitable independent forecourt operator in the UK. It remains as the largest independent forecourt operator, an essential service, a core part of UK infrastructure and one of the largest retailers by number of stores. Through this scale and network maturity, MFG is able to drive growth out of free cash flow. It is MFG's responsibility to do this in a responsible fashion, underpinned by our determination to support the transition to a more sustainable transport future.

To achieve this there are four highly integrated key strategic pillars - Fuel, EV Charging, Retail Estate Development and Valeting. In addition to organic growth, the Group continues to seek site acquisitions that enhance the network.

In April 2024 MFG completed the acquisition of 337 Morrisons petrol forecourts and more than 400 associated sites for EV charging. Upon completion, this acquisition made MFG the largest motor fuel retailer by volume, and the second biggest convenience retailer by number of sites in the UK.

### Electric Vehicle (EV) charging strategy *(continued)*



In support of Government policy our investment in the 'on route' segment is providing the critical infrastructure required by the circa 35% of UK households that do not have off road parking and therefore do not have the ability to reliably charge their vehicles at home; within urban areas this rises to circa 70% of households. To meet this anticipated demand MFG had 144 Ultra-rapid charging hubs open at the year end

(2023: 110), providing 813 charging bays (2023: 603 bays), with a strong pipeline of Ultra Rapid and Rapid bays to be rolled out throughout 2025.

As part of the Morrisons acquisition, more than 400, mainly freehold and very long leasehold, sites were acquired which will be developed to serve as EV charging hubs.

The strategy is well defined by four strategic pillars, each outlining the management's comprehensive plans for the group, with key objectives and time frames noted.

# 10. Business model



## Requirement

The strategic report must include a description of the business model.



## Examples of good practice

- Gives reference to the key capabilities, resources and relationships the company uses to create and sustain value.
- Where businesses operate distinct business models with divisions, further disclosures may be required to provide meaningful information that aids understanding of how a company operates.



## Examples of non-compliance to avoid

- Discussion does not explain what the company does to create value and how they do it.

## Evri – 1 March 2025 (Excellent practice)



We are the UK's biggest dedicated parcel carrier and this year celebrated our 50th year of making courier deliveries. We can trace our history back to the Gifford mail order business, and began life delivering catalogues in Yorkshire.

Evri has grown to become the partner of choice for leading e-tailers and marketplaces due to our superior offering and differentiated business model. Central to this is our 'connect' strategy which powers **clients, customers, couriers and out-of-home locations**, offering sustainable cost leadership, driven by fully automated hubs, high productivity depots and a market-leading final mile model with self-employed couriers. Evri is a technology and data-centric organisation, led by an experienced and committed management team.

**Our vision**  
To lead the way in creating responsible delivery experiences for everyone, everywhere.

**Our mission**  
To offer the most convenient way to send, receive and return parcels without costing the earth.

**Our values**

- Do the right thing; for our people; for our communities; for our planet.
- Celebrate cost leadership: spend like it's your own; know your numbers; invest in our future.
- Be dynamic: dare to be different; seize opportunities; own it.
- Deliver for customers: understand our customers; go the extra mile; care for every parcel.

**Our focus**  
As a UK business success story, Evri's increasingly global operation already touches the lives of over 25 million households in the country.

Evri enables retailers to send parcels quickly at low cost, and supports small businesses to grow. This combination of speed, value and service has made the company the partner of choice for more than two-thirds of the UK's biggest retail brands, such as Next, John Lewis and M&S – as well as fast-growing marketplace online platforms such as Vinted and Etsy, and consumers looking for alternatives to traditional carriers. We have the scale and flexibility to quickly adapt to retail clients' needs.

**Customers**  
Over 25 million UK households were served by Evri in the last 12 months

**Client e-tailers and marketplaces**  
Evri serves a large and growing base of c. 1800 e-tailers including a significant proportion of the UK's leading retailers



**Couriers**  
Up to 28,000 self-employed couriers are key enablers of Evri's scalable and cost-efficient final mile service

**Out-of-home (OOH) network**  
Evri operates one of the largest pick-up-drop-off (PUDO) network in the UK with over 10,000 locations

Powered by:

### Physical footprint & networks

- Operations designed to achieve cost leadership and best-in-class levels of service, flexibility and scalability.
- Efficient network includes seven hubs, 26 depots, c.500 delivery units, a depot in the Netherlands and third-party operated fulfillment sites in the USA and the Middle East.
- A fleet of c. 5,000 vehicles and trailers.

### Technology

- Technology is a key enabler across the four sides of the platform.
- Evri invested +£160m over the last three years including in its technology platforms (e.g. consumer app, Courier App, cloud-based IT).

This example clearly demonstrates how the business model is structured to achieve the strategic objectives, effectively highlighting the key resources utilised to attain the desired outcomes.

# 11. Trends and factors affecting future development, performance or position



## Requirement

The strategic report must, to the extent necessary for an understanding of the development, performance or position of the company's business, include the main trends and factors likely to affect the future development, performance and position of the company's business.



## Examples of good practice

- Discussion of drivers shaping the future growth of markets in which a company operates.
- Reference to the macro-economic, competitive or regulatory trends and factors shaping the business and identification of product pipeline and expected market size.
- Discussion of future trends and factors are supported by quantifiable evidence.



## Examples of non-compliance to avoid

- No high-level forward-looking orientation either throughout the annual report or in a specifically headed section.

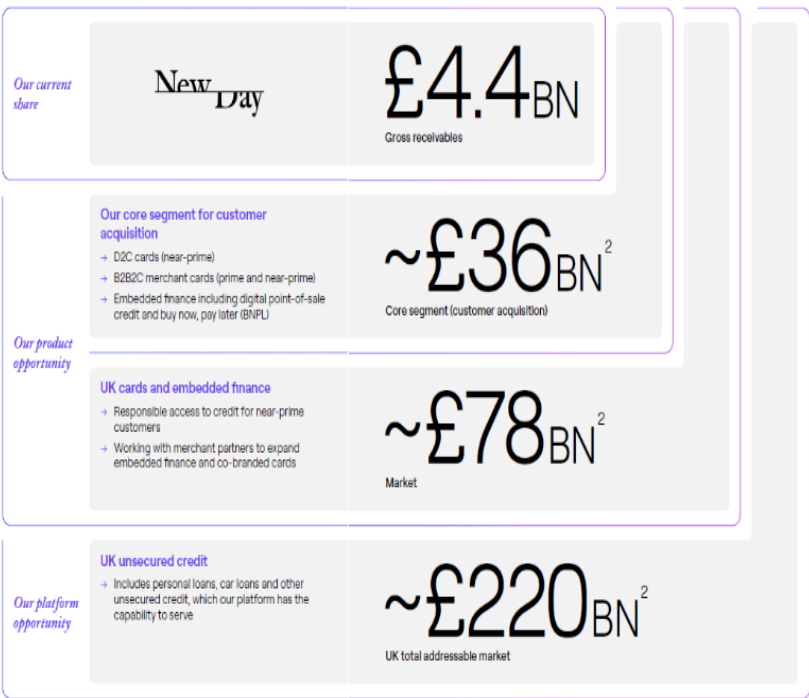
### NewDay– 31 December 2024 (Excellent practice)

#### Market overview

We have a well-established presence, with a 6% market share<sup>1</sup>.

We operate in a £78bn<sup>2</sup> market, which includes credit cards and embedded finance.

Our powerful digital platform is capable of servicing the broader £220bn<sup>2</sup> UK unsecured consumer credit market (our UK total addressable market) and the platform is capable of being deployed internationally.



#### Market trends

1

##### Market outlook

The UK credit card market remains resilient. As more lenders are beginning to unwind risk appetite constraints imposed due to cost-of-living pressures, new card originations are expected to grow in the medium term. The overall merchant finance market is also expected to grow, with a continued shift from co-branded cards to embedded finance.

##### Our responses

###### We invest in growth.

NewDay remains well positioned to benefit from the improving macroeconomic outlook and market conditions.

We are a leading near-prime lender serving working Britain with a purpose-led focus meeting the needs of our customers. We have a clear roadmap to deliver against our strategic credit priorities. Our modern technology stack supports our strategic ambition and this will contribute to further revenue streams in the future. We are excited about our embedded finance partnership with Lloyds Banking Group, which launched in 2024, and our partnership with Argos from which we acquired beneficial title to the existing Argos store card portfolio in Q1 2025 and will migrate to our platform in H1 2026. We also plan to launch a new long-term product with Argos in 2026.

This example includes a detailed discussion of market trends and the group's response to the trends, supported by quantified information.



# 12. Environmental matters



## Requirement

The business review must, to the extent necessary for an understanding of the development, performance or position of the company’s business, include information about environmental matters (including the impact of the company’s business on the environment), including information about any policies of the company in relation to those matters and the effectiveness of those policies. Disclosures concerning greenhouse gas emissions are not a mandatory requirement under the updated Guidelines. However where this information is available and is significant to the understanding of the portfolio company and its operations, its inclusion could only improve the transparency and quality of reporting.



## Examples of good practice

- Discussion of the specific actions taken to address the environmental matters identified, supported by quantifiable evidence and specific targets where applicable.
- Clear explanation, and alignment, of the specific environmental matters and strategy.
- Extracts from a company’s Corporate and Social Responsibility Report usually provide the most relevant disclosure which can often be cross-referenced to achieve compliance.



## Examples of non-compliance to avoid

- Lack of detail on the policies in place to address environmental matters affecting the business.

## Modulaire Group – 30 December 2024 (Excellent practice)

Our Climate risks and opportunities

Risk/Opportunity	Description	Our Climate risks and opportunities (TCFD approach) Current policy / Higher warming scenario	Net Zero / Lower warming scenario
Transition opportunity: Increased revenue from demand for low carbon and resilient building solution	Customers will need infrastructure and building services that are resilient to climate impacts and that help meet emissions reduction targets. Our modular services provide options promoting circular design, with lower embodied carbon and they require less energy to operate than traditional buildings – increased demand will generate significant revenue opportunities.	Opportunity	High Opportunity
Transition risk: Carbon pricing	Carbon pricing may impact the cost of fuel, as well as the cost of heating and cooling at our facilities. It may also increase the price of raw materials that may have high embodied carbon. The risk is deemed low, based on our business model and our climate transition planning. Our commitment to circularity and Net Zero carbon emissions should allow us to minimise the potential impact of carbon pricing.	Low Risk	Low Risk
Physical risk: Operating impacts from high heat, carbon pricing, extreme rainfall	Our facilities globally may experience operational impacts from increasing exposure to extreme heat and extreme rainfall. Extreme heat in particular can lead to increased health and safety risks associated with heat stress and potentially decreased worker productivity. Extreme rainfall can lead to localised flooding, which can impact the ability of our facilities to operate. The risks are highest in our Asia Pacific locations and in Southern Europe. The risk was deemed low to moderate as, while some facilities may be highly exposed to extreme heat and rainfall, our operations have the ability to adapt their activities to minimise the risk to workers and productivity. For example, during periods of high heat, our facilities can shift operating hours to earlier in the day to avoid work during peak temperatures.	Low/Moderate Risk	Low/Moderate Risk

Metrics and Targets

Progress on our Net Zero pathway:

2024	7.5% absolute reduction in Scope 1 and 2 emissions (vs 2020). Source 100% Renewable Energy for the Group where available and applicable. Initiate Group Operational Carbon baseline tonnes of annual Scope 3 for 2022 and 2023. Roll out our strategy to reduce or mitigate Scope 3 emissions. Continuous innovation of low carbon solutions for customers.	Achieved
2025	10% absolute reduction in Scope 1 and 2 emissions (vs 2020). Reduce the embedded carbon footprint (Stage A1-A5) of a typical Modular Space Unit (vs 2020). Reduce waste to landfill by 50% per typical unit (vs 2020). Reduce our water use by 10% per typical unit (vs 2020). Life Cycle Analysis of typical manufactured Modular Space Units. Life Cycle Methodology: 2020 Product footprint analysis of a typical Modulaire unit based on: • Stage A1-A5 (sourcing, manufacturing and transporting to site) approximately 200 (kgCO2e/m2) v 700-800 (kgCO2e/m2) for a traditional build. This equates to approximately 73% less carbon emissions compared to a traditional build. • In use (B1-B6) and end of life (C1-C4) emissions total 210 kgCO2e/m2. This equates to approximately 65% less carbon emissions compared to a traditional build. • For the whole life footprint (410 kgCO2e/m2), details for an equivalent traditional build are difficult to ascertain due to the lack of benchmarks which include B6 data. • Product footprint calculated in accordance with EN 15978:2011. Modulaire typical unit based on Advance 8000 two classroom unit assembled in France. Typical benchmarks for education buildings based on Whole Life-Cycle Carbon Assessments Guidance (Mayor of London, October 2020). Whole life figure provided in this guidance exclude any allowance for energy consumed during the in-use phase.	On track
2028	15.8% reduction in Scope 1 and 2 emissions (vs 2020).	On track
2030	Reduce Scope 1 & 2 GHG emissions by 55.5%. Reduce Scope 3 emissions by 25%. Progress towards total circularity of units. Technology for carbon removal. 100% renewable energy where available and applicable. Transform new product portfolio to Net Zero carbon.	In progress
2050 (Net Zero)	Net Zero carbon of our end-to-end supply chain by 2050 to meet the Paris Agreement goal of 1.5°C. Our commitment for environmental responsibility and climate action is to minimise carbon emissions for our Company and customers and manage our material risks and opportunities.	In progress

This example provides a thorough discussion of environmental matters, including climate-related risks and opportunities, as well as actions taken and targets established, supported by quantifiable information.

# 13. Employees



## Requirement

The strategic report must, to the extent necessary for an understanding of the development, performance or position of the company’s business, include information about the company’s employees including information about any policies of the company in relation to those matters and the effectiveness of those policies.



## Examples of good practice

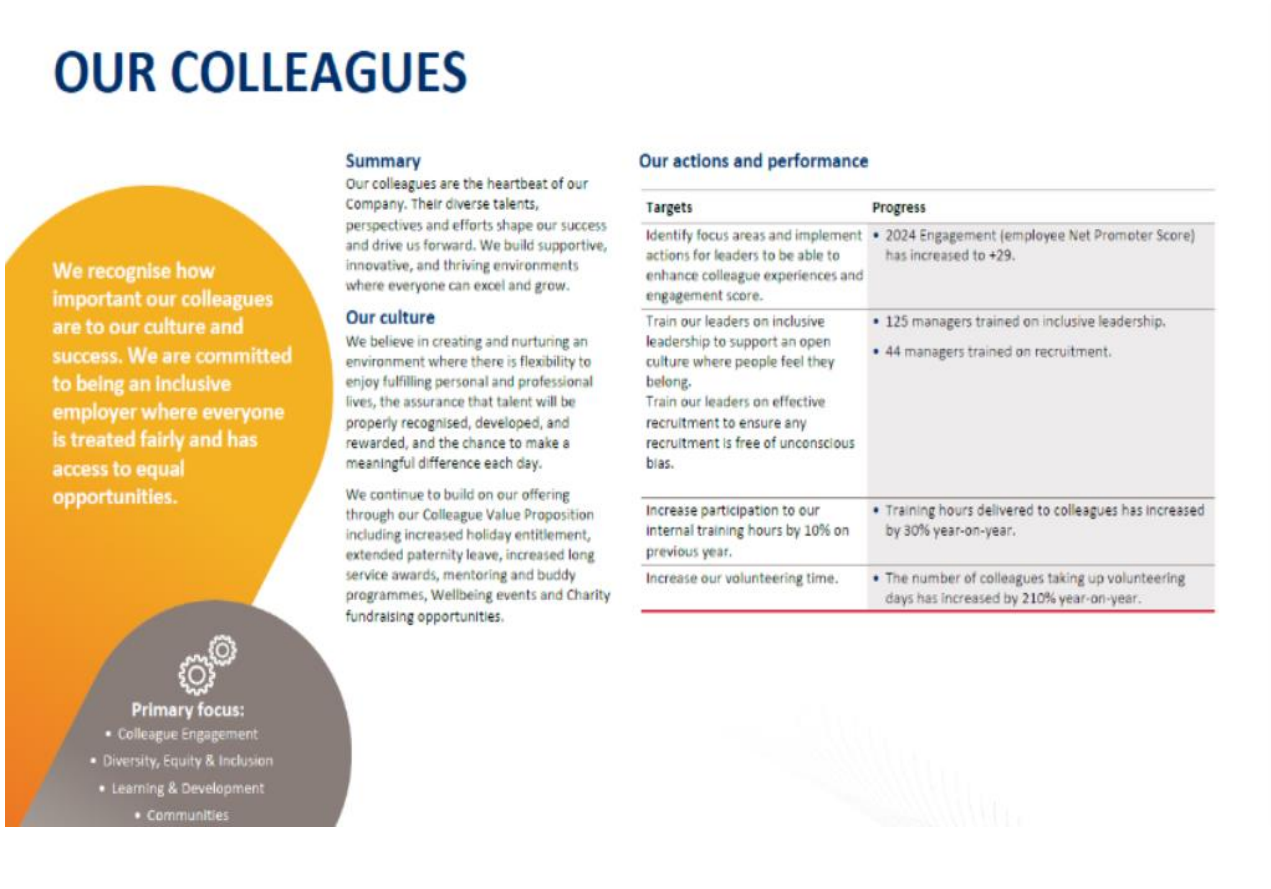
- Alignment of strategy and employee policies and actions.
- Detailed discussion of employee policies including benefits, share schemes and performance bonuses and explanations of how these link to performance and development.
- Policies around recruitment, training and development.
- Quantifiable evidence of performance.
- Disclosure of targets, qualitative or quantitative, and discussion of performance against these.



## Examples of non-compliance to avoid

- No disclosures discussing the management and development of employees, including recruitment, training and development practices.

## Premium Credit– 31 December 2024 (Excellent practice)



This example provides comprehensive information regarding employees, covering aspects such as engagement, health and safety, recruitment, training, benefits, diversity, equality, and inclusion. The discussion is substantiated with quantified evidence and encompasses both qualitative and quantitative targets and progress against them.



# 14. Social, community and human rights issues



## Requirement

The strategic report must, to the extent necessary for an understanding of the development, performance or position of the company’s business, include information about social, community and human rights issues, including information about any policies of the company in relation to those matters and the effectiveness of those policies.



## Examples of good practice

- Alignment of social, community and human rights issues to strategy.
- Explanation of the actions taken to address specific social, community and human rights issues for example, local recruitment, investment in education and overseas employment policies.
- Supply chain management monitoring to ensure social policies are consistent throughout, for example use of labour and the wider impact on society in overseas locations.
- Where the discussion is supported by quantifiable evidence.



## Examples of non-compliance to avoid

- Failing to explicitly reference human rights issues, even if just to confirm they are not a material issue for the company.
- Compliance led statement is a minimum.

## QA Training– 31 May 2024 (Excellent practice)



### Continuing to “Teach the Nation to Code”

Our Teach the Nation initiative is the gateway to developing tech skills for those who are considering starting a career in the tech industry. Teach the Nation is an amazing opportunity for those individuals facing unique challenges that traditional education can’t accommodate. This includes those with academic and financial barriers or personal commitments, who yet possess the drive and potential to succeed.

Teach the Nation focuses on attitude and aptitude to supercharge social mobility, empowering everyone to try their hand at tech and support people from all walks of life.

Our workshops are 4-hour interactive, virtual sessions, delivered by an expert QA tutor on three key topics, as presented below.

- Python Programming
- Data Management
- Web Development

### Diversifying the tech sector

Our collection of free workshops is designed to inspire and empower people, no matter their age or background, to explore the world of technology. Our immersive, interactive workshops serve as a gateway to making education accessible to all, shattering barriers to entry into the tech industry and showcasing that everyone has the potential to succeed in tech.

There is a huge opportunity to bust the perceived myths that you must be degree-educated to work in tech, that people working in technology have a certain ‘look’ and that it is a ‘male’ sector. These artificial barriers are continuing to suppress social mobility, subconsciously excluding people from realising their potential and having successful careers across digital and technology.



### Impact

Throughout FY24, we had over 1,600 attendees (2023: 1,458) at our Teach the Nation to Code workshops.

- Conducted 40 workshops: 20 in Python Programming, 12 in Data Management, 6 in Web Development, and 2 in Blockchain Technology
- Of the 1,653 attendees, 56% enrolled in Python Programming, 32% in Data Management, 10% in Web Development, and 2% in Blockchain Technology
- Female representation among signups was 47% (2023: 50%)
- 55% of signups were of an ethnic minority background
- 80% (2023: 83%) of the signups had ‘no’ or ‘beginner’ level experience
- Among UK residents, 35% (2023: 38%) of signups were from the 1st to 3rd IMD (Index of Multiple Deprivation) deciles, indicating outreach to some of the most socioeconomically deprived areas

### Improving our offering

Starting in January 2024, we implemented a new registration process that enables us to collect valuable, in-depth data on our attendees, including demographics and interests. This allows us to tailor QA’s offerings more effectively to meet their needs.

From January 1st to May 31st, 2024, our attendees included:

<b>43%</b> seeking employment or currently students	<b>45%</b> females
<b>72%</b> with ‘no’ or ‘beginner’ level experience	<b>42%</b> under 30 years old
<b>51%</b> interested in apprenticeship opportunities at QA	<b>47%</b> from ethnic minority backgrounds
<b>13</b> individuals who have already started their apprenticeship with QA, with more currently in the process	

This example includes a dedicated section that addresses social and community issues. It evaluates the business against qualitative goals and provides numerous quantified examples of impact.

# 15. Gender diversity information



## Requirement

The strategic report must include a breakdown at the end of the financial year show the number of each sex who were directors the (parent) company, the number of people of each sex who were senior managers of the company (other than those already identified as directors) and the number of people of each sex who were employees of the company. The 2014 Guidelines allow the portfolio company to apply their own definition to the role of a senior manager.



## Examples of good practice

- Clear overview of diversity statistics identifying the split using the three categories set out in the requirement.
- Policies and actions to promote diversity and actions taken to avoid discrimination.
- Detail about the relevance to the business of diversity and how this links in with the strategy.
- Explicit detail about the definition of a senior manager to the business.



## Examples of non-compliance to avoid

- Not including a breakdown of gender diversity under all three required categories.

## Forge Holiday Group– 30 September 2024 (Excellent practice)

### Gender Diversity Information

At Forge Holiday Group we are fully committed to equal opportunities and equal treatment for all employees. It is part of our strategy to ensure we have an inclusive workplace culture where individuals can reach their full potential.

A commitment to diversity closely links to our core value to "Be one team".

For our People, we understand the benefits a diverse workforce brings - both in diverse ranges of ideas and approaches and in creating a vibrant and welcoming culture. We are committed to inclusivity and have taken an "expert-led" approach to our Equality, Diversity and Inclusion (EDI) strategy, with an intentional focus on the quality and consistency of employee experience, rather than being driven by pure metrics.

For our Social/Environmental Impact, we understand the role Forge Holiday Group can play in visibly championing ways of working that support diversity and how this can impact our employees, wider industry and society. We are conscious and intentional in considering how our changes such as our family friendly policy review will be received by wider industry. Whilst championing equal leave and supporting working parents is the right thing to do for our employees, and will help us with talent recruitment and retention, we are also hopeful to lead a "step change" in wider industry's approach as to what becomes the accepted standard and norm.

The Forge Holiday Group are confident that our gender pay gap does not stem from paying men and women differently for the same or equivalent work. Rather the gender pay gap is the result of the different roles in which men and women work within the organisation and the salaries that these roles attract.

We recognise the importance of transparency and accountability in addressing our gender pay gap, and we are committed to taking meaningful action. The Forge Holiday Group is dedicated to fostering an inclusive workplace where everyone has the opportunity to thrive. Our latest report reflects the progress we've made and highlights areas where we can improve further.

The Forge Holiday Group has excellent entry level salaries for team colleagues that are above the national minimum wage and the company is looking to further enhance its proposition to employees. At the Forge Holiday Group we also offer our employees an extensive range of family friendly leave provisions and benefits including enhanced maternity leave. Forge Holiday Group regularly performs a benchmarking process of its roles to ensure that our teams are being paid in line with the market we operate in.

As part of our commitment, we are proud to be a member of White, which supports our efforts to promote diversity and inclusion across the industry. Additionally, we are piloting reverse mentoring to help bridge gaps in understanding and provide valuable insights into the experiences of our diverse workforce. These initiatives, alongside our ongoing efforts, are steps towards creating a more equitable environment where all our employees can succeed.

The table below shows the breakdown of roles by gender:

	Parent Company Directors*	2024 Senior leadership team	Employees	Parent Company Directors*	2023 Senior leadership team	Employees
Female	-	6	1,142	-	26	1,266
Male	3	17	673	4	37	763
Gender Diverse	-	-	1	-	-	1

\* The Parent Company is Priestholm Topco Ltd and had 3 Statutory Directors.

During the year we have redefined the Senior Leadership team to be limited to Directors and Members of the Board only. Previously this included Heads of Departments.

This example features a dedicated section that details gender information across three required categories, along with a definition of "senior manager." Additionally, the report sets out detail of the Group's diversity and inclusion strategy, policies, and initiatives.





# Appendices

# Appendix

## Guidelines for disclosure by portfolio companies and private equity firms

The requirements of the Revised Guidelines (2024) for the form and content of disclosure by portfolio companies within their annual report and accounts are set out below.

Note that this year's review, as presented in this report, refers to the Guidelines revised in 2014.

### 01 Definition of a portfolio company to be covered by the Guidelines

A portfolio company is a UK company:

- Where the majority of equity or control is acquired by one or more private equity firms in a transaction where enterprise value at the time of transaction exceeds £500 million and either:
  - The company generates more than £200 million revenues of which 50% are generated in the UK; or
  - The company employs more than 1,000 full-time equivalents in the UK.
- For a public to private transaction the enterprise value should be calculated as the market capitalisation, net debt and the premium for acquisition of control.
- Infrastructure companies which are treated in a private equity-like manner by their owners and meet the criteria above, shall be included in the scope of the Guidelines.

- If a company meets the above criteria, it will remain in scope until such time as the majority of equity or control is sold or transferred to a non-private equity entity or taken public.

The definition of a private equity firm for the purposes of the Guidelines includes private equity and 'private equitylike' firms (together "private equity firms").

- Private equity firms include those that manage or advise funds whose investment strategy includes the making of control and/or control- oriented private equity investments in operating companies as a primary component and:
  - That either own or control one or more companies operating in the UK; and
  - The company, or companies are covered by the enhanced reporting Guidelines for companies.
- Private equity firms include those that acquire portfolio companies:
  - with funds provided by one or more investors;
  - an exit/disposal of the company is envisaged; and
  - may play an active management role in the company.
- Private equity firms therefore include, but are not limited to, other types of investment funds including infrastructure funds, pension funds, sovereign wealth funds and credit/debt funds.
- Private equity firms may be headquartered outside of the UK.
- Banks and credit institutions, other than their asset management operations, are specifically excluded.

### 02 Content of disclosure by a portfolio company

A portfolio company should include as part of its Annual report and audited financial statements and accounts the following enhanced disclosures, none of which call for disclosures beyond those specified for quoted companies in the Companies Act 2006 or other disclosure requirements applicable to large private or quoted companies.

Nothing in the Guidelines requires the disclosure of information about impending developments or matters in the course of negotiation if the disclosure would, in the opinion of the directors, be seriously prejudicial to the interests of the company.

A portfolio company's report should identify the private equity owners, key executives, and board composition, and include a detailed narrative report aligned with the Companies Act 2006 and FRC guidance. The narrative should cover strategy, business model, financial and non-financial KPIs, principal risks and opportunities, stakeholder engagement (employees, environment, community), diversity and inclusion, and climate-related disclosures including energy and carbon reporting. Cross-references to other published reports should be made where applicable.

Further details of the full Revised Guidelines are available on the Private Equity Reporting Group website.

# Appendix (continued)

## 03 Form and timing of public reporting by a portfolio company

The enhanced disclosure requirements should be included in the consolidated Annual report and audited financial statements and accounts that covers the majority of activity of the company / group of companies. The audited report and accounts should be readily accessible on the company website.

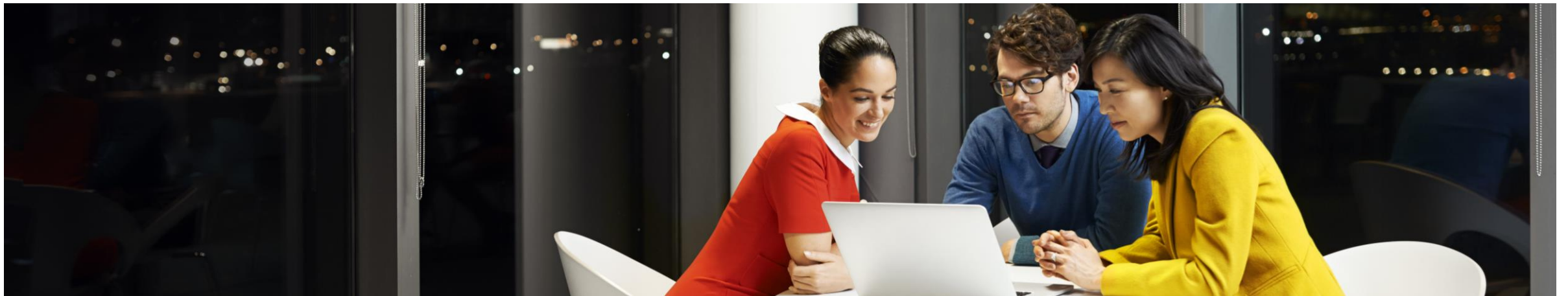
The report and accounts should be made available no more than six months after the company year-end, and a summary mid-year update giving a brief account of major developments in the company (but not requiring updated financial statements) is to be placed on the website no more than 3 months after mid-year.

## 04 Conformity by a non-UK portfolio company or group

Where a portfolio company is applying the Guidelines in an audited annual report which is not covered by the Companies Act 2006 it should look to ensure all the requirements are met in this annual report but does not need to explicitly produce a separate strategic report.

## 05 Conformity with each of the Guidelines should be on a 'comply or explain' basis

Where an explanation is given for 'non-compliance', this should be discussed with other related relevant disclosures called for under these Guidelines in the annual report and financial statements which should be on the website of the PE firm or portfolio company.



# Contacts



**Chris Neill**

Partner, PwC

T: +44 (0)7738 844762

E: [chris.r.neill@pwc.com](mailto:chris.r.neill@pwc.com)



**Emma Barratt**

Senior Manager, PwC

T: +44 (0)7483 424014

E: [emma.barratt@pwc.com](mailto:emma.barratt@pwc.com)



**Sarah Adams**

Director of Policy, BVCA

E: [sadams.iclarke@bvca.co.uk](mailto:sadams.iclarke@bvca.co.uk)



**Isobel Clarke**

Director of Policy, BVCA

E: [sadams.iclarke@bvca.co.uk](mailto:sadams.iclarke@bvca.co.uk)



# Thank you