THE PRIVATE INFRASTRUCTURE DEVELOPMENT GROUP LIMITED

Annual report and financial statements for the year ended 31 December 2024

The Private Infrastructure Development Group Limited
Company number: 11265124
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Business Review

Principal activities
The primary activity of The Private Infrastructure Development Group Limited's (the Company), including its Singapore Branch and The Private Infrastructure Development Group (Kenya) Limited (together the Group) is to oversee the activities of and, where appropriate, provide centralised resources in relation to the other companies in The Private Infrastructure Development Group (PIDG) (as set out in note 24) on behalf of its shareholders and the members of PIDG (as set out in note 25), similar to that of a head office or parent company. Due to this governance structure, the Company makes a number of decisions on the activities of PIDG. This report provides details on both the Company and PIDG's activities to reflect this position.

Our mission
PIDG's mission is to get infrastructure finance moving and multiplying – accelerating climate action and sustainable development where most urgently needed.

Our vision
PIDG's vision is a thriving infrastructure ecosystem, delivering climate resilience and sustainable development for all.

Our work
PIDG mandate is to accelerate the development and financing of sustainable infrastructure that improves climate resilience, adaptation and mitigation, and contributes to sustainable development and poverty reduction, through investment and capital market development in Africa and south and southeast Asia.

PIDG provides the leadership, development capability, funding and finance solutions across the project life cycle to support this infrastructure provision, resulting in high sustainable development impact (SDI) by strengthening the local capacity, capability and financing potential of local credit and capital markets.

PIDG operates along the project life cycle and across the capital structure, to help projects overcome financial, technical or environmental challenges – creating investment-ready, bankable infrastructure opportunities, catalysing private sector participation and creating SDI. In doing so, it contributes directly to the achievement of many of the United Nations' Sustainable Development Goals.

PIDG's purpose
PIDG's purpose is to combat poverty in the poorest and most fragile countries through pioneering infrastructure to help economies grow and change people's lives. PIDG will seek to identify a pathway to be financially sustainable at the consolidated PIDG level in the medium-term. To achieve this, PIDG will require its Credit Solutions businesses (EAAIF and GuarantCo) to be consistently profitable.

PIDG also provides upstream technical assistance through its technical assistance arm, which plays a critical role in delivering PIDG's strategy and impact.

PIDG aims to be risk-aware, as opposed to risk-averse. We take on projects that others cannot or will not, hence the risks can be intrinsically high. PIDG aims to understand these risks, mitigate them as far as possible and make informed judgments about whether the residual risk in an individual project is justified by its expected impact, sustainability and its long-term nature.

Business model
The Company was established in March 2018 as part of a governance reorganisation within PIDG to co-ordinate and oversee activities across the PIDG companies, particularly in relation to corporate governance, co-ordination and oversight.

Business model *continued*

The Company's shareholders are the Trustees of the PIDG Trust (the Trust), a special purpose trust established in 2001 by the members of PIDG in Mauritius[1] to pool, co-ordinate and administer the members' funds in relation to PIDG activities. As shareholders of the Company, the Trustees are required to seek the consent of the members of PIDG before taking any material decisions.

The Trust has established eight corporate entities (PIDG companies) since 2003 that are in operation today, being the Company and the other companies set out in note 24, on behalf of the members of PIDG. The members provide the Trust with funding to subscribe for shares or to make capital grant contributions to the PIDG companies. Certain PIDG members also provide funding to the Trust for technical assistance grants that support PIDG companies' activities and meet a range of needs associated with the infrastructure project development cycle; and for a trust fund, DevCo, held by the International Finance Corporation (IFC), which the IFC uses to fund advisory services to governments on public and private infrastructure partnerships in PIDG's target countries. PIDG members also provide the Trust with funding to pay for the operating costs of the Trust and the Company.

The Company has entered into service level agreements (SLAs) with the Trust and the other PIDG companies under which it charges them for its oversight, support and advice as well as any centralised services it provides.

Financial results

The Group's results for the year are set out on page 50. As a services company, income is received from charging PIDG companies and the Trust for its services through arms-length SLAs.

During the year to 31 December 2024 the Group received income of £12,066,225 from service level agreement related charges to other PIDG companies (2023: £9,444,066). The rise in income reflected a wider range of services provided to PIDG due to the expansion of the Group's services. The Group also received a further £105,331 (2023: £102,311) of income through the recovery of rent from InfraCo Africa Ltd and EAAIF on its shared offices at Bevis Marks, London.

The Group incurred costs of £10,523,100 (2023: £8,329,421) as it expanded its teams to help manage PIDG and its stakeholders. This includes staff costs of £7,851,595 (2023: £5,910,429).

Third party costs were incurred in areas such as SDI studies of projects supported by PIDG, Health, Safety, Environment and Social (HSES) and risk consultancy advice and legal and professional fees, and the core operating costs of running the Group.

The Group's profit before tax was £1,811,240 (2023: £1,245,705). As at 31 December 2024 the Group had £245,151 (2023: £243,217) in fixed assets, comprising leasehold improvements, furniture, fixtures and fitting and IT equipment and software associated with its new premises.

Tax

As a UK tax resident, the Company pays corporation tax and value added tax (VAT), as well as national insurance contributions in relation to its employees. In relation to its activities the Trust and PIDG companies (including PIDG Ltd) voluntarily comply with the European Development Finance Institutions' *Principles for Responsible Tax in Developing Countries*.

[1] The Trust is UK tax resident.

Strategy

Business strategy

PIDG launched its first five-year strategic plan in 2019 for the period 2019-24. A refresh of the strategy covering 2023-30 was launched in June 2023.

PIDG is focused on delivering pioneering infrastructure that contributes to reducing poverty, progressing towards the Sustainable Development Goals (SDGs) and delivering an equitable transition towards global net zero emissions in line with the goals of the Paris Agreement on Climate Change.

We will continue to work at the frontier, innovating where it matters the most. By focusing on:

- supporting Least Developed Country (LDCs)
- solutions that attract new sources of capital into early stage project development, equity investment and credit enhancement facilities
- new technologies in developing and emerging markets
- nature-based solutions and green-grey solutions that improve infrastructure while protecting/restoring/regenerating nature
- our value proposition to other investors and private-sector partners on our capacity to: raise health, safety, environment and social standards (HSES); implement a climate, nature and gender inclusion lens in infrastructure; and manage and demonstrate sustainable development impact.

We offer a range of solutions throughout the entire project lifecycle from early stage incubation and development, to credit solutions that bridge gaps in local capital markets.

Our core proposition is to:

- Increase the pipeline of projects built to internationally investable standards
- Unlock domestic institutional capital for infrastructure development
- Deploy commercial and institutional capital in developing and emerging markets through our blended finance structures.

PIDG strategic priorities

Considering the size of the infrastructure financing gap and the scale and pace of investment needed to achieve the SDGs by 2030, the following key shifts are needed for PIDG to rise to the scale of the current challenges:

- Elevating climate and nature action together with sustainable development
- Scaling our impact with new ambition and urgency
- A more deliberate and coordinated origination and product strategy:
  - Scaling up project development and early stage work in partnership with others
  - Unlocking local currency domestic institutional capital
  - Attracting and deploying capital from commercial investors into climate resilience and just energy transitions.
- A more strategic focus on project origination
- Growing the level of investment that we deliver while balancing financial sustainability with sustainable development impact
- Nurturing a culture of radical collaboration within the Group and with partners
- Enhancing operational efficiencies and value for money.

Investment themes and broad sector framework

We will take a more strategic origination approach, focusing on scaling up impact through a deliberate investment focus on combinations of sectors, geographies and products. These sectors are:

- Energy and electrification that power people and societies
- Transport, logistics and connectivity that move and connect people and goods
- Sustainable and resilient cities and circular economy
- Water and natural resource management.

This investment framework will apply across the PIDG Group and our entire product offering, geared towards scaling impact in selected.

Sustainable Development Impact

The countries in which we operate

PIDG develops and funds sustainable infrastructure in sub-Saharan Africa and south and south-east Asia. Since 2015, over 50% of PIDG projects have been in countries classified as LDCs and Other Low-Income Countries by the OECD. Over 50% of projects financed were in fragile or conflict affected states.

According to the World Bank (2024 data), almost 700 million people around the world live in extreme poverty – on less than $2.15 per day, the extreme poverty line. Over half of these people live in sub-Saharan Africa. After several decades of continuous global poverty reduction ~~.~~ progress has stalled amid low growth, setbacks due to COVID-19 and increased fragility. Poverty rates in low-income countries are lower than before the pandemic.

At the mid-point of the SDGs, the world is behind its targets. At the current rates of progress, the world will likely not meet the global goal of ending extreme poverty by 2030, with estimates indicating nearly 600 million people will still be struggling in extreme poverty by then.

PIDG Theory of Change

According to the International Energy Agency (2024), the number of people without access to electricity globally increased in 2022 for the first time in decades, rising by around 6 million to roughly 760 million. This setback was primarily concentrated in sub-Saharan Africa, where four in five people live without access today.

The world is not on track to achieve the goal of universal energy access by 2030. However, we welcome that in 2023 the number of people globally without electricity access has decreased to 745 million. Preliminary analysis indicates that in sub-Saharan Africa, progress through 2023 has continued into 2024, but the number of people without access will still remain higher than in 2019. According to the International Energy Agency Progress in developing economies in Asia also resumed in 2023, albeit at a much slower pace than before 2019.

The regions in which PIDG invests are also the most vulnerable to the effects of the changing climate. Those living in poverty or near the poverty line are particularly vulnerable to shocks such as natural disasters. Greater vulnerability means that they lose more when such shocks occur, which can quickly undo any progress on poverty reduction made.

PIDG mobilises private sector funding and capacities to deliver infrastructure projects that would not otherwise happen in the most difficult geographies and where it is most needed. PIDG investments transform economies and improve lives in these challenging markets.

SDI against mission and theory of change
PIDG has an end-to-end system to drive and demonstrate SDI against its mission and theory of change, which is set out in more detail on the following pages.

The system includes:
1. An integrated Key Performance Indicator (KPI) framework.
2. A systematic approach to assessing the impact potential of prospective investments and consistent monitoring, evaluation and learning of the SDI generated at investment and portfolio level.
3. A portfolio approach that combines expected SDI and risk-adjusted financial returns to ensure SDI, risk and financial return – and trade-offs across them – are explicitly factored into decision making.

PIDG is a signatory to the Operating Principles of Impact Management and its disclosure of compliance with the principles is available at www.pidg.org.

KPI Framework
Following the launch of the 2023-30 PIDG Strategy, the KPIs being monitored by PIDG were refined to better reflect strategic objectives. They represent a mix of financial and impact performance indicators for all companies and include the following:
1. Total investment commitments in projects reaching financial close (US$m).
2. Cumulative Private Sector Investment (PSI) mobilisation ratio in projects reaching financial close.
3. Number of projects reaching financial close.
4. Percentage of cumulative number of projects committed in LDC and OLIC (DAC I/II) and/or FCAS Countries.
5. Number of projects reaching financial close, scored as empowering women or transforming gender dynamics
6. Percentage of new commitments classified as climate finance.
7. Portfolio carbon intensity by 2023 – against forecast trajectory.
8. SDI Rating – portfolio distribution, based on SDI Scorecard process.
9. Group financial sustainability milestones.

3-Tier KPI framework

Approach to assessing impact
PIDG uses a systematic approach to assessing the impact potential of prospective investments; and consistent monitoring, evaluation and learning of SDI generated at investment and portfolio level.

The Company's Impact function has de facto veto power on prospective investments, while deals that exceed expectations on climate, gender or market transformation are prioritised.

SDI and risk-adjusted financial returns
There is active communication and collaboration between teams working on SDI, financial performance and risk management. The capital and portfolio optimisation framework continues to be operationalised to define the desired trade-off between impact and risk-adjusted returns and targets will be set accordingly.

PIDG Climate Strategy
As a responsible investor focused solely on infrastructure in some of the poorest and most fragile contexts. PIDG takes climate change into account in every investment and operation decision and its Climate Strategy, illustrates it is a key strategic priority of PIDG's climate action.

The overall strategic objective of PIDG's approach to climate change aims to accelerate an equitable and just transition to climate resilient, net zero economies in the countries where we operate. PIDG aims to enable the development of low carbon, climate resilient, sustainable infrastructure and by mobilising flows of climate finance to countries with the widest infrastructure gap, to leapfrog and replace the highest Greenhouse Gas (GHG) emitting technologies, while stimulating sustainable socio-economic development.

PIDG is conscious of the need to lead by example and measure and report the carbon footprint of our operations annually. We employ hybrid ways of working to minimise travel and aim to reduce the number and length of business travel flights, to reduce our GHG emissions. We are also exploring other ways to reduce our operations' GHG footprint and positively influence the behaviour of our suppliers and contractual partners. We are aware that the bulk of our GHG emissions come from our investment portfolio, which is the focus of our climate approach.

PIDG's climate approach focuses on four strategic priorities:

1. Mobilise private climate finance in underserved, fast growing markets, demonstrating the viability of low carbon, climate resilient infrastructure for private investors.

2. Mobilise domestic investors, entrepreneurs and stakeholders in emerging markets in climate savvy investments, including through local currency solutions.
3. Integrate climate and gender investment lenses in infrastructure investment to maximise the gender outcomes of climate related investment.

Since 2020, all new investments in the energy, transport and manufacturing sectors that PIDG companies consider must demonstrate alignment with the goals of the Paris Agreement. At the operational level, the PIDG Climate Standard covers the minimum requirements that we expect in each PIDG investment, as well as the decision trees that allow us to demonstrate alignment.

PIDG assesses physical and transition climate risks for each prospective investment, recommending further due diligence, mitigation actions and dedicated monitoring as appropriate. In addition to the resilience of the investments to climate risks, PIDG also assesses the impact of the investment on resilience to climate of the prospective infrastructure users and surrounding communities.

Since 2020, PIDG publishes the estimated carbon intensity of its portfolio which was followed in 2021 by a full disclosure in line with the recommendations of the Task Force for Climate Related Disclosure (TCFD). In June 2024 PIDG published its Sustainability and Impact Report, which included our voluntary climate and nature disclosures in line with recommendations set out in IFRS S1, IFRS S2 (formally TCFD) and TNFD. The report is available on www.pidg.org.

PIDG's Climate approach focuses on the key areas that we are prioritising to make a significant contribution to a climate resilient, just transition to net zero by 2050 at the latest.

PIDG's climate change approach is organised around the pillars of the IFRS S2 (formally TCFD) recommendations, to which PIDG signed up as a supporting organisation. The approach covers:

1. **Governance:** Describing the Board's oversight of climate-related risks and opportunities and PIDG management's role in assessing and managing climate-related risks and opportunities across PIDG companies and functions.
2. **Strategy:** Demonstrating the technical and financial viability of climate resilient, low carbon and inclusive infrastructure will be crucial to a just transition towards net zero by 2050 and is at the core of the PIDG mandate. The climate vulnerability of PIDG investment geographies, the need to balance global climate goals with socio-economic developmental needs, the long-term nature of infrastructure investment and the opportunity for PIDG to be at the frontier of low carbon technology introduction are key considerations.
3. **Risk:** Screening of physical and transition climate risks is incorporated in the Impact Review of each prospective investment and feed into the credit and investment decision making decisions.

Targets and metrics: PIDG's KPIs in relation to climate change include percentage of new commitments classified as climate finance and the estimated carbon intensity of PIDG investment across all sectors (tCO_2 equivalent per US$m invested). Other climate change related metrics cover the number of people supported to adapt to climate shocks and change (M/F) and the number of projects that introduce specific measures to improve climate adaptation and resilience. We also disclosure and track financed emissions, exposure to climate related physical and transition risk and emissions from PIDG operations (see GHG section on pg. 42).

Risk management

Group Board	• Overall responsibility for risk management, for determining the risk appetite in relation to the principal risks, for implementation of the risk management policy and for reviewing effectiveness of the risk management systems.
Risk Committee, **Audit Committee**, **Investment Committee**, **Impact Committee**, **Nomination, Governance & Rem Committee**	• Oversee integrity of the Risk Management Framework, Strategic and Operational Risk taking across the Group and overall direction on risk management strategies and controls, by risk type and in accordance with the relevant Committee Terms of Reference
PIDG ExCo	• Confirms risk strategy, appetite and accepts risks inherent in key investments and in strategic and business plans • Monitor material risks and tracks/approve mitigation activities
PIDG ALCO	• Asset and Liability Management Committee (ALCO) co-ordinates treasury and key financial risk management activities in support of the Risk Committee
1st Line Committees	• Review and decide upon the risk profile and risk-return characteristics of new business, credit and investment decisions within the Project Development Arm and Credit Solutions Businesses
1st Line Business Areas	• Risk taking entities responsible for utilising risk in pursuit of economic value • Identify, own and manage risks to business area portfolio and operations • Monitor the effectiveness of controls deployed within the 1st line business area • Report and escalate risk exposures, risk management responses and control effectiveness assessments

Risk Management Principles

The nature of the PIDG business model requires us to identify, assess, measure, aggregate and manage our risks, and to allocate scarce economic capital in a risk-informed manner, compliant with Group procedures. PIDG's approach to risk management is underpinned by the following core principles that guide our behaviours and desired risk management outcomes:

- Our risk management activities and decisions are undertaken in line with our values of pioneering, partnership, safety, inclusivity and urgency.
- We take risks within a defined risk appetite (expressed in quantitative and qualitative terms).
- Risk management and controls monitoring is executed in a manner that is proportionate to the materiality of risks and criticality of key controls in question.
- All risk management activities are undertaken in line with PIDG's risk and governance requirements.

Identifying and managing risk

Key risk decisions are taken at multiple levels in the organisation. Several layers of management combine to provide cohesive risk governance within PIDG Ltd and across its entities, as shown above.

The Board is responsible for maintaining and reviewing the effectiveness of PIDG's risk management systems from a strategic, financial, and operational perspective.

PIDG operates at the frontier of low-income countries and fragile states. The risk management processes deployed by PIDG are designed to support risk/reward decisions that recognise the elevated levels of risk within the jurisdictions in which we operate.

Our processes centre around the active assessment of risks across our portfolio, within defined risk appetite levels that support the delivery of the PIDG's strategic objectives.

Three lines of defence

We manage our risks through a framework of principles, organisational structures, policies, standards, procedures and sources of assurance that are aligned with the activities of our business and Group functions. We operate these activities within the three lines of defence model, which splits responsibility for operational risk and controls across first and second lines and uses the third line as a source of independent assurance.

First line

The PIDG companies and business functions own and manage risks directly by identifying and defining risk, as well as through the internal control environment that supports the management of risks.

Second line

The Company's risk and compliance function together with other second line employees, develop and maintain risk management policies, operational policies and frameworks, which facilitate the implementation of sound systems of risk, governance and compliance across PIDG.

Third line

Internal Audit provides independent and objective assurance on the adequacy of the design and operating effectiveness of the systems of internal control and risk management deployed by both the first and second lines. Alongside this, third line assurance work is performed through external compliance-based audits and deep dive specialist reviews commissioned by the PIDG companies and undertaken by external 'co-source' providers of assurance.

Principal risks and uncertainties of PIDG Ltd

The key risks related to the Company and its associated system of internal control are noted below.

Conduct and compliance risk

PIDG promotes a strong risk culture where employees at all levels are responsible for the management and escalation of risks. Employees are expected to exhibit behaviours that support a strong risk culture in line with the Code of Conduct. PIDG's risk culture is shaped by a range of factors including its ownership structure, funding model, operating footprint, mission and business activities in jurisdictions with high levels of geo-political, economic, bribery, corruption, safety and security risks. The Company endeavours not to involve itself or the PIDG companies with transactions, activities, processes or relationships that are likely to attract negative publicity that cannot be credibly rebutted.

The assessment of risks that may give rise to reputational impacts form a key component of our strategic business approval processes. The PIDG Investment Policy defines the sectors PIDG plans to operate in and sets out certain excluded sectors. Any deviation requires approval from the members of PIDG. Whilst the Company does not itself invest in, nor lend to or provide guarantees for the infrastructure projects that PIDG supports, it makes certain investment and credit decisions and faces a reputational risk from poor decisions. It seeks to minimise the incidence and/or impact of this risk through requiring careful due diligence and decision making by executives, providing appropriate training and operating robust internal processes.

The Company has adopted PIDG's Code of Conduct and Operating Policies and Procedures (OPPs), which set out the values and behaviours expected from PIDG employees and from other relevant stakeholders, such as project partners.

Conduct and compliance risk continued

These include policies on anti-corruption and integrity, conflicts of interest, share dealing and remuneration that are available at www.pidg.org.The anti-corruption and integrity OPP sets our policies and procedures for our employees, stakeholders and project partners in relation to anti-money laundering, bribery and corruption, terrorist financing and fraud which are intended not only to set the appropriate standards but also to set PIDG's mitigating controls to prevent any such incidents occurring.

Complaints and whistleblowing concerns are recorded using specific processes designed to protect the anonymity of complainants and ensure confidentiality of any relevant reviews or investigations, in line with the Company's whistleblowing policy. In addition, the Company utilises media monitoring software which alerts it to any adverse publicity about PIDG. Where necessary, the Company's communications team prepares appropriate responses.

Health, safety, environmental and social risk

Effective management of health, safety and environment (HSES) risks forms a key focus for PIDG.

The Company has developed a HSES Management System for PIDG, which requires compliance with the IFC's Environmental and Social Performance Standards and other appropriate best practice guidelines. This system allows all key HSES risks to be identified and managed by PIDG's project companies to a level that can be considered 'as low as reasonably practicable'. The Company also requires PIDG companies to report any incident to its Executive team within 24 hours of a PIDG company becoming aware of it.

The Impact Committee reviews and advises on safe-guarding practices and sustainability, thereby ensuring relevant issues are discussed, understood, owned and promoted at Board level. This includes advising on areas as broad as human rights through to workplace safety initiatives and campaigns.

Legal risk

PIDG faces a risk of loss arising from a failure to act, or to document its agreements, in a legally effective manner. This could arise from lack of awareness or misunderstanding of ambiguity In, or reckless indifference to, the way law and regulation apply to PIDG, including its relationships, processes, products and services.

It would primarily be caused by factors such as defective legal agreements or failing to take appropriate measures in law to protect assets.

The Company mitigates these risks by requiring PIDG companies to employ trained executives supported by appropriate internal policies and a suitably qualified legal team that seeks specialist external advice when necessary.

Other operational risks

Operational risk includes risks associated with people, processes, systems and external events, both within PIDG and across its stakeholders. PIDG is committed to ensuring that its people adopt the highest standard of ethical behaviour as this is critical to the way it undertakes its business.

The OPPs enshrine our principles and standards that guide PIDG's culture and set out the key controls that employees of PIDG and our stakeholders need to follow. These are underpinned by internal procedures and associated controls. Compliance with the OPPs is on a 'comply or explain' basis; any breaches of the OPPs by the Company are recorded and an annual OPP compliance exercise is undertaken. This is presented to both the Audit and Risk Committees with key findings being submitted to the Board.

Financial risk management

Key financial risks are set out below and in further detail in note 18 of the financial statements.

Financial risk management continued

Credit risk
Counterparties include the banks which hold the cash reserves. Credit risk arising from cash balances is managed by depositing cash reserves with institutions that have a credit rating of at least investment grade. Limits are set and monitored by PIDG's Asset and Liability Committee.

Currency risk
A significant percentage of the Company's income is denominated in US Dollars, while many of its expenses are denominated in Pounds Sterling. A small proportion of the Company's assets and liabilities is also denominated in foreign currencies. To mitigate this risk, the Company converts foreign currency income to Pounds Sterling when it is practical to do so.

Liquidity risk
Liquidity risk arises on timing differences between the receipt of funds from the Trust and PIDG companies and the Company's financial obligations to its creditors. The Company's approach to managing this risk is to produce both short and long-term cash flow forecasts in order to ensure that it has access to sufficient liquidity at all times. In addition, the Company has a loan facility agreement for US$5 million from GuarantCo to provide sufficient cash reserves to meet liabilities when due, should PIDG members' contributions to the running costs of the Company be delayed.

Macro emerging risks managed by the PIDG Ltd Board on behalf of PIDG

The geographies in which PIDG operates continue to face considerable challenges, as governments, businesses and individuals contend with an increasingly volatile economic, geopolitical and operating environment. Rising sovereign debt distress in some countries may increase credit and market risks to PIDG and its projects.

PIDG's risk profile is further influenced by regional conflicts, emerging political developments, climate events and technological advancements that may adversely impact our projects and PIDG business activities.

All of these factors may impact the Board's ability to manage PIDG's delivery of performance targets agreed with its members.

The Directors will continue to work with senior management to monitor these emerging risks closely and assess the impact on operations, PIDG projects and its performance targets in the short and long-term.

Governance Report

Chair's Introduction

I am pleased to introduce the governance report for the year ended 31 December 2024. The report describes the roles, responsibilities and activities of the Board and its Committees.

We have spent much of the year focused on Succession Planning activities and there have been several changes made to the compositions of the Board and its Committees during the year. After more than twenty years of involvement with PIDG, Andrew Bainbridge decided to step down as Chair of the Board and the Nomination, Governance and Remuneration Committee and I took over the role as Chair, having previously been the Senior Director on the Board. I would like to extend my deepest gratitude to Andy for his long-standing service and for his excellent stewardship of PIDG which has helped shaped our Group today.

In addition, Cyril Wong, Kathie Painter and Ana Corvalan stepped down as Non-Executive Committee members on 31 March 2024 and Johan Bastin resigned from the Board on 31 December 2024. These changes are part of the planned rotation of our Directors and Committee members under our Succession Plan. We offer our deepest gratitude to Johan, Cyril, Kathie and Ana for their dedicated service to PIDG.

In the latter half of the year, we undertook extensive searches for new Non-Executive Directors and will be pleased to welcome Binta Toure, Cezar Consing and Andrew Hart as new independent Non-Executive Directors to the Board at the start of 2025.

The Board has continued to oversee the implementation of the 2023-30 PIDG Strategy and the achievement of PIDG's strategic objectives. The Board was pleased with PIDG's performance and record year for the fourth consecutive year.

The Board has also overseen other key strategic initiatives including the expansion of a PIDG company's mandate from Sub-Saharan Africa to include South and Southeast Asia intended to stimulate sustainable infrastructure investment and growth in the region to meet local needs. The Board was pleased with the support provided by private sector for this expansion.

The Board also continued to focus on overseeing the key strategic risks to PIDG arising out of the challenging external environment. The Board expects this environment to persist in the coming years and will continue to provide the necessary stewardship to PIDG to manage these risks appropriately.

Once again, PIDG has achieved a record year which is very much a result of the hard work and dedication of all our employees and I would like to extend my thanks to all, and I look forward to our continued collaboration in 2025 as we continue to grow.

Yukiko Omura

Board of Directors

Yukiko Omura

Non-Executive Chair of the Board
Chair of the Nomination, Governance and Remuneration Committee (both appointments on 1 July 2024)
Member of Risk Committee and Chair of Investment Committee (resigned both on 30 June 2024)

Appointed: 20 March 2018

Relevant experience

Yukiko was appointed as the Chair of the Board and Nomination, Governance and Remuneration Committee on 1 July 2024, having previously been Senior Director. She was the Chair of the Board of GuarantCo until 30 April 2022. She has more than 40 years of international professional experience in both the public and private financial sector. Yukiko was formerly the Under-Secretary General and COO and vice president at the International Fund for Agricultural Development. Prior to that, she was Executive Vice President / CEO of the Multilateral Investment Guarantee Agency of the World Bank Group. She started her career with the Inter-American Development Bank in Washington DC in the infrastructure department. She then went to work at various investment banks such as J.P. Morgan, Lehman Brothers, UBS Japan and Dresdner Bank in Tokyo, London and New York. She has strong experience in restructuring organisations and bringing change to meet the needs of changing markets or other conditions. She has a keen interest in ensuring sustainable development and Climate change issues.

Key positions

Non-Executive Director of HSBC Bank PLC.
Non-Executive Director of Assured Guaranty Ltd.
Non-Executive Director of Nishimoto HD Co. Ltd.
Advisory Board member of The Critical Mineral Fund.

Andrew Bainbridge

Non-Executive Chair of the Board
Chair of the Nomination, Governance and Remuneration Committee
Member of the Credit Committee

Appointed: 20 March 2018 and resigned on 30 June 2024

Relevant experience

Andy stepped down as the Chair of the Board and his associated committee roles on 30 June 2024. Andy had extensive experience with PIDG, having previously been Chair of GuarantCo and a Director of EAAIF. He is also the Chair of ICF Debt Pool LLP. He is a Partner at Gateway Partners, having previously been the Group Chief Executive Officer of the SBM banking group . Prior to that, he held senior positions in business leadership and risk management with both Standard Chartered and Barclays. He has covered emerging markets for much of his career, holding a number of non-executive roles over the last 15 years in addition to his executive roles. He is a Fellow of the London Institute of Banking and Finance and a Fellow of the Institute of Directors South Africa.

Key positions

Partner at Gateway Partners.
Chair of Cable & Wireless Seychelles Ltd.
Non-Executive Director of Seychelles International Mercantile Banking Corporation.

Dr Johan Bastin
Independent Non-Executive Director
Member of the Audit, Credit (until 3 October 2024) and Investment Committees

Appointed: 20 March 2018 and resigned on 31 December 2024

Relevant experience
Johan resigned from the Board on 31 December 2024. Before being appointed to the Board he had previously served as a Director of EAAIF. Johan has extensive experience in infrastructure development and has previously held senior executive positions with CapAsia, Darby Private Equity, Franklin Templeton Investment Austria, the Harvard Institute for International Development and the Dutch Ministry of Foreign Affairs. Johan also held senior management positions with the European Bank for Reconstruction and Development in London including a role as Head of the Infrastructure and Energy Utilities Group. Johan has held a number of non-executive positions with DTEK, having recently retired as the Chair of the Supervisory Board of DTEK Renewables International B.V. and D. Trading B.V.

Patrick Crawford CB
Non-Executive Director
Credit Committee Chair (until 3 October 2024)
Member of the Nomination, Governance and Remuneration, Risk and Investment (appointed on 3 October 2024) Committees

Appointed: 20 March 2018

Relevant experience
Patrick has had a long involvement with PIDG, being a Director of EAAIF from 2015 and its Chair from 2018 to 2022. He previously held positions with Morgan Grenfell, Deutsche Bank, The Charity Bank Limited and Standard Bank. He was Chief Executive and Accounting Officer of UK Export Finance, the government department that functions as the UK's official export credit agency. Patrick was the head of EAAIF's fund manager for two years when it was established in 2002. His career has brought him extensive involvement with credit risk and liability management, and with international infrastructure and project financing.

Key positions
Senior Independent Non-Executive Director of FirstBank UK Limited.
Director on the Alternative Investments Board of Pearson Pension Property Fund Limited.
Chair and Non-Executive Director of Gridworks Development Partners LLP.
Trustee, Honorary Treasurer and Council Member of the Artists General Benevolent Institution, a UK charity.

Chrispin Chikwashi

Independent Non-Executive Director
Audit Committee Chair
Member of the Risk and Impact Committees

Appointed: 1 May 2023

Relevant experience

Chrispin is a senior finance professional and brings over 25 years of international experience in financial services having held finance and internal audit leadership roles in the Asia Pacific and Europe, Middle East and Africa (EMEA). He previously served as Managing Director, Audit – Finance, Strategic Ventures and Corporate Functions, International, at GE Capital. Prior to that, he was the Internal Audit Director, Finance for Europe, Middle East and Africa at Citi and held a Finance Senior Reviewer role leading on the Audit and Risk Review Asia-Pacific team and was previously the Executive Director, Finance for BancABC Zambia and Chief Financial Officer of Citibank Zambia Limited. Chrispin is a Fellow of the Chartered Institute of Management Accountants (FCMA), UK, and a Chartered Global Management Accountant.

Key positions

Governor of the Bath Spa University, as a co-opted member of the Audit and Risk Assurance Committee.
Independent Non-Executive Director and Chair of the Information Technology, Digital and Operations Committee of Access Bank Zambia Limited.
Independent Non-Executive Director and Chair of the Audit Committee of African Banking Corporation Zambia Limited (transitional appointment following the acquisition of the Bank by Access Bank Zambia in 2024).

Rachel Kyte

Independent Non-Executive Director
Impact Committee Chair (1 April 2018)
Member of the Risk and Nomination, Governance and Remuneration Committees (appointed 1 July 2024)

Appointed: 1 January 2022

Relevant experience

Rachel advises governments, the private sector and philanthropy on climate, energy and finance for sustainable development and was recently appointed by the UK government as the UK Special Representative on Climate. She is Professor of Practice at the Blavatnik School of Government at Oxford University and Dean Emerita of The Fletcher School at Tufts University. She is co-chair of Voluntary Carbon Markets Integrity Initiative (VCMI), a trustee of ODI and Board member of Climate Policy Initiative. She co-chairs the Advisory Board of the Quadrature Climate Foundation and is a Senior Fellow at ClimateWorks. She was previously Special Representative of the UN Secretary-General and CEO of Sustainable Energy for All and World Bank VP for Sustainable Development and Climate Envoy as well as VP for Business Advisory Services VP at the IFC. She received the CMG for services to climate and energy in 2020 and is the recipient of numerous awards for women’s leadership, climate action and sustainable development.

Key positions

Member of the Advisory Board of Beyond Net Zero.
Board Director of Climate Policy Initiative.
Trustee, ODI.
Board Chair of Climate Resilience for All.

Uche Orji

Non-Executive Director
Risk Committee Chair
Member of the Audit (resigned on 30 June 2024), Investment and Nomination, Governance and Remuneration (appointed 1 July 2024) Committees

Appointed: 1 March 2023

Relevant experience

Uche brings 35 years of international experience in financial services. He is currently co-founder of Titangate Capital Management and Director at Vitesse Africa Ltd. Uche was previously the CEO of the Nigeria Sovereign Investment Authority. Prior to which he gained extensive experience on both the sell and buy sides of the capital markets in Europe, USA, and Asia. He was a Managing Director at UBS Securities and worked at Goldman Sachs Asset Management. Earlier in Uche's career, he was Acting Financial Controller at Diamond Bank Plc. and was an auditor at the firm of Arthur Andersen & Co. Uche has previously held a number of Board roles including the Infrastructure Credit Guarantee Company, the Bank of Nigeria, the Family Homes Funds Limited, the Nigeria Mortgage Refinance Company and NG Clearing Limited.

Uche also served as an advisory member of the G-7 taskforce on Impact Investing under the Presidency of the UK and served as an expert on the EU Commission's High-level Expert Group for the Scaling up of capital for lower- and middle-income countries.

Key positions

Titangate Capital Management, Partner/Co-founder and Director.
Co-Founder and Executive Board Member, UltraSafe AI
Access Bank Plc, Non-Executive Director
Vitesse Africa Ltd, Director

Liengseng Wee

Independent Non-Executive Director
Member of the Impact, Audit (appointed on 1 July 2024) and Credit (until 3 October 2024) Committees
Chair of Investment Committee (appointed 1 July 2024)

Appointed: 1 March 2023

Relevant experience

Liengseng has 40 years of experience in banking, strategy, and risk management. Liengseng has extensive experience in investment evaluation in many sectors including energy, infrastructure, and transportation. He is CEO of Dragonfly LLC, a New York-based firm which provides quantitative risk management capabilities and solutions to companies in all sectors in the US and Asia. Prior to that he was a partner at Capco, and at Capital Market Risk Advisors in New York. Liengseng was a Managing Director in Global Risk Management at Bankers Trust New York where he helped develop much of the global banking risk capital methodology used today. Prior to that, he was a senior associate in strategy consulting at Booz Allen, based in New York. He started his career as a banker with Banque Paribas in Singapore. Liengseng has been an adjunct Professor of Risk Management at the Singapore Management University, Columbia University and Peking University.

Key positions

Independent Non-Executive Director, Chair of the Nominating and Remuneration Committees, Audit & Risk Committee Member of GuocoLand Ltd.
Independent Non-Executive Director and Member of Investor Committee of Mapletree US Logistics Pte Trust.
Advisory Board Member of NUS Business School Management.

Governance

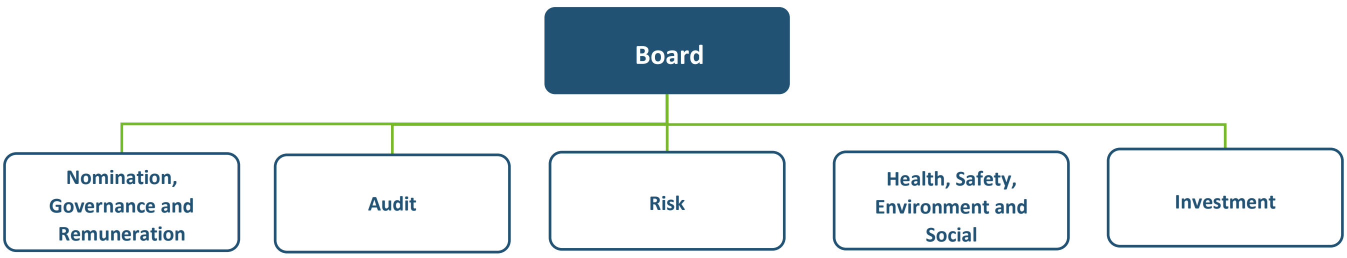
The Company and all PIDG companies are committed to complying with all applicable laws and regulations in the jurisdictions in which they operate and while the Company does not fully apply the UK Corporate Governance Code (the Code), we apply it on a voluntary basis as is appropriate to our business' size and complexity. With a core value of integrity, the Company and PIDG companies seeks to apply the high ethical standards to everything they do. The Company expects everyone at PIDG to comply with both the letter and spirit of the law.

Whilst the Company is a private company limited by shares, and not bound by the Code, this report outlines how the Company has applied the Code and what the Company has assessed as its relevant principles and provisions, and best practice. This aligns to PIDG's objective to be transparent given the public nature of the funding we receive. The Company fully endorses the principles on which the Code is based – namely that the Company should be a long-term partner of its various stakeholders.

The Company has adopted PIDG's Code of Conduct and OPPs, which are available at www.pidg.org. These policies and procedures ensure that the Company's commitment to integrity and legal compliance is followed. Both the Company and PIDG have zero tolerance for incidences of fraud, corruption and other unethical conduct (such as tax evasion and sexual exploitation). The Company seeks to adhere to the highest standard of anti-fraud, anti-corruption, anti-money laundering and health and safety practices in its activities.

The PIDG Board has established a number of Committees to help it discharge its duties, as set out in the governance framework below. Further information on the roles and responsibilities of the Committees is set out later in this report.

Governance Framework



The Board

The Directors collectively bring a broad range of business and development experience to the Board, which is essential for the effective running of both the Company and PIDG. The Board is responsible for and accountable to the members of PIDG and the Trust, for its own activities and the activities of PIDG as a whole.

Board size, composition and independence

At 31 December 2024, the Board was comprised of seven Non-Executive Directors. PIDG deems five of the Directors to be fully independent under the Code. Andrew Bainbridge resigned as Chair of the Board on 30 June 2024 and Johan Bastin resigned as a Director on 31 December 2024. There are no Executive Directors on the Board. All Directors are also members of Board Committees.

Board Skills and experience and Succession Plan

PIDG has Board and Board Committee Succession Plans (the Plans) in place through to 2028. The Plans take account of the skills and experience of our Directors. The Plans are designed to ensure the orderly succession of our Directors and Committee members to take us to a fully independent Board by 2027 and to assist with the identification of our recruitment needs. The Plans are currently being reviewed and will be subject to external review as part of the planned external Board evaluation in 2025.

Board diversity

The Board understands the importance of diversity and the benefits a diverse Board can bring. PIDG is committed to ensuring diversity and all aspects of diversity remain front of mind when looking at succession planning. When selecting candidates, consideration is given to the benefits of diversity of gender and social and ethnic backgrounds.

Board induction

PIDG provides a comprehensive and tailored induction process for new Board and Committee members.

Service contracts

Each Director and Committee member has entered into a standard service contract which are available to view at the Company's registered office.

Appointment, rotation and removal of Directors

The Company's articles of association do not require retirement by rotation. Directors are subject to an annual internal performance evaluation and an independent performance evaluation at least every three years, carried out in line with the Appointment and Evaluation of Directors Policy and Procedures as approved by PIDG members, which is available at www.pidg.org. Directors are appointed for a three-year term up to a maximum term of nine years, with the possibility of a further one-year extension on an exceptional basis.

PIDG engages with external search consultants for the Board's recruitment process. The details of the recruitment activities undertaken during the year are set out in the *Nomination, Governance and Remuneration Committee Report*.

Directors' time commitments

As part of the Director recruitment process, the Board takes into account the other demands on a prospective Director's time to ensure they have sufficient time to perform the role. Additional external appointments are only undertaken with the approval of the Board.

Role of the Chair and Chief Executive Officer (CEO)

The roles of the Chair and CEO are separate and there is a clear division of responsibilities between the two roles (as set out in the table below).

The Chair is responsible for leading the Board, ensuring its effectiveness, steering its agenda and ensuring that there is a healthy culture of challenge and debate. The Chair also evaluates the performance of the CEO and is responsible for succession planning with the support of the Nomination, Governance and Remuneration Committee.

The CEO is responsible for the management of the Company and PIDG on a day-to-day basis. This includes making recommendations to the Board on strategy and other matters.

Stakeholder engagement

The Board understands the importance of effective engagement and participation from its stakeholders. Both the Chair and the CEO provide regular updates to PIDG members through informal and formal meetings, including quarterly progress meetings and at an Annual Owners Meeting. Regular meetings have also been held between the Chair and PIDG members on Board succession, and between the Executive and the PIDG members on adopting a new Constitution to refresh our existing governance arrangements. Dedicated sessions on specific topics are also held with the members on a needs basis. The Executive team provides the Trust with a monthly update on activities and ensures matters requiring escalation to the Trustees are promptly actioned and managed.

Separation of Responsibilities

The Non-Executive Chair	Chief Executive Officer	Non-Executive Directors
Leads the Board and ensures that its principles and processes are maintained	Leads the Executive team in the day-to-day running of the Company	Constructively challenge and contribute to strategy development
Promotes high standards of corporate governance	Develops appropriate frameworks to support PIDG's objectives	Contribute to the determination of risk appetite and identification of risks
Sets agendas and the Board programme with the Company Secretary and CEO	Makes operational decisions	Scrutinise and hold to account the performance of management
Ensures the Directors receive accurate, timely and clear information	Leads development of strategy for Board approval	Provide a broader perspective to key business matters
Encourages open debate and constructive discussion and decision making	Oversees internal and external communication	Review, prior to publication, the financial statements and proposals to the PIDG members
Leads Board performance and facilitates training needs	Represents PIDG to its members, shareholders and external stakeholders	Oversee succession planning and talent management and executive remuneration

Role of the Board

The Board is responsible for and accountable to the PIDG members and the Trust for its own activities and the activities of PIDG as a whole. Certain Company and PIDG matters are reserved for Board approval and there is a clear delegation of authority to the CEO and other senior Executives within the Company for other specific matters. Certain matters also require the approval of PIDG members.

The Board is responsible for overseeing the management of the business and for ensuring high standards of corporate governance, health and safety, that PIDG is adequately resourced, and that high levels of environment and social standards are maintained.

In addition to its statutory obligations, the role of the Board is to:

- Exercise independent judgement and contribute to strategy and policy formation.
- Determine the direction and strategy of PIDG in accordance with the strategy and Investment Policy approved by PIDG members.
- Monitor the achievement of the PIDG's business objectives and the SDI objectives set by the members.
- Ensure that the Company's responsibilities to the Trust and PIDG members are met.
- Monitor PIDG's financial and managerial performance.
- Ensure that risks are identified, and appropriate controls are in place.
- Ensure that everybody at PIDG applies appropriate ethical standards in the performance of their duties in accordance with the PIDG Code of Conduct.

Leadership of the Board

The Chair leads the Board and is responsible for its overall effectiveness in directing the Company. The Chair, with the assistance of the Company Secretary and CEO, ensures that the Board programme focuses on matters of strategic importance. This enables the Board to ensure the activities of PIDG are managed, risks monitored and that the Directors receive accurate, timely and clear information. The Chair ensures that the Board is properly briefed on all issues arising at its meetings and on the views of the PIDG members.

Company Secretary and independent advice

All Directors have access to the advice and services of the Company Secretary. The Company Secretary is responsible for advising the Board on all corporate governance, company law and secretarial matters. The appointment and removal of the Company Secretary is a matter for the whole Board.

In addition, all Directors have access to independent professional advice at PIDG's expense, where they consider it necessary for the discharge of their duties.

Executive engagement

There was regular communication between the CEO, members of the Executive team and the Board and its Committees throughout the year. The Executive team provides the Board with good and timely information that enables it to carry out its duties. No one individual has unfettered powers of decision making.

Governance effectiveness review (GER)

The Board undertakes an annual evaluation of its effectiveness, and an external evaluation is undertaken every three years. The performance of the Chair, Directors and Committee members is evaluated as part of the process. In 2024, the annual performance review of the Directors was undertaken and it was agreed with the PIDG members that as PIDG would be undertaking an external evaluation in 2025, an internal evaluation would not be conducted.

Meetings of the Board

The Board met for four scheduled meetings during the year.

Main activities of the Board during the year

Performance, finance and funding	• Received regular updates and detailed monthly and quarterly reports on the performance of the Company and PIDG companies • Reviewed updates on the development of a new PIDG Membership Model and PIDG Constitution • Received the three year-consolidated business plan for PIDG and the PIDG companies and regular updates on the performance against the plans • Reviewed and approved the Annual Report and Accounts • Reviewed and approved the Annual Budget • Received updates on new funding activities and progress towards financial sustainability • Reviewed and approved new funding commitments from existing members, the renewal of parts of a PIDG company debt facility and new revolving credit facility for PIDG companies • Approved the first dividend payment of a PIDG company
Risk	• Received periodic reports on key and emerging risks • Received updates on Health, Safety, Environmental and Social matters • Reviewed and approved changes to PIDG's suite of operating policies and procedures for approval by the PIDG members • Reviewed and approved the Risk Appetite Framework • Considered the key risks of the three-year consolidated business plan for PIDG and the PIDG companies
Strategy	• Reviewed PIDG's Strategy priorities as part of the consolidated business plan review • Reviewed and approved as necessary several key projects and Group company initiatives, including the restructuring of PIDG, the expansion of the geographical reach of a PIDG company, and potential new strategic funding partners
Sustainable Development Impact	• Received updates on SDI activities across PIDG • Reviewed the progress of PIDG's 2024 SDI KPI performance • Reviewed proposals on PIDG's approach to nature-based solutions and origination for nature transactions • Held strategic discussion on SDI and HSES matters across PIDG
Governance	• Reviewed and approved changes to PIDG's Board-level Succession Plans • Approved a proposal to postpone the planned external Board evaluation from 2024 to 2025 • Received quarterly updates on the activities of the Board Committees • Reviewed and approved proposals on new Non-Executive Director appointments to the Board, governance changes to the Impact and Investment Committees, several composition changes to the Board Committees and received regular updates on the progress updates on the restructuring of the PIDG Group

Attendance at Board and Board Committee meetings

The table below indicates the attendance of all Directors at Board and Committee meetings, and the non-executive Committee members (who are not Directors of the Company) at the Committee meetings held during the year ended 31 December 2024:

	Board	Nomination Governance and Rem Committee	Audit Committee	Risk Committee	Credit Committee	Impact Committee	(Old) Investment Committee	(New) Investment Committee
No. of meetings held	4	3	4	4	4	4	4	2
PIDG Directors								
Yukiko Omura	C-4	C-3[1]		2[2]			C-4[3]	
Andrew Bainbridge[4]	C-1	C-1			2			
Johan Bastin	4		4		4		4	2
Chrispin Chikwashi	4		C-4	4		4		
Patrick Crawford	2	1		1	C-4			
Rachel Kyte	4	2[5]				C-4		
Uche Orji	4	2[6]	2[7]	C-4			4	2
Liengseng Wee	4		2		4	4	C-3[8]	C-2
PIDG Committee Members								
Cyril Wong[9]			1					
Kathie Painter[10]			1				1	
Amanda Feldman			4			4		
Ana Corvalan[11]					1			
Anthony Marsh					4			2
Peter Hutchison[12]						1		

C - Chair

[1] Yukiko Omura became Chair of the Nomination, Governance and Remuneration Committee on 1 July 2024 and chaired two meetings.

[2] Yukiko Omura resigned from the Risk Committee on 30 June 2024 and attended all meetings before she stepped down.

[3] Yukiko Omura resigned from the Investment Committee on 30 June 2024 and attended all meetings before she stepped down.

[4] Andrew Bainbridge resigned as Chair of the Board and Nomination, Governance and Remuneration Committee on 30 June 2024 and attended all meetings before he stepped down.

[5] Rachel Kyte was appointed to the Nomination, Governance and Remuneration Committee on 1 July 2024 and attended all meetings from appointment.

[6] Uche Orji was appointed to the Nomination, Governance and Remuneration Committee on 1 July 2024 and attended all meetings from appointment.

[7] Uche Orji resigned from the Audit Committee on 30 June 2024 and attended all meetings before he stepped down.

[8] Liengseng Wee was appointed as Chair of the Investment Committee on 1 July 2024.

[9] Cyril Wong resigned from the Audit Committee on 31 March 2024 and attended all meetings before he stepped down.

[10] Kathie Painter resigned from the Audit Committee and Investment Committee on 31 March 2024 and attended all meetings before she stepped down.

[11] Ana Corvalan resigned from the Credit Committee on 31 March 2024 and attended all meetings before she stepped down.

[12] Peter Hutchinson resigned from the Impact Committee on 31 March 2024 and attended all meetings before he stepped down.

Board Committees

The Board has established five Committees to assist it in fulfilling its responsibilities. The Terms of Reference (ToR) of all Committees are available at www.pidg.org. All Committees comply with PIDG's objectives to deliver SDI and achieve value for money in all its activities.

Committee membership

The membership of each Committee and the attendance of each of the members is set out in the table on the previous page. The details of the responsibilities and activities of each of the Committees during the year are set out in the Committee reports that follow.

Committee meeting frequency

The Nomination, Governance and Remuneration, Audit, Risk and Impact Committees are scheduled to meet quarterly and meet at other times as is necessary to discharge their duties. The Investment Committee holds quarterly portfolio review meetings and meet as and when required to respond to the needs of the business.

Changes to the Committees

The Credit Committee and Investment Committee were unified into a single Investment Committee in October 2024. This change ensures there is a single Board level committee with oversight of PIDG's entire portfolio, enabling it to better understand how PIDG was delivering on its strategic objectives and manage PIDG's portfolio risks.

The HSES Committee, also formally became the Impact Committee during the year. This change in responsibilities is intended to provide a single point of Board-level oversight on the development of PIDG's impact management systems and strategy as a whole.

Annual review of Terms of Reference

All Committees undertake an annual review of their ToR, which includes a review against best practice and a review of how the Committee has discharged its duties during the year.

Committee effectiveness

A review of the effectiveness of each Committee is undertaken regularly to assess whether it is working effectively and efficiently to fulfil its responsibilities and to identify and rectify any shortfalls in practices. Each governing body also meets in private session after each meeting to discuss the effectiveness of the meeting and to agree any changes that need to be made.

Supporting committees

The Board has established a Technical Assistance (TA) Committee with independent members that is operated by the Executive to approve TA and VGF grants above financial thresholds set by the Board.

Executive Committees

In addition to the Board Committees, the Company has an Executive Committee made up of the CEO, CRO, CFO, Chief Sustainable Impact Officer, Global General Counsel, the Chief of Staff and Global Head of Communications and the heads of the business areas. There is also an executive level Assets and Liabilities Management Committee made up of members of the Executive and management teams and one independent member that bring external expertise.

Nomination, Governance and Remuneration Committee Report

Yukiko Omura
Chair of the Nomination, Governance and Remuneration Committee

I am pleased to report on how the Nomination, Governance and Remuneration Committee has discharged its duties during 2024 and its planned activities in 2025.

The Committee made good progress in 2024 achieving its objectives, including the ongoing refreshing of the Board's membership and expansion of its oversight of people matters.

The Committee continues to review and oversee the Board and Committee Succession Plans and oversaw the recruitment of three new Directors. It also increased its focus on the Executive Succession Plan.

The Committee continues to oversee the pay and bonus review process to confirm the decisions made were fair, consistent and in line with the PIDG Remuneration Framework. The discussions with the PIDG members on certain revisions to the framework were also completed during the year.

Membership

Patrick Crawford **Rachel Kyte** **Uche Orji**

The members of the Committee are set out above. Andrew Bainbridge resigned as Chair of the Committee on 30 June 2024. I was appointed as Chair, and Uche Orji and Rachel Kyte were appointed as Committee members on 1 July 2024.

Committee governance

The CEO and Group Head of HR attend all meetings in full, except when it is not appropriate to do so.

The Committee's composition was kept under review during the year and changes were made as part of our Succession planning activities. The effectiveness of the Committee will next be reviewed as part of the external Board evaluation planned for 2025. Governance Effectiveness Review.

Main responsibilities

- make plans for the orderly succession for appointments to all PIDG company Boards and Committees that maintains an appropriate balance of skills, experience, independence and knowledge (taking account of diversity)
- manage the recruitment and evaluation of Directors and Committee members and CEO
- assist the PIDG Chair to keep PIDG's governance arrangements under review and make recommendations to ensure that each governance body's arrangements are consistent with best practice
- Review and approve remuneration policies and practices.

Activities during the year

The Committee's main areas of focus during the year were the progress of NED recruitment and Board-level Succession Plan activity, oversight of people matters relating to the restructure of the Project Development Arm, the finalisation of the revisions to the Remuneration Framework, remuneration policy matters and the development of the Executive Succession Plan.

The Committee continued to focus on the ongoing Non-Executive Director recruitment and Board level Succession Plan activities throughout the year. The key change was the change in leadership of the Board when Andrew Bainbridge stepped down as Chair and Yukiko Omura was elected as Chair having previously served as the Senior Director. This has been a material change to the Board and the transition was managed carefully to ensure the good Board dynamics were retained.

Johan Bastin also resigned from the Board as part of the planned Director rotation of the Board Succession Plan. These changes, led to numerous changes to the composition of our Board Committees (as set out in each of the Committee reports). To support the planned rotation of the Directors extensive recruitment activities were undertaken with the support of DHR Global (an international recruitment firm) and Binta Toure, Cezar Consing and Andrew Hart will be appointed as new independent Non-Executive Directors at the start of 2025. The Committee will continue to oversee these activities for the coming years, as ensuring the orderly succession for our Board is critical for the strengthening of the overall effectiveness of our governance arrangements.

The Committee continues to oversee remuneration policy matters and their application to ensure they are fair and appropriate. In discharging this duty, it considered and supported management's approach to the 2023 pay increases and bonus awards.

The Committee also received updates on remuneration policy matters, relating to the standardisation of pay structures and benefits as part of the restructuring of the Project Development Arm and confirmation of the PIDG members approval of changes to the bonus structure under the Remuneration Framework.

The Committee considered the findings of the Equal Pay review and agreed the improvements made since the last report. The Committee noted that due to the difficultly in drawing parity between remuneration levels for different functional roles at the same level, there would continue to be differences.

The Committee also oversaw the development of the Executive Succession Plan and asked to receive quarterly update while the plan was developed further.

The Committee received a People dashboard report at each meeting which enables it to monitor key people metrics, trends and activities and which provides Board-level oversight of People matters and informs the Committee's view on PIDG's culture and People practices.

Areas of focus for 2025

The key areas of focus for 2025 will be undertaking an independent Board evaluation and overseeing the ongoing evolution of the Board-level governance arrangements, keeping Board level succession plans under review and d oversight of remuneration and People matters.

Audit Committee Report

Chrispin Chikwashi
Chair of the Audit Committee

I am pleased to report on how the Audit Committee has discharged its duties during 2024 and its planned activities in 2025.

The Committee continues to focus on issues relating to PIDG's management and financial reporting, including ensuring the integrity of financial reporting, the consideration of key accounting estimates and judgements, assessing the adequacy of the external audit plans and ensuring the independence and objectivity of the external Auditor.

The Committee also reviewed the work of the Internal Audit function and its delivery against its workplan. It assessed the internal assurance and integrity of the externally published SDI data included in the PIDG Sustainability and Impact Report. It considered the work being undertaken to implement a new General Ledger system in readiness for the corporate restructure planned for 2025.

Membership

Johan Bastin

Amanda Feldman

Liengseng Wee

As Chair of the Audit Committee, I am a qualified accountant and an experienced Audit Committee chair with recent and relevant financial experience.

Cyril Wong and Kathie Painter resigned from the Committee on 31 March 2024 and Uche Orji resigned, and Liengseng Wee was appointed, to the Committee on 1 July 2024. Johan Bastin resigned from the Committee on 31 December 2024.

The Committee has a deep knowledge in financial and SDI reporting, internal control and risk management in infrastructure financing.

Committee governance

The CFO, CRO and other executives of the Company and the PIDG companies are invited to attend meetings as appropriate. The Board Chair is also a standing invitee.

Main responsibilities

- review the financial statements and the findings of the external Auditors of the Company and the other PIDG companies
- ensure the external Auditors' independence
- review and monitor as a whole the integrity of the financial, social and environmental information and SDI metrics provided to the PIDG members and the Trust
- oversee the Internal Audit function and delivery of its plan
- in consultation with the Risk Committee, review and monitor the Company's and PIDG's system of internal controls and risk management and the process for compliance with PIDG's Code of Conduct and OPPs.

Committee governance continued
The Committee's composition was kept under review during the year and changes were made as part of our Succession planning activities. The effectiveness of the Committee will next be reviewed as part of the external Board evaluation planned for 2025.

Activities during the year
The Committee has reported to the Board on how it has discharged its responsibilities during the period. The Committee considered the following significant issues in relation to the financial statements for the Company for the year:

- Monitoring adherence to the 2024 Company budget, focusing on any variances and the drivers for these.
- Monitoring the application of the transfer pricing margin in place between the Company, the PIDG companies and the Trust for the provision of services.

Risk management, compliance and internal controls
The Board is responsible for the overall adequacy of the Company's and PIDG's system of internal controls and risk management. The Board has delegated responsibility to its Committees for reviewing and monitoring the effectiveness of the Company's and PIDG's systems for risk management and internal control. The systems of internal control are designed to manage, rather than eliminate, risk. Consequently, these controls provide reasonable, but not absolute, assurance against material misstatement or loss.

The Committee reviews the system for internal control and risk management on an ongoing basis. The review covers all material controls, including financial, operational and compliance controls and compliance with the OPPs. Throughout the year the Company has operated a system of internal controls that provides reasonable assurance of effective operations covering all controls, including financial and operational controls and compliance with laws and regulations.

The principal risks and uncertainties that the Company is exposed to are reported in the *Business Review* section on pages 10 – 12 of this report.

The Committee oversaw the ongoing development of the Internal Audit function. It oversaw the progress on the 2024 internal Audit Plan and the refinement of related processes and approaches, including the ongoing implementation of a new materiality classification.

The Committee continued to examine the Company and PIDG companies financial reports and disclosures to ensure that they have been subject to adequate verification and comply with applicable standards and legislation. The Committee and Board scrutinise and approve the Annual Report and financial statements and ensure that appropriate disclosures have been made.

The Executive team is responsible for establishing and maintaining adequate internal control over financial reporting for the Company. Internal control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external reporting purposes in accordance with International Financial Reporting Standards (IFRS).The Committee oversaw the implementation of a new General Ledger (GL) for the Company and the Project Development Arm, replacing the three systems currently in place. The implementation of the new GL will simplify PIDG's processes, improve the financial control environment and improve PIDG's readiness for the corporate restructure planned for 2025.

The Committee has assessed the internal controls over financial reporting in the year and as at 31 December 2024 and has concluded that, based on its assessment, the internal control over financial reporting was effective.

External auditor independence
The Committee and the external Auditor, BDO LLP, have safeguards in place to avoid the possibility that objectivity and independence could be compromised. These safeguards include the external Auditor's report to the Committee on the actions it takes to comply with professional, ethical and regulatory requirements and best practice, designed to ensure its independence.

There is a policy in place on the provision of non-audit services and the Committee monitors and controls non-audit work provided by the external Auditor. The policy sets out those activities the external Auditors are able to undertake and the approvals required depending on certain fee thresholds. The policy also sets out those areas of work that are prohibited from being undertaken by the external Auditor, including where:

- The provision of the services would contravene any relevant regulation or ethical standard.
- The external Auditor is not considered to be an expert provider of the non-audit service.
- The provision of such services by the external Auditor creates a conflict of interest for the Board.
- The potential services provided are likely to inhibit the external Auditor's independence or objectivity.

The Committee evaluates the performance of the external Auditors annually taking into account the objectivity and effectiveness of the audit, the quality of formal and informal communications with the Committee, and the views of management. The external Auditors' performance in 2024 was deemed to be satisfactory.

SDI reporting assurance
The Committee considered the first, second and third line assurance reports that support the approval of PIDG's Sustainability and Impact Report by the Impact Committee, prior to publication. The Sustainability and Impact Report sets out PIDG's key activities and how these have delivered impact. In 2024, PIDG became an early adopter of reporting against the new IFRS S1 and S2 standards and provided its first voluntary disclosure of sustainability related risks and opportunities that seeks to align with the new IFRS S1 and a dedicated Climate and Nature Disclosure, aligned with IFRS S2, Task Force on Climate-related Financial Disclosures (TCFD) and The Taskforce on Nature-related Financial Disclosures (TNFD).

Group corporate restructure
The Committee oversaw the development of the plans to undertake a corporate restructure in 2025 from a financial reporting and tax management perspective. As part of this work, it debated and approved a proposal on the approach to setting the functional currencies of the different entity types under the new structure.

Areas of focus for 2025
In 2025, a key area of focus for the Committee will be the completion of the implementation of a new GL system and the preparation of consolidated Group Accounts. The Committee will also support management with the implementation of the new corporate structure from a financial reporting and tax management perspective.

The Committee will continue to focus on issues relating to PIDG's management and financial reporting and ensuring the integrity of the financial reporting and the consideration of key accounting judgements.

The Committee will continue to oversee the PIDG Internal Audit function and Internal Audit programme. The Committee will also continue to work with management on the broader development and enhancement of the internal control framework.

Risk Committee Report

Uche Orji
Chair of the Risk Committee

I am pleased to report on how the Risk Committee has discharged its duties during 2024 and its planned activities in 2025.

The Committee continues to refocus its agenda towards the evolution and strengthening of PIDG's risk management framework and has overseen a significant strengthening of the framework during the year. The Committee is pleased with the progress being made on the evolution of the activities of the Risk function, particularly the progress being made on the Enterprise Risk Management (ERM) approach being implemented, and believes PIDG moves into 2025 with a clearer view of the material risks to PIDG as a result.

In support of the 2024-30 PIDG Strategy, the Committee considered several matters in order to understand the risks to its delivery, including a detailed review of the risk outlook, the principal risks and uncertainties to the PIDG Business Plan, the assessment of sovereign debt distress across the portfolio and operational risk assessments on key functions and processes.

Membership

Chrispin Chikwashi **Patrick Crawford** **Rachel Kyte**

Yukiko Omura resigned from the Committee upon her appointment as Board Chair on 30 June 2024.

Committee governance

The CRO and CFO attend all meetings in full. The CEO has a standing invitation and attends periodically. The Risk team also attended all meetings during the year. The Board Chair is a standing invitee.

The Committee's composition was kept under review during the year and changes were made as part of our succession planning activities. The effectiveness of the Committee will next be reviewed as part of the external Board evaluation planned for 2025.

Main responsibilities

- making recommendations to the Board on setting risk appetite
- review and monitor risk management systems, policies and procedures for the Company and PIDG, including the oversight of operational risks (e.g. people, process, systems and external events) as well as credit risk, market risk, strategic risk and reputational risk
- review of new products proposed by the PIDG Credit Solutions companies
- portfolio reviews and monitoring.

Activities during the year

As part of the Committee's on-going evolution, it continues to elevate its focus from operational to strategic risks matters. Aligned to this elevated focus, the Committee considered the key risks that could materially impact the achievement of PIDG's strategic objectives over the next three years, reflected in the PIDG strategic risk map (set out in the following pages). The strategic risk map acts as an important tool to deepen the Committee's and Board's understanding of the pressures PIDG is likely to face.

In line with its annual programme, the Committee reviewed PIDG's Risk Appetite and made recommendations to the Board on appropriate changes. The key changes related to the enhancements made to support the three-year Business Plan.

The Committee also oversaw the development of the different components of the Group-wide ERM approach. In addition to new, streamlined risk reports, it received reports on the development of the Operational Risk Management Framework, Model Risk Management Framework, Internal Controls Framework and the ongoing rationalisation of the Group's principal policies and procedures. The Committee also considered proposed changes to PIDG's Operating Policies and Processes and made recommendations to the Board for its approval.

To ensure the risk framework remains fit for purpose, the Committee oversees the development of the OPPs and related risk frameworks and makes any necessary recommendations to the Board and PIDG members on changes to these.

As part of this work, the Committee reviewed and approved changes to the following OPPs: Code of Conduct, the Whistleblowing, Anti-Corruption and Integrity, Conflicts of Interest, Disclosure, Due Diligence, and Procurement. These polices were subsequently submitted to the Board and Owners for approval.

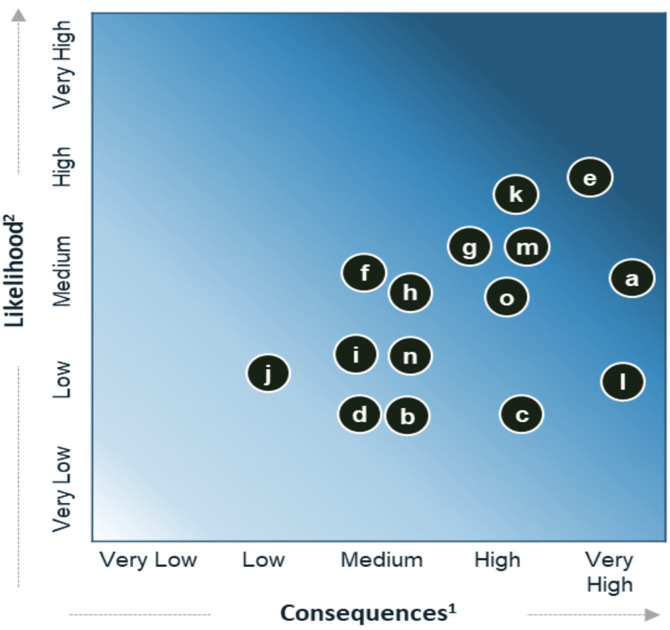
The Committee oversaw the development of the 2024 Compliance Programme, which is now fully integrated with the ERM, marking the first material risk-based compliance assurance programme at PIDG. The programme was developed in conjunction with the Internal Audit function to ensure a connected assurance programme was in place that covered all of PIDG's material risks. The connected assurance approach is a core component of a fully integrated ERM approach across the Group.

The Committee also received reports on OPP compliance and the annual AML and Data Protection reports and the findings of compliance monitoring activities, intended to provide a clear view of the Group's internal control framework.

Areas of focus for 2025

The key areas of focus for 2025 are centred on three priorities; the simplification of current processes, the practical implementation of the ERM frameworks and the digital transformation of core risk and compliance analysis, assessment and reporting methods. These priorities will be delivered by several workstreams, which comprise the review and update of the Group's risk models, the development of systems and technologies, the refinement of the risk management operating model and the ongoing strengthening of the connected assurance programme.

Strategic Risk Map



1. *Financial and Non-Financial e.g. financial performance, reputation, safety*
2. *Reflecting existing controls and externalities*

Our Strategic Risk Map (the 'Map') has continued to be developed since its introduction in 2023. The Map provides a snapshot, at a given time, of the key risks that could materially impact the achievement of PIDG's strategic objectives over the next three years. It also acts as a tool to deepen the Committee's and Board's understanding of the pressures PIDG is likely to face.

Our current assessment of our key risks is set out in the Map alongside. We will begin to report on the trends in the changes to our risk profile in next year's report.

Principal Risk	Management Summary	Oversight
Strategic		
a. Attracting diverse funding sources and access to capital	• Funding Reviews • Capital Raise processes • Annual Performance Assessments • Ongoing Portfolio Reviews	• Board • Risk Committee
b. Maintaining strong strategic partnerships supporting business growth and strategic delivery	• Deployment of Credit Enhancement Facilities across key markets • Stakeholder Engagement and Communications activities	• Board • Risk Committee • Investment Committee
c. Adapting to, and reflecting, Owner actions in response to changing geopolitical environments	• Owner and Trustee engagement • Ongoing monitoring of the global risk environment • Sovereign Risk and Debt Distress assessments	• Board • Risk Committee
d. Effective delivery and implementation of Group-wide restructuring and enhancement initiatives	• Group Strategy and Business Planning activities • Strategic and Project change management • Cross-functional project delivery	• Board • Risk Committee
Financial		
e. Withstanding the impacts of global economic and political headwinds	• Ongoing monitoring and assessment of macroeconomic and geopolitical environments • Portfolio Risk monitoring • Sovereign Risk and Debt Distress assessments	• Risk Committee
f. Prevention of incremental default or impairments from entering new markets	• Credit and Investment committee reviews • Portfolio monitoring and risk reporting	• Audit Committee • Investment Committee • Risk Committee

Principal Risk	Management Summary	Oversight
Operational		
g. Conducting our business with robust compliance with AML and Business Integrity laws, regulations and obligations	• Group OPP framework implementation • Internal Controls Framework • Training, systems and risk monitoring	• Risk Committee • Audit Committee
h. Minimising the impact of physical climate risks on portfolio quality, project values and impact	• Integrated climate risk modelling, sustainable development impact monitoring and risk assessments	• Impact Committee • Investment Committee • Risk Committee
i. Maintaining accurate and timely public disclosures	• Connected assurance reviews • Consolidated data collation, assessment and reporting systems	• Audit Committee • Risk Committee • Impact Committee
j. Minimising the impact off emerging regulations or compliance changes on Group activities	• Compliance risk assessments and monitoring • Internal Controls Framework and Regulatory benchmarking	• Audit Committee • Risk Committee
k. Minimising the impacts on PIDG projects arising from land acquisition/displacement, human rights violations, major transport, security or construction incidents	• HSES Framework, monitoring, due diligence and assurance • HSES Project-level training • Integrated HSES and Impact risk assessments and reporting • Crisis management	• Impact Committee • Risk Committee
l. Preventing the loss of operational controls that lead to loss of life or severe health and safety impacts on PIDG employees	• Critical Incident Response plans • HSES Framework, monitoring, due diligence, training and assurance	• Impact Committee • Risk Committee
m. Attracting and retaining people with the requisite skills to deliver PIDG's strategic growth aspirations	• PIDG recruitment strategy and employee development planning • Employee engagement surveys • Employee performance monitoring	• Nomination, Governance and Remuneration Committee
n. Minimising operational losses from significant technology, cyber security, physical events or supplier incidents.	• Operational Risk Management framework, reporting and monitoring • Cyber/IT disaster recovery plans, policies and procedures • Supplier risk management activities	• Risk Committee
o. Maintaining robust governance over the Group's principal risk models	• Model Risk Management Framework • Regular model reviews and updates	• Risk Committee

Impact Committee Report

Rachel Kyte
Chair of the Impact Committee

I am pleased to report on how the Impact Committee has discharged its duties during 2024 and its planned activities in 2025.

In 2024, the HSES Committee became the Impact Committee and its responsibilities formally expanded to include Impact matters in addition to HSES. The Committee takes a strategic approach to HSES and Impact performance, while continuing to ensure that PIDG remains at the forefront of best practice.

The Committee was very pleased that PIDG became an early adopter of reporting against the new IFRS S1 and S2 standards. The 2023 Sustainability and Impact Report provided PIDG's first voluntary disclosure of sustainability related risks and opportunities that sought to align with IFRS S1 and a dedicated Climate and Nature Disclosure, aligned with IFRS S2, TCFD and TNFD.

The Committee continues to consider a broad set of climate and nature-related topics and seeks ongoing developments in the monitoring and reporting.

Membership

Chrispin Chikwashi

Amanda Feldman

Liengseng Wee

Amanda Feldman and Chrispin Chikwashi were appointed to the Committee on 1 January 2024. Anna Corvalan, Peter Hutchinson and Kathie Painter resigned from the Committee on 31 March 2024.

Committee governance

The CEO, Chief of Staff and Group Head of Communications, CRO, Chief Sustainable Impact Officer and Group Head of Health and Safety, Environment and Social attend all meetings in full. The Board Chair is also a standing invitee.

The Committee's composition was kept under review during the year and changes were made as part of our Succession planning activities. The effectiveness of the Committee will next be reviewed as part of the external Board evaluation planned for 2025.

Main responsibilities

- monitor performance and the key risks PIDG faces in relation to Impact and HSES management and governance;
- oversee the development and effectiveness of Impact and HSES policies, prevailing regulations and best practise and integrated with the PIDG strategic objectives;
- monitor the effectiveness of operations across PIDG in delivering continuous improvements in HSES on projects; and to provide assurance to the Board, the Trust and PIDG members of high HSES governance standards; and
- advise the board on the company's appetite and tolerance with respect to HSES, sustainability and impact-related risks.

Activities during the year

During 2024, the Committee evolved from being the HSES Committee to become the Impact Committee, when its responsibilities were expanded to include impact matters. This change supports the progression of the integration of HSES and SDI matters across PIDG and streamlining the end to end services to the business. The Committee provided guidance to management on the development of monitoring and reporting over the integrated function.

The Committee continued to focus on HSES data collection, management, analysis, reporting, and the HSES risk register. The Impact reporting was enhanced and there was increased focus on the development of PIDG's nature based solutions approach and providing CEF support.

The Committee received at each meeting a comprehensive report from the Global Head of HSES. The report provided updates on an extensive area of HSES matters including performance, risk management, monitoring and assurance, objectives and targets, the status of serious incidents and accidents on PIDG projects, the HSES project watchlist and risk register, and PIDG institute and HSES events.

The Global Head of HSES reported on a wealth of other topics which included road safety mitigation and the progress of the road safety action plan, development of the risk register and monitoring tools, risk management of lithium batteries, supply chain risk, lessons learnt, land acquisition and resettlement guidance.

The Committee undertook focused reviews of road traffic accidents. The partnership with the International Road Assessment programme and the road safety action plan continued to be developed as part of this work. Enhanced tools and guidance were provided to all projects.

The Committee received at each meeting a comprehensive report from the CSIO. The report provided updates on an extensive area of Impact matters including KPI progress, the Impact pipeline, analysis of expected impact for projects, business plan implementation and monitoring evaluation and learning plan updates.

The CSIO also provided focused reviews of monitoring and reporting tools, an update on the development of the PIDG Compass and the Climate Taxonomy which the Committee provided guidance on.

The 2023-30 PIDG Strategy makes action on climate and nature the central purpose of all that PIDG does. The Committee monitored the operationalisation of the strategy of the climate and nature approach and advised on positioning PIDG in the marketplace. The Committee advised on the climate and nature approach through the lens of pairing nature based solutions with infrastructure as this was a key area of focus for PIDG.

Committee evolution

A key topic of discussion at the end of the year was the Committee's ongoing evolution and how to best continue the integration of the HSES and Impact functions. The development of monitoring tools and reporting would continue. The ability to report and analyse data had substantially increased and the Committee would, where appropriate, support findings being published in the marketplace to enhance knowledge and growth within the sector.

Areas of focus for 2025

The Committee's main area of focus in 2025 will be the ongoing expansion of its duties as detailed on the previous page and supporting the continues integration of the Impact function.

The Committee will continue to undertake the ongoing monitoring of the development of the Impact management systems, policies, standards, guidelines and tools.

The Committee will also continue to take a strategic approach to PIDG's KPI's with impact in new sectors, solutions and the climate and nature approach being key.

The Committee will support the development of PIDG's nature and climate-based practices, to ensure PIDG's management systems continue to become more sophisticated and sector-leading in these areas.

The Committee will continue to monitor the geopolitical landscape and advise on HSES risk mitigation and impact.

Investment Committee Report

Liengseng Wee
Chair of the Investment Committee

I am pleased to report on how the Investment Committee discharged its duties during 2024 and its planned activities for 2025.

2024 has been a year of change with the former investment and credit committees being combined into a unified Investment Committee on 3 October 2024. This change ensures there is a single Board Committee with oversight of PIDG's entire portfolio, enabling it to better understand how PIDG is delivering on its strategic objectives and manage PIDG's portfolio risks.

Until the Committee's formation, the former committees, reviewed and considered the business portfolios and investment proposals. Since its formation, the Committee has taken over these responsibilities and now advises on investment proposals and reviews PIDG portfolios on an ongoing basis. The portfolio reviews include key project developments, an overview of the loan portfolio, pipeline, signings, financial closes, credit ratings and watchlist.

Membership

Johan Bastin

Patrick Crawford

Anthony Marsh

Uche Orji

I was appointed as Chair and Johan Bastin, Patrick Crawford, Anthony Marsh and Uche Orji were appointed as Committee members on the formation of the new Committee on 3 October 2024. Johan Bastin resigned from the Committee on 31 December 2024.

Committee governance

The Group CEO, CRO and Global General Counsel attend all meetings in full. The Heads of the Credit Solutions business and the Project Development Arm attend for their items. Representatives from the Executive and management attend on invitation. The Board Chair is also a standing invitee.

The Committee's composition was kept under review during the year and changes were made as part of our succession planning activities. The effectiveness of the Committee will next be reviewed as part of the external Board evaluation planned for 2025.

Main responsibilities

- review and approve investment opportunities
- consult with the other Board committees, the PIDG company board, the PIDG executive and the PIDG company executive, as applicable, on any investment, divestment and portfolio risk issues, including any breaches of policies or limits, where it deems this to be appropriate
- review the progress and performance of the portfolio and each investment opportunity that has been approved
- assist the Board in setting, guiding and overseeing the implementation of the investment and divestment strategy for PIDG.

Activities during the year

Prior to the formation of the unified Investment Committee, the former Investment Committee and Credit Committee each met four times. The focus of these meetings was to undertake portfolio reviews and make strategic investment decisions relating to the PDA and Credit Solutions businesses, respectively.

The former Credit Committee, as part of its consideration of the EAAIF portfolio, oversaw and provided guidance on EAAIF's expansion into Asia. It also scrutinised and approved the provision of an USD50m guarantee to support the expansion of Etana Energy, a South African energy trading company, which was expected to unlock USD500m of new renewable power development with Independent Power Producers in South Africa.

The former Investment Committee oversaw the development and integration of the Africa and Asia portfolios of the PDA and received regular updates on the progress of projects during the year. The Committee considered and approved a number of investments, including:

- hydro projects in India and Sierra Leone
- a water supply project in Vietnam
- a property investment project for young professionals in Kenya
- a mini grid project in Nigeria, Sierra Leone, DRC and Kenya
- a de-dieselisation project in Indonesia
- a solar project in Chad.

Since the Committee's formation it has considered and approved a Rooftop Solar project in Sri Lanka.

Changes to the Committee

It was agreed when the Committee was formed that the new Investment Committee would take over all responsibilities of the previous two committees, including undertaking regular portfolios reviews of the PDA and Credit Solutions businesses and making all strategic investment decisions above certain financial thresholds, or that are complex, contentious or novel.

The former Credit Committee's main responsibilities were to:

- make decisions in relation to guarantee and loan products outside the authority delegated to the fund managers of EAAIF and GuarantCo
- review and provide advice and oversight on the governance arrangements of, and strategy for, EAAIF and GuarantCo in providing credit products so that they achieve both transformational development impact and sound value for money
- monitor the credit policies and credit risks within the PIDG portfolio.

The former Investment Committee's main responsibilities were to:

- oversee and monitor the investment and divestment performance of the investment portfolios
- approve investment and divestment proposals
- work with other Board Committees, Executive Committees and Executives to achieve a fully integrated organisation and provide monitoring and oversight of investment and development risk
- take account of the need to create financial, economic and SDI value (within risk appetite) in the short, medium and long term when overseeing investment activities.

Combining responsibilities from the credit and investment committees, the Committee advises the Board and management on PIDG's investment, divestment and portfolio risk, including credit risk, and considers investment opportunities for approval.

Areas of focus for 2025

During 2025, the Committee will focus on embedding the governance changes made during the unification of the credit and investment committees.

Remuneration

The Company's Nomination, Governance and Remuneration Committee oversees employee remuneration governance and policy matters, in addition to making recommendations on the fees levels of the Non-Executive Directors and Committee members to the PIDG members.

Board and Committee members

The remuneration of Directors and Committee members is fixed by the PIDG members in consultation with the Board. As Non-Executives, neither the Directors nor Committee members participate in bonus schemes with the Company, nor are their appointments pensionable.

Travel and other reimbursable expenses incurred by Directors and Committee members are reimbursed in line with PIDG's Travel and Expense Reimbursement Policy and Procedures, which are available at www.pidg.org.

The CEO and other members of the Executive team do not receive remuneration for being a Director of a PIDG company.

The last review of the Directors and Committee members remuneration was undertaken in 2022 and a simplified fee structure was put in place. The fees paid to the Directors of the Company are set out below. The maximum annual fees payable to the individual Company Directors and Committee members are provided in a separate table below.

Remuneration policy for Directors and Committee members

Primary role	Annual fee
Chair of the Board	£35,000
Non-Executive Director	£22,000 plus £6,000 for a Committee Chair/SID role to a maximum of £28,000
Chair of Committee	£18,000 for one Chair role, plus £6,000 for another position to a maximum of £24,000
Committee member	£12,000 plus £6,000 for two or more positions

Individual Company Director fees received in the year

Director	Company fee (maximum total fee per annum)
Andrew Bainbridge	£17,500 (£35,000) excluding ICF Debt Pool LLP
Johan Bastin	£22,000 (£22,000)
Chrispin Chikwashi	£28,000(£28,000)
Patrick Crawford	£28,000 (£28,000)
Rachel Kyte	£28,000 (£28,000)
Yukiko Omura	£31,500 (£35,000)
Uche Orji	£28,000(£28,000)
Liengseng Wee	£22,000 (£28,000)

Employees

The Company's policy on employment is one of equal opportunity in the recruitment, training, career development and promotion of employees. Formal employee appraisals and informal discussions are held throughout the year. To seek the views and opinions of employees, we undertake annual employee engagement surveys and the results and actions taken to respond to these are reviewed by the Nomination, Governance and Remuneration Committee.

The Executive team is responsible for keeping employees up to date with developments and the performance of the business, which is achieved through regular scheduled meetings. We also hold fortnightly Townhalls which help ensure employees are informed and feel engaged. The CEO and the Executive team lead the day-to-day management of the Company.

The remuneration of the Company's employees is determined by the PIDG Remuneration Framework which is agreed with the PIDG members. The levels of remuneration in the framework are set following a benchmarking exercise carried out by independent benchmark providers (including Willis Towers Watson and McLagan) every three years. The latest review of the framework has been concluded and the proposed changes have been agreed with the PIDG members.

There are permanent employees who are part of the Executive team and all are remunerated up to £290,000[1] per annum. In addition, each permanent PIDG executive is eligible to be considered for a performance based discretionary award, a 10%[3] defined contribution pension[2] (with the employee paying in at least a further 1.5%), business travel insurance, private health insurance, life insurance and income protection.

The Executive pay bands exclude the CEO whose services are provided under a service contract between the PIDG Trust and InfraLinx Suisse Sàrl. Fees payable under this service contract are up to £300,000 per annum with an operational allowance of up 12.5%. The contract also allows for a discretionary element payable, subject to a performance evaluation by the Board. Neither the CEO nor InfraLinx Suisse Sàrl receive any additional fees or benefits from either the Trust or the Company in relation to these services, aside from reimbursement of sundry business expenses.

Gender Pay Gap and Equal Pay

The independent Gender Pay Gap and Equal Pay reviews were undertaken in 2024 for the second time. PIDG appointed an external consultant (Innecto) to perform the review for the PIDG companies captured by the Remuneration Framework.

The Gender Pay Gap report confirmed that even though there are greater number of females in PIDG they are not evenly represented at all levels, with senior management positions being predominantly occupied by males which has been reflected in the gender pay gap. The Gender Pay Gap reported in 2024 has however decreased by 10.4% as a result of ongoing diversity related efforts in recruitment and promotion.

The Equal Pay report found that there are differences in pay between females and males exist but frequently in favour of females. Some differences in pay are to be expected subject to experience, performance as well as market conditions, therefore the report findings were satisfactory but it was agreed that the review will be undertaken every two years to monitor progress.

[1] Actual salary.

[2] Two Executive team members have opted-out of the pension scheme and receive 10% of their base pay less the employers' National Insurance contribution charge. This amount does not form part of their base salary and is therefore not subject to bonus.

[3] increased from 8.5% to 10% effective from October 2024.

Directors' Report

The Directors present the Directors' Report and the audited financial statements for the year ended 31 December 2024.

Directors

Details of the Directors for the year ended 31 December 2024 are set out on pages 14 to 17 of this report. Andrew Bainbridge resigned on 30 June 2024 and Johan Bastin resigned on 31 December 2024.

Company Secretary

The Company Secretary is Michelle Hill (appointed on 15 July 2019).

Business review and future developments

A review of the Company's operations and performance during the financial year, significant changes during the year and the principal risks to which the Company is exposed is provided within the *Business Review* section of this report. The Directors have considered s.172 of the Companies Act 2006 and are aware of their wider responsibilities not only to the Company and its shareholders but also to a wider group of stakeholders.

Risk management

PIDG has procedures in place to identify, monitor and evaluate the significant risks it faces. The Company's risk management processes are outlined in more detail in the *Risk Management* section of this report.

Share capital

At 31 December 2024, the issued share capital of the Company was £1.00. This comprised one ordinary share held by the PIDG Trustees which was issued in 2018.

Results and dividends

The results for the year are set out in the Income statement on page 50. The Company did not declare any dividends for the year ended 31 December 2024 (2023: £nil).

Political donations

The Company did not make any political donations in the year ended 31 December 2024 (2023: £nil).

Directors' indemnities

The Directors have the benefit of a qualifying third-party indemnity provision (as defined in section 234 of the Companies Act 2006). The Company also maintains Directors' and Officers' liability insurance in respect of itself, its Directors and Committee members.

Directors' conflicts

The Board has a well-established process to authorise conflicts or potential conflicts in line with the Articles of Association. On appointment, a Director is required to declare their interests and these are approved by the Board as appropriate. At each meeting, the Directors are required to declare any potential new interests for the Board's consideration. A periodic review of conflict authorisations is performed to determine whether the authorisation given should continue, be added to, or be revoked.

Employment

The Company aims to attract and develop staff with a performance management process that includes an annual appraisal. Outputs from this appraisal process are used to inform decisions on remuneration, career development and progression.

Code of Conduct

PIDG is committed to maintaining high ethical standards – adhering to laws and regulations, conducting business in a responsible way, and treating all stakeholders with honesty and integrity. These principles are further reflected in PIDG's Code of Conduct, which sets out the standards expected of all employees. Under their terms and conditions of employment, staff are required to act at all times with the highest standards of business conduct in order to protect PIDG's reputation and ensure a culture which is free from any risk of fraud, corruption, or conflicts of interest.

Staff are also required to comply with all Company policies, which require employees to:

- Abide by all relevant laws and regulations.
- Act with integrity in all their business actions on behalf of PIDG.
- Not use their authority or office for personal gain.
- Conduct business relationships in a transparent manner.
- Reject all improper practices or dealings to which they may be exposed.

Greenhouse gas emissions

Since 2021, PIDG has been a signatory to the recommendations of the TCFD and – since 2021 – PIDG has published a full Disclosure Report in line with the TCFD recommendations.

As of 2024, this disclosure encompasses climate, nature and wider sustainability risk and opportunities, blending the recommendations of IFRS S1, IFRS S2 (formally TCFD) and TNFD.

The remit of the disclosure includes the operations and investments of PIDG. The latest disclosure, published in June 2024, covers 2019-2024 and reports GHG emissions from operations and portfolio investments of PIDG companies', as well as climate risks of the investment portfolio. The report is available on https://www.pidg.org/.

The table below sets out GHG emissions from the Company's operations up to 2024. This includes our scope 1&2 emissions (from our offices) and our scope 3 emissions from business travel[1]. The figures do not currently include emissions from homeworking, procurement or commuting, although this is something we will consider in future years.

After declining in 2020 and 2021 due to COVID-19, emissions from business travel increased in 2022 and increased again 2023. However, through 2024 we have seen a significant reduction in business travel emissions[2], partly due to measures aimed at reducing in person meetings and intercontinental flights. We will continue to monitor our business travel emissions, aiming to maintain this reduction.

GHG Emissions from Operations (tCO_2e)	2019	2020	2021	2022	2023	2024
Scope 1& 2 – Offices[3]	17	14	13	12	11	11
Scope 3 – Business travel	486	47	89	430	690	493
Total (actual)	**503**	**61**	**102**	**442**	**701**	**504**

[1] GHG emissions include PIDG TA but exclude InfraCo Africa and Asia, EAAIF and GuarantCo; exclusions are reported within TCFD disclosure.

[2] In 2023 and 2024, the carbon intensity of UK Gov. emission factors for business travel increased. This is reflected across both years.

[3] In 2023 we updated our accounting methodology for scope 1 & 2 emissions to improve the accuracy of reporting and better monitor any reduction initiatives. This adjustment has been backdated to the baseline to eliminate any discrepancies.

Post balance sheet events

The Group and its associated companies controlled by the Trust are undergoing a reorganisation which is expected to be completed after the issue of these financial statements, on a date yet to be determined. As at 31 December 2024, the reorganisation had not been approved by the PIDG members.

As a consequence of this reorganisation, the Company will take full ownership of certain PIDG companies currently owned by the Trust. Additionally, the direct owner of the entire equity of the company will change from the Trust to The Private Infrastructure Development Group Holding Company Limited, a company incorporated in England and Wales. The Trust will remain the ultimate owner. There is expected to be no financial effect on the Company as a result of this change. The principal activities of the Company and Group will remain unchanged

Following the year end, in February 2025 the UK government announced plans to reduce the value of the UK's foreign aid budget in order to increase its defence spending to 2.5% of national income by 2027. The UK is the largest provider of funding to the Company and the wider PIDG group, through its foreign aid budget. The Company is in discussions with FCDO to understand the long-term implications of this decision on the Company. All future commitments of the Company are fully funded beyond 12 months from the date of issuing these financial statements.

On 6 February 2025, The International Finance Corporation (part of the World Bank Group) withdrew as a member of PIDG. While they have ceased to be a member, we look forward to our continued collaboration with them.

Since year end, the Board has appointed three new independent non-executive Directors. Andrew Hart on 13 January 2025 and Binta Toure Ndoye and Cezar Consing on 3 February 2025.

The Group has not identified any further post balance sheet events following the year ended 31 December 2024.

Going concern

The Directors have reviewed the Group's forecasts and projections which have been prepared to 31 March 2026. The Directors have a reasonable expectation that the Group has sufficient resources to continue in operational existence for the foreseeable future.

Accordingly, they have adopted the going concern basis in preparing these financial statements. Further detail on the basis on which it has formed this view is set out in note 3.

Small company exemption

In preparing this report, the Directors have taken advantage of the small company exemptions provided by s.415A of the Companies Act 2006. In line with the small company exemptions available, PIDG does not prepare a Strategic Report.

The Company has prepared consolidated accounts for the Group but not for PIDG. The Company has been delegated the authority to manage and control the PIDG companies by its Parent entity, the PIDG Trust. However, any variable returns such as dividends payable by PIDG companies accrue to the PIDG Trust and not to the Company, hence the Company is not eligible under IFRS to prepare PIDG consolidated accounts.

Directors' disclosure of information to the external Auditor

All Directors have taken all the appropriate steps to ensure that as far as they are aware, there is no relevant audit information of which the Group's Auditor is unaware and the Directors have taken all the steps that he or she ought to have taken as a Director in order to make themselves aware of any relevant audit information and to establish that the Group's Auditor is aware of that information.

BDO LLP has expressed its willingness to continue in office as Auditor.

This report was approved by the Board of Directors and signed on its behalf by:

C.M.Chikwashi

Chrispin Chikwashi
Director
31 March 2025

Statement of Directors' Responsibilities

The Directors are responsible for preparing the Annual Report and the financial statements 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 have prepared the Group's financial statements in accordance with the Companies Act. 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 Group and of the profit or loss of the Group for that period. In preparing these financial statements, the Directors are required to:

- Properly select and apply accounting policies;
- 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 in IFRS is insufficient to enable users to understand the impact of particular transactions, other events or conditions on the entity's financial position and financial performance; and
- Assess the Group's ability to continue as a going concern.

The Directors are responsible for keeping adequate accounting records that are sufficient to show and explain the Group's transactions and disclose with reasonable accuracy at any time the financial position of the Group 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 Group and for taking reasonable steps for the prevention and detection of fraud and other irregularities. The Directors are also responsible for the maintenance and integrity of the corporate and financial information included on the Company's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

Responsibility statement

We confirm that to the best of our knowledge:

- The financial statements, prepared in accordance with IFRS, give a true and fair view of the assets, liabilities, financial position and profit or loss of the Group; and
- The *Business Review* on pages 1-12 includes a fair review of the development and performance of the business and the position of the Group, together with a description of the principal risks that it faces.

This statement was approved by the Board of Directors and signed on its behalf by:

C.M. Chikwashi

Chrispin Chikwashi
Director
31 March 2025

Independent Auditor’s Report to the members of The Private Infrastructure Development Group Limited

Opinion on the financial statements

In our opinion:
- 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 December 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, and as applied in accordance with the provisions 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 The Private Infrastructure Development Group Limited (“the Parent Company”) and its subsidiaries (“the Group”) for the year ended 31 December 2024 which comprise Consolidated income statement, Consolidated Statement of Comprehensive Income, Consolidated and Company Statement of Financial Position, Consolidated Statement of Changes in Equity, Company Statement of Changes in Equity, Consolidated Statement of Cash Flow, Company Statement of Cash Flow, and notes to the financial statements, including a summary of material accounting policy information. The financial reporting framework that has been applied in their preparation is applicable law UK adopted international accounting standards.

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 the 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, and we have fulfilled our other ethical responsibilities in accordance with these requirements.

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.

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 or Parent Company’s ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the Directors with respect to going concern are described in the relevant sections of this report.

Other information
The Directors are responsible for the other information. The other information comprises the information included in the Annual Report, other than the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our 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 this other information, we are required to report that fact.

We have nothing to report in this regard.

Other Companies Act 2006 reporting
In our opinion, based on the work undertaken in the course of the audit:

- the information given in the Directors' report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Directors' report has been prepared in accordance with applicable legal requirements.

In the light of the knowledge and understanding of the Group and the Parent Company and its environment obtained in the course of the audit, we have not identified material misstatements in 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's financial statements 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; or
- the Directors were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies' exemptions from the requirement to prepare a Strategic report.

Responsibilities of Directors
As explained more fully in the Statement of Directors' Responsibilities, 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's and the 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.

Extent to which the audit was 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 material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

Non-compliance with laws and regulations

Based on:

- Our understanding of the Group and the industry in which it operates;
- Discussion with management and those charged with governance; and
- Obtaining an understanding of the Group's policies and procedures regarding compliance with laws and regulations; and

we considered the significant laws and regulations to be the applicable accounting framework.

The Group is also subject to laws and regulations where the consequence of non-compliance could have a material effect on the amount or disclosures in the financial statements, for example through the imposition of fines or litigations. We identified such laws and regulations to be the Companies Act 2006.

Our procedures in respect of the above included:

- Review of minutes of meetings of those charged with governance for any instances of non-compliance with laws and regulations;
- Review of financial statement disclosures and agreeing to supporting documentation; and
- Review of legal expenditure accounts to understand the nature of expenditure incurred.

Fraud

We assessed the susceptibility of the financial statements to material misstatement, including fraud. Our risk assessment procedures included:

- Enquiry with management and those charged with governance regarding any known or suspected instances of fraud;
- Obtaining an understanding of the Group's policies and procedures relating to:
    - Detecting and responding to the risks of fraud; and
    - Internal controls established to mitigate risks related to fraud.
- Review of minutes of meetings of those charged with governance for any known or suspected instances of fraud;
- Discussion amongst the engagement team as to how and where fraud might occur in the financial statements;
- Performing analytical procedures to identify any unusual or unexpected relationships that may indicate risks of material misstatement due to fraud; and
- Considering remuneration incentive schemes and performance targets and the related financial statement areas impacted by these.

Based on our risk assessment, we considered the areas most susceptible to fraud to be the management override of controls.

Our procedures in respect of the above included:

- We have obtained an understanding of the Group's controls over journal entries and other adjustments, determined whether such controls are suitably designed and have been implemented;
- Testing a sample of journal entries throughout the year, which met defined risk criteria, by agreeing to supporting documentation;
- Testing a sample of journal entries throughout the year, which did not meet the defined risk criteria, by agreeing to supporting documentation; and
- We obtained and examined the Board minutes throughout the year and up to the date of this report.

We also communicated relevant identified laws and regulations and potential fraud risks to all engagement team members who were all deemed to have appropriate competence and capabilities and remained alert to any indications of fraud or non-compliance with laws and regulations throughout the audit.

Our audit procedures were designed to respond to risks of material misstatement in the financial statements, recognising that 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, misrepresentations or through collusion. There are inherent limitations in the audit procedures performed and the further removed non-compliance with laws and regulations is from the events and transactions reflected in the financial statements, the less likely we are to become aware of it.

A further description of our responsibilities is available on the Financial Reporting Council's website at: https://www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditor's report.

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.

DocuSigned by:

Peter Smith

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Peter Smith (Senior Statutory Auditor)
For and on behalf of BDO LLP, Statutory Auditor
London, UK
31 March 2025

BDO LLP is a limited liability partnership registered in England and Wales (with registered number OC305127).

Consolidated income statement for the year ended 31 December 2024

	Notes	2024 Group £	2023 Group £
Revenue	4	12,066,225	9,444,006
Other income	5	105,331	102,311
Operating costs	6	(10,523,100)	(8,329,421)
Finance income	8	208,410	70,405
Finance expense	8	(45,626)	(41,596)
Profit before tax		**1,811,240**	**1,245,705**
Taxation	9	(530,349)	(312,863)
Profit on ordinary activities after taxation		**1,280,891**	**932,842**

Consolidated statement of comprehensive income for the year ended 31 December 2024

	Notes	2024 Group £	2023 Group £
Profit on ordinary activities after taxation		1,280,891	932,842
Other comprehensive income		-	-
Total comprehensive income for the year		**1,280,891**	**932,842**

The Company has taken advantage of section 408 of Companies Act 2006 and has not included its own statement of comprehensive income in these financial statements. The Company's total comprehensive income for the year was £1,226,617 (2023: £898,018).

The amounts above all relate to continuing operations.

The notes on pages 55 to 77 form part of these financial statements.

Consolidated and company statement of financial position as at December 2024

	Notes	2024 Group £	2024 Company £	2023 Group £	2023 Company £
Assets					
Property, plant and equipment	10	245,151	245,151	243,217	243,217
Trade and other receivables	13	158,099	158,099	158,099	158,099
Right of use (ROU) assets	20	397,921	397,921	533,868	533,868
Investment in subsidiary	1	-	6	-	6
Total non-current assets		**801,171**	**801,177**	**935,184**	**935,190**
Cash and cash equivalents	11	4,603,878	4,603,878	4,806,285	4,806,285
Restricted cash	12	180,678	180,678	263,001	263,001
Trade and other receivables	13	3,930,360	3,918,032	1,666,944	1,666,944
Total current assets		**8,714,916**	**8,702,588**	**6,736,230**	**6,736,230**
Total assets		**9,516,087**	**9,503,765**	**7,671,414**	**7,671,420**
Equity and liabilities					
Share capital	15	1	1	1	1
Retained earnings		5,347,768	5,228,758	4,066,877	4,002,141
Total equity		**5,347,769**	**5,228,759**	**4,066,878**	**4,002,142**
Trade and other payables	14	3,394,465	3,501,153	2,793,243	2,857,985
Total current liabilities		**3,394,465**	**3,501,153**	**2,793,243**	**2,857,985**
Trade and other payables	14	45,501	45,501	41,830	41,830
Lease liabilities	14	728,352	728,352	769,463	769,463
Total non-current liabilities		**773,853**	**773,853**	**811,293**	**811,293**
Total equity and liabilities		**9,516,087**	**9,503,765**	**7,671,414**	**7,671,420**

Approved by the Board on 31 March 2025.

C.M.Chikwashi

Chrispin Chikwashi
Director

The notes on pages 55 to 77 form part of these financial statements.

Consolidated statement of changes in equity for the year ended 31 December 2024

	Notes	Share capital Group	Retained earnings Group	Total Group
		£	£	£
Balance as at 31 December 2022		**1**	**3,134,035**	**3,134,036**
Total comprehensive income for the period		-	932,842	932,842
Balance as at 31 December 2023		**1**	**4,066,877**	**4,066,878**
Total comprehensive income for the period		-	1,280,891	1,280,891
Balance as at 31 December 2024		**1**	**5,347,768**	**5,347,769**

Company statement of changes in equity for the year ended 31 December 2024

	Notes	Share capital Company	Retained earnings Company	Total Company
		£	£	£
Balance as at 31 December 2022		**1**	**3,104,123**	**3,104,124**
Total comprehensive income for the period		-	898,018	898,018
Balance as at 31 December 2023		**1**	**4,002,141**	**4,002,142**
Total comprehensive income for the period		-	1,226,617	1,226,617
Balance as at 31 December 2024		**1**	**5,228,758**	**5,228,759**

The notes on pages 55 to 77 form part of these financial statements.

Consolidated cash flow statement for the year ended 31 December 2024

	Notes	2024 Group £	2023 Group £
Operating activities			
Profit before taxation		1,811,240	1,245,705
Adjustments for:			
Depreciation	10	120,967	109,364
Finance income	8	(208,410)	(70,405)
Finance expense	8	13,524	5,800
Interest on ROU liability	8	32,102	35,796
Depreciation of ROU assets recognised	20	135,947	135,576
Operating cash flows before movement in working capital		**1,905,370**	**1,461,836**
(Increase) in trade and other receivables	13	(2,263,416)	(125,673)
Increase in trade and other payables		695,116	(105,214)
Cash generated from operations		**337,070**	**1,230,949**
Tax Paid		(518,490)	(218,241)
Net cash generated from operating activities		**(181,420)**	**1,012,708**
Investing activities			
Acquisition of property, plant and equipment	10	(122,901)	(77,933)
Finance Income	8	208,410	70,405
Net cash generated from investing activities		**85,509**	**(7,528)**
Financing activities			
Finance expense	8	(13,524)	(5,800)
Principal paid on lease liabilities	20	(175,295)	(36,019)
Net cash generated from financing activities		**(188,819)**	**(41,819)**
Net increase in cash and cash equivalents including restricted cash		**(284,730)**	**963,361**
Cash and cash equivalents including restricted cash at the beginning of the period		5,069,286	4,105,925
Cash and cash equivalents including restricted cash at end of the period	**11**	**4,784,556**	**5,069,286**

The notes on pages 55 to 77 form part of these financial statements.

Company cash flow statement for the year ended 31 December 2024

	Notes	2024 Company £	2023 Company £
Operating activities			
Profit before taxation		1,720,777	1,192,344
Adjustments for:			
Depreciation	10	120,967	109,364
Finance income	8	(208,410)	(70,405)
Finance expense	8	12,706	5,306
Interest on ROU liability	8	32,102	35,796
Depreciation of ROU assets recognised	20	135,947	135,576
Operating cash flows before movement in working capital		**1,814,089**	**1,407,981**
(Increase) in trade and other receivables	13	(2,251,088)	(125,673)
Increase in trade and other payables		767,846	(51,853)
Cash generated from operations		**330,847**	**1,230,455**
Tax Paid		(513,085)	(218,241)
Net cash generated from operating activities		**(182,238)**	**1,012,214**
Investing activities			
Acquisition of property, plant and equipment	10	(122,901)	(77,933)
Finance Income	8	208,410	70,405
Net cash generated from investing activities		**85,509**	**(7,528)**
Financing activities			
Finance expense	8	(12,706)	(5,306)
Principal paid on lease liabilities	20	(175,295)	(36,019)
Net cash generated from financing activities		**(188,001)**	**(41,325)**
Net increase in cash and cash equivalents including restricted cash		**(284,730)**	**963,361**
Cash and cash equivalents including restricted cash at the beginning of the period		5,069,286	4,105,925
Cash and cash equivalents including restricted cash at end of the period	**11**	**4,784,556**	**5,069,286**

The notes on pages 55 to 77 form part of these financial statements.

1. General information

'The Private Infrastructure Development Group Limited' (the Company) is incorporated and domiciled in the UK. The registered office is 6 Bevis Marks, London, EC3A 7BA, United Kingdom.

The financial results of the Company include the overseas branch, 'The Private Infrastructure Development Group Limited (Singapore Branch)', which was established on 07 January 2020 and has a registered office at Cross Street, #23-04/05, Manulife Tower, Singapore.

The financial results of the Group also include the overseas subsidiary, 'The Private Infrastructure Development Group (Kenya) Limited' (the Kenyan Subsidiary) which was established on 28 January 2021 and has a registered office at 4th Floor, 9 Riverside, Westlands District, Nairobi, P.O. Box 736, Sarit Centre – 00606.

The Kenyan Subsidiary is 100% owned and controlled by the Company via a share issue of £6 (KES1,000) and invested in for operational rather than investment purposes. It is therefore consolidated into the Group accounts. Transactions between the Company and its subsidiary are eliminated in the Group accounts and investments are held on a historical cost basis.

The purposes of the branch and the subsidiary are to provide local staff to oversee PIDG's projects based in Asia and Africa, respectively. As required by local law, each entity will submit its own local statutory accounts. The nature of the PIDG's operations and principal activities is detailed in the *Business Review* section of this report.

2. Standards issued but not yet effective

There are no new standards impacting the Group that have been adopted in the annual financial statements for the year ended 31 December 2024.

All new and amended standards and interpretations issued by the IASB that apply for the first time in the financial statements for the year ended 31 December 2024 are not expected to impact the Group. This is because they are either not relevant to the Group's activities or require accounting which is inconsistent with the Group's current accounting policies. These are listed below.

New Accounting Standards, Auditing Standards and Other Financial Reporting Developments	Effective for periods beginning on or after
IFRS S1 General Requirements for Disclosure of Sustainability-related Financial Information	01 January 2024
IFRS S2 Climate-related Disclosures	01 January 2024
Amendments to IFRS 16, "Leases": Lease Liability in a Sale and Leaseback.	01 January 2024
Amendments to IAS 1, "Presentation of Financial Statements" - Classification of Liabilities as Current or Non-current.	01 January 2024
Amendments to IAS 7, "Statement of Cash Flows" and IFRS 7, "Financial Instruments: Disclosures": Supplier Finance Arrangements.	01 January 2024

2. Standards issued but not yet effective *continued*

There are a number of standards, amendments to standards, and interpretations which have been issued by the IASB that are effective in future accounting periods that the Group has decided not to adopt early. The following are either not relevant to the Group's operations or are currently under assessment for their applicability to the Group's operations:

New Accounting Standards, Auditing Standards and Other Financial Reporting Developments	Effective for periods beginning on or after
Amendment to IAS 21, "The Effects of Changes in Foreign Exchange Rates" - Lack of Exchangeability.	01 January 2025
Amendments to the Classification and Measurement of Financial Instruments – Amendments to IFRS 9 and IFRS 7	01 January 2026
IFRS 18 Presentation and Disclosure in Financial Statements	01 January 2027
IFRS 19 Subsidiaries without Public Accountability: Disclosures	01 January 2027

3. Accounting policies

Basis of preparation
These financial statements have been prepared on a going concern basis under the historical cost convention and in accordance with International Financial Reporting Standards, International Accounting Standards and interpretations (collectively IFRS).

The functional and presentational currency of the Group is Great British Pounds Sterling (GBP, £).

The accounting policies set out below have been applied consistently throughout the year presented in these financial statements.

Revenue
The Group's primary revenue source is a recharge of all of its services, in addition to a transfer pricing margin on top of these services, in line with the terms of the Service Level Agreements (SLAs) that are in place between the Group and the PIDG Trust and other PIDG companies. Invoices are raised quarterly based on agreed budgets, with a true-up for the year's actual costs incurred at year end. Revenue is recognised at the point at which services are provided by the Group.

Going concern
The financial statements have been prepared on a going concern basis, which assumes that the Group will continue in operational existence for the foreseeable future. The Directors have prepared high level financial projections for three years to 31 December 2027 and detailed cashflows to 31 March 2026. These projections have been prepared using assumptions which the Directors consider to be appropriate to the current financial position of the Group with reference to current expected revenues and its cost base, along with sufficient contingent termination funding for 1 years' worth of running costs on a reduced basis. They have also considered the availability of funding for future years through funding 'letters of arrangement' with the PIDG members, administrative cash balances available to the PIDG Trust that the Group can access, and the SLAs with the PIDG companies (who have sufficient funding in place) that allow for recovery of the Group's costs in future periods.

3. Accounting policies *continued*

Going concern continued
Following FCDO's post-year-end announcement in February 2025 regarding a reduction in the UK's foreign aid budget (as detailed in note 23), the Group does not anticipate any impact within the 12 months following the signing of the financial statements. The FCDO budget for this period has already been finalised, and the announced changes are not expected to take effect until 2027. The Company continues to engage proactively with the FCDO to assess any potential long-term implications.

PIDG Ltd also has access to an intra-group loan agreement to provide the Company with a Revolving Credit Facility Agreement for up to US$5 million which remains undrawn. See note 22 for further information.

The Directors therefore consider it appropriate to continue to prepare the financial statements on a going concern basis.

Financial instruments
Financial assets and financial liabilities are recognised on the statement of financial position when the Group becomes party to the contractual provisions of the instrument. Financial assets are de-recognised when the contractual rights to the cash flows from the financial asset expire or when the contractual rights to those assets are transferred. Financial liabilities are de-recognised when the obligation specified in the contract is discharged, cancelled, transferred or expired. Financial instruments include:

<u>Trade and other receivables</u>
Trade and other receivables are recognised initially at fair value and subsequently measured at amortised cost using the effective interest rate method, less any allowance for expected credit losses. These are assets with fixed or determinable payments.

The Group applies the *IFRS 9 Simplified Approach* to measuring expected credit losses on these assets using a lifetime expected credit loss provision for trade and other receivables. To measure expected credit losses on a collective basis, trade and other receivables are grouped based on similar credit risk and ageing. The expected loss rates are based on the Group's historical credit loss experience, adjusted for current and forward-looking information on factors that may affect these balances.

As at 31 December 2024, trade and other receivables of £3,930,360 (2023: £1,666,944) had lifetime expected credit loss rates of 0%, as the majority of trade receivables represent intercompany amounts charged to PIDG Trust and PIDG companies for the Group's services delivered under SLAs. These companies are all liquid and have sufficient cash balances to meet these obligations. As at the time of preparing these financial statements, the net balance of trade and other receivables relating to 2024 is currently £556,094 and it is expected that these will be received within the next 2 months. See note 13 for further information.

3. Accounting policies *continued*

Key accounting judgements and estimates
The preparation of financial statements in compliance with IFRS requires the Group's Directors to make certain critical accounting estimates and exercise judgements, as well as making assumptions regarding the future. The estimates and assumptions exercised in preparing these financial statements which may cause a material adjustment to the carrying amounts of assets and liabilities within the next financial year are discussed below:

Bonus provision
The 2024 bonus accrual for the Group's staff has been estimated at an average of 16%, based on the individuals' performance, but is subject to the review of the Nomination, Governance and Remuneration Committee. The total accrued value is £820,211; however this will be finalised as part of the Group's performance review process that is due to completed in April 2025

Lease incentives
The Company holds a lease for office space. The lease allowed for an initial 6-month rent-free period followed by a further 12 months at 50% reduced rent. On 05 August 2022, the Company opted to not exercise the lease break clause and entered into an agreement for the period 08 February 2023 to 07 February 2028. This resulted in a second rent-free period of 10 months followed by a further 4 months at 50% reduced rent. The present value of the office lease has been revised to include the extended lease period. See note 20 for further information.

Impairment of financial assets: expected credit loss
The Group applies the IFRS 9 Simplified Approach to measuring expected credit losses for cash balances and trade receivables. The Group's cash balances are held with Barclays Bank UK plc, which has an investment grade rating of A1 (Moody's) / A+ (Fitch) / A+ (S&P) and Fidelity Institutional Liquidity Fund plc (Fidelity Money Market Fund or Fidelity MMF), which has an investment grade rating of AAAm (S&P). The Group has considered the expected credit loss on trade receivables with related parties on a collective basis as they have a similar credit risk and ageing. The expected loss rates for trade receivables are based on the financial strength of the ultimate Parent entity (the PIDG Trust) and its members, the levels of current and forecast liquidity of the other PIDG companies and their payment history.

Other financial assets include recharges due from other PIDG companies and a rental deposit paid with respect to 10th Floor, 6 Bevis Marks, London, EC3A 7BA. The expected credit loss on these balances has been assessed as £nil (2023: £nil).

Service level agreements (SLAs)
For the year ended 31 December 2024, the Group recharged out its costs to the PIDG Trust and the other PIDG companies.

Transfer pricing (TP) margin
An arms-length transfer pricing (TP) margin is added to charges stemming from SLAs with group companies. During the financial year under review, the average TP Margin was 16% (2023: 15%).

3. Accounting policies *continued*

Leases (IFRS 16)
IFRS 16 was adopted 1 January 2019 without restatement of comparative figures by exercising the modified retrospective approach.

When identifying a lease, a contract is, or contains, a lease if it conveys the right to control the use of an identified asset for a period of time, in exchange for consideration. Control is conveyed where the customer has both the right to direct the identified asset's use and to obtain substantially all the economic benefits from that use. Under IFRS 16 all identified leases are brought onto the balance sheet and this is accounted for by recognising a right of use (ROU) asset and a lease liability except for leases of low value assets and leases with a duration of 12 months or less.

Lease liabilities ROU assets are measured at the present value of the contractual payments due to the lessor over the lease term, with the discount rate determined by reference to the rate inherent in the lease unless this is not readily determinable, in which case the Group's incremental borrowing rate on commencement of the lease is used. Variable lease payments are only included in the measurement of the lease liability if they depend on an index or rate, other variable lease payments are expensed in the period to which they relate.

Subsequent to initial measurement, lease liabilities increase as a result of interest charged at a constant rate on the balance outstanding and are reduced for lease payments made. ROU assets are amortised on a straight-line basis over the remaining term of the lease or over the remaining economic life of the asset if, rarely, this is judged to be shorter than the lease term.

For the year ended 31 December 2024, the Group did not identify any new contracts that should be classified as ROU assets.

The discount factor used for IFRS 16 purposes has been set at 3% above the 1-month USD LIBOR interest rate, as varied from time to time based on the intra-group Revolving Credit Facility Agreement PIDG Ltd has with GuarantCo Ltd, as detailed in note 22.

The breakdown of amounts recognised are shown in further detail in note 20.

4. Revenue

Analysis of revenue of type of service:

	2024 Group £	2023 Group £
Recharges to PIDG Trust and PIDG companies	10,215,934	7,973,066
Transfer pricing margin	1,850,291	1,470,940
	12,066,225	**9,444,006**

Analysis of revenue by location of customers:

	2024 Group £	2023 Group £
UK	3,156,329	2,327,508
Mauritius	5,954,432	4,939,390
Singapore	2,955,464	2,177,108
	12,066,225	**9,444,006**

5. Other income

Other income of £105,331 (2023: £102,311) relates to rental income for the shared office space at 10th floor, 6 Bevis Marks, London, EC3A 7BA charged to other PIDG companies.

	2024 Group £	2023 Group £
Emerging Africa and Asia Infrastructure Fund Limited	4,579	4,330
InfraCo Africa Limited	100,752	97,981
	105,331	**102,311**

6. Operating costs

	2024 Group £	2023 Group £
Staff costs (note 7)	7,851,595	5,910,429
Premises costs	235,363	239,886
Professional fees and contractors	1,059,246	687,920
Travel and subsistence costs	316,692	469,779
Information technology	487,055	473,048
Marketing and communications	39,365	78,279
Development impact studies	54,973	110,579
Depreciation (note 10)	120,967	109,364
ROU depreciation (note 20)	135,947	135,576
Foreign currency exchange (gains) / losses	87,744	(14,537)
Reimbursement for charges incurred on behalf of PIDG Trust	-	(43,311)
Other	134,153	172,409
	10,523,100	**8,329,421**

The operating costs in the year for the Company was £10,187,548 (2023: £8,121,503). Included within professional fees for the Group is the external Auditor's remuneration and their affiliates, an analysis of which is below:

	2024 £	2023 £
Audit of the PIDG Ltd accounts	31,730	30,510
Audit of the PIDG Ltd (Singapore Branch) accounts	9,413	8,928
Audit of the PIDG (Kenya) Ltd accounts	4,157	3,888
Co-ordination of the group audit	18,530	17,820
Review of PIDG's Annual Review	6,915	6,652
	70,745	**67,799**

7. Staff costs

Staff costs (including temporary staff, Board and Committee members) comprise:

	2024 £	2023 £
Salaries (including bonuses)	6,153,670	4,562,592
National insurance	726,434	537,620
Other employee benefits	192,132	133,610
Pension costs	453,038	313,048
Other personnel costs	326,321	363,559
	7,851,595	**5,910,429**

Other personnel costs include recruitment fees and staff training.

Pensions
The Group increased its contribution to 10% from October 2024 (2023: 8.5%) to defined contribution schemes and the assets of these schemes are held separately from those of the Group in independently administered schemes. The pension costs represent contributions payable by the Group to these schemes. Outstanding contributions totalling £2,678 (2023: £2,149) that were payable to the funds at the year-end are included in trade and other payables.

Directors and key management personnel
Key management personnel are defined as members of the Board, PIDG Committees and the Executive team. The total remuneration package of key management personnel during the period was £2,431,534 (2023: £2,042,554).

Remuneration of the Board and PIDG Committee members is analysed in the Governance Report section of this report. The highest paid director was the Chair of the Board, who received fees of £31,500 in the year.

Employees
The average number of people (including temporary staff, Board and Committee members (but excluding contractors employed during the year) was 72 (2023: 63).

	2024 Group No.	2023 Group No.
PIDG Board and Committee members	15	17
Support – Finance, Human Resources, Operations, Legal	25	20
Sustainable Development Impact	8	6
Investor Relations and Communications	5	5
Risk, Health and Safety	11	9
Project – Technical Assistance, CEF, Strategy	8	6
	72	**63**

7. Staff costs *continued*

The table above is based on using headcount rather than full time equivalent values and includes seven staff members who are employed by PIDG (Kenya) Limited and four staff members employed by PIDG Ltd (Singapore) branch. As the Group's operations include providing shared services to other PIDG companies, an average of 13 staff (2023: 10) are fully recharged to other PIDG companies under SLA's and these are also included in the above table.

8. Finance income and expense

	2024 Group £	2023 Group £
Finance income:		
Interest received from banks and Fidelity MMF	**208,410**	**70,405**
Finance expense:		
Bank charges	13,300	5,704
Credit card fees	224	96
Interest on ROU liability (note 20)	32,102	35,796
	45,626	**41,596**

9. Taxation

	2024 Company £	2023 Company £
Current tax		
Current period (note 14)	490,489	298,568
Deferred tax		
Current period	4,208	(6,166)
Adjustment to prior period	(537)	(553)
Adjustment due to change in tax rate	-	2,477
Taxation	**494,160**	**294,326**

Of the corporation tax charge in 2024, £214,517 was paid during the year leaving £275,972 payable.

	2024 Company £	2023 Company £
Profit on activities before corporation tax	1,811,240	1,245,705
Tax at the blended rate of corporation tax (25%, 23.52%)	452,810	292,997
Effects of:		
Expenses not deductible for tax	41,887	1,882
Adjustment to prior year	(537)	(553)
	494,160	**294,326**

The profit before tax in the year for the Kenyan Subsidiary is £90,463 (2023: £53,361), and the corporation tax charge for the year in this subsidiary is £36,189 (2023: £18,537).

Deferred tax

	Temporary differences Company £
Opening	
Charge through the income statement	41,830
As at 31 December 2023	**41,830**
Current period	4,208
Adjustment to prior period	(537)
As at 31 December 2024 (note 14)	**45,501**

10. Property, plant and equipment

	Leasehold improvement Group £	IT equipment & software Group £	Fixtures, fittings & equipment Group £	Total Group £
Cost				
As at 1 January 2024	258,431	499,142	113,762	871,335
Additions	-	121,242	1,659	122,901
As at 31 December 2024	**258,431**	**620,384**	**115,421**	**994,236**
Accumulated depreciation				
As at 1 January 2024	(146,445)	(376,311)	(105,362)	(628,118)
Depreciation charge for the year	(25,843)	(92,140)	(2,984)	(120,967)
As at 31 December 2024	**(172,288)**	**(468,451)**	**(108,346)**	**(749,085)**
Net book value				
As at 31 December 2023	111,986	122,831	8,400	243,217
As at 31 December 2024	**86,143**	**151,933**	**7,075**	**245,151**

There are no assets held by the Singapore Branch or the Kenyan Subsidiary.

11. Cash and cash equivalents

	2024 Group £	2023 Group £
Cash at bank and MMF		
Pounds Sterling (GBP £)	4,516,752	4,688,567
Euros (EUR €)	339	26
United States Dollars (USD $)	86,787	117,692
	4,603,878	**4,806,285**

The Singapore Branch and Kenyan Subsidiary do not have their own bank accounts.

The 2024 GBP balance includes £613,496 of funds held within the Group's Fidelity MMF, however this relates to ringfenced TA grant funds.

12. Restricted Cash

	2024 Group £	2023 Group £
Cash at bank		
United States Dollars (USD $)	48,784	1,925
Pakistani Rupee (PKR)	131,894	261,076
	180,678	**263,001**

The Group holds funds on behalf of PIDG's TA arm which provides grants that support PIDG companies' activities. The purpose of the funds passing through the Group is to facilitate streamlined contract agreements with TA's 3rd parties. The funds being held by the Group are managed through grant agreements between PIDG Ltd and the PIDG Trust and are treated as an asset and liability on the balance sheet, and so have no net impact on the Group's statement of financial position.

13. Trade and other receivables

	2024 Group £	2024 Company £	2023 Group £	2023 Company £
Due within one year				
Trade receivables	3,583,959	3,583,959	1,396,795	1,396,796
Prepayments and accrued income	261,658	249,330	176,620	176,619
Lease asset	84,743	84,743	93,529	93,529
	3,930,360	**3,918,032**	**1,666,944**	**1,666,944**
Due after more than one year				
Rental deposit	158,099	158,099	158,099	158,099
Other receivables	-	-	-	-
	158,099	**158,099**	**158,099**	**158,099**
	4,088,459	**4,076,131**	**1,825,043**	**1,825,043**

The rental deposit was paid to GuarantCo Management Company Limited (GMC) – the fund manager of GuarantCo Ltd – for office space at 10th Floor, 6 Bevis Marks, London, EC3A 7BA. See note 17 for further information.

The lifetime expected loss provision for trade receivables is £nil as noted below. The majority of trade receivables arise from SLA fees due from other PIDG companies.

13. Trade and other receivables *continued*

	Past due				
	0 – 30 days	**31 – 60 days**	**61 – 90 days**	**Over 91 days**	**Total**
Expected loss rate	0%	0%	0%	0%	
Gross carrying amount	3,031,644	-	-	552,315	3,583,959
Loss provision	-	-	-	-	-

Regarding receivables relating to intercompany balances, given the surplus cash in these entities and PIDG Limited's control over these entities, the balances are not impaired.

14. Trade and other payables

	2024 Group £	2024 Company £	2023 Group £	2023 Company £
Due within one year				
Trade payables	603,179	603,179	1,074,717	1,074,717
Other payables	199,383	341,559	17,139	99,158
Accruals and deferred income	2,027,962	1,985,883	1,000,770	988,898
VAT and social security	294,560	294,560	396,644	396,644
Corporation tax (note 9)	269,381	275,972	303,973	298,568
	3,394,465	**3,501,153**	**2,793,243**	**2,857,985**
Due after more than one year				
Lease liability	728,352	728,352	769,463	769,463
Deferred tax (note 9)	45,501	45,501	41,830	41,830
	773,853	**773,853**	**811,293**	**811,293**
	4,168,318	**4,275,006**	**3,604,536**	**3,669,278**

The average trade creditors days for the year ended 31 December 2024 was 33 (2023: 50).

15. Share capital

	2024 Group No.	2024 Group £	2023 Group No.	2023 Group £
Authorised, issued and fully paid				
1 ordinary share at £1	1	1	1	1
	1	**1**	**1**	**1**

The Kenyan Subsidiary is 100% owned and controlled by the Company via a share issue of £6 (KES1,000).

16. Reserves

The following describes the nature and purpose of each reserve within equity:

Reserve	Description and purpose
Share capital	Nominal value of share capital subscribed for.
Retained earnings	Net gains and losses and transactions with shareholders not recognised elsewhere.

17. Operating leases

As at the end of the reporting period the Group had future minimum payments under non-cancellable operating leases as set out below:

	2024 Group £	2023 Group £
Within one year	297,341	257,586
Between two and five years	623,193	920,534
	920,534	**1,178,120**

Operating lease payments are for PIDG Ltd's material sub-lease agreement with GMC for the office space at 10th Floor, 6 Bevis Marks, London, EC3A 7BA. The lease end date is 07 February 2028 as the option to break the lease in February 2023 was not exercised. The terms of the lease included a rent-free period of six months followed by a further twelve months at reduced rent. At the renewal date, an additional rent-free period of 10 months, followed by a further 4 months at reduced rent was received. Rental payments for the period ended 31 December 2024 were £257,586 (2021: £40,705).

17. Operating leases *continued*

A portion of the lease costs are recharged to two PIDG companies who share the PIDG Ltd's office, The Emerging Africa and Asia Infrastructure Fund Limited and InfraCo Africa Ltd. The Group expects the following receipts:

	EAAIF £	InfraCo Africa Ltd £	Total £
Within one year	4,757	104,647	109,404
Between two and five years	9,969	219,329	229,298
	14,726	**323,976**	**338,702**

The Group has extended the same lease incentives it enjoys through its sub-lease agreement with InfraCo Africa Ltd and its recharge to The Emerging Africa and Asia Infrastructure Fund Limited.

18. Financial risk management

Management continually monitors the Group's risk exposure and ensures that there are appropriate systems of controls in place to create an acceptable balance between the potential cost to the Group should a risk occur and the cost of managing those risks. This section provides details of the Group's exposure to financial risks and describes the methods used by management to control such a risk.

Credit risk
Credit risk is the potential financial loss resulting from the failure of a counterparty to settle its financial and contractual obligations to the Group as and when they fall due. The Group's maximum exposure to credit risk is represented by the carrying value of its financial assets.

The Group's primary exposure to credit risk relates to its cash and cash equivalents with Barclays Bank UK plc and Fidelity Institutional Liquidity Fund plc, both of which are regulated financial entities. The Group is also exposed to credit risk on trade receivables, representing SLA fees due from other PIDG companies. An analysis of the ageing of these is provided in note 13. These relate to intercompany balances and there has been no significant credit risk increase over the period.

Foreign exchange risk
Foreign exchange risk is the risk that the fair value of future cash flows of financial instruments will fluctuate because of changes in foreign exchange rates. A significant amount of the Group's income is denominated in US Dollars and the Group also holds cash in both US Dollars and Euros, as well as Pounds Sterling. The Group's principal foreign exchange risk arises from the income received in these currencies, whilst most of its operating costs are incurred in Pounds Sterling.

The approach to managing this risk adopted by the Group for the year ended 31 December 2024 has been to convert any foreign currency receipts to Pound Sterling as and when it is practical to do so, else to hold them in the foreign currency received where there are known matching obligations in that currency.

18. Financial risk management *continued*

The Group's exposure to foreign currency risk as at 31 December 2024 was:

	2024		2023	
	EUR/GBP Group £	USD/GBP Group £	EUR/GBP Group £	USD/GBP Group £
Assets				
Cash and cash equivalents	339	86,787	26	117,692
Trade and other receivables	-	(304,292)	-	(225,510)
	339	**(217,505)**	**26**	**(107,818)**
Liabilities				
Trade and other payables	-	(38,027)	-	(310,171)
	-	**(38,027)**	**-**	**(310,171)**
Net exposure	**339**	**(255,532)**	**26**	**(417,989)**

Foreign exchange risk continued
The estimated impact on the Group's post-tax profit and net assets caused by a 5% variance in the exchange rate used to measure assets and liabilities held in foreign currencies is not deemed to be material, assuming all other variables are held constant.

Liquidity risk
Liquidity risk is the risk that the Group does not have sufficient financial resources to meet its obligations when they fall due or will have to do so at cost. The Group monitors its liquidity risk regularly using cash flow forecasts.

The Group considers its share capital and retained earnings to be its total capital. This is shown in the statement of changes in equity. The Group currently has no borrowings.

As at 31 December 2024 the Group had cash and cash equivalents of £3,990,382 (2023: £4,806,285) with a further £3,930,360 (2023: £1,666,944) in current assets. This is £4,526,277 (2023: £3,679,986) in excess of current liabilities.

Interest rate risk
Interest rate risk is the risk that the fair value or future cash flows of financial instruments will fluctuate because of changes in market interest rates. The Group is exposed to minimal interest rate risk on its cash balances.

Fair value of financial instruments
Financial instruments are defined in note 3. The Group considers the following to be its principal financial instruments, from which financial instrument risk arises:

18. Financial risk management *continued*

- Cash and cash equivalents;
- Trade and other receivables, excluding prepayments; and
- Trade and other payables, excluding corporation tax.

The Directors consider there to be no difference between the carrying value of the Group's financial assets and liabilities and their fair value due to their short-term nature.

At the reporting date, the Group held the following financial assets and liabilities, itemised by category:

	2024		2023	
	Financial assets held at amortised cost Group £	Financial liabilities at amortised cost Group £	Financial assets held at amortised cost Group £	Financial liabilities at amortised cost Group £
Financial assets				
Cash and cash equivalents	3,990,382	-	4,806,285	-
Trade and other receivables	3,831,025	-	1,655,926	-
Total financial assets	**7,821,407**	**-**	**6,462,211**	**-**
Financial liabilities				
Trade and other payables	-	3,853,436	-	3,258,733
Total financial liabilities	**-**	**3,853,436**	**-**	**3,258,733**

	2024		2023	
	Financial assets held at amortised cost Company £	Financial liabilities at amortised cost Company £	Financial assets held at amortised cost Company £	Financial liabilities at amortised cost Company £
Financial assets				
Cash and cash equivalents	3,990,382	-	4,806,285	-
Trade and other receivables	3,818,697	-	1,655,926	-
Total financial assets	**7,809,079**	**-**	**6,462,211**	**-**
Financial liabilities				
Trade and other payables	-	3,953,533	-	3,328,880
Total financial liabilities	**-**	**3,953,533**	**-**	**3,328,880**

19. Related party transactions

The Board considers the following to be related party transactions:

- Transactions and balances between the Group, the Trust and other PIDG companies.
- Transactions and balances with entities controlled by the Group's key management personnel.

Notes 24 and 25 provide further details of these related parties.

During the year, the Group provided services of £12,171,556 to related parties (2023: £9,546,317). The amounts relating to this within revenue and other income were:

	2024 Group £	2023 Group £
The Emerging Africa and Asia Infrastructure Fund Limited	2,467,077	2,086,519
GuarantCo Limited	2,639,097	2,092,421
InfraCo Africa Limited*	3,214,360	2,397,701
InfraCo Asia Investments Pte Ltd	295,546	217,360
InfraCo Asia Development Pte Ltd	2,659,917	1,959,748
ICF Debt Pool LLP	42,722	35,882
PIDG Trust	852,837	756,686
	12,171,556	**9,546,317**

During the year, the Group paid operating expenses of £686,624 to related parties (2023: £443,366). The amounts relating to this within operating costs were:

	2024 Group £	2023 Group £
InfraCo Africa Limited*	532,567	347,274
InfraCo Asia Development Pte Ltd	154,057	96,092
	686,624	**443,366**

* Includes the figures for InfraCo Africa (East Africa) Limited and InfraCo Africa (West Africa) S.A.R.L.A.U, both 100% subsidiaries of InfraCo Africa Limited.

19. Related party transactions *continued*

The following balances were owed by / (owed to) related parties as at 31 December and were included in the Group's statement of financial position:

	2024	2023
	£	£
The Emerging Africa and Asia Infrastructure Fund Limited	379,644	58,941
GuarantCo Limited	227,530	54,107
InfraCo Africa Limited*	1,135,386	359,401
InfraCo Africa Investment Ltd	61	1,095
InfraCo Asia Investments Pte Ltd	238,608	117,839
InfraCo Asia Development Pte Ltd	447,868	42,999
ICF Debt Pool LLP	17,219	16,269
PIDG Trust	865,631	290,682
	3,311,947	**941,334**

*Includes the figures for InfraCo Africa (East Africa) Limited and InfraCo Africa (West Africa) S.A.R.L.A.U, both 100% subsidiaries of InfraCo Africa Limited.

The balances between both PIDG Ltd (Singapore Branch) and PIDG (Kenya) Ltd with PIDG Ltd, have been assessed as 0% for expected credit loss and the balances are £nil (2023: £nil) when consolidated for group reporting.

20. Leases (IFRS 16)

The Group had two leases which it recognised initially in 2019 and 2020 under IFRS 16 on its statement of financial position. These relate to the rental lease on its principal office at 6 Bevis Marks, London, EC3A 7BA and to office equipment in use at that office.

A discount factor of 5.5% was used for the rental lease and 4.7% was used for the office equipment lease, based on the 1-month USD LIBOR interest rate as at 01 January 2019 and 01 February 2020 of 2.5% and 1.7% respectively, plus a margin of 3%, as per PIDG Limited's inter-group Revolving Facility Agreement (note 22).

The rental lease had an end date of February 2028 with an option to break the lease in February 2023. On 05 August 2023, the company opted to not exercise the lease break clause and entered into an agreement for the period 08 February 2023 to 07 February 2028. This resulted in a second rent-free period of 10 months followed by a further 4 months at 50% reduced rent. Therefore, the calculation was revised to include the extended lease period as initially it had only considered the period to the break clause date. A revised discount factor of 5.4% was used, based on the 1-month USD LIBOR interest rate as at 05 August 2022 of 2.4%, plus a margin of 3%. The office equipment lease is effective until May 2025 and has been recognised to this date.

20. Leases (IFRS 16) *continued*

This extension to the lease was included in 2022 and the Group continues to unwind the rental and office equipment leases on the Statement of Financial Position.

ROU Assets	**Rental Lease Group £**	**Office Equipment Group £**	**Total Group £**
At 1 Jan 2024	521,461	12,407	533,868
Additions	-	-	-
	521,461	**12,407**	**533,868**
Depreciation	(127,067)	(8,880)	(135,947)
As at 31 Dec 2024	**394,394**	**3,527**	**397,921**

Lease Liabilities	**Rental Lease Group £**	**Office Equipment Group £**	**Total Group £**
At 1 Jan 2024	682,855	13,527	696,382
Additions	-	-	-
	682,855	**13,527**	**696,382**
Interest	31,757	345	32,102
Lease Payments	(165,415)	(9,880)	(175,295)
As at 31 Dec 2024	**549,197**	**3,992**	**553,189**

Note that the lease liability amount reflected in the Statement of Financial Position also includes £65,921 (2023: £72,756) in relation to the shared office space that was not subject to change due to IFRS 16.

20. Leases (IFRS 16) *continued*

As at the end of the reporting period the Group had future expected balances for operating leases recognised by IFRS 16 as follows:

ROU Assets	Rental Lease £	Office Equipment £	Total £
Within one year	267,674	-	267,674
Between two and five years	-	-	-

Lease Liabilities	Rental Lease £	Office Equipment £	Total £
Within one year	381,401	-	381,401
Between two to five years	-	-	-

The net impact on the Statement of Financial Position of the leases is:

	2024 £	2023 £
ROU Assets	397,921	533,868
Retained earnings (ROU) Adjustment	(63,349)	(63,349)
ROU Liability	(553,189)	(696,382)
Net effect	**(218,617)**	**(225,863)**

The sensitivity of the present value of equipment due to the discount factor is:

Change to discount factor	% change to present value
2% increase	-10%
2% decrease	11%

21. Contingent liabilities

As at the date of signing of these financial statements the Group did not have any contingent liabilities.

22. Intra-Group Loan Agreement

On 19th March 2019, PIDG Ltd entered into a Revolving Credit Facility Agreement with another PIDG Company, GuarantCo. This agreement allows the Group to borrow up to US$5 million if there is any risk that it will not have sufficient funds to meet its financial obligations as they fall due. Funds borrowed can only be used to cover the Group's operating costs.

Interest on any loan amount is set at 3% above the USD 1-month SOFR interest rate, as varied from time to time. Interest accrues daily and is paid monthly in arrears.

Full or partial repayment of the loan is to be made subject to the Group receiving sufficient funds from the PIDG Trust or other PIDG companies to cover the loan and accrued interest. This Revolving Credit Facility remains undrawn.

23. Post balance sheet events

The Group and its associated companies controlled by the Trust are undergoing a reorganisation which is expected to be completed after the issue of these financial statements, on a date yet to be determined. As at 31 December 2024, the reorganisation had not been approved by the PIDG members.

As a consequence of this reorganisation, the Company will take full ownership of certain PIDG companies currently owned by the Trust. Additionally, the direct owner of the entire equity of the company will change from the Trust to The Private Infrastructure Development Group Holding Company Limited, a company incorporated in England and Wales. The Trust will remain the ultimate owner. There is expected to be no financial effect on the Company as a result of this change. The principal activities of the Company and Group will remain unchanged

Following the year end, in February 2025 the UK government announced plans to reduce the value of the UK's foreign aid budget in order to increase its defence spending to 2.5% of national income by 2027. The UK is the largest provider of funding to the Company and the wider PIDG group, through its foreign aid budget. The Company is in discussions with FCDO to understand the long-term implications of this decision on the Company. All future commitments of the Company are fully funded beyond 12 months from the date of issuing these financial statements.

On 6 February 2025, The International Finance Corporation (part of the World Bank Group) withdrew as a member of PIDG. While they have ceased to be a member, we look forward to our continued collaboration with them.

Since year end, the Board has appointed three new independent non-executive Directors. Andrew Hart on 13 January 2025 and Binta Toure Ndoye and Cezar Consing on 3 February 2025.
The Group has not identified any further post balance sheet events following the year ended 31 December 2024.

24. Related undertakings

The PIDG companies (in addition to the Group) and their countries of registration are:
(1) The Emerging Africa and Asia Infrastructure Fund Limited (Mauritius) (EAAIF);
(2) GuarantCo Limited (Mauritius) (GuarantCo);
(3) InfraCo Africa Limited (England) (InfraCo Africa);
(4) InfraCo Asia Development Pte. Ltd. (Singapore) (InfraCo Asia);
(5) InfraCo Africa Investment Ltd (England) (InfraCo Africa);
(6) InfraCo Asia Investments Pte. Ltd. (Singapore) (InfraCo Asia);
(7) ICF Debt Pool LLP (England) – a limited liability partnership that is closed to new business, which is outside the scope of the oversight and governance provided by PIDG Ltd;
(8) The Private Infrastructure Development Group (Kenya) Limited (100% owned by the Company);
(9) The Private Infrastructure Development Group Limited (Singapore Branch);
(10) The Private Infrastructure Development Group Trust (Mauritius) (PIDG Trust);
(11) InfraCo Africa (East Africa) Limited (Kenya) (InfraCo Africa) and
(12) InfraCo Africa (West Africa) S.A.R.L.U. (Morocco) (InfraCo Africa).

25. Shareholders and members

The Group is 100% owned by the Private Infrastructure Development Group Trust (the PIDG Trust), a Trust incorporated in Mauritius. The Group's immediate and existing joint shareholders are SG Kleinwort Hambros Trust Company (UK) Limited, IQ EQ Trustees (Mauritius) Ltd* and Minimax Ltd as trustees of the Private Infrastructure Development Group Trust (PIDG Trust), a trust established under the laws of Mauritius.

*Effective 30 November 2021, IQ EQ Trustees (Mauritius) Ltd replaced Multiconsult Trustees Ltd, as a trustee of the PIDG Trust following an amalgamation pursuant to section 247 (2) of the Mauritius Companies Act 2001.

The members of PIDG at year end were:
(1) The Secretary of State for Foreign, Commonwealth and Development Affairs of the United Kingdom of Great Britain and Northern Ireland acting through the Foreign, Commonwealth and Development Office (FCDO);
(2) The Government of the Netherlands represented by the Directorate-General for International Cooperation – the Netherlands Minister for Foreign Trade and Development Co-operation (DGIS);
(3) The Swiss State Secretariat for Economic Affairs (SECO);
(4) The Commonwealth of Australia as represented by the Department of Foreign Affairs and Trade (DFAT);
(5) The Swedish International Development Co-operation Agency (Sida);
(6) KfW Group, a German development bank;
(7) The International Finance Corporation (IFC), a member of the World Bank Group; and
(8) Global Affairs Canada (GAC).

*The IFC ceased its membership of PIDG on 6 February 2025.

Definitions

AML	Anti-Money Laundering
the Board	The Board of Directors of The Private Infrastructure Development Group Limited
CEO	Chief Executive Officer
CFO	Chief Financial Officer
CMP	Compliance Monitoring Plan
the Code	The UK Corporate Governance Code 2018
Companies Act	The UK Companies Act 2006
COO	Chief Operating Officer
COVID-19	Coronavirus disease
Credit Solutions businesses	EAAIF and GuarantCo
CRO	Chief Risk Officer
CSIO	Chief Sustainable Impact Officer
DAC I/II	Development Assistance Committee Least Developed Countries (LDCs) / Low Income Countries which are not LDCs
DevCo	The Infrastructure Development Collaboration Partnership Fund, which is a trust fund within the IFC
EAAIF	The Emerging Africa and Asia Infrastructure Fund Limited
ERM	Enterprise Risk Management
EU	European Union
EUR	Euro
FCAS	Fragile and Conflict-Affected States
FRC	Financial Reporting Council
FX	Foreign Exchange
GAC	Global Affairs Canada
GBP	British Pound Sterling
GHG	Greenhouse Gas
GMC	GuarantCo Management Company Limited
the Group	The Private Infrastructure Development Limited, its Singapore Branch and subsidiary The Private Infrastructure Development Group (Kenya) Limited
GuarantCo Management Company Limited	Outsourced fund manager of GuarantCo
GuarantCo	GuarantCo Limited
HSES	Health, Safety, Environment and Social
IAS	International Accounting Standards
IASB	International Accounting Standards Board
IFC	International Finance Corporation
IFRS	International Financial Reporting Standards
KPI	Key Performance Indicator
LDC	Least Developed Country
LIBOR	London Inter-Bank Offered Rate
Members	The governments of the UK, Netherlands, Switzerland, Australia, Sweden, Germany, Canada and the IFC
MMF	Money Market Fund

Ninety One	Outsourced fund managers of EAAIF
OECD	Organisation for Economic Co-operation and Development
OLIC	Other Low Income Countries
OPPs	Operating Policies and Procedures
Owners	The governments of the UK, Netherlands, Switzerland, Australia, Sweden, Germany, Canada and the IFC
Parent	The PIDG Trust
PD	Probability of Default
Project Development Arm	InfraCo Africa Limited; InfraCo Africa Investment Ltd; InfraCo Asia Development Pte Ltd; InfraCo Asia Investments Pte Ltd
PIDG	All the companies in the Private Infrastructure Development Group including PIDG Limited and the companies set out in note 24
PIDG Executive	Members of The Private Infrastructure Development Group Limited Executive Committee
PIDG TA	PIDG's technical assistance arm that provided grants that support PIDG companies' activities
PSI	Private Sector Investment
s172	Section 172 of the UK Companies Act 2006
SDG	Sustainable Development Goals of the United Nations
SDI	Sustainable Development Impact
SECO	Staatssekretariat for Airshaft / Swiss State Secretariat for Economic Affairs
SLA	Service Level Agreement
TA	Technical Assistance
tCo2	Total Carbon Dioxide
TCFD	Task Force on Climate-related Financial Disclosures
TNFD	Task Force on Nature-related Financial Disclosures
ToR	Terms of Reference
the Trust	The Private Infrastructure Development Group Trust
TP	Transfer Pricing
Trustees	SG Kleinwort Hambros Trust Company (UK) Limited, Minimax Limited, IQ EQ Trustees (Mauritius) Ltd
UK	United Kingdom
US	United States
USD	United States Dollar
VAT	Value Added Tax
VGF	Viability Gap Funding in respect of Technical Assistance