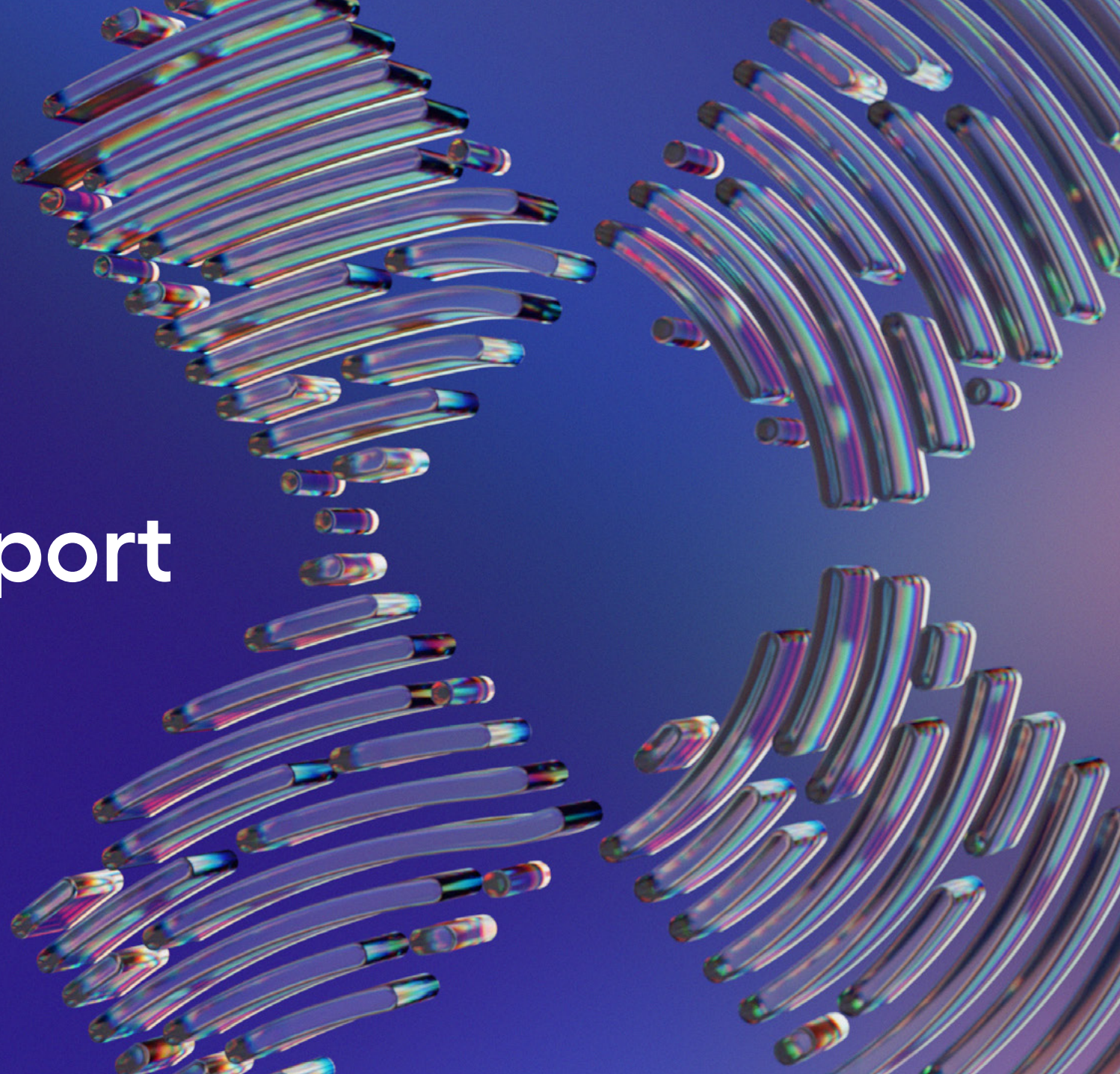




# D&I Annual Report

31 March 2024







## D&I at Hg

“We firmly believe that there is strength in collective differences at Hg. The world is changing rapidly, and by continuing to embrace diversity, we aim to build a resilient organisation that is prepared for the opportunities as well as the challenges that lie ahead.”

“By bringing together the best talent from the broadest sources, we are provided with a range of perspectives and ideas that positively impact how we navigate our environment and the decisions we make as a firm. We strive to foster a culture that values every viewpoint and remain committed to each employee having equal access to opportunities for advancement and development. Most importantly, we want our employees to feel a sense of belonging, comfortable to bring their ‘whole selves’ to work.

“This is a guiding principle for our business, crucial in meeting the needs of our stakeholders and the communities in which we operate. This dedication is reflected in our achievements, our approach to problem-solving, the experiences of our people and perspectives and, ultimately, creates a dynamic environment for innovation and growth.”



Matthew Brockman  
Managing Partner at Hg

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This is Hg’s fourth report on D&I, covering the financial year ending March 2024. We report our progress annually.

## Notable achievements in our journey over the last 6 years



2019

Our D&I strategy and efforts are formalised, strategy included specific ambitions set by the Hg Board to better drive and measure progress.



2020

We launched our D&I Steering Group which reports directly to the Board and aims to lay the foundations for a fully inclusive culture and environment at Hg, where all diversity is welcomed, encouraged and celebrated. They have been working hard alongside the wider business since inception to ensure that progress is made each day.



2021

Our initial ambition was to reach more than 30% female executives by March 2021, and more than 35% by March 2022. We achieved both ambitions.

This year we also proudly onboarded one of Europe's largest Analyst & Associate cohorts in Private Equity, which is the most diverse we have had at Hg; consisting of 54% women and 54% ethnic minorities.



2022

At the start of 2022, we challenged ourselves further and set ambitions to improve ethnic diversity within Hg, which is also being tracked at Board level. We have achieved 23% ethnic diversity across our UK and US offices. We have also focused on increasing and measuring socioeconomic diversity within our organisation and are actively looking to increase representation.



2023

Alongside our efforts to increase awareness and education on key D&I topics, we have introduced an employee engagement tool, Peakon, that measures employee perceptions of our efforts to maintain a diverse workforce and create an environment where every individual feels included. We are pleased to report strong eNPS scores across inclusiveness and non-discrimination within our firm.



2024

We have evolved our D&I steering group into the Hg Diversity & Culture Committee, to help further drive our DEI initiatives. The committee conducted research across Hg to devise a series of long- and short-term priorities to advance our culture and ensure Hg is a place where everyone can bring their true selves to work and be successful whilst doing so.



## Our FY 24 hiring stats

51%

of our Investment Executive hires are female

36

different nationalities hired

28%

of hires identify as ethnic minorities

7%

of hires identify as LGBTQ+

D&I at Hg

## Attracting diverse talent and creating an inclusive process

### Recruitment Summary

We are committed to attracting the best talent. We ensure hiring practices are inclusive and create a positive experience both from a candidate and firm perspective. Our goal is to ensure our candidate pool is diverse and representative of the societies in which we operate. We continue to use outreach, diversity recruitment events, referrals, and ongoing partnerships with 10,000 Interns, SEO, LGBT Great to reach underrepresented groups.

In line with our commitment to diversity, our assessment process is designed to be free from bias and discrimination. We use structured interview techniques, diverse selection panels where possible, and call out bias to ensure that our hiring decisions are as fair and inclusive, embracing different perspectives.

From a cognitive diversity perspective, our multi-faceted recruitment approach thoroughly evaluates candidates' skills, experience, values and potential. This process allows us to look for different perspectives, experiences, and ideas, which all ultimately enhance the performance of individuals, teams, and the entire organisation.

Note that the above figures are % of total hires. Given the provision of diversity data is voluntarily (current response rate of c. 84%; we expect the reality to be higher than shared).

## Attracting diverse talent and creating an inclusive process



Tara Carter  
Partner  
London

“As a recent new joiner to Hg, I can already see that the firm is dedicated to creating an inclusive environment where people feel comfortable being themselves. I strongly believe that I have a responsibility to demonstrate authenticity particularly as a woman in a leadership position. For a long time, some women believed that to succeed they had to exhibit what could be considered as traditionally alpha male characteristics and not show empathy in case it was viewed as a sign of weakness. I think quite the opposite. Compassion and empathy are hugely powerful tools that can help you build real and meaningful connections with people which is vitally important in our business. Through these connections, you can also build a strong team culture, and this is what I see here at Hg. It is also important to recognise that we all have multiple priorities to juggle with work, family and other personal circumstances, which can be challenging given the demanding industry we have chosen to work in. I am proud to be part of Hg, who both acknowledge this balancing act and are fully supportive of everyone finding harmony in the different areas of their lives.”



### Case Study: #10,000 Interns

We are proud to be partnering again with the #10,000 Interns initiative, which helps to support the ongoing under representation of black talent in the finance sector. Over the last 4 years we have offered 9 internships and are expecting a further 5 interns this year. These interns will be based across our Mercury, Genesis, Origination, Legal and Finance teams.

By participating in this programme, Hg is part of an important movement to create more opportunities for underrepresented groups to succeed in our industry. We have already seen examples of participants who interned with us securing permanent roles at Hg or other Private Equity firms.

“During my internship with the #10,000 Interns Programme, I interned at Hg with both the Client Services and Saturn teams. This experience provided me with a comprehensive exposure to deal execution and fundraising activities.

Throughout my internship, I got a lot of exposure and learnt a huge amount across the commercial diligence process and financial modelling, learning industry best practices first hand.

The culture at Hg, especially its strong focus on mentorship and inclusivity, provided me with a platform to broaden my network across the firm, deepening my understanding of private equity and building my soft skills.

The supportive and educational environment at Hg, particularly the emphasis on mentorship and learning, played a key role in helping me secure a full-time position here”.

Sinan Haji  
Graduate Investment Analyst



## Developing and Engaging our Talent

### People experience overview

A positive work experience is a key enabler in helping colleagues perform at their best and achieve their potential. We aim to engage talent from all walks of life and provide them with equitable opportunities to thrive.

Hearing directly from employees is crucial. We partner with Peakon, an employee engagement survey, to solicit regular feedback on how we can make Hg an even better place to be for all, and we co-design solutions directly with our employees to drive action plans based on feedback that mean something to our people.

Some new practices introduced this year to respond to employee feedback and support our inclusive environment:

- We take a holistic view to benefits and the varying individual needs of our population. In addition to our existing offering which includes 26 weeks of fully paid parental leave for all, support with fertility treatment including IVF and mental wellbeing support, we this year added options for private maternity cover in response to employee feedback.
- Clear expectations and transparent assessment processes are fundamental to fair career management. We build our targeted development programmes around this, to support our talent as they develop personally and build their careers with Hg.
- In this performance management cycle have raised awareness of our biases that may play out as we discuss individual's performance. At the beginning of each calibration we review common biases that might be present during the discussion to raise awareness and encourage colleagues to call out any unconscious biases that may present themselves.
- Feedback workshops and 1:1 coaching offered to all across the firm to drive better feedback conversations and help create an inclusive environment that supports everyone's development, irrespective of role or seniority at the firm.
- We have multiple tailored programmes in place: from supporting our Associates to become 'expert software investors' to 'positive power and influence' programmes for our Principal cohort and an executive mentoring programme to support leaders on a 1:1 basis.

### Development and Engagement at a Glance

45%

of our 2024 promotees are women

+42

Overall engagement eNPS

+47

Management support eNPS



## Developing and Engaging our Talent



Kerry Heaton  
Chief People Officer

“It is critical that our senior leaders listen to our diverse talent and understand their perspectives and challenges. On the back of our Peakon survey last year, our senior leaders spent time one to one with many of our female talent hearing their views on working at Hg and their ideas for how to improve their experience, and they regularly check in to assess progress. Our Culture Committee is made up of both senior leaders and diverse talent from across the firm and they take the lead on prioritising, co-designing and rolling out solutions that we create. There is always more that can be done, but we are making strong progress”



### Case Study: People Podcast

- Leaders set the ‘tone at the top’ and significantly influence the employee experience. Insights into their thoughts and experiences can help break down barriers and foster a more open and inclusive culture. It can also enable leaders to communicate the values and behaviours that are important to them and the firm.
- Last year we launched our internal People Podcast where Matthew Brockman, Managing Partner, interviews senior leaders across Hg about their personal career highs and lows, their greatest lessons and learnings, and advice they have for colleagues at Hg.
- Throughout the series, leaders have emphasised the importance of work/life balance as well as the crucial role played by recovery time in achieving sustainable high performance.
- In series two, launched this year, the themes discussed also included the importance of building cognitively diverse teams and how leaders surround themselves with people who think differently from them.
- We see the People Podcast as a vehicle for important conversations at Hg that support our diversity and inclusion efforts and foster a positive work experience.

## Fostering a sense of inclusion and belonging

### Inclusive Culture

The mission of creating an inclusive and diverse culture is critical to the success of Hg and to the broader private equity industry.

We know that creating an inclusive culture at Hg is an ongoing journey; we are not perfect but we strive for improvements every day. Creating an inclusive culture where every single person feels valued, respected, and connected to our goals is something we have worked hard on and continue to work on. This is the kind of culture where people can really perform at their best, and the only way we can truly succeed as a business. It's an ongoing evolution which we are dedicated too.

Education and awareness are vital in creating long term change. We have hosted internal events around Black history month and Pride. Hearing from marginalized voices in the community has been an impactful way to raise awareness and challenge our employees thinking.

In support of International Women's Day we hosted an internal panel event with Sheryl Hoskins, CEO Litera, an Hg portfolio company, and Tara Carter, Partner in our Genesis fund. This event explored themes of inspiring inclusion in the workplace, through sharing stories of professional growth, and overcoming challenges by sharing their personal career journeys and stories.

Additionally, we recognise the importance of creating a flexible working environment for all at Hg, this is especially important to help us attract and retain all our talent and keep our employees motivated.

By promoting a flexible working environment we can support building an inclusive culture by offering employees the option to work in a way that suits their individual needs and circumstances. This can increase the representation of diverse groups such as parents, caregivers or people from different cultural backgrounds, who may face barriers or particular challenges in a traditional work setting. This is why we promote a flexible hybrid working culture, one where we haven't mandated a complete full-time return the office. We believe this helps to create an inclusive culture and acts as a significant contribution to our DEI efforts.

## Our FY24 diversity stats

40%

of Investment Exec team are female

47

different nationalities across the firm

24%

of Hg identify as ethnic minorities\*

5%

of Hg identify as LGBTQ+\*

Note that the above figures are % of total employees. Given the provision of diversity data is voluntarily (current response rate of c. 91%); we expect the reality to be higher than shared.

\* Please note we cannot collect this information outside of the UK and US.

## International Women's Day Case Study

To celebrate International Women's Day on Friday, March 8, 2024, Hg hosted a live internal Q&A session based on this year's theme of #inspireinclusion. The session explored topics such as mentorship, development, and the role of women in shaping business and technology. Kerry Heaton, Chief People Officer, moderated the event. Our guest speakers were Sheryl Hoskins, the CEO of Litera and Tara Carter a Partner at Hg.

The event had a good turnout with around 100 Hg employees on the call, both men and women. The panellists offered their perspectives and experience, and the conversations was dynamic and interactive. We discussed the steps individuals can take to create a more inclusive environment for everyone:

Sheryl: "Engage – get to know your people outside work, their backgrounds, and their struggles. Maximise in-person time to create connections".

In honour of International Women's Day, Hg's charity committee donated £2k to three female-focused charitable organisations: Girls Who Invest, Access Alternatives, and SheDoesFuture. These organizations work to empower and support girls and women, improve gender balance in financial services, and advance the next generation of women investors and leaders. These details were shared during the event, to further promote.

Overall, the International Women's Day event at Hg was a success, providing an opportunity for employees to come together to celebrate the achievements of women and to discuss important issues related to inclusion, professional growth, and overcoming the challenges around balancing work with family life.





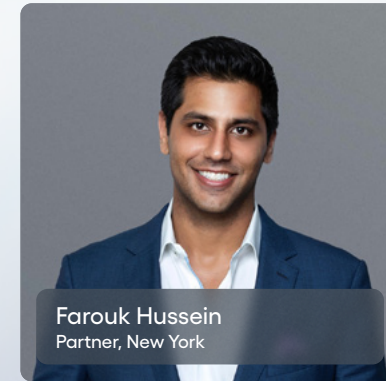
### Our Awards

Winner: D&I Leader of the Year



### D&I at Hg

## Fostering a sense of inclusion and belonging



Farouk Hussein  
Partner, New York

“On joining Hg, I was weeks away from my son being born. Hg supported me as I navigated the uncharted (and magical) waters of fatherhood. Alongside offering enhanced paternity leave, I had the full backing of the entire partnership at Hg who recognized that my role as a dad was equally important as my role at work. Whether it was adjusting my schedule to attend doctor’s appointments or encouraging me to work remotely during sleepless nights, this flexibility made all the difference. It wasn’t just about written policies; it was about empathy and genuine care. This level of understanding and support has allowed me to excel in my everyday work as I know I have the weight of the firm behind me.”

# D&I highlights at Hg



## Bloss.m: b.Inspired Mentoring Programme

We partnered with Bloss.m to launch a women-only mentorship programme that pairs women from across Hg with mentees from underprivileged socioeconomic backgrounds. Following the success of the first programme that saw our supportive mentors help mentees land multiple ‘dream’ roles, we are excited to launch our second programme this year.

As part of this programme, we take time to understand each mentee's career aspirations and goals, to allow us to match them with a mentor suited well to their needs, with the right experience to support them as they develop professionally and personally.

We wanted to go beyond providing mentors for these talented individuals, and so since partnering with Bloss.m we have run a series of workshops to bring the group together to build connections and learn new skills. Workshops such as ‘How to Ace an Interview’ with a specific focus on Investment Banking, Consulting and Private Equity, has been well received and will help this talented group of women as they aspire to join these industries. We are looking forward to celebrating the successes of the 2024 cohort and beyond.



## SEO: Alternative Investments Programme

### Sponsoring opportunity in alternative investments

We are in our fourth year of partnership with SEO London and together with others in our industry, are proud to drive forward the ‘Alternative Investment Programme’, a programme that equips underrepresented groups for careers in the alternative investment space. Characterised by outreach, training, mentoring, community service and ongoing career support, this programme targets and supports talented individuals to break in to our industry.

We delighted to be a key part of this programme and proactively address the underrepresentation of women, ethnic minorities and those from underprivileged socioeconomic backgrounds in our industry. Many executives across our firm from Associate to Senior Partner have worked closely with SEO to drive the programme forward.

The programme includes a range of impactful initiatives from hosting interview workshops to help SEO candidates prepare for investment case studies to running a “Demystifying the City” week where year 12 students are exposed to potential career pathways in the city, broadening their horizons.



## Harnessing and realising the value of diversity of thought

### Allowing innovation, creativity and productivity to thrive

We invested in a psychometric tool called Insights Discovery and rolled it out across the entire firm. It's designed to help people understand their personal style, how they like to interact with others and how they make decisions. By improving their understanding of themselves, it helps people to perform at their highest level.

People can then easily adapt and connect with those who have a different personal style to their own. This helps to avoid the kind of clashes that you might find in organisations and leads to improved effectiveness, improved understanding and interpersonal relationships. Ultimately, it leads to a workplace where innovation, creativity and productivity can thrive.

Insights Discovery will allow every individual within the firm to benefit from its features and make it easier to fully appreciate the many diverse personal styles of employees across our organisation.



# D&I in Hg Portfolio Companies

## An example of D&I in Hg's Portfolio



### The Access Group

The Access Group is one of the largest UK-headquartered providers of business management software to small and mid-sized organisations globally. We help more than 100,000 customers worldwide across commercial and non-profit sectors become more productive and efficient.

Founded in 1991, we've grown to over 7,000 employees worldwide, with 2.2 million users across UK, Ireland, US and Asia Pacific utilising Access Workspace.

Our core aim is for everyone here to Love Work. Love Life. Be You. Happier people mean we have happier customers.

We know that our brilliant people are the secret to our success.

### Diversity, equity and inclusion at Access

Our ambition is to be recognised as best-in-class for diversity, equity and inclusion in the software sector and be seen by our people, customers, suppliers and investors as leading the way:

- **Our strength lies in our difference.**  
We are committed to building a global team with diversity of identity, experience and thought. Across our expanding geographical regions we ensure that the culture and local practices are recognised and celebrated.
- **A place where you can feel at home.**  
We pride ourselves on having a culture where everyone can feel they belong and their voice is heard.
- **We listen, we act, and we continually improve.**  
We believe in a culture of Learn-it-all not Know-it-all, with a passion for taking action to be better every day.



### How are we making this happen?

We're committed to continuing to build on our progress across all aspects of diversity, equity and inclusion. Initiatives include:

- Creating and expanding our global network of champions who are raising awareness around key events such as Pride Month, Neurodiversity Awareness, Black History Month, International Women's Day, annual religious celebrations and accessibility plus many more awareness initiatives.
- Delivering Inclusive Leadership Training modules for Senior Leaders.
- Enhancing policies: for example, maternity leave pay has been increased to 26 weeks of full pay.
- Establishing our Women in Sales Community Network Group.
- Broadening our network groups to other parts of our business and communities.
- Encouraging a diverse group of people to start their careers with Access through apprenticeships, internships and graduate programmes with our new "campus to career" programme launching soon to support their future as they grow and thrive with us.
- Assessing our progress through metrics such as a diversity and inclusion net promoter score currently at +67 which puts us in the top 5% of tech companies.



We know that having a truly diverse workforce who feels at home at Access is an essential ingredient in ensuring our continued business success.

Caroline Fanning, chief employee success officer: "At Access, we pride ourselves on ensuring our people can come to work being their true, authentic selves."



Caroline Fanning  
Chief Employee Success Officer



# The Hg Foundation

Removing barriers to education and skills in technology

**\$25m**

Spent or committed since 2020

**\$50m**

Committed by 2027

**50k**

Young people and adults supported to date

**25+**

Partnerships funded so far in Europe and North America

Our vision is that the tech workforce of the future harnesses the talents of all, regardless of background. We help under-represented groups to access high quality jobs in tech by supporting education- and employment- based programmes across the UK, Europe and the US.

The Hg Foundation is an independent charity funded by Hg through a proportion of carried interest from current and future Hg funds and a proportion of Hg's annual profits.

[www.thehgfoundation.com](http://www.thehgfoundation.com)

## 25+ Partnerships

Generation



FLORENCE



Imperial College London





# Get in touch with us

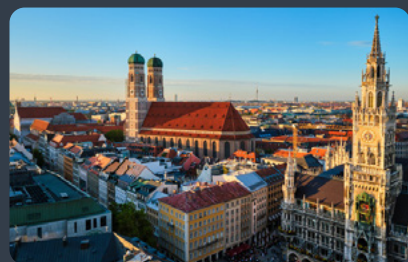
Feel free to contact us at [info@hgcapital.com](mailto:info@hgcapital.com)  
or come to visit. Hg has investment offices in London, Munich, New York, Paris and San Francisco.



## London

Hg  
2 More London Riverside  
London SE1 2AP UK

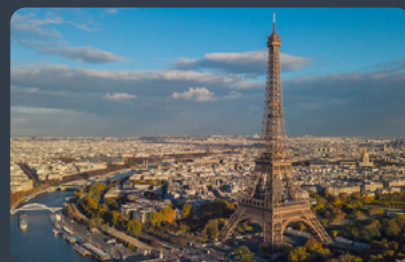
+44 (0)20 7089 7888  
[info@hgcapital.com](mailto:info@hgcapital.com)



## Munich

Hg Advisory GmbH & Co.  
KGSalvatorstraße, 3 Munich  
80333 Germany

+49 (0)89 255 49 55-0  
[info@hgcapital.com](mailto:info@hgcapital.com)



## Paris

Hg c/o Welkin & Meraki  
Paris Faubourg 37-39 Rue de  
Surène 75008 Paris France

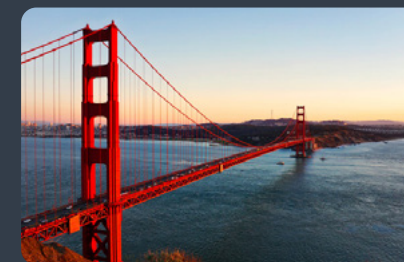
[info@hgcapital.com](mailto:info@hgcapital.com)



## New York

Grace Building, 1114 6th  
Avenue, 16th Floor, New York,  
NY 10036 USA

+1 347-966-8824  
[info@hgcapital.com](mailto:info@hgcapital.com)



## San Francisco

535 Mission St  
23rd floor San Francisco  
CA 94105 USA

[info@hgcapital.com](mailto:info@hgcapital.com)